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THE SINGLE TAX.

AN ADDRESS BEFORE THE IROQUOIS CLUB OF CHICAGO.

By Edward Osgood Brown.

I have had occasion many times before to speak on the Single Tax, but rarely with more satisfaction than to-night, when as a Democrat speaking to Democrats, I can feel sure that my audience and I have common ground on which to stand, and can be satisfied that if my reasoning seems good to my hearers they will not be deterred from accepting my conclusions by any doubt of my premises.

For those premises are, that the best social conditions, the best governmental institutions, and the best financial system are those which secure the greatest good of the greatest number; that monopolies and special privileges are unjust and reprehensible; that the division of mankind into hereditary classes, or classes of any kind, is unnatural and injurious; that on the contrary all men are created equal in rights, and should be equal in opportunity.

These are fundamental propositions in the political philosophy of those who like you are followers of Jefferson—who do not believe with Alexander Hamilton that democracy is a disease, and that Democrats are necessarily atheists in religion and fanatics in politics.

And since these are your fundamental doctrines as well as those of the Single Taxers, I feel that you are the most likely of people to be attentive and intellectually friendly while I try to explain to you why it is that we Single Taxers follow Jefferson in still another political and economical doctrine, and declare with him that "the earth belongs not to the dead or their assignees, but in usufruct to the living."

Do not mistake me and my purpose to-night. A respectful and friendly hearing I think I ought to have, but it is not by my argument your conversion to-night that I seek; it is the awakening of your interest. I think little of a convert to a reform as important and serious as the one we propose, who is gained by an hour's oral argument. It is not to momentary enthusiasm we wish to appeal; it is to the sober, deliberate consideration of thinking men and women. I am anxious to-night, and anxious only to excite enough interest in this matter in your minds to make you determine to

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learn more of it for yourselves, that you may decide for yourselves whether these things be so:

And this brings me to saying to you that we Single Taxers are not that which our virulent opponents (and I may say that those virulent opponents are generally your fierce enemies also, stout defenders of all kinds of monopoly and privilege), accuse us of being. The Chicago Tribune the other day, for example, called us "cranks," "visionaries," "sophists," "revolutionary theorists," and several other names, seeming to sum up the disapprobation of the superior and learned editor in the term "idealists."

Now we are not "visionaries," nor "cranks," nor "sophists," nor mere revolutionary theorists; nor are we, as it is sometimes less maliciously, but quite as ignorantly declared, venders of a supposed panacea or patent medicine for all the ills under which the social organism can suffer, and which, on being taken according to prescription, will purge the body politic of all its bad humors, and change the souls and hearts of men.

"Idealist," I suppose we must, indeed, plead guilty to being; but if I understand the English language, idealism is something admirable, not to be made a reproach. To be an idealist in the matter of social science, as I understand it, is to have a conception of society in its most perfect state and to work for all things that will cause an advance in that direction. Such idealists, undoubtedly the Single Tax men are; but they are, if I am a judge (and I know something of the Single Tax men of the country and something of practical affairs in business and in politics), perfectly sane, perfectly practical, perfectly aware of what they want to accomplish, and to a very high degree united and determined on the methods which promise the speediest route to such accomplishment.

I think these things are not the notes of cranks or visionaries.

Now, before I turn to these methods—that is to the more immediately practical side of the Single Tax, I will say a word of its ethical and philosophical aspect as I understand it, for although it is the greatest of fiscal reforms, it is something more. It is the establishment of an economic system upon the immutable basis of ethics. It is the application of the true and divine right of property both in behalf of individuals and of organized society.

We Single Tax men believe that the individual has certain God-given rights, which no Government and no organization of society can take away from him. We believe also that organized society has an existence of its own; that it has its own laws of genesis and of development—that it is an entity with a life of its own. As we believe that for every man upon this earth God has provided opportunities, by the exercise upon which of his mental and physical energy he can live and make himself comfortable, so, also, we believe that organized society has its natural or divinely appointed sources of revenue from which all its needs can be supplied, and which is sufficient for its highest form and development.

Holding these things, we hold also the right of property in no

half-hearted and compromising sense. We say that each man has a right to himself, and that means a right to liberty and the products of his own labor. That right is interfered with whenever, for the uses of others and against his will, the products of his industry are taken from him. Neither a Czar, nor an aristocracy, nor a Congress, has any moral right to take from him that which is truly his own.

