

RECENT SOCIALISM.

(For the Review.)

By JOHN SMITH.

In the last Socialist convention Victor Berger (Milwaukee) said:
(*Daily Socialist*, May 20, 1910) debating "How to Reach the Farmer:"

"The greatest Socialist minds have spent years on this question. Kautsky wrote a book of 500 pages, and it is the poorest book he has written. He came to no conclusion. The greatest trouble is that Marx fell down on the question of agriculture. We have to admit it."

A. H. Simons said:

"I thought I knew all about it. But after a while I studied the question. I read nearly everything printed in French, German, or English on this question, and at the end of that time I produced 'The American Farmer.' Yet after I studied more and more I got less certain and made a good many more positive statements than I would make today. The German Socialists began to take up this thing. They were just as cock-sure and just as ignorant as many of those who have spoken here today. It is time we got a little knowledge of this subject."

After many years of misrepresentation and ridicule of Henry George's land economics by socialist leaders, they come to the above wise conclusion.

Says Berger:

"We cannot have socialism if we don't get the farmers."

Says Simons:

"It is not for the socialist party to guarantee the private ownership of any productive property."

Here is a deadlock. The farmer clings to his capital, and there is no getting on without him. Perhaps the cause of the frequent decline of the socialist vote lies here. When socialists learn about land, they will also learn that machine owners can exploit only landless men.

A writer in the *Daily Socialist* proposes the following plank:

"That all lands shall be the property of the Government, and that it shall be worked in the benefit of all the people. Provided, that any citizen who is married shall have option to lease from the Government not to exceed five acres for a private dwelling, the rental to be fixed by the government. But shall at expiration of lease and his wife's death again be government property."

The unmarried soldier-farmers would live in barracks. Officials would be elected to watch when wives die, so as to oust the widower and send him back to the barracks. This official would not be popular.

Henry George solves the problem of unemployment on democratic lines:

"If workmen would accomplish anything real and permanent for themselves, it is necessary, not merely that each trade should seek the common interest of all trades, but that skilled workmen should address themselves to the general measures which will improve the conditions of unskilled workmen. Those who are most to be considered, if labor is to be enfranchised, and social justice won, are those least able to help themselves, those who have no advantage of property or skill or intelligence. In securing the equal rights of these we shall secure the equal rights of all."

His remedy is not sentimental, but economic; the pressure of those outside of the unions should be met by opportunity for employment. Land offers this. Some socialists deny it, yet it can be readily proved by quoting socialists. In "Struggle for Existence," page 431, Mr. Walter Thomas Mills says:

"Karl Marx has spoken nowhere with greater clearness than in the 33rd chapter of Capital. He not only illustrates but clinches his argument with the famous Swan River experiment in Australia, where a quarter of a million dollars worth of supplies, cattle, seeds and implements were sent to a new country, accompanied by 3,000 emigrants, and where, BECAUSE OF UNTAKEN LAND, each man could work for himself and have the WHOLE OF HIS PRODUCTS. All refused to work as 'hired hands' and the whole of the property was lost for lack of laborers."

Marx' comment on this incident is incompetent, silly and untrue:

"Unhappy Mr. Peel, who provided for everything except the export of English modes of production to Swan River."

Modes, (methods) could be freely used. Mr. Peel overlooked nothing but the helplessness of laborers in England where no land was available. He should have exported a shipload of helplessness. But he soon found it was a new condition, not methods, that ruined him.

THE GEORGE LEWIS DEBATE.

(Garrick Theatre, Chicago.)

The British lords were needlessly disturbed by the budget agitation. The land-tax theory has been destroyed. Just previous to the debate the *Daily Socialist* said:

"When interviewed, Lewis said he intended his first speech to be a complete annihilation of the entire Georgian philosophy, and when George replies, he will find himself biting on a granite block."

After the debate Mr. Lewis announced in the *Daily Socialist*:

"The debate will appear in the May *Evolutionist*. It will be the most up-to-date and authoritative document on the Henry George Philosophy in existence."

The latest development of the Single Tax theory, therefore, is its destruction. It is an ordinary task for an "intellectual" socialist to go out of a morning and demolish a philosophy, but we may imagine that such useful iconoclast may not enjoy the spectacle of despairing devotees who, in their chagrin, chew granite; but that is incidental to the work; and such mastication is sincere though helpless approval of it.

Before Henry George began to write, according to Mr. Lewis:

"The complaint of the capitalists was that they had to pay rent to landlords—a lot of loafers."

Were these oppressed capitalists organized? Was the capitalistic press of that time full of agitation of those land reformers? No one remembers it. There was quite a movement, for Mr. Lewis tells us how in the nick of time, when everything looked dark, Henry George appeared as the "champion" of these capitalists in their "effort to cut off the landlord's share of the plunder."

