

titled? What proof is there that rent always appears in market price?

Such statements as those quoted must confuse students and damage our cause by furnishing evidence that Single Tax advocates are not necessarily posted on political economy, or even well acquainted with the cause and the effect of economic rent—that foundation problem of the whole Single Tax propaganda.

It is my idea that there is too much of a tendency to connect land values with the alleged high cost of living. Land values are—taken by and large—natural values in the sense of being values which spring from natural causes. They are not arbitrary values, fixed by land owners alone. Monopoly of trade or processes of exchange or transportation can add to normal values the value of obligation, and the price or cost of products may easily be affected by such monopolistic action, but the same is not true of land values. These are beyond the reach of monopoly. The rent of land is determined by the excess of its potential product over that possible at the best location to be had for nothing or a nominal price. Rent depends thus on marginal possibilities. If the margin is depressed, rent appears where it would not normally appear, and rent is affected all along the line, from locations of little value to those of great value, to the extent of the shifting of the margin, and to no further extent. If city and farm land values are nowadays high, they are so because of and to the extent of whatever depression in the margin is taking place, rent being determined just as much by natural law now as if no speculative or other withholding of land from use was occurring. Labor has to resort to locations unnecessarily poor in possibility, wages are decreased, and total product is lowered, but that is not to say that land values now affect the cost of living in any other aspect.

Land values, enormous in extent, would exist under Single Tax unlimited. Would they then affect the price of products and appear in market values? If not then, why now.—GEORGE WHITE, Hackensack, N. J.

We think Mr. White is partially in error. He is in error in ignoring the effect of land speculation upon the cost of living, though perhaps Mr. Hardinge has not stated the proposition with entire accuracy. We do not doubt—and we do not think Single Taxers anywhere doubt—that artificially inflated land values are reflected in the cost of commodities. The effect of such inflation is to diminish the productive use of land, and by limiting production create scarcity and scarcity prices. This is not to say that economic rent enters into price—as Mr. Hardinge is made to say—or that land values per se are a drain upon the community—as the gentleman who appeared before the New Jersey legislature is stated to have said. But speculatively inflated land values are, and it seems clear to us that the cost of living must be enhanced, and that this must affect not merely wages but prices as well. The Single Tax by raising the margin of cultivation will raise wages, and by releasing land now held on speculation for the work of production will increase enormously the store of commodities, and thus tend to reduce the cost of living. In this it seems to us the weight of evidence is more with Mr. Hardinge than with Mr. White. We leave to the former the consideration of other points raised by our correspondent.—Editor SINGLE TAX REVIEW.

#### TAXATION OF COAL FIELDS.

EDITOR SINGLE TAX REVIEW.

The taxing of coal, ore and oil lands is only correctly assessed when ready for use. When ready for use. When dug. The "bank-leave" in prospect is what the coal land speculator is after. If government takes the bank-leave that eliminates the coal land speculator forever. Just so is it when government takes the rent of farm land or town lots year by year, no one would think of speculating on land surface.

When farm land or town lots are put to use they are not moved or consumed or changed by fire. But coal, ore, and oil land is moved and burnt to be of any use.

No kind of land can be assessed correctly till ready to be worked. How silly it is to try to get coal valuation that is not needed for use for twenty years. I cannot understand why any Single Taxers want to tax coal fields, instead of the bank-leave or royalty. I was raised over a coal field. Our farm was all underlaid with coal. You can bet that I would pay no tax on that coal field if government took the royalty. There would not even be a shell for me, all would be gone, just like the boy who asked for the core. He was told that there would be no core in that apple.

You raise it good and effective on the speculator when you take the royalty on coal, ore and oil. See "Boreman Busy" in last REVIEW, page 51.—CALVIN B. POWER, Fayette City, Pa.

#### THE TAX ON RENT.

EDITOR SINGLE TAX REVIEW:

Certain missionaries to the Single Taxers wish to show them the folly of denying private property in land, and reveal the mistakes of Henry George who condemned private property in land in strong terms. He says, (Progress and Poverty, Doubleday edition, page 347) that the effects of chattel slavery are "trivial as compared with the forms of slavery which have originated in the appropriation of land." According to his definitions land is not and cannot be private property. He asks, (p. 332):

"What constitutes the rightful basis of property," and answers: "That which a man makes or produces is his own, as against the world. No one else can rightfully claim it."

Not even the State can rightfully take such property by taxation. Our missionaries do not urge that land be so held; they recognize the claim of the State to a tax on site rent.

Property must be wealth. Land is not wealth; it cannot be property. Among things that "cannot be considered wealth at all" are "lands, the value of which is but the result of the acknowledgment in favor of certain persons of an exclusive right to use." (pages 38-39.)

Mr. George always treats the value ex-

pressed in the selling price of land as wholly fictitious. Selling price is "rent capitalized" (page 166.) A fictitious value cannot be real property. Watered stock is capitalized income which is based on injustice. The "watered" value of stock often disappears from the market after the unearned income ceases, but no real wealth disappears, for no wealth was back of the "water." Just so the value of land titles may be destroyed without reducing actual wealth.

Land satisfies no human want until labor is applied; then land is opportunity, and can be nothing else. The origin of what we imagine is private property in land is the patent given to the favorite of a monarch, permitting him to collect rent from users. The right is bought as wholesale, so to speak, at a low price, and retailed at a high price. It is this legal power to retail opportunity that is bought and sold. As our missionaries agree with us that this power resides only in society as a whole, I as an unconverted heathen, remind them that their "private ownership," Henry George's plan of possession on payment of economic rent if any, and the present land system, are precisely the same, the differences in result resting entirely upon the amount of site rent collected by taxation. If a low tax means private property, and a high tax means common property, at what point does the change occur. Could 30% of rent in taxation be consistent with private property, and 31% be the amount that produces common property. Stated in this way, the agitation of our friends becomes absurd. Abolition of taxation and the substitution therefore of site rent, causes no change in titles. The remedy is therefore simple and conservative, although the effect is revolutionary, placing the producer, instead of the idle land monopolist, in possession of opportunity.—C. F. HUNT, Chicago, Ill.

#### MR. HALL AMENDS OUR "DEFINITION."

EDITOR SINGLE TAX REVIEW:

Your definition of the Single Tax in the May-June number is clear and excellent,