Believing this, we believe in the abolition of all taxation that takes from men against their will that which is in any true sense their own—all taxes, in other words, on the products of industry, and on their free exchange. But because we believe that the organism called society has its own source of revenue and its rights of property belonging to it, as certainly and truly as the whole of a man's earnings belong to him individually, and that of those revenues, and of that property, organized society has a right to dispose by the votes of the majority, we advocate the abolition of all laws, of all customs, and of all institutions which allow the taking by the individual, or by the privileged few, of that which belongs to all in their collective capacity. As we would not rob a man and call it taxation, so we would not legalize robbery and call it vested rights. We have not very different views from most other people as to what organized society is really entitled to, but we differ from them apparently in having sufficient courage of our convictions to insist that what organized society owns it has the right to take. All who have ever thought upon the subject at all, have denied any natural right of property in land. They have put the necessity of the individual possession of land upon grounds of expediency alone. It is a privilege, say they, granted upon such grounds of expediency by the State or organized society to the individual. To this we agree. We, too, acknowledge the necessity of the individual possession for permanency and continuity in tenure; but we demand that in return for the privilege thus granted by organized society, the person enjoying it shall pay and organized society shall receive a full and just equivalent. And for every other privilege thus granted by society, which from its nature must be a monopoly, we demand that a due return shall be made by the individual. When, for instance, the community gives to any man, or set of men, the privilege of running a railroad, furnishing light to a community, laying aqueducts, furnishing intermural transit, running telegraph wires through our streets and about our houses—things in themselves necessarily monopolies—the community should receive in return for the privilege its proper price.

We believe that there is a perfectly clear distinction between that which belongs to the individual and that which belongs to society, and for one to trench upon the rights of the other is immoral and unjust.

Let me sum up our distinctive ethical doctrine, then, in the words that were uttered long centuries ago on the hills of Palestine: "Render unto Cæsar the things that be Cæsar's, and unto God

the things that be God's." Render unto God the things that are God's; that is, respect the sacred right of every man to liberty and the fruits of his labor; do not rob him and call it taxation. Render unto Caesar the things that are Caesar's; that is, give to the State, to organized society that which belongs to the State, to organized society.

It is because we believe that we are proposing to organize society upon the basis of justice and ethics, that we are adjusting human affairs so that they shall be in consonance with the Divine plan, reforming radically, in other words, by going back to natural law, that we have the abiding faith which animates us as to the result of our reform, that optimistic hope which illumines for us the future, and which, by a certain class of economic thinkers, is made an actual reproach to us. Why it is so, I must confess, I never clearly understood.

These people say to us, the Single Tax is an eminently proper fiscal measure, but it is of no great importance; you claim too much for it, therefore, we will lend you no support in bringing it about. We prefer to spend our time in telling you what over-sanguine simpletons you are. I cannot for myself see the logical connection of their ideas.

But if I could admit that the Single Tax men were wrong as to the probable results of the reform, yet I should say that, resting their cause, as they do, upon this moral basis, they ought to and should urge it irrespective of results. That which is just and right must be expedient—that is enough for us to know. Justice is the one thing needful—an end and not a means. To overthrow its enemies and the obstructions to its establishment is the greatest and grandest fight that high-minded men can make.

It was not the relative economic conditions of the country under the two systems, nor even the relative situation of the negro under slavery and freedom with which the Abolitionists were chiefly concerned; it was the terrible iniquity and injustice of that sum of villainies, chattel slavery. It is not in our crusade against industrial slavery, the more perfect and expedient arrangement of governmental revenues, and not even its effect in the abolition of involuntary and undeserved poverty, with which we should be the most interested. Our cause should triumph because it seeks the overthrow of injustice and wrong, the establishment of justice and of right.

Let me quote Wendell Phillips: "The broadest and most far-sighted intellect is utterly unable to foresee the ultimate consequences of any great social change. Ask yourself, on all such occasions, if there be any element of right and wrong in the question, any principle of clear, natural justice that turns the scale. If so, take your part with the perfect and abstract right, and trust God to see that it shall prove the expedient."

