

THE SINGLE TAX REVIEW

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

RELIGIOUS SANCTION FOR SOCIAL DISORDERS.

(For the Review.)

By W. CLEMENT MUNN.

That in a modern civilized community the poor vastly outnumber the rich everybody knows. Perhaps, however, the fact is not brought home to us as clearly as was recently done by Mr. Money in the *London Post*. According to his figures, of the 700,000 persons who died in Great Britain in 1907, 617,879 left absolutely no property whatever. Of the rest, some 21,000 left practically all the wealth. How many of the 617,879 died of starvation we cannot say. Most of them were producers, and they either did not produce enough to keep the wolf from the door, or else they produced for the 21,000 instead of for themselves. The members of the latter class, who are satisfied with things as they are, would probably answer an inquisitive investigator of this problem by quoting the scriptural text which has so often done duty on similar occasions: *The poor ye have always with you.*

What a host of meaning was put into these few words first uttered, and what a host of meanings has since been taken out of them! Perhaps no other Biblical saying has been put to such varied uses. We can never know how many troubled consciences have been restored to tranquility by the recollection that the alleviation of misery is in vain, since poverty is a divinely-ordained institution; we can never know how many erring souls have at the last purchased their entrance to Heaven by dispensing during their closing days on earth the charity which this reference to the omnipresence of poverty enjoined on them; we can never know how many weary hearts would have been unable to endure the misery inseparable from their unfortunate condition of poverty without the consolation of feeling that their Father in Heaven for some inexplicable reason had made the rich rich and the poor poor.

The two thousand years which have passed since these words were spoken have but served to perpetuate this conception of poverty as a permanent institution, rivaling the deluge in antiquity, the bay-tree in verdancy, and the Christian Church in sanctity. As a concomitant of charity, contentment has been preached as the only foundation of happiness. Its preachers, however,

have too often had better cause for contentment than those on whom they never weary of enjoining this virtue. It is not difficult for the proud and happy possessor of a full stomach, a well-clothed anatomy, and an ample supply of leisure time, to cultivate a contented frame of mind. Whether such an individual ever did or could do anything for the advancement of the welfare of the race is more questionable. He has no time for such mundane considerations in his anxiety to throw wide the gates which lead to happiness in a future existence. How better can he accomplish his object than by decrying as irreligious—nay worse, unchristian—the spirit of dissatisfaction with the present which has in the past been the chief incentive to progress, till it almost seems a wonder that the ungrateful poor are not contented with their lot?

That they are not contented at the present time is certain; that they have not been in the past, the study of history clearly shows. It is no easy matter for them to break through the wall of smug convention, moss-covered with ages of oppression, which surrounds them. The necessity of spending the hours that can be spared from sleep in securing sufficient food and clothing, when even

“tears must stop, for every drop
Hinders needle and thread,”

retards the intellectual development of the working classes, thereby preventing a proper appreciation of the situation by them.

Nevertheless, bold spirits have not been wanting throughout the ages who refused to admit the sacred nature of the institution of poverty. Frequently, too, their efforts have been seconded by members of the privileged classes, men of broad sympathies who were willing to sacrifice position, even life itself at times, in the attempt to right wrongs and uphold justice. For this Moses led the enslaved Israelites out of the land of bondage; for this the Gracchi gave up their lives; for this Watt Tyler was slain; for this John Brown was hanged. But though the champions of the oppressed too often perished in the conflict, their souls go marching on, and their efforts are not lost. No truly great man has lived in vain. Every step in the struggle for freedom is a step nearer the desired consummation, and accelerates the arrival of the next. Mankind has not yet evolved. We are still in process, and our aspirations are in themselves signs of progress. The nineteenth century has seen more attempts to ameliorate the condition of the working classes, and has accomplished more in the direction of lessening the hours of toil and improving the conditions of labor than any preceding one.

