

THE SINGLE TAX REVIEW

A Record of the Progress of Single Tax and Tax Reform
Throughout the World.

THE SINGLE TAX—ITS PHILOSOPHY AND APPLICATION.

(*For the Review.*)

By EDWARD D. BURLEIGH.

The intelligent observer cannot but be impressed with the crying need for some radical change in the relations of men to each other and to the world they live in. The misery, vice and crime which are only too evident in both "high" and "low" circles; the "graft" in high financial centres; the pollution of food; the monopoly in oil and coal and ice and rubber, and many other things; the consequent limiting of production and increase of prices, making it difficult for those of moderate means, and impossible for the poor, to get many things that have become necessary to health and comfort; all these things show that conditions are rapidly becoming intolerable, if they have not already become so, and that there must be a change of some kind. Either society must be put upon a different basis or our civilization will go down; men will relapse into barbarianism, and the long, steep climb from the savage to the civilized state will have to be made over again.

What shall the change be? The anarchist claims that all the trouble comes from government, and maintains that no one person has a right to control another and therefore no number of persons can have, and consequently all government is wrong and must necessarily have evil consequences.

He can point to numerous instances where officials have invaded the rights of the individual, have deprived him of freedom of travel, of speech, of action, have taken away his property and even his life. He makes out a very strong case; but, as soon as he touches the land question (and he cannot long avoid it) he breaks down. Moreover, his first premise is wrong. Every person *has* the right to control every other, to the extent, and *only* to the extent, of preventing aggression, preserving equal freedom. Therefore *all* may do it together, and a non-invasive government is right.

The socialist, on the other hand, would greatly enlarge the powers and functions of government. He would have all production, including transportation, carried on by the people as a whole; that is, he would have it planned and directed and controlled by officers chosen by the whole people. He looks at the fierce struggle now going on among producers and would-be-producers for a chance to produce, mistakes this for free competition and insists that the only way to abolish the evils of to-day is to establish "the coöperative commonwealth," abolish competition (as if that were possible) and make all producers employees of the state. He fails to notice the essential slavery involved in his plan, and cannot see it even when pointed out to him. His scheme, like the an-

archist's, breaks down at the land question, for it would invade the individual's right to the use of land; and it so plainly and flagrantly violates "the law of equal freedom" that no one who has fully accepted the law, can consider, for a moment, the acceptance of socialism as the solution of the problem.

We cannot, then, look to either anarchism or socialism as the cure for our present evils. But we need not, therefore, despair. There is a plan which will accomplish all the good which either of these is expected to accomplish, and will do it without the drawbacks inseparable from them.

This is the plan elaborated and introduced by one of the greatest men (if not the greatest) that this country has produced, Henry George, and known as the Single Tax.

This plan is not "anarchism," for it includes government, though it would limit its functions to establishing and preserving equal freedom.

It is not "socialism," for, though it would recognize common rights to certain things, it would leave all production in private hands.

It is not "land nationalization;" for, while it would establish and maintain the enjoyment of equal rights in the land, it would leave land in individual possession and nominal ownership. It is, essentially, the removal of artificial obstructions, that nature, especially *human* nature, may have free course.

Single Taxers believe that human nature is essentially good; that God, or nature, made no mistake in bringing man into existence; that the evils from which we suffer are not the results of God's laws, but of their violation by men (except in so far as it is His law that any violation of His law must result in evil) and that the thing to do is to observe carefully, learn the laws of nature and conform human laws, customs and institutions thereto.

The foundation of the Single Tax is twofold: 1st—The equal right of all to life, and the consequent equal right to the use of land. 2d—The exclusive right of each person to himself, and consequently to all his earnings.

First. All people have the same right to life. We all come here in the same way, we have the same right, therefore, to be here, and to stay here. But life is impossible without using land. No matter what we do, whether we work or are idle; whether we travel or remain at home; whether we sleep or wake; we must be somewhere; we must use land. Also, whatever we eat or drink or wear or live in, comes from the land. Consequently we must all have the same right to use land, all land, the best as well as the poorest. Each one has a right to the whole earth, limited only by the equal right of every other one.

But we cannot use land, to the best advantage, in common. It is necessary, or at least very desirable, therefore, to have it held and used individually.

How shall we harmonize the common right with the need of individual possession and use?

Before we go any further it will be best to call attention to the difference between "possession" and "ownership," because they are so often carelessly used interchangeably. One hires a farm, a factory, a house, or a vacant lot. He receives "possession" and proceeds to use it; to work the farm, to run the factory, to live in the house, to build upon, or cultivate, the formerly vacant lot; but he does not "own" either. He owns the product of the farm or factory; he owns the improvements he puts on the formerly vacant lot, until his lease expires, when all of them that are attached to the land, become, under our present laws, the property of the owner of the land. And the owner of the farm, the factory, the house or the vacant lot, though he has continued to "own" it all the time, has not had "possession" during the continuance of the lease.

This illustration also makes it clear that "ownership" is not necessary to use.

