

humanity; how like that Other, lover of his kind, the Carpenter, he gladly sacrificed his life that the truth which he had tried to make clear might find more ready acceptance. His idea had gone out into the world, with that gift of tongues which every truth possesses, and here in a far-off country, among a people that speak a different language, but whose language of the heart is the same as his, his name is held sacred and his idea is nearing accomplishment; not perhaps as he applied it to American conditions, but as it can best be applied in Germany.

As I sat there, the impressive scenes of the Conference reenacted themselves; in the Rathaus, where men whom the state and the intellectual world had honored with their highest titles, were gathered together in the name of the Prophet of San Francisco; at the Herrmann Monument, where a crowned head bent low to listen to his truths; and at Bethel, where those truths were being exemplified in simple Christian faith. There re-echoed those words with which Henry George closed his great book and which had been repeated that morning: "Und die an Ormuzds Seite kaempfen, moegen sie auch einander nicht kennen, irgendwo, irgendwann wird das Namensverzeichnis verlesen." —Berlin, Germany.

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## SOCIALISM AND THE SINGLE TAX.

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**ADDRESS OF JOHN T. McROY BEFORE THE BENNINGTON, VERMONT, SOCIALIST PARTY LOCAL, MR. JOHN SPARGO PRESIDING.**

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In appearing before you today, I must at the outset disavow all purpose of playing the part of an apostle intent upon your conversion. My scope tonight shall be far less ambitious and I shall attempt merely to prove the merit of Single Tax as a step in social advance. It is not my purpose to draw any contrast between the theories of Single Tax and of Socialism. I shall not consider these two theories as competitors for popular favor, but rather as aids to each other in the development of social opinion. For it is clearly evident that were it not for the colossal efforts of the socialist movement, there would hardly be a mental attitude among the people at large fit to understand sympathetically the propaganda of other forms of radicalism. And in so far as other radical movements have been benefited by the steady growth of socialistic convictions, it may be of value to determine to what extent socialism may itself be benefited by those very doctrines.

My outline of the Single Tax this evening will not include its pretensions to a solution of our industrial problems. In truth, the word "solution" is a very inconvenient one in economic questions. We speak of solving a social question in the same sense as the solving of a mathematical problem. The use of the same word "problem" for two different situations seems, no doubt, to

be the cause of this confusion. It is not the first time the deficiencies of language have brought about confusion of thought.

Every social order gives rise to questions of its own. Thus democracy has necessitated vigilance against the manipulations of bosses; a question as difficult in its own way as was that of the elimination of aristocracy. Thus capitalism may have solved the problem of the relation of lord and servant, but it has brought forth the more serious question of capitalist class and working class. Judged by the past, there is no reason to believe that any social order, no matter how well constructed, can escape most vexatious difficulties. Hegel, who was Karl Marx's master, has said that in this world there is no finality; when once a thing has been accomplished, it at once begins to cultivate tendencies which ultimately destroy it.

There is, however, an advance possible along certain lines of economic reform. Just as the cholera and the plague have been eliminated from our physical life, so it may be hoped will low wages and unemployment be eliminated from our economic life. For while the social question can never be solved particular social evils may be entirely done away with.

The nature of any appeal by a Single Taxer to Socialists, must take into account that school of Socialism to which his auditors belong. For practical purposes, I shall distinguish two broad tendencies in modern socialism. First we may place orthodox or modified Marxism, for officially at least, it is the dominating socialism of the world. Next we may place revisionist socialism, including in that group the Fabians of England and the Opportunists of the United States.

Karl Marx in "The Communist Manifesto," in concluding his passionate appeal to the working classes, decides on certain practical measures which would greatly improve their condition. By far the most important of these reforms, he stated, was the appropriation by the government of all ground rents. This, as you well know, is in substance the Single Tax doctrine. Since we have the authority of Marx for this reform as a first step, I feel that I am placing my case tonight before a friendly group.

In the thirty-second chapter of "Capital" Karl Marx declares that the capitalist system, with its accompanying exploitation of the working classes, could not have been established had not the landlords "Expropriated the mass of the people from the soil."

