

SEVENTH PRIZE, TEN DOLLARS.

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It is a well known fact that the conditions of the poorest class are steadily growing worse. The squalid tenements of our large cities, the gaunt, hollow-eyed creatures who may be found in these districts, the increasing size of donations to carry on works of charity, all are proofs that poverty is increasing among the lower classes. It is natural that minds should snap under the strain, that people should become desperate and demented, and the increasing number of prison inmates and insanity patients prove the truth of this assertion. It seems strange that such a condition of affairs should exist when the world's wealth is steadily increasing, and people naturally look for the cause with a view to remedying the evil.

Henry George in his "Progress and Poverty" also seeks the true cause and remedy for advancing poverty amid advancing civilization and progress. His arguments and ideas lead to a new theory which is different from most accredited theories of eminent philosophers. According to Henry George, the current theory is that "wages are fixed by the ratio between the number of laborers and the amount of capital devoted to the employment of labor, and constantly tends to the lowest amount on which laborers will consent to live and reproduce, because the increase in the number of laborers tends naturally to follow and overtake any increase in capital." At first glance, this theory seems very plausible, but doubt enters our minds when we come to the statement that if this theory is true, "high wages, the mark of the relative scarcity of labor, must be accompanied by low interest, and conversely, low wages must be accompanied by high interest." This statement is undoubtedly wrong because in times of prosperity when wages are high, interest or the return to capital is always high, and the number of laborers are greater. We also know that low wages are the mark of hard times and that capital receives larger returns in prosperous times than in hard times.

Apparently we have already disproved this theory but we can more surely establish its disproof by a consideration of the foundations of the theory. Evidently capital has been considered as essential to labor and thought of as a fixed amount. But does a man receive wages before he has done his work? If he has to perform a certain amount of labor before he is paid, doesn't the produce of his labor furnish his wages and his employers' profit? If the produce of his labor could not pay his wages, his employer would lose money; if it just equalled his wages, his employer would receive no profit. It is needless to say that employers do not generally suffer losses, neither are they content to forego profit. Thus it is shown that wages are taken from the produce of labor and that the greater the labor, the greater the amount of capital becomes. The first being discarded, we may now consider another theory.

This second theory, Henry George tells us, is called the Malthusian theory or theory of Malthus. Malthus' theory is that population tends to increase more rapidly than subsistence. Although this theory seems quite reasonable, nevertheless there must be some doubt felt as to its truth. Must increasing population, so often hailed with joy and so often bringing prosperity to a country, bring suffering and want to the same country? Henry George presents to us several arguments that make this question clear. With telling effect he points out the fact that the world, after so many years, is still thinly populated and that regions that once were highly productive are now overrun with brush and are veritable jungles. Surely if population were continually pressing against subsistence, regions that once supported thousands would not be the

haunts of wild beasts today. That such places exist is proven by explorers who have discovered that lands in Central America and Western South America, which are now almost impenetrable jungles, once supported a great population. Henry George also brings to our attention that decrease of population is as common in the world's history as is increase. In fact, we learn that many consider the population of the world to have declined since the Christian era. It is common knowledge that every day evidences are being found of higher civilizations and more populous nations than it was thought could ever have existed. It is not very difficult for us to believe, when we recollect the splendor of Alexander's Empire, the vast numbers contained in the invasions of Eastern tribes into Europe, that Asia once had a greater population than at present. We know that the Nile Valley in Africa once supported a much greater number than now, and we also know that today these same regions are in most places sparsely populated. If population is always tending to outrun subsistence, why are not these productive regions supporting as large a population now as formerly? Henry George produces many other facts which go toward strengthening the disproof of the Malthusian theory, but they are unessential as our minds are already convinced of the fallacy of the theory.

Now that the two current theories have been disproved, we may turn to a consideration of the true cause of the evils. We have established that wages are the direct produce of labor. Thus no wages means no labor and that in turn means idle men. We have also learned from Henry George that land is essential to labor. For without doubt, the absence of land makes labor impossible, and as capital is not essential to production and labor is not wanting, we must look to land for the trouble. The fault, Henry George tells us, is not in the land but with the owners of the land. Land monopolization and the consequent destroying of the people's right to the land is the real cause of increasing poverty, according to Henry George; and he endeavors to show conclusively just how the monopolization of land by a comparative few is responsible for the suffering of our poorer classes. Thus we are led to the assumption that private ownership of land is wrong. Such a statement naturally meets with some opposition, and it may be asked why so little attention has been paid to this wrong, if wrong it be, and in answering, it may also be asked what class of people wield the most power in a country? Do not the land owners control the wealth of a country when they control the means necessary to the production of wealth, and in controlling the wealth of a country, is it not a natural sequence that in many places they control the thoughts and legislative acts of the people who fear the effects of the landowners' displeasure?

