

Population, that is numbers of people, is a term that Mr. George uses with far reaching effect, but illogically.

Population makes land value, so also does population make all other values, and consequently if because population makes land value therefore land should be held in common, so also for the same reason all things should be held in common. The socialists who call Mr. George a socialist are more logical than he. Population does make all values of all things, but by individual labor and demand, and just as every man makes the share of wealth that he demands, so he makes the share of land value that he demands.

Now, Mr. Editor, don't teach that the Single Tax should be adopted because land ownership is wrong. Teach the truth, that the Single Tax is the only just tax and that any other system makes land ownership a curse instead of the blessing it is intended to be.

Baltimore, Md.

WM. J. OGDEN.

REPLY BY A. C. PLEYDELL.

Henry George did not "omit the factor of taxation in the distribution of wealth"; he did dismiss it as unimportant in comparison with land monopoly, "the robber who takes all that is left," and for the reason implied in that phrase, that to make any minor changes in taxation would inure chiefly to the benefit of land owners. (This question of taxation is thoroughly covered, however, in Mr. Shearman's "Natural Taxation.")

That Mr. George "did not discover that the cause of land monopoly was a false system of taxation" was undoubtedly because he knew that it was not the cause. The omission to apply a remedy cannot properly be charged with the causation of a disease. Land monopoly is due to social customs which permit private ownership of land and appropriation of rent; it has existed under many systems of taxation and where there were no "taxes" at all.

Mr. Ogden charges that all Mr. George's reasoning against property in land is fallacious, but in the illustration he then gives the error is his, and not Mr. George's. For when Mr. George refers "throughout all his works to land as an unchangeable thing" he is always using the word land, as he explains many times, in the sense of opportunity, location, site. And site being a dimension, does not change in quality; only the use made of it changes. Consider Mr. Ogden's illustration of the city block. To say that each "block," is a product of labor and capital is misleading. It is true that the streets, paving, pipes, are the work of man. But these only bound the "block," whose owner has probably contributed only a fraction to their cost. Right here on Manhattan island bounded by such paved streets which are the work of some men are areas of land owned by other men on which no work (except perhaps some timber cut for sale) has ever been done and to which enormous value has come by reason of the work done and paid for mainly by others on adjacent streets and land. Labor and capital have worked to the boundaries, but that site within the bounds "is in nothing changed" except that its owner can now obtain an enormous sum for allowing labor and capital to get upon it. And the principle underlying this matter of cutting up a city into blocks is the same, even though some blocks have been built upon at once.

Mr. George has plainly said more than once in "Progress and Poverty" that in the beginnings of society land had no value, but as society becomes organized and population increases land values arise. In his writings and public work he was not dealing with ancient Chaldean or modern Hottentot society, but specifically with Aryan civilization in its modern European and American developments; and his remedy of taking rent in the form of taxation was advanced because of its peculiar adaptability to our present day society and governmental organization. It should be apparent to even a casual reader (and Mr. Ogden is more than that) that when Mr. George speaks of increase of population he means an increase of such organized populations as he has been previously considering. Nowhere does he use the term (unless so defined) in the sense of mere numbers of people.

That the value of land is the price paid for a change of ownership exactly like the price paid for other changes of ownership is, for the purpose for which Mr. Ogden makes it, a sufficiently accurate statement. But that settles neither the causes of value nor the rightfulness of ownership. Land is exchangeable because society agrees to the private ownership of land which carries with it the right to retain the rent or advantage of the site.

Population does not "make" other values as it makes land values. The presence of population affords opportunities for exchanges of commodities, but it does not cause or determine their value; generally their value declines as population increases, because of lessened cost of production. But the presence of population does cause the value of land, both because it increases demand without increasing supply, and because the density of population increases the productivity of a specific area. The selling value of commodities is determined normally by cost of production and fixes the charge for hire. The selling value of land on the contrary is fixed by its hire or annual value, which in turn is determined by its estimated actual or potential productivity.

And there remains beyond these minor details of terminology or cause of values this one fundamental difference upon which alone the followers of Henry George can afford to rest their cause: That "land," (the earth, the resources of nature) was not created by individual effort, whilst labor products are. Therefore all are equally entitled to the value of land, and each individual is entitled to the value of his product.

It is far from being true that (even if not "wrongfully acquired," whatever Mr. Ogden may mean by that qualification) every man produces the land value he possesses, or would under a system of taxation that took about one-half the rent. For in Mr. George's words, "rent expresses the exact amount which the individual should pay to the community to satisfy the equal rights of all the other members of the community." Perhaps it may never be practicable to tax away the entire rent under existing social adjustments of business and property; certainly it will not be practicable to attempt to do more than by degrees abolish other taxes and increase the tax upon land values until they bear the entire burden of governmental expenses. Up to this point Mr. Ogden can comfortably travel with the leaders whose blindness he regrets and have no fear of being led into a ditch. When we have arrived there we may find that the increased tax on land values has brought so much land into use that rent has come down to meet the tax; in other words, that no land will have any higher rental value than an amount which about measures the value of the services rendered by government. In that

case, taking the entire rent in taxation and taxing the full cost of government against the land value would by synonymous terms and the practical result would be the same.

But Mr. Ogden does not look forward to this. He expects that a share of the rent shall be left to the individual as a reward of merit for using valuable land to its full capacity. Probably the result he desires will come about in another way as a result of competition; the more energetic people will bid highest for the best locations because they can best use them and make them yield the rental tax, and because they will be able to make better wages on such locations, and thus get their reward in another form.

But to preach as a positive doctrine that the Single Tax means leaving to land owners one-half the rent so they will be encouraged to put the land to good use, is to lose sight entirely of the aims and teachings of Henry George. The term "Single Tax" applied to his philosophy was not of his coining or seeking. He did not write his book in order to perfect our tax system. He wrote it because the sight of his fellowmen in poverty and degradation would not let him rest until he found the cause and the remedy. What he preached was the abolition of that control over the earth which gives some men the power to enslave others. His philosophy was that of equal freedom extended to all human and social relations, including equal access to the storehouse of nature. He taught that the right of the individual to what he produces is just, and that it is violated when rent is taken by private individuals. He lived and worked and died for the liberty of every man to live his life and employ his labor and enjoy the fruits thereof, subject only to the equal rights of others. Whether the preaching of this gospel shall be ineffective is not for us who have to thank him for teaching it to say. To us, it is true; by us it will be preached.

A. C. PLEYDELL.

PUBLIC OWNERSHIP OF PUBLIC UTILITIES.

Extracts from Pamphlet Prepared for the Radical Democracy of Brooklyn.

By JOSEPH DANA MILLER.

The objections sometimes raised to public ownership of public utilities—gas, electric lighting, street railroads, telephones, etc.—is that it would be to bring them into politics. The reply to this is that they are already there. Politics is the very life of these "public service corporations," and it is the alliance between the two which leaves the public in its present helpless condition.

It is through the secret agreements of these bodies with the "bosses" who control the nominations of representatives that the latter have grown enormously rich. We sometimes speak of these great public franchises as having been "given away." This is an accurate statement so far as the people themselves are concerned, but nobody supposes that they cost nothing. It is the return of such gifts, and not the lesser graft from pool rooms and gambling houses, that is the secret of the mysteriously acquired fortunes of the political bosses of the cities.

These are the pearls of the political fortune hunter, the rich assets of the municipalities, which with reckless prodigality the cities have thrown away. Half the corruption in municipal politics is due to the "farming out" of these special privileges, just as in earlier times the "farming out" of tax collections led to the same kind of corruption until the Government was obliged to assume its own natural function of tax collector.