But do not misunderstand me. Both as a great fiscal reform, the ideal system of taxation, toward which all reform in revenue law

must tend, and in the infinitely higher aspects of its operation in the throwing open of the natural opportunities of the earth to those who could use them, the necessary effects of the Single Tax, as we believe, would be a consummation devoutly to be prayed for, worthy a sacrifice greater than it is in our utmost power to make for it.

And now that I have given you the higher motive in its ethical basis on which we rest the movement, let me call your attention to those hoped for results, and the reasons for our faith in them.

But I wish here to guard against a misconception. For myself I admit the plausibility of a great deal that is said as to the too sanguine hopes of the results which the leaders in this movement entertain. I say the plausibility, not the soundness, for I am personally one of the most enthusiastic of Single Tax men, one to delight the hearts of Dr. McGlynn and the Anti-Poverty Society in the very freshest of the salad days of the movement.

But I insist that if in my hopes and expectations I am wrong, over sanguine, and enthusiastic, that should not militate against my argument.

We have but two questions to answer :

- 1st. Is it just and right?
- 2d. Is it expedient and practicable?

If the answer to the first is against us, the question is foreclosed. But, if it be in our favor, we have in answering the second only to show that it is likely to bring about improved social conditions in any considerable degree, no matter in how much less a one than our roseate hopes may picture, to entitle us to your assistance and aid.

Those of you who have followed me have realized that in the true sense the Single Tax will be no tax at all. It will abolish all taxation on the products of labor or on their free exchange, all burdens on real estate improvements and personal property, all tariffs and income taxes, internal revenue taxes and imposts, taking instead for the use of the Government economic rent.

I cannot better, it seems to me, describe the effect of this as a fiscal reform than to read to you the language of the Single Tax platform, adopted a few months ago in New York :

"The Single Tax contemplates the abolition of all taxes upon labor or the products of labor—that is to say, the abolition of all taxes save one tax levied on the value of land irrespective of improvements.

"Since in all our States we now levy some tax on the value of land, the Single Tax can be instituted by the simple and easy way of abolishing, one after another, all other taxes now levied, and commensurately increasing the tax on land values, until we draw upon that one source for all expenses of government; the revenue being divided between local governments, State governments, and the general government, as the revenue from direct taxes is now divided between the local and State governments, or a direct assess-

ment being made by the general government upon the States and paid by them from revenues collected in this manner.

"The Single Tax is not a tax on land, and, therefore, would not fall on the use of land and become a tax on labor.

"It is a tax, not on land, but on the value of land. Thus it would not fall on all land, but only on valuable land, and on that not in proportion to the use made of it, but in proportion to its value—the premium which the user of land must pay to the owner, either in purchase money or rent, for permission to use valuable land. It would then be a tax, not in the use or improvement of land, but on the ownership of land, taking what would otherwise go to the owner as owner, and not as user.

"In assessments under the Single Tax all values created by individual use or improvement would be excluded, and the only value taken into consideration would be the value attaching to the bare land by reason of neighborhood, etc. Thus the farmer would have no more taxes to pay than the speculator who held a similar piece of land idle, and the man who on a city lot erected a valuable building would be taxed no more than the man who held a similar lot vacant.

"The Single Tax, in short, would call upon men to contribute to the public revenues not in proportion to what they produce and accumulate, but in proportion to the value of the natural opportunities they hold. It would compel them to pay just as much for holding land idle as for putting it to its fullest use.

"The Single Tax, therefore, would :

"1. Take the weight of taxation off the agricultural districts where land has little or no value irrespective of improvements, and put it on towns and cities where bare land rises to a value of millions of dollars per acre.

"2. Dispense with the multiplicity of taxes and a horde of tax-gatherers, simplify government, and greatly reduce its cost.

"3. Do away with the fraud, corruption and gross inequality inseparable from our present methods of taxation, which allow the rich to escape while they grind the poor. Land cannot be hid or carried off, and its value can be ascertained with greater ease and certainty than any other.

"4. Give us with all the world as perfect freedom of trade as now exists between the States of our Union, thus enabling our people to share through our free exchanges in all the advantages which nature has given to other countries, or which the peculiar skill of other peoples has enabled them to attain. It would destroy the trusts, monopolies, and corruptions which are the outgrowths of the tariff. It would do away with the fines and penalties now levied upon any one who improves a farm, erects a house, builds a machine, or in any way adds to the general stock of wealth. It would leave everyone free to apply labor or expend capital in pro-

duction or exchange without fine or restriction, and would leave to each the full product of his exertion."

