

It seems to me that the difficulty created by this state of affairs throws into stronger relief the objections which have been urged frequently against the name of our movement. I am not urging any change. I have long believed that the name "Single Tax" is now so indelibly affixed to our movement, that however admirable might be any other name suggested, the public will continue to call the movement by the name Single Tax. The world takes no note of the fact that the Church of the Latter Day Saints calls itself by that name; it prefers the simpler designation of Mormons. For good or ill, for all time, we are Single Taxers, but I urge that when inquiries are sent to persons not known to be of the faith, that they should be framed in language similar to that set forth above.

"Do you believe that land values are the product of the community, that they should be taken for the benefit of the community and that personal property and improvements on land should be exempt?" Anyone who is willing to subscribe to this declaration is a good enough Single Taxer for all present practical purposes. Perhaps it will be said that a man may subscribe to this declaration and still believe in tariff taxes, which is undoubtedly true. But I am convinced that land value taxation must precede, not follow, the abolition of the tariff. The means of providing the additional revenue which the abolition of the tariff will necessitate must be made clear to the people, before any serious step can be taken toward trade emancipation. People generally see the cat's tail before they see the whole animal, and if they see the tail, they are well on the road to conversion and unnecessary obstacles should not be thrown in the way of their cooperation. The laborer who has only his labor to sell will always view with alarm the competition of others who are living on a lower standard than himself, just as he looks with dread on new labor-saving inventions. He may be wrong, in the long run he may and does benefit to some slight extent by labor-saving devices, but he may be pardoned if he is slow to see it.

Give him the feeling of freedom, that will come with a sense of his common ownership in the land values of the community, and with the sense of equal opportunity which will proceed from the breaking up of the monopoly of natural resources, and he will soon see the fallacy in which the specious and insincere arguments of protection have so long enmeshed him.—J. M.

KARL MARX AND HENRY GEORGE

EDITOR SINGLE TAX REVIEW:

W. H. Kaufman made a brave attempt in your March-April number to reconcile the doctrines of Marx and George, yet I hardly think he has succeeded where the masters themselves failed. In economics—as Kaufman postulates—exactitude of definition is all-important, but I find no warrant at all in the 2,200 tedious pages of the three volumes of the English edition of "Capital" to warrant Kaufman's translation of *Das Kapital* as "Private Monopoly." In fact, the first two volumes scarcely mention monopoly, being occupied chiefly with the origin and operation of the factory system in general and of the cotton manufacture of England in particular.

Single Taxers cannot consistently accept Marx's definition of value: "The average socially necessary labor time required to produce an article." Whatever measure of value may be found convenient, in some future cooperative commonwealth, under our existing system, it is certain that, though temporary prices may be fixed by the higgling of the market, they must finally depend upon the cost of reproduction on marginal land. Thus value is not fixed *anywhere but on marginal land*; and even there not alone by the cost of labor, but also by that equally necessary expense of production, the cost for the use of capital, called interest.

Basing his first two volumes of "Capital" on his wrong definition of value, Marx consistently reiterates in them that "surplus value" represents a robbery of the workman by his employer, who is thus considered a thief because he takes any interest

on his invested true capital (buildings, machinery, etc.). And this absurd moral result was the chief feature of Marx's system that was opposed by George, as it tended to incite class antagonism and obstruct rational reform.

During his later years Marx began to focus his mind on the land instead of only on labor and capital; and, in volume III of "Capital" he records the result. Curiously enough he now discovers that the ordinary employer has little "surplus value" to steal, for by the action of free competition his profits will be reduced to the minimum interest essential for encouraging the investment of the necessary industrial capital. Therefore it is only one class of "capitalist"—the owner of some special privilege in production, like an unusual waterfall or urban site—that can be said to be getting anything that he doesn't deserve. This discovery, so naively recorded by Marx, overthrew all the claptrap of the then existing Socialist propaganda about the "slavery of the wage-system," the "exploitation of the proletariat by the bourgeois," etc. Yet Marx himself apparently made no public repudiation of this claptrap; and even the Socialist parties of today have not done so and still continue their absurd slogans.

The explanation of this anomaly is that volume III of "Capital" was published posthumously, and not till 1893, or twenty years after the Marxian Socialism of volumes I and II of "Capital" had become the doctrine of an international political party. The few Socialist leaders who ever perused volume III of "Capital" were evidently "practical" men who did not care to blow up the pedestals on which they were standing by announcing that the political economy of their platforms was a mesh of fallacies and so acknowledged by the founder of their party himself, before his death.

The first plank of Marx's International Platform of 1847, quoted by Kaufman, as advocating the nationalization of the rent of land, was evidently not considered of much importance by its author, for he did not investigate the subject of land for his "Capital" until near his death, some

forty years later. Moreover, this plank is certainly not "the heart of Marxian Socialism," as Kaufman claims, because in every Socialist platform yet published "the public ownership of all means of production" is not only the heart, but the stomach, liver and lights.