What has been already accomplished, however, is infinitesimal compared with what is yet to be done. Recent legislative enactments are at the best only palliative measures. It is impossible to pump out a vessel with a hole in the bottom of it. But some day the hole will be filled up. Charity will then no longer need to throw a sop to conscience and a pittance to poverty. It will then be no longer necessary to explain that the saying, “The poor ye have always with you,” is to be interpreted according to the context in which it is found; that Christ was referring to actual conditions of his time, and not

laying down a divine law, or providing the wicked with an excuse for evading the ordinary dictates of justice. Whether the desired consummation will be achieved in the twentieth century matters little. One thing is certain: the close of this century will have brought us nearer to it than did the close of the last.

Though the labor question is as old as civilization, it is only in comparatively recent times that anything like a scientific treatment of the subject has been attempted. Ever since the French physiocrats of the eighteenth century set themselves the same problem to solve, many conflicting theories have held sway in the councils of European statesmen and among the schools of economists, without anything approaching unanimity as to the proper solution having yet been reached. Different proposed remedies have in turn been attempted, as the political stars of their advocates have been in the ascendent, and have again given way before the waxing strength of equally promising proposals. Perhaps none of these experiments has been altogether profitless, but equally so none of them has been at all decisive in its results.

When the Manchester School was enabled to strengthen the academic teachings of the father of political economy by pointing to the visible evils that flowed from the persistent adhesion to the mercantile policy, its adherents removed much of the existing obstruction to profitable trade. That the measure of free trade which England secured as a result was directly responsible for the rapid industrial and commercial development which followed can hardly be doubted. The production and *per capita* wealth of the country increased rapidly. But, and this is a most important consideration, did this result at all benefit the working classes in proportion to the increase of produced wealth? An amusing illustration of the standard of living prevailing in England at this time, compared with conditions existing in a new country of unappropriated natural resources, may be found in the experience of an abolitionist agitator from the United States. When expounding his cause to an audience of English laborers, he won much sympathy for the unfortunate slaves by drawing a pathetic picture of their hard lot. Unfortunately he reached the anti-climax by telling exactly the amount of food and clothing they were given, an amount somewhat in excess of what his hearers were able to secure with their scanty wages.

There is little doubt that the bulk of the increase of wealth secured by removing the obstructions to foreign trade found its way into the hands of a few. As a matter of fact the manufacturing class was being specially favored by this so-called system of free trade. While it left the manufacturers free to buy their raw materials and labor in the cheapest market, and so meet all competitors, the laborer was as free as ever to accept the terms of his employer or starve. A step forward had been taken, but as the years rolled by the expected reformation was seen to be nothing more than an amelioration. Cobden was sorely disappointed with the results of his efforts, and was compelled to recognize that his work was but half done. The interpretation given to the phrase "laissez-faire" was too narrow. Something more than a leave-alone policy was necessary; the way must first be cleared of obstructions.

The failure of the "laissez-faire" system, as it was usually understood, to make a heaven of the laborer's hell, really tended to arrest economic development. As it began to be felt that the lot of the workingman still remained nearly as bad as it could be, a feeling grew up in favor of restrictive legislation, by which it was hoped to protect the laborer from the oppression which the freeing of commerce had failed to destroy. Though such a policy would have been anathema to the older economists, it was probably productive of some good. Since wages could not fall below the irreducible minimum already reached, the lot of the toiler must have been ameliorated by the shortening in some cases of the hours of labor, and the general improvement of working conditions and factory surroundings.

From the legislation to protect the laborer from the oppression of his employer, to legislation adopted with the object of protecting both employer and laborer from outside competition, is but a step. The inadequacy of previous remedial measures is sufficient argument for the ordinary workingman, who is anxious to find work, and who is told that the keeping out of foreign goods will find him work. The adoption of this policy has resulted in a still more pronounced condition of class legislation than ever, as the growth of the tariff-made trusts in the United States clearly shows. The only change in the distribution of wealth which these unspeakable combinations with all the evils they carry in their train have caused, is to increase the wealth of the wealthy without making the poor any less poor.