Though history be strangely silent, Prof. Lewis has powerful support in the famous letter of the Great Karl Karx, in 1881, in which he says of the demand to turn land rent over to the state, that it is:

"The frank expression of hatred which the industrial capitalist entertains for the land owner who SEEMS TO HIM a useless and superfluous entity in the scheme of capitalist production."

The disappearance of those capitalistic Single Taxers is amazing. The swallowing up of Pharoah's host is by comparison a trivial incident; and there must have been wreckage of accoutrements, bodies, horses, etc., visible for some days. But since 1881 a group of men, a ruling class, have disappeared utterly, leaving not even a history. At present the people called capitalists show no evidence of hatred for landlords; land is considered a good investment and rent a just return, by all except Single Taxers. To be sure we have such men as Tom. L. Johnson and Joseph Fels, but their aversion to land monopoly has developed since George began to write.

But those wealthy haters of landlords surely existed, for the ambitious Henry George, says Mr. Lewis, in looking about for a rich and liberal class to serve, concluded to become the Champion of those land-reform capitalists, by endeavoring to justify their unearned incomes. Of course at that time Henry George rolled in wealth, having wealthy employers, notwithstanding a misleading biography states that while writing he pawned his watch for a little ready money.

Dr. Lewis says:

"By interest George means the part of the capitalist's income that he does not earn. All the unearned revenue of capital is brought under the head of interest."

What George says:

"Now, taking the great fortunes that are so often referred to as exemplifying the accumulative power of Capital, it is readily seen that they have been built up in greater or less part, NOT BY INTEREST, but by elements such as we have been reviewing." (Progress and Poverty, Book III, Chap. IV.)

These elements were land titles, franchises, watered stock, bonds and robbery. He classes all unearned wealth under rent, and the fruits of privilege based on land monopoly.

By capital, Savant Lewis means "anything used to exploit," including all those elements which George EXCLUDED from capital. This difference of definition gives Philosopher Lewis no trouble, as he is oblivious to them. In replying, Mr. Henry George, Jr. explained the difference between capital and monopolistic claims on products, but this availed nothing.

Lewis thought "the main trouble" with the Single Tax would be that:

"It would at most only divert the plunder now going to the landlord into the pocket of the capitalist, who would then have a double share of surplus value."

How could this be, after the voters decide to turn rent over to the state? Mr. Mills says the voice of the workers is the "supreme authority at the ballot box."

Let another socialist, Mr. E. Unterman, describe these workers:

"The modern working people rise up against the idea that work is an inferior and degrading activity, that another thing, called capital, is the superior of labor. They demand that work shall be shared by all, and that the thing called capital shall cease to exist." (Marxian Economics, page 28.)

These marvelous working people must have gone the way of those Single Tax capitalists. According to Mr. Simons, their wisdom is shown in this way:

"They continually vote into power their own oppressors. They are led to this through a process of deception." (Single Tax vs. Socialism, p. 28.)

And now Lewis says they will prorate the land rent out of the public treasury to Capital, which Unterman says should not exist.

Let us examine Scientist Lewis' fitness for research. His "Evolutionist" No. 1, begins with a debate on Scientific Socialism:

"In defining Science I shall follow Herbert Spencer who speaks of it as 'knowledge of a high order of generality' i. e., a knowledge of those great generalizations which constitute the highest achievements of modern science."

Next page:

"Neither the facts themselves NOR OUR KNOWLEDGE of them constitute science. A man might be a walking encyclopedia and carry in his brain a tabulation of all the facts ever discovered without possessing the

scientific spirit. Science consists of all those great generalizations OR LAWS THAT UNDERLIE THE FACTS, which co-ordinate and co-relate them and give us their real significance."

This sounds well but shows three defects: First, The two definitions of science are contradictory; in the first science is knowledge, and in the second it is not knowledge, but natural law itself. Second, Neither definition is true in any particular. Third, Spencer never said it. His position is exactly the reverse of the above. Spencer expressly excludes "generalizations" from science, but says they belong to Philosophy. Philosophy he defines (First Principles, p. 131):

"Knowledge of the highest degree of generality."

This was distorted by Lewis and made to stand for Science.

Spencer also says, page 132:

"Science means merely the family of sciences—stands for nothing more than the sum of knowledge formed of their contributions; and IGNORES THE KNOWLEDGE CONSTITUTED BY THE FUSION OF ALL THESE CONTRIBUTIONS INTO A WHOLE."

Page 18:

"Science is simply a higher development of common knowledge."

Page 20:

"Men of science subject each others' results to the most searching examination, and error is mercilessly exposed and rejected."

Then "scientific socialism" can be only a social philosophy, for its results are in the future and cannot be subjected to merciless criticism, and its errors cast out.