To this I have but a word to add. That the results of taxation of industry are mischievous and deleterious to its development all history shows. The hopeless condition of the French people before the Revolution, the abject misery of the Egyptian peasant of to-day, was, and is, but the result of taxation. You may say they were caused by the overwhelming amount of the taxation; but that which in one degree produces the utter ruin of industry, must in a lesser degree even discourage and injure it. In the seventeenth century machinery used in manufacturing (crude enough undoubtedly it was), was in the south of England subjected to local taxation, in the north it was exempt. The result to-day is the almost purely agricultural character of the south of England, and those magnificent centres of manufacturing industry, like Birmingham and Manchester in the north. So, says Professor Thorold Rogers, the greatest of English authorities upon such subjects. I am told that in our own country exemption of machinery used in manufacturing from local taxation in Philadelphia has made it one of the great manufacturing centres of the world, and that to-day, using this as an argument, the Mayor of Minneapolis is urging upon the common council the advantages of such exemption there.

And so I say that a tax upon that which is properly a man's property, on that which he produces—a fine, therefor, on his industry, and energy and thrift—cannot be anything but an evil.

And all such taxation is almost altogether indirect taxation, and all indirect taxation is unjust and ruinous taxation, bearing far more upon the poor than upon the rich, and directly the cause of much of the terrible inequality in our social conditions. Let me quote from Mr. T. G. Shearman words which I heartily endorse: "When taxes are laid upon any article that is produced by man, that tax is not paid finally by the person who paid it in the first instance, by the manufacturer, the importer or the other person from whom the Government collects it. That person acts only as a tax collector; and whatever he pays to the Government he collects from his customer with a profit. From this it follows that every tax of this kind, every tax laid by the tariff, every tax laid by the internal revenue law, and every species of tax which is laid upon personal property, such as chairs, tables, clothing or food, is paid by the consumer, by the person who finally and in the last instance uses that property and does not attempt to sell it to another. So long as any one sells such property he does not pay the tax; he collects it from the person who buys from him.

"Now see what follows. Compare the income of the rich with the incomes of the poor, and remember always that you are taxed upon what you spend for the support of your families; not on what you spend for the maintenance of your store, of your factory, of your shop, of your business in any form; because that you charge over. No matter what the form of indirect taxation is, therefore,

attaches to land by reason of the growth and improvement of the community would make the holding of land unprofitable to the mere owner, and profitable only to the user. "It would make it impossible for speculators and monopolists to hold natural opportunities unused, or only half used, and would throw open to labor the illimitable field of employment which the earth offers to man. It would thus solve the labor problem, raise wages in all occupations to the full earnings of labor, make overproduction impossible until all human wants are satisfied, render labor-saving inventions a blessing to all, and cause such an enormous production and such an equitable distribution of wealth as would give to all comfort, leisure, and participation in the advantages of an advancing civilization."

Is this extravagant language? Consider for a moment before you say so. What is it that makes the wretched social conditions of to-day, that crowds eight and ten persons together into a single squalid room, that brings up the boys and girls, who should be useful men and women, for the penitentiary and the brothel, that sends women and children to the stifling factory and workshop, that causes the million unemployed men of America from whom is recruited the daily increasing army of paupers and criminals? It is the iron law of wages.

The law is that wages tend always, under the present system, to the starvation point, to that minimum on which men can live and reproduce the race!

And this is but the inevitable conclusion of two premises, both indisputably true:

1. That in a competitive social state, such as everywhere exists men will seek the gratification of their desires at the least possible expense of labor and pain to themselves; will move, in other words, as all things in nature do, along the path of least resistance; will pay, therefore, for the labor done for them by others, not that which they can, but that only which they must—the smallest wages, that is to say, for which they can get the service they desire performed; and

2. That as population increases there are more wage-workers than there are places for them to fill, competition everywhere among workmen for employment, nowhere among employers for workmen.

The tendency of wages, then, to the starvation point is, under present conditions, the inevitable result of laws as natural and as universal in application as the law of gravitation itself.