Let us now see how to harmonize the common right to use all land with the necessity, or desirability, for individual possession and use of land. We cannot divide the land up, for the population is constantly changing, some dying and others being born; and the new-comers have as good a right to land as those who were here before. Then, again, different parcels of land differ in desirability. Some are very productive and some less so. Some are better than others to live on. Those who hold the better places can get something in exchange for them; the better places have value ("utility in exchange"). But, since we all have equal rights to the use of all land, it is manifestly unjust that favored individuals should appropriate the return resulting from the use of the better land. It belongs, justly, to the whole people, since it is the value of that which belongs to them equally, the right to use certain tracts of land. Therefore, those who hold valuable land, the nominal owners, owe this value to the whole community, and the community should take it, all of it, each year, in the form a tax. The community confers a privilege on these people, by securing to them the peaceful possession of superior land (without which they could not keep it) and they should pay for this service all that it is worth.

But to secure people in possession of land and in the enjoyment of equal freedom, involves expense. Society must be organized into a government. Then, as each member of society should enjoy (and, under a just government, *would* enjoy) equal protection of his equal rights, he would owe to society an equal contribution to the public expenses, and this he would pay by resigning to the public his equal share of the rental value of land. If the rent collected should exceed the needs of government economically administered, the surplus should, of course, be divided equally among all the inhabitants.

Second. Each person has an exclusive right to himself, and, consequently, to all his powers of body and mind, and to all the product of those powers exercised upon no more than his share of the land; in other words, his entire product less the rent he owes the community if he uses better land than all can freely get, that is, land that will yield rent.

From this it follows that the community has no right to take from him any of his earnings, either as taxes, fines or licenses. This would seem to need no argument, but it may be as well to state that as no one man would have the right to deprive another of his rightful property, it follows that no number of men could have that right, since zero multiplied by any number, even infinity, would still be nothing.

From the above it is evident that the Single Tax System is not completely defined by its name. From these fundamental principles it follows, as stated above, that the community should take all of the annual rental value of land, and that it should take only that, leaving all the rest of the products to individuals; and consequently that all other taxes, *for any purpose*, should be abolished; for, if the community has no right to take any part of a man's property, then the purpose, or object, for which it might wish to take it, makes no difference. It cannot confer the right to take what is not justly public property.

These fundamental principles require the abolition of all tariffs, whether for protection or revenue, whether levied on imports or exports; as well as of all fines and licenses. The community has no right to license a man to do what is wrong, or to require him to take out a license to do what is right. All franchises, (conferring privileges on some people, necessarily at the expense of the rest) whether for water-works, gas works, electric light plants, telephone

or telegraph lines, pipe lines or roads, (whether dirt roads or railroads) would have to be annulled. These principles require the public ownership and maintenance of all highways, for only in that way can the enjoyment of equal rights in them be secured to all. But the operation of vehicles on them must, logically, be left to private enterprise, since it requires no franchise and involves no monopoly. Of course, all persons using a highway would have to conform to the necessary rules and regulations to avoid accident, and these would have to be both more numerous and more complicated, as well as more strictly enforced on railed roads than on any other, just as is the case now with city streets as compared with country roads.

With legal monopoly thus abolished, and with free access to natural opportunities secured and maintained, mankind would at last be free. There would be no way for anybody to get an injurious monopoly. The only possible way to get a monopoly would be to do something better or cheaper (or both) than anyone else could or would; and such a monopoly would be a blessing; for it would make its product easier to get, and could confer no power to oppress, since, having no artificial buttresses it could only be maintained, as it was established, by superior service. Potential competition would constantly hold it in check and keep it up to its highest point of service, on pain of death.

One of the first effects of the introduction of the Single Tax System, would be the destruction of the speculative value of land and, consequently, of speculation in land. Each landowner would have to pay to the community, each year, the entire annual value of the land he held, therefore, when land changed hands, there would be nothing to sell but the improvements, for no individual would pay another anything for land when he had to pay to the State, every year, its entire annual value. Of course, it might occasionally happen that some land would advance in value between assessments and be sold for a premium before the tax was increased; but such sale would only show, and emphasize, the need for an increase in the tax, which would be made at the next assesment.

Taxing all valuable land up to its full annual value would force all such land into use, since no one would be able to or willing to pay the tax, for any considerable time, without using the land, and if he used it, he would thereby get the means to pay the tax, since the tax could never be more than the land would yield in rent *at that time*.

The present speculation in land causing much valuable land to be wholly or partially unused, compels resort to inferior land, thus raising rent and lowering wages; for both rent and wages are determined by the rent line (the line which bounds land that will yield rent.)

Rent is "wealth or labor received in return for the *use* of land," and according to "Ricardo's law," "the rent of any piece of land is determined by the excess of its product over that which the same application can secure from the least productive land in use." It is, therefore, evident that if the least productive land now in use is abandoned because more productive land has become available, the result must be to decrease the difference between what a given application of labor and capital will produce on the most productive and least productive land in use, and thus reduce rent.