Various occasions require different expedients. Perhaps any of us, desiring to give tone and verisimilitude to ideal future society, finding Spencer's definition for Philosophy lying around, no one using it, and apparently no one looking, might assume it to have the certainty of Science, and borrow it. In the fire of temptation few of us are asbestos. Still, as Mr. Lewis accepts Spencer's definitions, and makes use of his idea of Philosophy, it will be amusing to quote Mr. Lewis' opinion of Philosophy, which he gives in beginning a lecture on Kant:—"Blind Leaders," p. 47.)

"The history of philosophy records a series of defeats, resulting in final and complete disaster. Twenty centuries of Herculean labors, and philosophy ends where philosophy began—the will o' the wisp it pursues is as far beyond the reach of Kant as it was of Plato. She despises Science which grovels among sordid facts, content to investigate that which has been gathered from experience, and which can be verified by observation and experiment."

This last definition of science is correct—knowledge of facts that can be verified; and it seems a sin to compare different lectures containing such conflicting definitions. This one suited the lecture on Kant, for in that

lecture there was no need to verify the future. The other definitions are utterly false. A man may have a "scientific spirit" which can mean only the impulse to investigate, but if he searches continually and adds nothing to knowledge of natural law he would not be a scientist, according to Spencer; while a man possessed of all the facts ever discovered would be the greatest of scientists. Neither generalizations nor laws are science; knowledge of natural law, alone, is science.

The "Marxian Theory of Value" is stated, and indorsed, as follows:

"The value of all commodities is determined by the AVERAGE amount of socially necessary labor-time required to produce those commodities." (Evolutionist, p. 237.)

A suppositional redwood tree grows near a sawmill in Chicago, only ten dollars' worth of labor to move it. Is it worth, then, ten dollars?

"If California redwoods cost on an average forty dollars each because of labor transportation, this tree, if an average tree, would also possess a value of forty dollars, although only ten dollars worth of labor was expended in this instance. The AVERAGE amount of socially necessary labor being equal to forty dollars, all exceptions would bend to the Marxian law, whether a ten dollar expenditure from the next lot or a hundred dollar cost from South Africa."

The AVERAGE would be, \$10. plus \$40., plus \$100.—\$150 divided by three equals \$50. The South African magnate would cheerfully pay \$100. to market his log, and receive \$50. for it, if he is a zealous Marxian. But any business man would tell him he could not wisely market his log until the price rose to \$100. for all redwoods.

The Marxian system is tottering. For Economist Lewis says, (p. 240):

"Take the labor theory of value out of the Marxian system, and the rest of it will collapse like a house of cards."

"George is the true lackey of capital," says Prof. Lewis.

What Henry George says:

"Unless injustice is natural, all that the laborer produces should be held as his natural wages." (Progress and Poverty, Bk. III, chap. I.)

Chap. V:

"It is not capital which employs labor, but labor which employs capital."

The power of applying itself in advantageous forms is a power of labor which capital, as capital, cannot share.

Capital is but a form of labor.

Lewis says, (Evolutionist, p. 11):

"Marx denied the existence of any such thing as 'value of labor' just as he denied the 'productivity of capital.' "

Maybe he did, and disputed himself, as usual. The "labor theory of value" is a fundamental of Marxian. The quibble that only "labor power" has value, is a weak device. Labor power is the nerve, brain and muscle of the laborer—the laborer himself, which is said to have value only under chattel slavery. Lewis himself uses the words "the laborer, or labor power," on the same page, and explains that it is labor, measured in time, that has value, for which the capitalist pays a portion of the product, keeping the remainder as "surplus value."

"Capital" abounds in such allusions as these, (Vol. III):

"The rate of productivity of the additional capital decreases." Page 819.

"That capital could yield interest without performing any productive function," is called nonsense; page 444.

"This ground rent does not arise from the absolute increase of the productivity of the employed capital."

Lewis continues, (page 11):

"This surplus (surplus value) is appropriated by the owners of capital; it constitutes the source, and the only source of unearned wealth. Out of this surplus value bankers receive their interest and landlords derive their rent."

But Marx says of "rent in kind," (Vol. III, p. 743), that it is:

"Always a surplus over and above profit," and profit is surplus value.

According to Ricardo, rent could not be labor's surplus value, because it is created by the extra productivity of certain sites.

Marx indorses Ricardo on page 760:

"Ricardo is quite right when he says: 'Rent is ALWAYS the difference between the produce obtained by the employment of two equal quantities of capital and labor.'"

On page 12 we learn from Mr. Lewis that "the only reason why the capitalist class is able to appropriate surplus value at all, is that they own the process of production itself." The landlord is lost sight of, or is classed with capitalists. But capitalists do not own the "process of production," nor the "mode of production." They own only capital, and this ownership does not enable them to claim more than current interest. This was proved by Marx in the Swan River case, where the capital decayed, getting not even interest, because land was free. Socialists think that, because landless men, driven by necessity, will accept a bare subsistence, therefore, ownership of tools always carries with it this monopoly power. As well assert that ague will persist in a marshy country after the cause of ague is destroyed.

