

THE CRUX OF THE LABOUR QUESTION

Abstract of Labour Day Address of Louis F. Post, at Topeka, September 4th, 1916.

... There is marked significance in the fact that Labour Day is distinctively the holiday of one class of labourers. It is the holiday of wage workers. A wage worker is a labourer who sells his product before he produces it. He is a business man who in the very nature of his business can have but one customer at a time—his employer. If he loses this one customer he goes broke until he can find another. We have come to regard him and he has come to regard himself as the only kind of labourer there is. Other kinds are called farmers or professional men, or producers, or something other than labourers.

Now there are many other kinds of labourers than wage workers. Why, then, do we define the word "labourer" to wage workers. Is it not because some kind of stigma attaches to the word labour? Does it not imply that the labourer is a servant and has a master? And don't we all rather like to be masters instead of servants? Granted that the word is losing its disagreeable significance. Granted that the wage worker is coming to be proud of being a labourer. Granted that the business man often boasts of having once been a labourer. Granted that the politician brags about having been a labourer whenever he wants to get wage workers' votes. Grant all that. Yet isn't there in fact a disposition among wage workers themselves to get out of the class? Why should this be?

Consider labour in its broad sense and everyone ought to be ashamed if he is not a labourer. Turn to your Bible and the first divine injunction it records is a command that man shall eat bread in the sweat of his face. And is that not a natural law? Is it not a scientific fact that mankind has to live from hand to mouth? The expected railroad strike, which has happily been averted, goes to prove that we do live from hand to mouth. At the mere hint of a stoppage of railroading there was consternation. We knew that if that stopped everything would stop. Is it not perfectly clear that if all labour stopped to-day we should all be dying off to-morrow? We do not live upon the saved-up labour of the past. Man must eat bread in the sweat of his face if he eats it at all.

But all of us would rather eat bread in the sweat of somebody else's than our own. So we have a long history of slavery and serfdom. It was a survival of slavery that made our Civil War. It is a survival of serfdom that makes the trouble in Mexico now. But slavery and serfdom are nearly gone, and what has taken their place? A wage working class. This wage working class is called our labour class, just as slaves and serfs were once called the labouring class. Why? Because they are the class in the sweat of whose faces all classes eat their bread. The wage working class consequently inherits the stigma that attached to the slave class. And for the same reason. They are the servant class. If you don't believe it look at your law books which deal with the relations of "master and servant." The lash of chattel slavery has gone, but disemployment has taken its place as the lash of the wage working class. Fear of disemployment drives the wage worker to his work no matter how poor the pay. But don't misunderstand. I have no intention of saying that wage working labour is on the same low level as slavery. It is not. There is a degree of freedom in the wage working class which the slaves never could know. And out of this freedom has developed increasing power. The wage worker may climb out of his class. Far better than that, he can help to raise his class out of servitude. All this he has done and is doing, partly through labour organisations and by economic methods and partly by political means. . . .

Part of the wage working struggle has been for better wages. What are wages? Something that employers give to wage workers? Not at all. They are the share of wage workers in their own productions. Every wage worker produces his wages before he gets them. You can see this in the case of a street car conductor. It is out of the nickels he collects during a week that his wages are paid at the end of the week. So is it with all other wage workers. Their wages come out of their own products after they are produced. But as wage workers have to bid against one another for jobs and as jobs are scarce, wages came downward rather than upward. So labour organisations have had to struggle to keep up wages and if possible to get an increasing share of their own products. With more wage workers than jobs, wages are bound to fall unless the wage workers organise. And that there are more wage workers than jobs is evident from the fact that strike-breakers can always be found. Where do strike-breakers come from if not from the fringes of labour—from the ranks of the unemployed? We are assured by statisticians that \$800 a year is the least that men can support families upon decently. Yet average wages are less than \$800. The statisticians also tells us that only one-tenth of wage working men get \$20 a week or more—that is \$1000 a year or more, even when they have steady work. If this is true with all the splendid labour organisation we have, what would it be without labour organisation. . . .

One of the greatest of the legislative landmarks of the recent past is the Department of Labour of the United States. Organised labour asked for it more than fifty years ago. Twelve Presidents and twenty-four Congresses came and went before that appeal was heard. But with the beginning of President Wilson's Administration a Secretary of Labour came into the Cabinet. He is head of the Department of Labour. As such he has promoted mediation in labour disputes with marked success. He has also set on foot a national organisation for finding jobs for the jobless. And in this connection he has undertaken to enable wage workers to create their own jobs by going directly to the soil. One great obstacle stands in the way of success here. As fast as men seek the soil, they raise the price of the soil—the price of natural resources. And as this price rises in response to their demands, it has a tendency to rise still further in response to the demands of speculators in land. So the more successful the Department of Labour may be in enabling wage workers to make their own jobs, the more certain its work is to be frustrated by speculative increases in the prices of natural resources.