Also is it not significant that while the ancient Romans protected their small farmers and maintained public lands to which all had a common right, they formed a world-ruling power? But when greedy patricians acquired vast estates and the poor farmer's land was taken from him to satisfy their greed, and the sturdy, industrious, farmers of old became the idle, shiftless mob of the city, did not Rome begin slowly to lose her grasp of the scepter with which she had ruled the world? And finally when she was overthrown, was it not by the Teutons, a hardy race with firmly implanted ideas of liberty and equality? But before this downfall, many brilliant statesmen saw the cause of the suffering and want of the poorer classes and its danger to the State. Tiberius and Caius Gracchus will perhaps be the best remembered of the statesmen who tried to alleviate this suffering. They saw that land monopolization was the cause of the degeneration of the Roman people and they enacted measures which tended to limit the amount of land one person could hold. These laws however, were against the interests of the senatorial party, so the two statesmen were killed. Thus we see that long ago men realized the injustice of land monopolization because it was for the benefit of the few to the detriment of the many. This argument becomes clear if we consider just what determines the amount of wages.

Ordinarily a man will not work for less money than he could make if he applied his labor to the most productive land which he could occupy without paying rent, that is, the best land to which no value has been attached. Thus in a new country where only the best land is at first seized an owner would have to pay a laborer an amount equal to what the laborer could earn if he applied his labor to the next grade of land. As the country grows, however, these inferior lands are also secured and held, and wages are lowered because the returns from independent labor are less, owing to the inferior quality of the less valuable land. Moreover, much of this land is held for speculative purposes and is kept idle in spite of available labor to work it, for the speculators make their gain when they sell it for an amount much greater than its cost. That people should have equal rights to the land is justice, for according to our ideas, all people are equal, and being so, they should have equal rights to something which was always here since the earth was made and which no man can claim as the product of his labor.

The remedy proposed by Henry George is government ownership of the land. He explains that this would not mean a seizure of land by the government, but a taxation of the rent or value of land without the improvements. Thus by paying the tax all would have an equal opportunity to acquire land. The improvements could still be sold so that property could change hands much the same as now. Speculators would quickly get rid of their idle land, for under government ownership it would not bring them profit unless it was improved. They would also be forced by the competition of other land to sell their land or right of possession for reasonable prices.

Furthermore, such a system would give rise to greater productiveness, for with security assured them, people could make improvements without being taxed for them. Under these conditions men would be free in all senses of the word instead of being hampered by greedy landlords and retarded by unjust taxation.

Such a system of taxation as Henry George advocates would simplify a great department of the government. Where now many things are taxed, there would be only one tax to estimate and collect. A brief search will reveal the fact that the money derived from this tax would be more than enough to defray the expenses of government, while the surplus would be used for the common benefit.

In glowing words Henry George pictures the result of the remedy which he proposes. Labor would be given a field, modern inventions would at last serve their purpose of increasing the efficiency of labor, increasing labor would mean increasing capital and the absence of want would be general. With the fear of poverty gone, Henry George says the craze for riches would pass away and with the words of a dreamer he shows how men's minds relieved from the strain of the race for riches, would turn to higher and nobler things and evolve unheard of benefits and advancement in arts and sciences. A dream, but a dream built not upon air, but upon facts, a dream not with dim confused characters but one with clearly defined visions, which supported by a logical sequence of facts, seem to be entirely within the range of possibility.

It is undeniable that some men receive greater benefits from the government than others—owners of public franchises greater than non-owners; owners of valuable land greater than the landless; beneficiaries of a protective tariff greater than its victims, etc. All these classes must either pay taxes proportioned to benefits or regardless of benefits. If benefits are disregarded, then the man who is benefited the most may pay the least and he who is benefited the least may pay the most. Sensible men would call this injustice, but the scientific economists who scoff at justice reassert in this new way the old doctrine of the divine right of some men to rule others.—HON. WILLIAM S. RANN, Corporation Counsel of Buffalo.