

lation, we will see that such a site is naturally the place for a large, thrifty, industrious city. But supposing that a number of land speculators arrive there first, and with their customary greed refuse to sell their land until it attains a value which is always higher than the economic condition of the people will permit to be paid. It will readily be seen that much land will be kept idle or poorly used, and such a city will be scattered over a large area in a very uneconomical manner, so far as the production and distribution of wealth is concerned. This is the case in all our cities to a greater or less degree.

Now, if for any reason the holders of the idle land decide to cease their dog-in-the-manger policy and permit the land to be used upon reasonable terms, the city will immediately begin to grow more compactly. Each improvement that is entirely suitable for the land upon which it is erected and is located on the vacant land will stimulate others to do likewise. The land will increase in value, but this increase is not because the building was there, but because the building has permitted the potential value inherent in the lot to be materialized. Briefly stated, then, the effect of any building which is exactly suited to the land upon which it is erected, is to materialize a potential value which inhered in the land previous to its erection.

Under the Single Tax in full operation, when all land is put to its best use, the construction of a building will not increase the land value tax. Until that time, if buildings were exempt from the present tax, the gain would more than offset any increase in land value tax that would result, indirectly, from making a neighborhood more desirable because of the good buildings there.

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HOW SHALL WE MAKE IT PLAIN?

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FROM HENRY RAWIE.

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I would like to say a few words on the subject proposed in Feb. issue by Mr. George White.

Having spent more than fifteen years on this problem of making Single Tax plain

I may be presumed to have an opinion on the subject.

The important fact I have discovered is that it is impossible to make any subject plain when the writer must accept a certain economic dogma in advance and must write only from that standpoint. Mr. White in common with most Single Tax writers and talkers insists that a certain theory he calls a natural law of rent must be accepted first as a prime and necessary condition of faith before any credence may be placed upon anything that may be said on this important subject.

What is this Single Tax movement, may I be permitted to ask? Has it become an economic caste where admittance may only be gained by accepting the theories of Ricardo, Mill and Smith?

Where does this movement place Henry George? Admitting Henry George indorsed certain theories of Ricardo, did he stop there, as all the Single Tax advocates are now doing, and insist upon a cardinal dogma of rent?

To what extent am I, as a Single Taxer, bound by the theories of Ricardo and Smith?

Mr. White says: "The whole philosophy in which we are interested is founded on the law of rent and our remedy must stand or fall, etc."

If this is true why appeal to Progress and Poverty? What reason is there for Social Problems, what excuse existed for the writings of Henry George? The law of rent was proposed and accepted before Henry George was born and he did not add anything to it, and if we are to be thus confined to the law of rent we cannot discard Progress and Poverty too quickly and get down to the main issue.

The whole trouble we experience in making our movement plain is the failure to emphasize the difference between the writings of Henry George and other economists.

Granting that Henry George accepted Ricardo's theory of rent does it therefore invalidate all his work if Ricardo was mistaken?

Did not Henry George discover something new that distinguished him from all other writers in this field.

It is passing strange with what passion the Single Taxers insist upon theories of

no value and ignore the most vital truth in the work of Henry George?

Henry George was original in this single proposition. "The increase in the *value of land* absorbed all the advances in civilization and all the earnings of labor above a bare subsistence."

Now this is not a statement derived from the law of rent, but Henry George accepted the law of rent which he supposed would support this truth. This truth discovered by Henry George is derived from facts of common experience, and is independent of any thing in Ricardo or Smith.

It is as absurd to insist upon a natural law of rent as it would be to insist upon a natural law of slavery that gave the master all the proceeds of the slave labor and did not require any return from him, even to keep the slave alive.

When land is rented it is merely the instrument by which labor is rented, and when land is bought and sold, it is the block upon which labor is bought and sold.

To put this question beyond dispute let us assume the Single Tax to be in force. In such case the occupiers of land would be paying a tax, but would they be paying for the use of land, or would they be paying for some benefit derived from the government?

WELCH, W. Va.

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#### REPLY BY GEORGE WHITE.

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I am not familiar with any special theory which Mr. Rawie has, and may not understand his statements. He writes apparently more to antagonize than to assist in making things plain. He is a civil engineer. Some engineers may work "from facts of common experience," but Mr. Rawie knows that constructive plans of engineers, to be successful, must take more than facts into account—they must be in accord with the results of the working of the natural law of gravitation, and the natural law that motion, if started, will seek the line of least resistance. Whatever are the facts of common experience in relation to land values, they are the result of the working of the law of rent as formulated by Ricardo and others and more fully developed and illustrated by Henry

George. It is not true that when land is rented labor is rented, or that when land is bought and sold labor is bought and sold. Land value or premium arises *naturally*, as a result of the competition for advantages of location. If I rent land, I pay as ground rent what I ought to pay. If I buy land I pay what is a reasonable computation as to the annual rental value, less taxes that may be required of the owner. Low taxes on land encourage land speculation, which makes an artificial scarcity of location opportunities, and depresses the margin of cultivation—desirability—so that the net return to labor and capital is lower than it might be, but the *very fullest* return to labor and capital under *free conditions* is only what can be obtained at the best location to be had for no rent or nominal price. The reason for this is the working of the law of rent. If the law of rent did not exist—if things in their natural sequence did not work out as they do, or if they worked out in an opposite direction, there would be no truth in the claim that "increase in the value of land absorbs all the advances of civilization and all the earnings of labor above a bare subsistence," to quote Mr. Rawie.

