

tion of their lands would be thus obviated, and the real advantages of the common ownership to which they so closely cling, be conserved. The improvements which they might place upon homesteads, and the products of their labor, could of course be exempt. And while industry would thus be rewarded and safeguarded, and the enterprises of capital encouraged, the revenue for common purposes would no doubt render all taxation unnecessary, and make the new territory one especially well provided for as to all public institutions and benefits. We may remember that it is portions (and only portions) of such funds which are now being returned as gratuities by our Carnegies and Rockefellers for the benefit, not usually of the communities from which they are derived, but of others arbitrarily chosen.

The method of appraising the tribal lands for allotment is such as would seem to make such a system of raising revenue particularly natural and easy. Its especial feature is the valuation of all lands independent of improvements of whatever nature. Each 40 acres of land is placed in one of 19 grades of valuation, determined solely from its nature or location, and the succeeding allotment is to be according to value and not area—at once a marked improvement upon our United States homesteading laws. I am assured by Mr. Grant Foreman, chief of one of the appraisement parties (to whom I am much indebted for the facts, but not the opinions, stated here), that the process of thus valuing the lands was not made more difficult, but rather less, by leaving the improvements out of account. This is verification of a view already held by progressive economists.

But while full and logical advantage has not in this case been taken of the principle of drawing public funds from common properties, so much could hardly be expected in view of the general undeveloped state of knowledge of modern economics, and especially in view of the purely commercial instincts which usually dictate such policies as the one now organizing the new territory. It is rather a matter of congratulation to find the tendency of the times so strong as not to be ignored in a measure otherwise so heavily under the suspicion of land-grabbing selfishness. That tendency, as marked by the new practice of leasing instead of selling school lands, by the progressive taxation of landed estates in New Zealand, and by the leasing of all the lands in the German col-

ony of Kiau Chau, is having its advantages clearly illustrated.

ETHELBERT W. GRABILL.
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THE RIGHTS OF MAN.

For The Public.

Civilization involves government. Government is the power of all, delegated to a chosen number, with a view to the conservation of the rights of each, and the defense of such rights against the encroachment of any.

The existence of government involves expense.

The only source from which this expense can be met is Taxation.

Taxation means a contribution from each individual to the common fund, the amount contributed in each case being the fair and just equivalent of the benefit conferred by government.

The payment of Taxes, therefore, means the giving up to the common fund by each citizen of some portion of that which he possesses, as the price of the benefit which he obtains in the conveniences supplied and the protection afforded by government.

All that an individual possesses is included in the term, *his Rights*; and the payment of Taxes accordingly involves the relinquishment of some portion of his individual rights for the general benefit.

Individual rights are of two kinds—Natural and Legal.

Natural Rights are those liberties and authorities which a man possesses by virtue of his nature, as a being called into existence in the world by the Creator.

Legal Rights are those liberties and authorities which a man possesses by virtue of human law, which is to be regarded as expressing the consent and permission of his fellow men.

I. Amongst the Natural Rights of man may be enumerated:

1. The Right to Life, which involves:

a. The right to himself, and therefore to the use of his powers and faculties in the providing of those things which are essential to the support of life.

b. The right of access to those materials from which alone food, clothing, and shelter can be produced.

c. The right of access to the natural elements and conditions which are essential to life, such as air, water, land, sunlight, rest, sleep, etc.

d. The right to the possession and use of the product of his own toil.

2. The Right to Liberty.

a. Liberty of body, that its powers may be adequately used.

b. That he may pass from place to place and from climate to climate, as his judgment may direct.

c. Liberty of mind, that he may fully enjoy his own thoughts.

d. Liberty of speech, that he may fully express his thoughts.

3. The Right to the Pursuit of Happiness.

a. In the choice of physical surroundings.

b. In the exercise of the mental and moral powers and emotions.

c. In worshiping according to conscience, etc.