As already stated, no agreement has yet been reached as to the comparative merits of these diverse systems of economic legislation. Today a most anomalous condition of affairs exists among the commercial nations of the world. The chief free trade nation is divided into two hostile camps. On the one side are ranged those who are convinced that the preservation of the present system is the only means of preserving the state from industrial ruin; on the other, those who point to the success achieved by the adoption of protection by its chief rivals and urge a similar policy. The chief of the protectionist countries offers a striking contrast and at the same time a close resemblance to her sister nation. Although the existing policy of protection has no less ardent supporters than of yore, the number of those who are more than dubious about its success in the last half-century is daily growing.

A most encouraging tendency of recent years in all the great commercial countries is the growing of an independent spirit among the workers and the formation of separate organizations to advance the interests of the laboring classes. Though the Unions have not yet become a very important factor in the politics of the United States, the Socialists of Germany have made their power felt directly, and the Independent Labor Party of England, which has a decidedly socialistic coloring, is securing much of its desired legislation by threatening to wield the balance of power between the two older parties.

That in either country the new parties will have any permanent influence through the direct advocacy of the doctrines they hold at present, is doubtful. Their voice, however, the feeling of unrest which is daily growing, and by forc-

ing legislation which will improve the lot of the masses, no matter how artificially, are helping to raise the standard of intelligence among those who will yet have to solve the great problem. It is safe to say that no permanent or satisfactory solution can be reached which disregards the dictates of justice. It is not sufficient that it should be worked out in accordance with present-day legal enactments, which are supposed to be based on abstract ideas of justice, but often fall short of fulfilling their object. Any proposed solution must be tested independently by an appeal to fundamental principles.

That every man should be allowed to enjoy in peace the work of his hands is an axiom of moral philosophy which has been incorporated, by intention at least, into the laws of every civilized country. The so-called working-classes are by no means the least law-abiding members of the community. Yet the upholders of the existing order of things charge them with lawless intentions whenever an attempt is made by them to secure a more equitable distribution of the good things of this world, and accuse them of attempting to violate the moral law which forbids stealing.

Their anxiety to observe the moral precepts deters them from incurring this charge, unless they are willing to adopt the propaganda of the avowed socialist and advocate the abolition of both private property and the eighth commandment. An unfair advantage is thus taken of the law-abiding workers, whose perspicacity is not sufficiently acute to enable them to perceive that their opponents have silenced them and often (fortunately not always) persuaded them to cease their efforts by begging the question.

Although the laboring-classes are not always able to refute the arguments of those who provide them with ready-to-serve moral precepts to-be-swallowed-without-hesitation, they still see clearly that such arguments are not based on the principle underlying all honest effort, "He that does no work, neither shall he eat," and its corollary which declares that a man shall enjoy the good things of this life in proportion to the results that attend his efforts to secure them. Once this is clearly understood by the laborers, they will refuse to be led away by specious logic, and will adopt the only possible conclusion, viz., that much so-called property is not property at all in the sense that it is the result of effort on the part of its owner, either directly or by exchange.

As much of this property is the capitalized right to appropriate part of the wealth produced by others, the actual producers are deprived to that extent of what is rightfully theirs. Consequently some men earn but do not get, and some get who do not earn, as was the case half a century ago in the United States. The reasoning is simple, the logic incontrovertible, and the sophism about property valueless. We are constantly being reminded of the dignity of labor and told that "the laborer is worthy of his hire." The same thing was true of the slave-laborers, whose hire was a sufficient amount of the necessaries of life to keep their physical powers in the highest state of efficiency. To-day it is conceded that those laborers were worthy of more than their hire, and that so long as they produced more than they were permitted to enjoy, they were deprived of what rightfully belonged to them. In the same way,

the laborer who is worthy of his hire and gets it, without getting the product of his labor, is deprived of something that rightfully belongs to him.

That this is true must be admitted when one considers that although the increased knowledge of modern times and the improved mechanical appliances in use to-day have doubled, trebled, increased ten-fold in many cases the production of wealth, the producer, while enjoying luxuries unknown to his ancestors of a generation ago, only receives a bare pittance—enough to support him and to enable him to reproduce. In other words, his share of the product has not increased in proportion to the total increase. Though his position is better absolutely, it is much worse comparatively than that of his ancestors.