Page 72:

"The civil war was only secondarily a struggle of liberty lovers for the abolition of property in human beings. Primarily it was a conflict between

two economic systems in which the younger and more progressive was naturally the victor."

Where is such history to be found? Prof. Lewis does not know that Congress did not prohibit slavery until after the war; that Lincoln's proclamation applied only to the slaves of the seceding states; in other slave states it was not disturbed; slaves were returned to their masters, even in the seceding states, up to 1863.

In what manner were two systems in conflict? Marx said in 1865 that capital was powerless over labor, on account of land-plenty. The wage system, therefore, was too young to struggle. Slave owners did not struggle, for slavery was not threatened by the North at the outset.

Why should northern laborers struggle? Did they envy the slaves their security of subsistence, and demand they be thrown on the labor market? Did cotton cloth cost too much, and did the North demand child labor, to cheapen it? Possibly northern "wage slaves" realized that they gave more "surplus value" to the capitalist than did the slaves, so gave their lives to force the cheaper system (for the capitalist) on their neighbors. If so, why should the South resist? The South must have fought for the right to give slaves more than northern laborers received. When they foresaw their negroes reduced to the standard of wage slavery, they shuddered, and fought to prevent that terrible fate. In a fight there must be a motive. If northern laborers fought for an economic condition, they fought FOR wage slavery. Now after a season of evolution, they are expected to fight AGAINST wage slavery, to prove "Scientific Socialism."

The platform should be the definition of Socialism; but the platform makers of the party should take note of the follies and contradictions disseminated as socialism; and which may be the cause of the slow growth of the party. The truth can injure no worthy cause or party, and those who look up in awe to the self-appointed savants who know all about the Evolution of the Horse from the Eohippus, and can write fine treatises on the Ornithorinkus and Anthropoid Apes (claiming these subjects can help to abolish poverty), should be told that Land is the only requisite. "Oslerized" men and women, all with uncertain future, some having children still dependent; young people, compelled to start on wages which they would reject except for the hope of better; all should learn this simple lesson of the effect of free land on wages, as seen dimly by Marx and others, but faultlessly elaborated by Henry George. Their wages may be doubled, and without change of occupation; not all would need to work land. Those controlling productive power in the form of machines (capital) are just as eager for more opportunity as are those controlling labor power. And owners of machines cannot claim the product of capital which they now retain. "Supply and demand must equilibrate," says Marx; that is, any machine producing a commodity that commands more than the usual returns from labor, will be at once duplicated, the product increased, and the price reduced. Interest will be checked by the higher

cost of labor; higher because of multiplied opportunities. It will be seen that natural economic laws are sufficient, without legislation other than that tending to secure equal rights.

HENRY GEORGE.

A Memorial Address delivered to the Scottish League for the Taxation of Land Values, by the President, Alexander Mackendrick.

I have no hesitation in ranking Henry George as among the greatest men of the Nineteenth Century, and what follows will be an attempt to substantiate this placing of him.

The much debated question whether the times produce the great men or the great men the times, like the conundrum of the hen and the egg, it would be futile to waste time discussing. The point to note with satisfaction is that the great man always seems to come when he is wanted. Interpret it how we may it is the fact that when the fulness of time has come, when men's minds are prepared, it may be by much pain and suffering, to receive a new truth, a great teacher appears and nothing is ever again the same in the old world as it was before. A new force has been introduced into the complex scheme of life, and the vibrations which are set up, go on extending in concentric circles outward toward Infinity.

It may be useful to review shortly the speculative position as it seems to have stood for average men, up to the time of the coming of Henry George. For a few generations previous to thirty years ago, the social outlook for thoughtful lovers of the human race must have been of the most gloomy and hopeless kind. The so-called science of political economy which professes to teach the laws governing the production and distribution of wealth had amply earned for itself the name by which Carlyle had christened it, that of "the dismal science." For it had failed to provide any light to governors and legislators that was better than darkness. In its efforts to make its conclusions square with facts, it set up theories only to recant them again. Under its guidance or no guidance, there had arisen that strangest of spectacles, an unprecedented increase in the wealth of the country, accompanied by Manchester Insurrections, Chartist rebellions, Bread riots, and wide-spread pauperism. Its favorite and loudly proclaimed doctrine of liberty or laissez-faire, had turned out in practice to mean for the mass of men the liberty to die of starvation. These facts ought to and probably would have served to raise doubts as to the soundness of the orthodox economy had not the teachings of Malthus buttressed and supported it by the theory, that there is a constant tendency for population to outrun the means of subsistence; thus laying the poverty and suffering of mankind upon the broad back of natural causes which could not by any possibility be evaded.