The attempt to restrain their operations for any great length of time by legislation as to hours of labor or even by trades union organization, is futile and desperate. The one thing and the only thing which can and does prevent wages reaching this lowest point, is the ability of men to evade wage working altogether, and to apply directly and for their own benefit their own labor, mental and physical, to natural opportunities. The ability of men to do this depends

upon their ability to get to the land and to work on it for themselves. We often hear the wage-worker, discontented with his lot, advised to go upon the land. The advice in one sense is sound enough, but the pertinent inquiry remains, under our present system, upon what land? Upon whose land? It is true that as bad as things are in America, it has been easier in our comparatively sparsely settled country, which has always had an enormous public common domain, for men to get upon the land—in other words, for men to apply their labor to natural opportunities without seeking employment from others, than it has been in other countries older and more densely crowded. To this fact alone is it due that wages have kept higher, all things considered, here than elsewhere. But even here, through our wasteful way of investing settlers with private titles, the end has well nigh come. Practically for the wage workers of our large cities it was long ago reached. Hence is the tendency to-day of wages always downward; hence is the army of the unemployed; hence the hundred thousand tramps who trudge by and through many an unused field, where they would willingly work if they were not warned away; hence the nameless misery which exists in the crowded hovels of our great cities.

We hear very much of the necessity and advantage of educating the poor in thrift, economy, and temperance; but thrift, economy and temperance can only avail a man so far as they make him superior to the general level. If by their diffusion the general level is brought up to a higher point, the increased application under this same law of wages will secure but the old rate, and he who would get ahead must work harder still.

Enthusiastic and able men have fancied and have preached that in co-operation will be found the solution of the problem of how the laborer could get a just return for his labor; but co-operation can do nothing but reduce the cost of bringing commodities to the consumer and increase the efficiency of labor; and increasing the productive power, under our present system, means no increase in the wage of the worker. It means only that the so-called owners of land, the source of all wealth, can command a greater return for the use of that land. And the same objection of their inefficiency must be made to all the suggestions which, without disturbing the present central feature of our economic system, the monopolization of land, propose better fiscal and economic legislation and the abolition of bad and injudicious laws. I agree most heartily with those who would abolish tariffs and give us unrestricted freedom of trade. But freedom of trade, while it vastly increases the aggregate wealth of a country, and while it does delay its unequal and unjust distribution, cannot in the end prevent that injustice. For, again, the same rule as to wages and the wage worker prevails. Again, it is to the landlord that the ultimate advantage accrues. Under our present system, if all men became temperate, and virtuous, and industrious; if, upon all other subjects than this vital one of the land, bad laws, bad customs and bad political economy were abol-

ished; nay, if the skill and energy of mankind were increased one hundredfold; nay, if God made ten blades of grass to grow wherever one grows to-day, the result would be the same. Rent would increase and wages would tend to the starvation point.

Now the doctrine of Single Taxers is simply this: Since to make it possible for all men to use natural opportunities for themselves will prevent wages from falling, make it possible! This, we believe the Single Tax will do; not alone, nor chiefly because it is a reform in fiscal methods; not because it is a "tax" in a true sense at all, but because, by taking away the temptation to withhold land from profitable use, it will throw open millions of acres to those industrious people who desire to use them; because by taking ground rents from those who do not own them and by giving them to those who do—the community at large—it will enable the State to take care of the weak and unfortunate; because it will stimulate the improvement of all land and destroy speculation in it. It would make it unprofitable and therefore economically impossible for men to hold land at all without improvement. Forcing improvement thus upon the landowners, it would compel the useful employment of labor. Instead, therefore, of laborers competing with each other for employment, employers would be everywhere competing for laborers. For, into the labor market would have come, as a competitor, the demand of labor itself; the ability in other words, of laborers to utilize for themselves natural opportunities. Industrious men and women would no longer have to wander long distances and waste their means looking for better opportunities; they would not be obliged to swell the ranks of the wage workers when those ranks were already overcrowded; they would not be forced, when this resource even failed, to become useless tramps. In language which I believe well warranted, Mr. George says: "With natural opportunities thus free to labor, with capital and improvements exempt from tax, and exchange released from restrictions, the spectacle of willing men unable to turn their labor into the things they are suffering for would become impossible, the recurring paroxysms which paralyze industry would cease. Every wheel of production would be set in motion. Demand would keep pace with supply, and supply with demand. Trade would increase in every direction, and wealth augment on every hand."