These Natural Rights are inalienable; they belong to every man without exception; they cannot be justly invaded either by other individuals or by governments; and their only limitation is that imposed by the recognition of equal natural rights in all other individuals.

II. Among the Legal Rights of man are:

1. The right to enjoy secure and peaceful possession of specific portions of land, that the same may be held or used by specific individuals, to the exclusion of all others, notwithstanding the natural right of all to all land.

2. The right to enjoy private possession of railways, telegraphs, telephones, water works, electric light plants, and other franchises, notwithstanding that in every such case a transference of authority or sovereignty on behalf of the public is necessary, in the nature of a government charter.

These Legal Rights are not inalienable; they do not belong to all individuals, but only to some; they can be justly removed or modified by the human power which has conferred them; and their limitation is the well-being of the community, as that may from time to time be determined.

Now, since Taxation is inevitable; and since it is in its very nature an invasion of Rights—being a compulsory levy on private possessions—the only question to be settled is as to which set of Rights shall be invaded.

My contention is that justice and sound policy dictate that the Legal

rights of men and not their Natural rights are the proper subject of taxation; that no interference whatever with the latter can be justified until the utmost resources of the former have been exhausted. For, as already stated, these rights stand on separate and distinct grounds. Legal rights are man-made, man-conferred, and in the true sense secular; natural rights are God-conferred and in the true sense sacred. To ask a man in the name of the well-being of the state, to give up in the form of taxes some portion—or even the whole—of the value of a law-conferred Right (which is only another name for a privilege) is only to ask him for something which society has first given to him; and is something essentially different from asking him, for the general benefit, to give up some portion or the whole of a Right which he enjoys direct from his Creator. At all events, no such demand as the latter should be made except upon the ground of absolute necessity; that is, until it is shown that the taxable resources of legal rights have been exhausted, and yet the revenue secured is inadequate and requires a call to be made upon natural rights. To illustrate what I have called the essential difference in the character of Natural and Legal rights, let us consider one selected from each set as outlined above, and compare their fitness as objects of taxation. Let us take these two:

I. Natural right. A man's right to the product of his own labor.

II. Legal right. A man's right to quiet and peaceable possession of a specific piece of land.

In the first case let us suppose the product in question to be a house. The man has built it by "producing" the materials—that is, by securing, adapting and fitting them together, after bringing them from their various original sources. He may have done this alone; or with the assistance of others whom he has duly paid—it is all the same thing. If we grant that a man has a sacred right to the product of his own labor, this house is his property. All of it. To deprive him of any portion of it is the same in principle as to deprive him of it altogether. To impose a tax on the house is in effect to deprive him of some portion of its value; and the principle which would justify such a tax would equally justify one which would take the whole value. This would be simply in terms to deny the man's right

to shelter. If his product happened to be in the form of food or clothing, the same principle would justify the taxing of these away. But to tax away his food and clothing, as well as his shelter, would be to deprive him of life, and thus to deny his primary natural right. It may clearly, then, be laid down that the taxation of labor products is in principle and essence an interference with—and if carried to its extreme logical conclusion, a denial of—the right to life.

In the second case, let us suppose the legal possession in question to be a city lot. Looked at primarily a lot is simply a part of the surface of the globe—a section of nature, in the same category as the air, sunlight, and other elements of creation. If it be granted that all men have an equal natural right to all land, this lot can only be the private property of a specific individual by permission of his fellow men; that is, they consent to the withdrawal of their equal natural right to the occupancy of this portion of the common heritage in his favor. In other words, by form of law, society confers on the individual in question a privilege, namely, that of exclusively enjoying access to the specific piece of land in question. And although it is necessary to the existence of society that many individuals should thus be granted legal right to the exclusive possession of specific portions of land—this being the only condition under which land can be put to use—yet in the case of no individual can the right be more than a Legal one, granted by the consent expressed or implied of his fellow men. This is clearly seen in the fact that every government reserves to itself the right of eminent domain—the authority, namely, to dispossess any individual of ownership when the interests of the people as a whole require such action. And, be it observed, the Legal right of a man to use a specific portion of land, is quite separate from his Natural right to the fruits of his own industry thereon. His title to his own product is, as I have shown, based ultimately on his right to life; whereas his title to produce wealth upon this particular piece of land, to the exclusion of all other men, is based upon a compact made with society and ratified by law in the form of a deed or other instrument. It is to be noted that the Legal right to land is not conditional upon the holder using the land. He is at liberty to do so, if he pleases; or he may permit another person to use it, or he may keep it out of use altogether. But the law

