

The Power to Exact Wages

By DR. ROYAL E. S. HAYES

A FRIEND tells me of an incident which occurred when natural gas was piped into his town. A widow complained to a morning newspaper that her landlord raised her house rent on the ground that she could pay more because of the saving in her fuel bill. "You did not supply the natural gas," she said. "What difference does that make," he retorted, "it's my house."

The significance of the incident is not that it was striking. It is that the same condition and cause, though less obvious, affects every person in the civilized world. Government through law ignorantly stifles normal competition. It gives landownership license to hold labor off the land for a price. This limits the use of land. It keeps enterprise down as well as competition. It causes high prices in general. It makes labor compete against itself. In other words, it permits the greater part of wages to disappear in the price of land.

The point in theory that I would discuss is in the comment which my friend made on the affair. He said, "When will people wake up to the fact that ground rent is a social value and belongs in the social fund?" This provokes a few other questions which I would like to ask. Is all of present ground rent a social value? Is that which the landlord extracted from the widow a social value and does it rightfully belong in the social fund? What moral right has government to legalize such "hyjacking?" What right to collect from the landlord that which he clubs from widows or others? Is it a fine thing for government to be a receiver of stolen goods? Is this something to work and pray for? If so, count me out of both.

The fact is, it is not George's proposal at all. He would starve in the streets again before he would favor such a plan. He would say that which the landlord took from the widow was her wages; that no man, official or otherwise, has a moral right to this part of her subsistence. When the landlord got the extra rent from the widow it took the form of monopoly and speculative rent. As George said, "Over and above the economic rent there is the power that comes by monopoly, which may be called monopoly rent. The power to exact that monopoly rent comes from the power to keep labor off the land."

It is clear then, that wages and its security to labor is a definite factor to reckon with in distribution. It is by all means the most important factor in livelihood. Let us therefore wake up thoroughly to the fact that as a matter of distribution, except at first to get a start, government is to collect the economic increment only, leaving the monopoly and speculative quantity in the pockets of labor as wages. Let us think more about wages and worry less about the "social fund" and "social services." Let us envision wages for what it is, not only a definite factor in distribution but the greatest and grandest economic provision of nature on earth. The fullness of life can come only through WAGES, gained through the handiwork, craftsmanship and thoughtful care of man himself, through his labor with hand and brain.

Wages! World wide and universal! What depth of human implications here! What a subject for writers, thinkers, leaders everywhere! This wisdom of George will be listened to when men have gone through the lower depths of the coming decade. The world strafing which will result from the blind struggle to escape the consequences and to overcome the legal advantages which men have built up against each other, will give us the opportunity of the age.

This light must come! But it will have to come from the original spiritual insight and fire which since George's time has dulled down to a spark. Let us fan the true spark into a great illumination! But we shall have the breath and power for that only by returning to the

original purpose of George, to elevate wages through a just distribution of wealth.

George's factual wisdom and utopian vision must be brought to all sorts and orders of people, especially to those who have suffered most from economic injustice. Let us return to the original purpose and plan. Then society will put aside the universal robbery, the exactions of legal advantages. A flood of wages will then flow over the earth so that, as George said, "The industrious will be the rich people of the future . . . That all may have leisure, comfort and abundance, not merely the necessities of life, but even of that which are now esteemed the elegancies and luxuries of life." Let us give our best thought to the problem of labor and its wages. The social fund will then almost take care of itself.

BOOK REVIEW

"A Quest for International Order," by Jackson H. Ralston. John Byrne and Co., Washington, D. C. 1941. 205 pp.

In this book, a solution to the international affairs of today is offered by a Georgeist. Permanent peace and the forces that prevent this state from being realized is the theme.

The author's solution for world affairs is in the field of International Law. In individual human relations, says the author, we have learned, to a certain degree, to distinguish right from wrong. The state, which exists for the individual, should be governed by the same laws of justice. But this lesson has not yet been learned. That this misconception (or rather, lack of conception) prevents peace is vitally demonstrated in Judge Ralston's book. It is best stated in the author's own words:

"We have in the international field the absolute want of any ideal or ultimate aim in the interest of the individual, such as prevails within the state. Our rulers have labored in the interest of an impossible object. To them the ineffable state has appeared everything. In truth, the state is a mental conception and to labor for it directly is to labor for nothing of reality. The only reality is the individuals who compose the body of the nation. International relations have not gone down to this bedrock of all law—the individual. In the study of human welfare he is not to be ignored or to find substituted for him the unreal state. We have a serious quarrel with the International Law writers who fail to recognize this fundamental fact of what only by courtesy today can be called their science. We wonder they have not studied the effect of violations of right upon the individuals of a nation when its rulers violate the freedom of the vanquished."

Judge Jackson H. Ralston is well qualified by experience to offer his solution. He has been a lecturer and writer on international affairs for a great many years. He was an umpire in the Italian-Venezuelan Mixed Claims Commission.

Many topics usually discussed in connection with international peace—such as neutrality, intervention, national interests, etc.—are dealt with in the present volume. But they are subjected to a critical analysis unusual in such discussions, and the errors and deficiencies of International Law as now practised are constantly pointed out. A reading of this book will show how satisfactorily the author has performed his task.

The difficulty encountered by this type of literature is not so much the subject matter as the period in which it is written. Nations at present are not interested in a better understanding of the conflict now being waged, but only in the continuance of the conflict until victory is attained. Opinion-forming agencies are not likely to give deep reflection to the ideas expressed by Judge Ralston. But precisely for this reason his work should be given major attention.

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