I do not ignore the fact that objections to the Single Tax have been made and skilfully argued. It would not be possible, and I think not desirable, for me to discuss them in the first instance, in presenting our theory and our doctrine this evening.

But so far as I have ever seen these objections formulated, they have, so far as I can see, been thoroughly and completely met.

One writer says that the income from the Single Tax would not be sufficient to meet a tithe of the ordinary expenses of the State; that under the system proposed the revenue would be insignificant.

But another writer says that the income derived from the Single Tax would be so great that corruption would necessarily follow.

These two arguments may safely be left to neutralize each other while we turn to Mr. Shearman's very carefully prepared estimates to find that to meet the expenses of the Government, national, State, and municipal, would require about 60 per cent. of the economic rent available; and to Mr. George's masterly discussion of the proper functions of government, to show that so long as it confines itself to such functions, and gives up meddling with those which do not belong to it, the danger of corruption will not grow with the increase of revenue.

Another objector, ignoring the fact that all the experience of civilization in the matter of land held upon ground leases is against him, says, that without the hope of the unearned increment which belongs now to the individual ownership of land, men would not improve it and civilization would come to a standstill. Another declares in the face of actual experience in numberless cases, that the taxing power could not separate the value of land from the value of improvements. Another, in the teeth of all sound political economy, says that the Single Tax upon land values would be ineffective, because it could be added by the owner to the rents of his tenants, as though landlords did not exact to-day the utmost rent they can obtain.

It has been said that farmers would suffer by the proposed reform, and thoroughly and completely the revenue and fiscal statistics of a dozen States, carefully analyzed, have disproved it.

This is so important a matter that I may be pardoned for dwelling on it for the few minutes still at my disposal, using the ideas and almost the very language of Mr. Thomas G. Shearman in his address on "The Farmers and the Single Tax" before a committee of the Ohio Legislature, but supplementing it by some figures drawn from the report of the State Board of Equalization in Illinois.

"Any attempt to separate the community into two distinct classes, one of which is taxable only on real estate, and the other of which is taxable only on personal property, is obviously impossible and absurd. No man is ever reached by the tax gatherer who does not occupy some piece of land. If he did not the tax collector could never find him. Tramps pay no direct taxes. Neither can any man live without occupying some improvements on real estate and possessing some personal property. Every taxpayer, without exception, is an occupant of land and improvements upon land, and an owner of personal property. The only selfish interest which any taxpayer has in deciding between rival systems of taxation, is to know which will produce a sufficient revenue to the State with the smallest possible burden to him. In considering, therefore, the interest of any class, such as farmers, the real question to be answered is not whether they, in fact, own more or less personal property than merchants, bankers, and money lenders. It is, first, whether they own more personal property in proportion to the

value of their land than do those other classes; and, second, whether the particular kinds of personal property which they own are more easily reached by the tax gatherers than are the kinds of property owned by the other classes. The State must raise a certain fixed amount for public purposes. This amount it will assess upon all the taxpayers in proportion to the value of their property as reported by the assessors; not in proportion to its real value, which the Assessors, of course, are never able exactly to ascertain. If, therefore, experience proves that Assessors are able to find twenty times as much land value in the possession of merchants as they can among farmers, but only ten times as much personal property among merchants as they find among farmers, it is a plain result, as simple as the rule of three, that the taxation of personal property will end in making farmers pay a larger proportion of the taxes than they would pay if all taxes were concentrated on land."

In the light of these considerations, let us look at some of the statistics furnished by the last official reports of the State Board of Equalization. Let us set on one side the six counties which include the largest cities of Illinois, and on the other side the six counties which contain the smallest proportion of city population among all the counties of Illinois.

The former, which we will call the city counties, include Cook, Peoria, St. Clair, Kane, McLean, and Sangamon. In them are the cities of Chicago, Peoria, Belleville, Alton, Aurora, Bloomington, and Springfield.

The latter, which we will call the country counties, include Stark, Putnam, Franklin, Hardin, Pope, and Calhoun.

These counties respectively represent the extreme contrasts between the cities and farms of the State. In the city counties named there are a hundred times as many town and city lots as in the country counties. In the city counties the assessed value of city lots is almost four times the assessed value of other lands, while in the country counties the assessed value of the farms is about twelve times the value of the town and city lots.

Now, in the city counties the assessed value of the personal property is only 15 per cent. of the whole assessment, while in the rural counties personal property constitutes 31 per cent. of the whole assessment.