has always considered his Legal right as a fit subject of taxation, and a refusal to pay the taxes imposed upon it will, at a certain point, extinguish this right. In plain terms, the land will be taken out of his possession.

Now, to see that every Legal right is in reality a specific privilege, is to see that it is essentially different from a Natural right. To ask men to pay taxes for the enjoyment of rights which they have by nature shocks the sense of justice; but to ask them to pay the full value of special privileges accords with reason and fairness. Surely men ought to be willing to pay for special privileges, for when such payment is made, they are merely placed on a level with those who do not enjoy special privileges. Having paid for their privileges, they still have their Natural rights intact. The Legal right of a man, then, to own a city lot, being a privilege which he enjoys to the exclusion of every other resident of the city, is a thing eminently suited for taxation.

This would be true even if the tax he was called upon to pay came out of his own earnings. But as a matter of fact, it does not. To see this clearly, take a case: A owns a lot in the business section, upon which he has permitted B to build a store. A does not own the store, but simply the land. B holds the land on a lease. The city, besides taxing the building, puts a tax of say \$500 on the land. Does this tax come out of A's earnings? No. Either B pays it to the city treasury, or he pays it to A, along with his rent for the lot, which is, let us suppose, \$1,500 altogether. A has manifestly nothing to do with this tax but to receive it and hand it over to the city treasury. Certainly he would be \$500 richer if he were not required to hand it to the treasurer, but still he cannot allege that in taking it the city deprives him of anything he has earned. Nor could he make such a complaint justly if the whole \$1,500 were thus taken by the city treasury. To be sure A would regard this with much disfavor; indeed, he might even declare that if all the rent he got for his lot was to be taken in taxation as Legal right in the ownership of it was worthless. And so it would be from the purely landlord standpoint—there would be no financial profit in it for him; his only satisfaction would be the purely altruistic one of permitting B to enjoy a business site which he himself was legally entitled to occupy. If he did not happen to be an altruist of this

stamp, he could eject B, paying him some fair price for his building, and occupying the place himself, or perhaps he could get B to give him something for the lot—whatever it might be specially worth to B. But, meanwhile, notice that B is perfectly unconcerned over A's "grievance." What is his position in the matter? He has all along paid \$1,500 for the use of the lot—apart from the tax on the building. He has either paid \$1,000 to A and \$500 to the city treasurer, or he has paid the whole \$1,500 to A and let him settle with the treasurer. If now the city tax on the lot is raised from \$500 to \$1,500, it makes no difference to B. It is the same sum that he has been paying all along for the legal right (transferred to him by A) of exclusively occupying that particular lot. That A is no longer making any private profit out of the transaction is none of his affair. He was not paying the land rent with the view of enriching A. Why was he doing it, then? Because it was worth \$1,500 per year in addition to the tax on his building, to him to be permitted to carry on business at that particular spot. It is worth that much still, and he is just as willing to pay the land rent to the city as to A. Please note particularly, he willingly pays the land rent (no matter to whom) because the business opportunity is *worth it*. A tax of \$1,500 upon the Legal right of holding this lot, then, is fair because it is no more than the value of the special privilege involved.