And if we reflect, my friends, we shall find right there the crux of the whole labour question. Our government has given away to corporations millions upon millions of acres of our common lands. What we have not given away has been monopolised by purchase. So that now more than half our people are tenants and there is hardly any more public land left. Of the other half of our people, a very few own nearly all the land of the country. Look at our farming area. About 19 per cent. of it is in farms of a thousand acres or more. And these huge farms are owned by less than 1 per cent. of the farm owners of the country. Worse still, if anything could be worse, only about one-fifth of all that area is cultivated. Look then at our cities. A few families own a large proportion of all the land values of New York; a few families own a large proportion of all the land of Cleveland; a few families own a large proportion of all the land of Chicago. And so it goes all over the United States, in city and town and village and out upon your boundless prairies. Ask yourselves who owns most of Topeka. Ask yourselves what the ground upon which Topeka stands is worth. Ask yourselves who owns Kansas. You will find that the owners are not the farmers who farm farms. Our whole country is passing rapidly into the hands of a few. The rest are

trespassers in the country of their birth. Here is the core of the labour question

Shall these conditions continue? They need not, if a fair proportion of those who eat bread in the sweat of their own faces will but give the word. The clew line of the tangled skein of labour conditions is the wonderful social phenomenon that we call land value. You all know what land value is. It is the price that is given to localities by growing populations, by general improvement and by good government in those localities. Land value is the financial measure of social progress. In justice it belongs not to the land owner, but to the community. In justice it should be taken for common use. If that be not done, the common fund will go into private pockets. This will encourage speculation in land, and speculation in land discourages the use of land. Speculation in land narrows opportunities for employment by keeping land out of use. In that way speculation in land—more correctly, I suppose, I should say, speculation in land values—makes wage workers dependent. It forces them into labour organisations and it puts even labour organisations at a disadvantage in the struggle with highly privileged employers. But speculation in land can be stopped. The unused land can be opened up for use. Land values which grow with the growth of the community and with its general progress point the way. These values can be taken for public use by a simple change in our tax methods—a change that would be a good thing merely as a matter of taxation. What is it? Nothing more than that we stop taxing industry. Let us get our public income from increases in land values and we shall have no reason to tax anybody for building houses, keeping store, manufacturing goods, or working on farms. And why not take these common values for common use? No one dare say that it is wrong for the community to take what the community makes. The community has a right to its own wages. Then why not do it? If we do this, no one will monopolise land except to use it. If we do this, all who monopolise land will be making increased demands for labour in order to use the land. If we do this, those who use the land, those who work it, and improve it, they will get the benefit of their use of it—every worker, whether he works for wages or whether he works as a leader of those who work for wages. If we did this, labour organisation might continue. Let us hope that it would. But strikes and lock-outs would be things of the past. There would be no possibility of lock-outs when opportunities for labour constantly exceeded the supply of labour. There would be no motive for striking when labour conditions were fair and wages were the full product of the wage earner's work.

In conclusion, my friends, let me remind you that all labour is by nature co-operative. Association is part of the law of progress. We see this when we consider specialisation and exchange. No individual, no number of individuals, could make much progress without association. But association alone is not enough. We have association when we have slavery; we have association when we have serfdom. We have association when we have an exploited wage-working class. The true association must be upon terms of equality—of equal opportunity. This is the law—the law of nature. We cannot escape its penalties if we defy it. We can reap its rewards if we follow it. Shall we follow it? Yes, and in a way and to a degree we always have followed it. We are following it now. Our progress has always been slow, it is slow still, but we do progress. Sometimes we have great reactions, but they should not discourage us. Reactionary excesses are like flashes of electric light in the face of an imperilled sleeper—a sleeper who needs not so much to be told what to do as to be awakened and told where to look. Did you ever watch the movement of a great river? It winds and turns according to the lay of the ground, so that you cannot tell its general direction from mere local or temporary

observation. And here you will find an eddy, there a slough, yonder an obstructing rock. All disturb your judgment, as to the direction of the river. Yet it flows steadily on in one general course to the open sea. So is it with social progress. We have reactionary eddies, standpat rocks, a winding of the course of the stream, yet its flow is ever onward toward the great ocean of democracy, of brotherly love, of the reign of the Golden Rule. And the time is coming when this Labour Day, instituted by wage earners and celebrated by them, will become a true thanksgiving day for all who participate in the useful work of the world. We need only to do unto all others as we would have all others do to us. To love our neighbours as ourselves, to practise in our laws the doctrine we so proudly quote from our Declaration of Independence, that all men are created equal—we need only to wish to do this and to learn how to do it in order to bring about that reign of peace on earth and good will among men which was proclaimed from the skies 2,000 years ago.

CAN A TAX ON LAND VALUES BE SHIFTED?

The Opinion of the Opposition

California voted on November 7th on a proposition to apply the single tax to the State. That the majority failed to approve of it was probably no surprise, even to its advocates. But campaigns to advance a great truth do not end with an election. They continue until the truth has been accepted, and that this truth is making progress is evident not only from the fact that 300,000 votes were cast for it, but from the arguments printed by the opposition in the official pamphlet which the State furnishes all voters.

One of the great difficulties of single-tax propagandists has been to make clear that to put all taxes on land values will increase neither rents nor selling price of land. Opponents have long contended that landowners would reimburse themselves by adding the tax to the rent. As a matter of fact, all leading economists are agreed that a tax on land values can not be shifted. But hitherto, when the single tax has been a political issue, this fact would be ignored or denied by those opposed, and tenants were warned to defeat the measure on the fallacious ground that the tax would be shifted upon them.

Now the campaign of education on this point has borne fruit. The opposition did not dare repeat the false argument in the official pamphlet at least. On the contrary, the point was conceded, and their appeal was made instead to the selfish interests of land speculators. The argument is worth putting on record, since it may be contradicted by opponents elsewhere, or in future California campaigns. It was:—

Inasmuch as a tax upon land value can not be shifted, this amounts to confiscation of a part, if not all, of the property of whoever owns land at the time the change goes into effect. A tax on land is a net deduction from the rent of the land, and when the tax is made large enough to absorb most of the rent, as it would be under any form of the single tax, the value of the land disappears.

"The value of the land disappears." That means that would-be users would not be compelled to pay inflated purchase prices for land. Thus all would be assured opportunities for employment and involuntary idleness would cease.—AMERICAN ECONOMIC LEAGUE.