In substance this simply means that a Capitalist society could not exploit the working classes were the soil free to them. A considerable number of the laboring classes are skilled workers who have accumulated small savings, and who not being altogether helpless, could always have returned to the soil, had they so willed. To this day in Russia, factories and capitalism have been slow in developing, because during strikes, the laborers can return to the "Mir," or communal farm group. In a country like Russia, this is a great

impediment to industrial development, and so we find the representatives of the cities in the Duma eager to abolish the communal land-owning societies and substitute private ownership. Once this is done, the expropriated peasant will come to the cities and Russia's capitalist system will be as fully developed as those of her more "Civilized" neighbors. In the United States of America, however, the question is quite different. We have developed a tremendous industrial organization. Every decade a larger and larger percentage of our people are found in urban communities. The machine has become the very soul of American production. Our manufacturers are a most influential group in our state legislatures. Their influence has enabled them to perpetuate themselves and to multiply. Nay, what is more, our people are growing more and more citified, and the white lights and the whirling trolleys have so charmed men that they look upon farm life with repugnance. I have little doubt that the majority of city men would prefer much lower wages and live near the center of population, than accept high wages and live in sparsely settled communities. For capitalism has created a different idea among men as to what constitutes the fullness of life. In feudal days the satisfaction of duty and the living of the moral life were considered all-sufficing. Today stress is laid, not so much upon the duties of life, as upon the manifold enjoyments and varied pleasures that a complex civilization affords. And it is no wonder that except for a brief breathing spell, industrialized humanity is loath to return to the country-side.

It has been this aspect of the land question that has been most noticed by the scientific socialists. The Single Taxers say that it is an impossibility for men to willingly retrace their steps and abandon an industrial for a rural community. It is my purpose to point out how glaring a misconception it is of the fundamental position taken by the Single Taxers to think that they believe otherwise.

The Single Taxer is not unwise enough to propose, nor has he ever proposed, that mankind should go back to dug-outs and claw sand in order to make a living. Nor does he think that we should go back to the conditions of the year 1750, before the great brains of England had by its industrial inventions revolutionized the character of the producing world. The Single Taxer is as fully convinced of the impossibility of retracing one's steps as is the most dogmatic Marxian Socialists. But he does believe that when all land is taxed into use, the position of the laborer will become considerably more independent and the economic system greatly weakened (to put it mildly) in its power of coercing the laborer.

To the revisionist Socialist there is hardly any necessity for appealing. Throughout the world, Socialists of the type of Bernstein in Germany, Ramsay McDonald in England, and the Opportunists in the United States, have been among the most vigorous champions of land values taxation. Their reasons seem to have been, first, to socialize the unearned increment on land values

resulting from public improvements, and secondly, to improve housing conditions. There is no doubt that land values taxation has checked speculation in land and by causing land to be put to its best use has improved housing conditions. Of course, the cooperation of proper transportation facilities is usually necessary. But when once the land value tax is increased so that speculators can no longer afford to hold their land idle, they erect attractive homes to lure tenants away from the older dwellings. Competition in turn forces the owners of the older buildings to improve their properties in order to get a return upon their investment. This is all accomplished without the presence of any tendency towards higher rents.

Proper housing conditions are eminently a social good. They are a benefit not only to the individuals affected, but to movements which appeal to the higher qualities of men. A man who is miserably poor, under-fed, weak, and mentally crushed, is not a factor for revolution. He is despairing, and he who despairs is of no value to any cause whatsoever.

It is for this reason that Socialists who are distinguished men of science such as Karl Pearson of the University of London, are in the eugenics movement. They realize that under no circumstances will socialism come through a race that is degenerating or physically defective. As a writer in the socialist *New Review* has pointed out, it is not the laborer working for 30 cents a day in Southern Mexico who revolts, but it is the mine worker getting 80 cents a day in the Northern part of the country. This principle is recognized by capitalists who realize that one concession to working men means many concessions. The more the working class improves, the more desirous is it of improvement.

Austin Lewis has written a book on "The Militant Proletariat" in which he distinguishes four groups of workers; the contented, the ambitious, the degraded, and the revolutionary. The first three groups are well nigh hopeless as socialist timber; only those workers who are outside of these three groups may join the fourth. Karl Marx was of the same opinion. For the riff-raff, he has absolutely no regard, holding that any side could buy them out. Since, therefore, the Single Tax has wherever tried in modified form improved the housing condition, the comfort, leisure and health of the working classes, it has made them intelligent enough to understand the Socialist when he appeals to them.

The Single Taxer has, however, a constructive side to his programme. Not only does he desire to improve living conditions; he also seeks to reduce unemployment and raise wages.