Wages ("wealth or labor received in return for labor") are determined by what men can make working for themselves on the best free land which must always be the least productive land in use, since all land better than that would yield rent. It is evident, then, that if we compel the full use of the better land and thus give enough opportunities for employment, so that the poorest land now used would not be needed and people could get better land free, the re-

sult would be that they could get more wealth with the same labor, or the same wealth with less labor, in other words, wages would be raised. And, while the pressure of increasing population and improvements in production will probably force out the "rent-line," compelling a resort to relatively less productive land again, thus lowering wages as a proportion, it could never lower them as a quantity, since the things which compelled the use of the inferior land would make *all* land more productive and since there could never be any speculative element in rent and it could, therefore, never be more than the land was worth for use at *that* time. The rent tax could, therefore, never be a burden to the adequate user, but it would always automatically insure the best use of all valuable land, since no one could afford to continue paying the tax unless he made the land produce the rent.

It would, also, prevent anyone's holding more land than he could use, and it would thus enable everyone to get what land he needed; for the earth is large enough for its inhabitants and there is no likelihood that it will not always be. The apparent scarcity of land is apparent only, and is caused by speculation in land.

When everyone can get all the land he can use, at exactly what its use is worth at that time, involuntary idleness will be done away and with it will go involuntary poverty and the fear of poverty and their companion, the worship of riches. For who would worship riches if he were always sure of a chance to work and earn, easily, an abundant livelihood? And there would soon be no great riches to worship, for when each person got all he earned, no one could get any more, and no one would be able to earn an immense fortune. The great fortunes of the present day do not indicate the earning or producing ability of their owners, they do not consist chiefly, or even largely, of true wealth ("appropriable labor products having utility") but of the market value of private taxing-privileges by means of which the holders of them can and do appropriate wealth as it is produced, without earning it. As all of these would be abolished by the Single Tax System, the fortunes would shrink to the value of the actual wealth they contain, and this wealth, like all true wealth, would be constantly tending back to its source, land; and could only be preserved by the constant application of labor. It would not be many years before there would be no fortunes but those earned by their owners. Men do not differ in ability as much as present fortunes differ in size, therefore we should see a much more equal, as well as equitable, distribution of wealth. But, since each man would produce all the wealth he accumulated, his accumulating any amount, however large, could hurt no one else. The more wealth anyone produced the better it would be for all, for it would make wealth more abundant and consequently easier to get.

With the abolition of involuntary idleness and involuntary poverty would go the vice, crime and misery which now flow from them, and, in the nature of the case, must always do so, as long as they exist. Who would steal or rob or cheat when an honest living was within easy reach? Who would give bribes or take them, under such conditions? Marriage would be made easy, temptation to immorality would be removed, while, at the same time, no woman would be compelled to sell her virtue for a living.

Intemperance would be greatly decreased, if not entirely destroyed, for no one would be tempted to drink to excess to drown his consciousness of poverty or to stimulate himself to greater exertions in appropriating wealth. Better and more rational ways of enjoyment would soon take the place of social drinking, while the removal of all prohibition and licenses for selling liquor would

take the "liquor interest" out of politics, for it would then have nothing to gain by staying in it.

And finally production would be made so easy and pleasant, by inventions and improvements, that people would produce for the joy of producing, without caring to retain more of the product than they needed to satisfy their immediate wants, and the rest would go into a common stock from which anyone could help himself whenever he wanted anything.

Thus, through the recognition of the absolute right of private property, based on production, and by means of improvements in production resulting from just conditions, we should at length arrive at a pure and voluntary communism, in which each would work for the joy of working and all would share in the product as need or inclination prompted.

Is not this worth working for? What if we do not live to see it; is not the joy of working for and contemplating such a result, in a manner, entering into the realization and enjoyment of the attainment now? Let him that hath ears to hear, hear! All nature will work with us and inspire us, the great and good of all the ages will be with us, the "prisoners of poverty" will some day hail us as deliverers, though to-day they may, and probably will, misunderstand and oppose us. But "the work is the wages" and wages of a kind that no monopolist can take from us."

Help us to bring in the Golden Age of which prophets and seers and poets have dreamed, and which will at last, make actual the glorious possibilities of which our human nature is capable.

THE BEGINNING AND GROWTH OF THE HENRY GEORGE MOVEMENT IN DENMARK.

(For the Review.)

By TH. POPP.

About twenty years ago, a Dane, by name Fernando Linderberg, returned to Denmark from the United States where he had come in contact with friends and disciples of Henry George. Linderberg was a workingman, but well educated, and accustomed to spend all the leisure time he could spare from his work, in reading and studying. He brought home with him many books, among them all that Henry George had written up to that time. He studied these writings with an interest that grew daily stronger and then began to translate some of them for publication in Danish.

But the theories were too new to Denmark, and few would read the books at first. Linderberg began to hold public meetings and travelled about the country preaching the new doctrine. Just about this time the waves of Socialism coming over from Germany, swept through Denmark, arousing the minds of the working-class. But there is a wide difference between Georgeism (as we Danes call Single Tax) and Socialism in the German form, the difference between slavery and tyranny on the one side, and freedom on the other; between the irresistible power of the leaders, and the free will of the people. It can be easily understood that the two doctrines cannot, without difficulty, find