The only logical conclusion from the *orthodox* statement of the law of rent or land value is that it is ridiculously unfair for private owners to be allowed to appropriate land values. Furthermore, the withholding of land from adequate use, by reason of land speculation or similar cause, necessarily, as a plain deduction from an understanding of the law of rent, results in reducing the net returns to labor and capital. And still further, the plain teaching of the orthodox account of the law of rent is that if rent is absorbed by taxation, the tax cannot be shifted—private owners can not reimburse themselves at the expense of land users. These three propositions are the basic ones in the Single Tax philosophy. They should be made so plain that our school children should know them as they do their arithmetic. So plain that neither editors, nor legislators, nor any kind of social reformers should escape the necessity of aligning their proposals for prosperity and improved social conditions with them. They should be made so plain that

not even our presidents or presidential candidates should be allowed to talk or write concerning plans for doing justice and giving labor and capital their due rewards, without showing how they are going to dispose of the annual rental values of lands.

How shall we make it plain, Mr. Rawie? Something different to your article is necessary, surely.

GEORGE WHITE.

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#### MEETINGS OF WASHINGTON WOMEN'S SINGLE TAX CLUB.

The January meeting of the Women's Single Tax Club was held on Monday, the fourth, at the residence of Mr. James Hugh Keeley, at 209 East Capitol Street. During the business meeting, it was announced that the little paper, "Government Publications," published by one of the friends of the Single Tax cause, would announce each week, the meetings of the People's Non-Sectarian Church and all of the societies connected with it, and also the Single Tax Club. Prof. E. C. Kenney then sang two songs of his own composition—"The Song of Life" and "The Joyous Shepherd"—to his own autoharp accompaniment. Mr. William D. Mackenzie gave the paper of the evening on "Monopoly and Special Privilege" in which he pointed out in detail industrial conditions and their remedies. The remainder of the evening was spent in a general discussion of the paper. The programme concluded with refreshments.

The club held its February meeting on the first of the month with Mrs. Cora Davis Thompson at the Rochambeau on Connecticut Avenue. Mrs. Margaret Lohr read a biography of Henry George, and Professor Charles Newburgh gave a general report of the progress of the Single Tax cause throughout the world. Mr. and Mrs. C. A. Thomas entertained the club with a mandolin and guitar duet, and vocal and piano solos were rendered by Mrs. Helen C. Crouch, Miss Helen W. Bane, and Mr. Frederick Fletcher. Refreshments and an informal reception followed the conclusion of the programme.

At the March meeting, held on the first,

with Miss Bertha Yoder at 144 Eleventh street southeast, a petition was presented for uniting the radical elements of the country irrespective of party, to work for those measures which are held in common by the greater portion of reformers, and many new names were added. Mr. George Willis Cooke, of Wakefield, Mass., gave a short talk on "Land Values and the Land Problem" and Mr. Jackson Ralston spoke on "The Present and Future of the Single Tax movement."

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CHARLES J. Ogle of Baltimore, who last summer made a trip to Europe, visiting England, Sweden, Denmark, writes us from the latter country: "Mr. R. Luiderburg, of Der Sociale Secretariat, a sort of Institute of Social Science, is a reader of the REVIEW. He was a personal friend of Henry George, but inclined somewhat to socialism. Denmark has a Single Tax organization called Der Danske Henry George Forening, which numbers between two and three thousand active members. Mr. Berthelsen is the head of this organization and Dr. Christiansen who is Arkwar (or statistician) of the Copenhagen Town Hall, is the local chairman."

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WM. B. Du Bois, of Bayonne, N. J. who was candidate for membership in the city council at the last election has appealed from the recent assessment on his house in the following terms:

"It is unjust and unwise to assess land at less than its true value. It is unjust and unwise to levy taxes on improvement at all, but as the present laws do not permit their entire exemption they should be taxed as lightly as possible. The assessment on my house was raised from \$2,000 last year to \$2,800 this year. If this policy has been pursued in assessing property throughout the city it is a very bad policy, as it will tend to discourage improvements on one hand and on the other it will make it easier to hold land out of use and thus play into the hands of the land speculators and land grabbers."

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Do not preach, "Give to the poor," but rather, "Don't take so much away from them."—Dr. Woods Hutchinson.