We can hardly wonder that the benefit of the increased productive power is secured by the few when we consider that existing laws enable them to control the opportunity of labor to work on natural instruments, and so force it to work on starvation terms. The only way to stop this unnatural development is to throw open natural resources to the labor and energy which are clamoring for access to them. When this is done no man will work for another for less than he can secure by applying his own labor to the opportunities which he finds available. The beneficial results of permitting labor free access to natural instruments are well illustrated in the following story of actual conditions at Nome during the Klondyke gold-rush:

“There had been a time in Nome when the lowest wages were eight and nine dollars a day, not at gold mining only but at all employments. But as mining opportunities came to be monopolized and population grew, wages fell to the minimum of subsistence, which for that place and time was three dollars a day. Then was seen in miniature at Nome all the phenomena of poverty in the midst of plenty with which we are so familiar in the larger world. The problem of the disemployed arose, cut-throat competition set in, and the wages system in its direful sense was in full swing. But on one memorable day a disemployed miner despondently threw his pick into the tide-swept sand at the sea shore, and as he listlessly pulled it out he saw upon it the signs of gold. The sea shore below tide-water is free ground and he worked that day on this rich beach. His earnings, something like \$20, were all his own. There was no ‘surplus’ product, and his labor could not be ‘sweated’. The next day the word had gone around, and other claims on this sea shore were staked. But, unlike the land back of tide-water, this land could not under the law be monopolized; every claimant had to use it himself or let someone else use it. And as there was plenty of it, and word of the wonderful discovery spread, the glut in the labor market ended, ‘competition’ subsided, and wages at Nome rose to \$12 and \$15 a day—about what a man could make washing the sands at the shore. More than that, there was no rush of any but the disemployed to the beach. It wasn’t necessary. Miners in other mines, clerks in stores, waiters in restaurants, everybody already employed stayed where they were and had their wages raised. The natural opportunity for profitable self-employment at the sea shore absorbed ‘the surplus labor,’ as we call it, and capitalists were obliged

to pay at least as much wages as could be washed from the sea sand, or else lose their help. Labor conditions had been reversed."

Such was the solution in miniature of the problem which is at the bottom of all social disorders. The resources of the sea shore are of course easily exhausted, but if all land everywhere were thrown open to those who are both able and anxious to work it, there would no longer be a labor problem. This question cannot be settled till it is settled right. The attempt to remedy matters by the application of palliative measures must be given up and the cause of the evils removed before a cure can be expected. The wide discussion that is going on to-day regarding the evils of trusts and monopolies is sufficient indication of the recognition of the necessity of a cure. The mere attempt to attack the problem is in itself, however, a good sign. As the impetus imparted to a falling body, united with the constant force of gravity acting on it, results in a perpetually accelerating motion, so the advances already made in social progress, when joined to the constantly increasing intelligence of the masses due to past progress, will make for accelerating improvement in the future.

THE ETHICS OF TAXATION.

(*For The Review.*)

By ALEX. W. JOHNSTON, M. A.

When King Charles II agreed to relinquish his rights as Grand Seigneur over the lands held on feudal tenure in England, he afforded the representatives of the people an opportunity to acquit themselves as honest men, patriotic citizens, and trustworthy legislators. The choice placed before them was whether the annual sum of £300,000, the price of the commutation, should be raised by means of a tax on the land released, or by customs and excise duties. By the commutation the holders of these lands were relieved from their feudal obligations, and they should therefore have borne the cost. But by coercing some of its members and bribing others they induced the House of Commons to enact, by a majority of two votes, that the money should be raised by means of Customs and Excise duties, the imposition of which compelled the people, who in no way benefited by the change, to pay the debt of the landholders, who received all the benefit from it.

The fundamental misconception which rendered this crime possible was the assumption that taxation is not governed by moral principles, or, in other words, that legislators have a perfect right to act as they please, to do anything they have the power to do, to tax or refrain from taxing, to impose, increase, reduce, or abolish taxes without any other sanction than that of their own will.

Following the bad example thus set them, modern legislators act upon the same false assumption, and the people who pay taxes, and might therefore reas-