In the city counties there are forty times as much real estate values assessed as in the country counties, and only twenty-six times as much personal property.

We have unfortunately no figures which show the assessed value of improvements on land as compared to the land values alone, but all experience where such figures are obtainable shows that the assessed land values in proportion to the assessed value of improvements is greater in the cities than in the country—about 60 per cent. in the one to 40 per cent. in the other of the entire real estate values. But assuming that they are equal and 50 per cent. in each, it needs, as before suggested, only the application of rules of proportion to show that by the application of the Single Tax farmers

would pay less, and not more of the amount required to be raised than they now do.

But let us test this question in still other ways. The chief clamor in favor of taxing personal property has been directed towards the taxing of moneys and credits; and the money lender, who is supposed to have vast sums on deposit in bank, and the merchant who is supposed to have vast outstanding credits due from the poor farmer, are the special objects against whom this method of taxation is aimed—all for the relief of the farmers. Let us see how this works, by a comparison of the same typical counties.

The last report of the Board of Equalization shows that their relative assessments were as follows:

	Real Estate.	Moneys, Credits, Bonds, and Stocks.
City counties.....	\$273,605,990	\$5,184,479
Rural counties.....	6,887,923	474,845

Roughly stated, it thus appears that if taxation were confined to real estate or (under the assumption of the proportion in value of improvements to the land heretofore made) to land values alone, the city counties would pay forty times as much as the rural counties, and if levied on moneys, credits, bonds, and stocks alone they would pay only eleven times as much.

The only result, therefore, of taxing moneys, credits, and similar investments is to relieve the burden of the cities and increase the burden of the farms.

“ Figures like these might be collected, not only from the statistics of Illinois, but from those of every State and country under the sun where statistics are kept and personal property taxed. *They* are the moon-struck theorists, who, in contradiction of all the facts and all the experience of the world, persist in the vain endeavor to tax personal property and in the absurd assertion that this form of taxation tends to relieve farmers.

“ Farmers cannot conceal their sheep and oxen, their plows and implements; and they have enormous difficulty in concealing their wealth in any form, because their affairs are so well known to all their neighbors. If they have any money in bank, all the village knows it. If they have loaned money or sold goods on credit, their debtor is pretty sure to be some one in the immediate neighborhood; and all the circumstances are known to fifty people. The average farmer, when making his returns to the Assessor, is afraid to understate his wealth very greatly, because he could hardly look the Assessor in the face after doing so; being conscious that if the Assessor does not already know the truth, he can with very little difficulty find it out for himself. But in large towns and cities, scarcely any man knows intimately the affairs of his neighbor; and the Assessor knows least of all. People are reputed to be worth \$1,000,000, who in reality are not worth \$50,000; and others are reputed to be worth only \$100,000, who in reality are worth \$2,000,000. Even if the amount of any man's wealth is approximately known, none of his neighbors know how that wealth is invested, unless it is put in real estate. The Assessor, therefore, has absolutely no means of ascertaining the value of any man's personal property, except by returns from that man-himself, or from the corporations with whom he may happen to invest. If an Illinois man makes his principal investments in corporations outside of the State, the Assessor is entirely at the mercy of the taxpayer. He can tell any number of lies with impunity. The Assessor rarely or never examines his books of account; and if Assessors once began such an examination, many rich men would cease to keep books of account at all, as it is notorious that they did when the income tax was in existence. All things combine to make it easy for the Assessor to

reach the farmer's personal property, and difficult for him to reach that of the merchant, banker, or city capitalist."

In conclusion, I would devote a few words only to an answer to the question with which, about a year ago, the Chicago Tribune taunted me, after an address of mine before the Economic Conferences, "How are you going to do it?"

The question has a familiar sound; for the life of me I cannot avoid a reminiscence of Tweed and the New York ring, when I repeat it.

"What are you going to do about it?" is the defiant retort generally made at the last ditch when sophistical argument and conscious deception have failed, and there is nothing else to be said.

But we Single Tax men have no hesitation in telling just what we are going to do about it.

First: We are going, as a temporary expedient only, not because it is a thorough carrying out of our theory, but because it is an alleviation of the present evils and an education for the future, to give our energy and influence to all feasible schemes of providing for local improvements by special assessmen rather than by general taxation.