Having now shown that the taxation of Natural rights is unjust, and the taxation of Legal rights (i. e., special privileges) is just, and assuming that human society must be based upon justice, it only remains to inquire whether the taxation of Legal rights exclusively would afford an adequate revenue.

Without hesitation I reply in the affirmative, for the simple reason that the expenses of a community and the worth of living in that community are convertible terms—the one must precisely balance and measure the other.

A town that had no streets beyond casual goose-paths, no lights, no police, no waterworks, in short no improvements, would be a poor place to do business in. It would cost little to live there, but that little would be all it was worth.

And on the other hand, the advantages of living in a town or city in which all services and conveniences

were provided by the government would be the measure of the value of such improvements—in other words, their cost. If the value of a street railway to the people of a city were not always equal to or greater than its cost, such lines would not be built as private enterprises. It is notorious that they are in most places highly profitable to their owners. And the same is true of steam railways, telephones, telegraphs and other public services. While these remain in private hands they are proper subjects of taxation as Legal rights. Being, however, based on public franchises, and involving the sovereignty of the state, they should properly be conducted as a function of government, without the thought of profit.

The Legal right of private land ownership is in reality the one supremely suitable subject of taxation, and, indeed, all franchise values are in the last analysis, land values.

It is upon land and nowhere else that the advantages of living in a community register themselves. Every step in advancement, whether in material, scientific, intellectual or any other respect, by raising the community, automatically raises land rent. Where there are few people there is little or no land value; it rises and accompanies population from zero up to such cases as those to be found in the largest cities, where an acre of land is estimated to be worth many millions of dollars. Land rent is always and everywhere the measure of "the value of the opportunity," and a natural consequence of the gathering together of people. Being a thing created by the necessities of the people, what could be more fitting than that it should be taken in taxation to pay for those necessities? A land holder who is using his legal right as a means of enriching himself on ground rent will (as in the supposed case of A) grievously mourn over the stoppage of his toll, but at least he cannot justly complain that any wrong is really done him, even if the whole of the land value is taken from him in taxation. He retains his Legal right to the legitimate use of the land as a farm or a site for a home or place of business; and he suffers by such a tax in none of his Natural rights.

The taxation system at present in operation affects both Natural and Legal rights. Both the products of individual industry and the community-created value of land are taxed;

the former, however, more heavily than the latter. I repeat my contention that the taxation of houses, etc.—involving an interference with Natural rights—should cease until the taxation of Legal rights (now merely nominal) has been carried to the utmost possible extent. It will be time enough to resort to the taxation of Natural rights when that of Legal rights has been shown to be insufficient. But that time would never come.

JOHN WILSON BENGOUGH.

THE NEW EVE TO THE OLD ADAM.

I charge thee, Love, set not my aim too low;

If through the cycling ages I have been
A partner in thy ignorance and sin,
So through the centuries that ebb and flow
I must, with thee, God's secrets seek to know.

Whate'er the conflict, I will help to win
Our conquest over foes without—with in—
And where thou goest, beloved, I will go.

Set no dividing line between the twain
Whose aim and end are manifestly one;
Whate'er my loss it cannot be thy gain—
Wedded the light and heat that make
Life's sun;

Not thine the glory and not mine the shame.

We build the world together in one Name.
—Annie L. Muzzey, in Harper's Magazine.

"Do you suppose," asked the doubting man, "that there is any truth in the rumor that the Filipino betrayers of Aguinaldo bit the dust as soon as they were paid off?"

"Certainly. I believe there is truth in it," replied the positive man. "What other way did the fellows have for testing their coins?"

G. T. E.

For capturing Aguinaldo by forged letters, Funston is made a brigadier general. Meade was made a brigadier general for winning the battle of Gettysburg, one of the world's great battles, a field on which more men died than have died on both sides in our three years' war with Spain and the Philippines, with its hundreds of "battles." Funston is a dashing figure; but to reward a brave, smart scout with precisely the same guerdon as crowns the victor of a decisive battle in the nation's and the world's des-

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