The Socialist platforms say nothing about restricting public ownership to private monopolies, or even to Kaufman's "necessary" non-monopolies, if words have any uniform meaning in Socialist circles. Evidently Kaufman believes words can mean anything, for he takes upon himself to interpret Marx's laborious explanations and definitions in the sense that he deems useful to prove Marx a wise man instead of a "near-fool."

Like all Socialist writers, Kaufman's ambiguity does not stop with words, but extends to economic relationships. His doubt if George could distinguish "if a fish swimming in a lake were land or capital" ignores the accepted definition of economic land, i. e. "any natural resources which can be monopolized." Surely, the important question to determine is not the wildness of the fish but its susceptibility to monopolization. If monopoly is impossible then a fish, in a lake, is neither land nor capital, but a *potential* commodity (like an un-grown sheaf of wheat or an uncaptured wild turkey), and can only become an *actual* commodity and acquire value after the labor of catching it has been expended by some fisherman. Should the lake be monopolizable, then the fish would become a part of the natural resources of the lake just as an ore body is a part of the natural resources of mineral land. And just as the value of mineral land would depend on the net profit remaining after the cost of excavating and marketing the mineral had been paid, so the value of fishing "land" (a stocked lake), would depend on the cost of catching and selling the fish. If the fish had to be "hand fed," it would merely mean that the cost of feeding them would reduce the net profit (gross proceeds less cost for labor and capital), of operating the fishery as compared with one of self-feeding fish.

It certainly "is to laugh" at Kaufman's grotesque defense of George's "Labor Question" from the "contempt of the Marxian scholar." No one, much less George, needs any defense from such "scholars," for anyone who takes his title to scholarship from the perusal of Marx, is worthy of little intellectual respect. "Capital" may impress the ignorant Socialist proletariat by its length, its involved style and its array of tedious calculations; but it is safe to affirm that few of its admirers have ever read a tithe of its 2,200 pages. It is palpably one of the most tiresome of books—even in the "dismal" library of political economy—and, as I have previously explained, its conclusions, barring those in the last book on land, are out of accord with facts and tend to disrupt society by inciting class hatred.—R. B. BRINSMADE, St. Louis, Mo.

TAXES AND INCREASED EXPENSES

EDITOR THE SINGLE TAX REVIEW:

In an article for the REVIEW (July-Aug.) an esteemed contributor writes (p. 194):

"The only taxes that may not be so shifted are inheritance taxes, income taxes upon earned incomes, and the direct tax laid upon ground values occupied or used by the owners."

It is respectfully submitted that the qualification "occupied or used by the owners" is superfluous and misleading. The land value tax is not shifted to the tenant in any event.

From the same page I quote:

"... wherever there is an increase of local taxation laid upon the local assessments, up go the rents of houses and of stores; and the storekeepers in turn have got to charge more for the goods they handle to pay the increased rents, and the manufacturers have to get more for their product to pay this increased overhead charge which comes to them in taxes or in rents. There is a little village of about two thousand inhabitants up in New York State where they have just completed a fine new school building at a cost of about \$70,000 for

which bonds were sold.... almost immediately the new tax rate was made known, and the landlords announced that rents would have to be increased because of the increased taxation."

It appears to me that the author is mistaken. I respectfully submit that "increase of local taxation laid upon local assessments" will not increase the rents of houses and stores. Increased taxes upon improvements will discourage builders of new houses and stores, but it will not empower owners of already erected houses and stores to increase rents charged to tenants. Owners at all times charge the fullest figure which tenants can afford to pay.

If taxes be reduced, rents do not decrease; if taxes be increased, the power of the landlord is not thereby increased. The power of the landlord is determined by demand for properties equal in desirability to his own; an increased tax does not increase that desirability; a reduced tax does not decrease his power. The rent charge for a long-finished house is not affected by the tax thereon in the slightest degree.

I take similar exception to the suggestion that "storekeepers in turn have got to charge more for the goods they handle to pay the increased rents, and the manufacturers have to get more for their products to pay this increased overhead charge which comes to them in taxes or in rents." According to your contributor these increases follow an "increase of local taxation." Surely not; suppose that the local taxation of Albany be greatly increased as compared with that of Troy, its near neighbor. The merchants of Albany would desire to add to prices, but they would be powerless to do so; otherwise their trade would flow to Troy. An increase of general taxation on labor products would cause a general increase in prices, but an increase of local taxation would not affect local prices.

Although the "landlords announced that rents would have to be increased because of increased taxation," that was not the real reason; doubtless they knew it was not. The real reason was the erection of the fine new school building which "is going to in-