Secondly: We are going to do all we can while existing laws stand to have them so enforced that the unimproved land held for speculative purposes shall be taxed to the same extent at least as improved land, not as now, almost by comparison, exempted from taxation altogether.

Thirdly: We are going to advocate and bring about, so far as the ability in us lies, a system by which all franchises granted by the municipality shall be paid for by a fair, periodically appraised rental, and we are going to support by tongue, pen and vote the municipal authorities who have taken a position in favor of this.

Fourthly: Where practicable we are going to agitate for the assumption by the community of those functions wherein dwells such a necessary element of monopoly as to render it impossible or even difficult to secure from private parties to whom such function should be entrusted as a franchise, a certainly suitable and proper return. Gas works may be cited as an example of the sort of things I am referring to.

But finally and principally (and the determination to persistently follow this course marks the great advance made by the Single Tax movement since it came into the realm of practical politics), we are going at all times, by all methods, and with all our energy, to oppose all indirect, or crooked taxation, by which I mean all taxation which can be shifted from the person originally paying it to the user or consumer of the thing taxed.

This indirect or crooked taxation includes all taxation on the products of human industry. Its most injurious and most notable illustration is in the tariff or customs duties. To the tariff, then, every Single Taxer is a sworn enemy. Not only to protective tariffs but to revenue tariffs as well and equally we are opposed. Unrestricted commerce with all the world, as free and as beneficial as that between the States of the Union to-day, is our ideal and our hope; and we believe Free Trade will be a name to conjure with, when the cry of tariff reform has become a disused shibboleth as surely as Emancipation became the cause for which men gladly died, long after the contest against the extension of slavery in the territories had become ancient history.

But we are going to fight all other crooked taxation, too, and ceaselessly agitate for direct taxation.

Now, with trifling exceptions, there are but three forms of feasible direct taxation:

Income taxes,

Succession or inheritance taxes, and

Taxes upon Land Values or Ground Rents.

Income taxes, although when not used clamored for by many, are always, when actually applied, unpopular and obnoxious, and justly so. They are inquisitorial; it is absolutely impossible to levy them with justice; they put a premium upon perjury and bribery; they are only paid in full by the defenceless and weak, like widows and orphans and their trustees, while they are at every turn evaded and shirked by the astute and influential.

Succession taxes are better in principle, but they can and would be frequently evaded by ante-mortem dispositions, and they could not be made to yield a sufficient revenue.

Taxes upon land values alone remain. They are easily and cheaply collectible; they cannot be evaded; they will yield an entirely sufficient revenue. They are just in principle and will be expedient and practicable of application. We have no fear but that the natural and inevitable result of success in our fight against indirect taxation will be the application of the Single Tax upon land values, and we have as little fear but that the needs of the Government for proper governmental functions and duties will be found practically exactly commensurate with the amount of revenue thus derived from the absorption by the state of economic rent.

And so abiding is our faith in the good results which will follow that we shall consider the fight fairly won, if in any considerable municipality even, the system is allowed even a partial operation. For its effects will be so instantly apparent as to compel its adoption elsewhere in self defence. It is for this reason that we Single Taxers are working in various State Legislatures for a law which will allow each municipality to select for itself the class of property on which it shall make its assessment.

Let me illustrate what I mean on a slightly larger scale.

Let us suppose the State of Rhode Island to exempt all personal property, all moneys, bonds, stocks, and credits from taxation and raise its township and State revenues by a Single Tax upon land values exclusive of improvements. How long do you suppose it would be before over the Connecticut line into Westerly, and over the Massachusetts line into Pawtucket, and Providence, and Bristol, the manufacturing plants of Stonington and Attleboro and Fall River would be tumbling? Nor would the movement be confined to the neighboring towns, nor even to the boundary States. By an instinct as unerring as that which draws the bee to honey, would the manufacturers and producers tend to Rhode Island. They are not land speculators, they are people of use to the community—producers of real wealth. Rhode Island would enjoy a genuine boom; but after all it would be short lived, for as soon as the Legislatures of Massachusetts and Connecticut could be decently convened and addressed by their respective Governors we may be sure they would follow the good lead. And the other manufacturing States would soon follow.

This would be enough. Indirect taxation everywhere in America would be doomed, and in its extinction the triumph of the Single Tax assured.

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