The first great effect of the Single Tax would be the enormous increase of the production of wealth. The Single Taxer proposes that the annual rental value of land shall be the sole source of government revenues. By taking taxes off of all wealth produced, there is, of course, a great impetus given to the further production of wealth. For the socialistic theory of taxation is that the laborers do not pay taxes but that the capitalist class do. The socialist main-

tains that since the level of wages falls under all circumstances to a bare subsistence, the laborer can not therefore pay taxes out of nothing. If any increased taxes are levied, they are paid by the capitalist class. While I consider the socialistic view of taxation as almost entirely mistaken (and in this I have the support of eminent Socialists, such as Bernstein, McDonald and Prof. Beard), it, nevertheless, in this instance, helps my argument. For since the capitalist class will be free to place this revenue into the channels of investment, there will ensue a very much increased production of wealth.

If the annual rental value of land be \$50., that land will usually be sold for \$1000. The Single Taxer by taxing the rental value, thereby destroys the basis of the selling value of land. For instance, if this land worth \$1000. were to be taxed \$40. a year the net income of the land owner would be only \$10. a year, which would make the selling value of his land one fifth of \$1000. or \$200.

Two things are now clear. The Single Tax by abolishing taxation on everything but land would cheapen the price of all goods, from ribbons to houses. The Single Tax by taking the greater part of the value of land would force all the vacant land into use for which there was any demand, and thus cheapen the price of land. There is one great principle to be learned in taxation, and that is that taxation on land acts in an opposite manner to taxation on improvements. A tax on commodities hampers their supply and increases the price. A high tax on land by forcing vacant land into use, increases the supply and diminishes the price. Not only is this true, but whereas the selling price of a commodity includes a tax, the selling value of land is diminished exactly to the extent of twenty times the amount of the tax, assuming for convenience that the current rate of interest is 5%.

What significance has this for the working class? In the first place, by forcing all the land into use it would open up all the jobs in all the products which are derived from the land. And I do not think that anyone in this audience is sufficiently gifted with imagination to think of any industry that is not in the long run dependent on the land. The Single Tax therefore, satisfies Karl Marx's theory without going back to feudalism. It helps to emancipate the laborer from capitalist exploitation by destroying his expropriation from the soil.

I may now sum up the advantages of Single Tax for the working classes. The Single Tax will bring about the employment of all the unemployed who actually desire to work. Since the resources of the country are more than adequate for the population, by opening up the country to productive wealth, it will give employment to all. The effect of this step upon wages can easily be seen. When working-men are in great demand and when the production of wealth has greatly increased, a sharp advance in wages is a foregone conclusion. The working class will grow more powerful and with that power will come its emancipation.

And, lastly, let us not forget the benefits which this system of taxation



would give in the little community of which we are members. Bennington would not have to borrow money and saddle future generations for the cost of needed improvements. The land value of this town is ample to provide for all our public activities and some much needed social activities to boot. The partially used or unused land around Bennington would be put to adequate use and the housing conditions of our own operatives in the town greatly improved. A small State like Vermont is ideal for the opportunities it affords men to do their duty in aspiring after this great good.

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## WHY SHOULD AGRICULTURE BE SO UNPROFITABLE?

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### AN EXPLANATION OF THE FUNDAMENTAL CAUSES THAT ARE DRIVING LABOR AND CAPITAL OUT OF AGRICULTURE AND DEVASTATING THE RURAL LIFE OF AMERICA—THE REMEDY.

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SPEECH DELIVERED BEFORE THE STATE MEETING OF THE NORTH CAROLINA  
FARMERS' UNION, AT DURHAM, NOV. 17, 1915, BY R. F. BEASLEY, EDITOR  
OF THE MONROE JOURNAL.

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In the final analysis every meeting like this one in which farmers come together for consultation, is a signal of distress. Men do not go out of their way to seek redress when no redress is needed. We have all heard of the man who was dead and didn't know it. Perhaps it was because his nominal friends had misled him by saying he looked as if he were enjoying the bloom of health. Agricultural labor in this country is dying and doesn't understand the nature of its disease. It is not dying for want of doctors, many of whom even tell it that it is not even sick, but is in the bloom of health.

You have invited me to contribute to the literature of agricultural therapeutics. Your worthy president, who is a medical doctor as well as an agricultural doctor, even warned me that if I made a diagnosis I should offer a prescription. So, like Mark Anthony, I come neither to praise nor to bury Caesar—I come to tell you what the disease is that is killing the agricultural laborer and to propose a remedy which will remove the cause of the disease and let the patient get well himself.

#### THE TESTIMONY OF AUTHORITY.

And, lest I be considered an alarmist, I will first introduce the testimony of authority. After the present secretary of agriculture, Dr. D. F. Houston, received his portfolio, he sat down and remained silent in all the known languages for a long time, and refused even to speak in the unknown tongues. Besought by diligent newspaper men to say what his policy would be, he replied that he had to take time to study the conditions before he could de-