

THE SINGLE TAX REVIEW

A Record of the Progress of Single Tax and Tax Reform
Throughout the World.

THE ABOLITION OF POVERTY BY THE RESTORATION OF EQUAL RIGHTS TO THE USE OF THE EARTH.

AN APPEAL TO THE WHITE SLAVES OF LANDLORDISM.

By GUSTAV BÜSCHER, of Zurich, Switzerland.

(Translated expressly for The Single Tax Review.)

There will be a change in these chapters from the order as previously announced, the contents of two chapters having been incorporated by the translator into others.—
EDITOR SINGLE TAX REVIEW.

VIII.

THE WORKERS AND THE TAXATION OF LAND VALUES.

The only constitutional means by which the larders of the workers can be filled and their narrow, depressing dwelling places be transformed into real homes, their wives secured time for recreation and rest and their children a happy youth free from care; the only means to convert the workers from "hands" to men with equal rights, no longer to be ignored by the beneficiaries of legalized privilege, is by appropriating the rent of land for public purposes, by the Rating and Taxation of Land Values.

To those who have never considered the subject, this may appear marvelous, or even absurd. Is there really a simple means by which the aspirations of the centuries can be effectively realized, by which an end unattainable by world-wide plans and complicated systems can be so easily reached? So will think those who have been misled by the disease of "isms," by the dreams of Socialism, Anarchism, Communism, and so on. So may think those who have devoted their lives and fortunes and energies to philanthropic palliatives, who vainly hoped to make Charity take the place of Justice and do the work and produce the fruits of Justice.

The great American, Henry George, has well compared the working masses to a strong bull chained to a post by a long rope. The bull has run round and round the post, winding the rope round the post, till "now he stands

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a close prisoner, tantalized by the rich grass he cannot reach, unable even to toss his head to rid him of the flies that cluster on his shoulders. Now and again he struggles vainly, and then after pitiful bellowings, relapses into silent misery." So it is, too, with the working masses of the people. In their blindness and shortsightedness, misled by leaders as blind and shortsighted as themselves, they have allowed themselves to be deprived of their equal claim to the use of the earth, and private property in land has been made into the rope which enthralls and strangles them. The bull could have freed itself most easily, if only it had known how to do so; so, too, could the industrial masses of the people, if only they had enough insight to find the right way.

Many otherwise intelligent workers cannot free themselves from the idea that they should tax rich people, without asking what sort of wealth they possess, or the kind of "property" whence they draw their incomes, or whether the incomes they enjoy are the proceeds of service or of privilege. This, however, is not only unjust, but also unwise.

The question whether we should tax the manufacturer and the business man, or the land owner, really resolves itself into the question whether we should tax the man who increases the demand for labor, or the man who lessens it.

The manufacturer and the trader increase the demand for labor. They require the assistance and co-operation of the workers just as much, nay, more than the workers require them. Every improvement in the condition of labor, every increase in wages, every shortening of the hours of labor, how have they come into existence? Through the fact that the manufacturer is practically compelled to allow the workers to work in his factory and use his machines, or lose his money.

The land-owner, the speculator in land, on the other hand, is the man who today does not need the workers. For he does not earn his money by employing labor, but by locking out the laborers. He can leave his land unused and undeveloped, till the workers are forced to accept his terms and conditions. The "capital" of the manufacturer, trader, and so on, is the product of past labor, and is employed to increase the productive power of labor; the "capital" of the land-owner are the natural sources and opportunities, the free gift of Nature, or of God, to all the children of men. Are we to tax the man who has to place his "capital" at the disposal of his fellows, and allow the man who appropriates to himself the value of the natural resources and opportunities to escape free of taxation?

Have you ever seen valuable land lying idle in your own town? Have you ever asked yourself what it means? Probably not; for your superiors do not exactly encourage you to think or talk of such matters. Well, it means exactly the same as a lock-out to enforce a reduction of wages. By a lock-out the employer hopes to increase his own profit; by allowing his land to lie idle the land-owner or speculator hopes to be able to extort a higher price, an increased "unearned increment", from those who in order to live have to put it to use. The main difference is that the employer has much less prospect

of success. He can only lock his "hands" out for weeks or months, but never for years or decades. He incurs the hatred of his workmen and arouses the bitter criticism of the general public. On the other hand, the land-owner can lock labor out of his land for years and years without ever being blamed. Capital may perish, the workers may starve, but the land-owner can wait. Unlike the property of the employers, his property does not perish or decay even though unused. He can wait, and after having waited for years, sell or lease his property at a price which will more than compensate him for his years of waiting. This is the reason why anywhere in the world, where the workers are entirely dependent upon the land-owners for employment, the wages of labor are the lowest, the time of labor the longest, and the general condition of the laboring classes the most hard and oppressive. When dealing with the land lords, the industrial classes must always get the worst of it.

What would happen if the factory owners could shut down their factories for years, and then sell them at an increased price? Then the slavery of the workers would indeed be complete. Neither strikes, nor trades unionism, nor co-operative societies could help them in the least.

The power of the landlord strengthens the hands of the factory-lord when in conflict with his work-people. For when his people grow dissatisfied with their wages or conditions he can always rely on procuring other labor from the districts where, owing to landlordism, the condition of labor is still harder and more oppressive. At the time of strikes he can always rely on the rural districts providing the reserves of labor-force necessary to his success in the conflict.

Though overshadowed by the great contrast between rich and poor, in our industries there is some unity of interest between the employers and employed. It is the pressure of high rents and of unjust taxation imposed upon buildings, machinery and other improvements, that forces employers to keep the wages of the employed at their lowest possible level. Like a gigantic sponge the ever increasing value of land absorbs an ever increasing portion and proportion of the produce of labor and capital. We have given one class the privilege of legally plundering all others, and we profess to be surprised when we find our pockets empty. We cannot understand what becomes of the fruits of our work, and yet every day we see millions paid for the mere permission to live and work flowing into the coffers of the land-owners and land-gamblers. The workers receive subsistence wages, small traders toil from morning to night, clerks and officials have to be content with meagre and insufficient salaries, and all because they will not heed the fact that the ever increasing value of the land, due to their own presence, needs and activities, has to be provided out of the fruits of their common toil.

Our statesmen and legislators, influenced mainly by those who without working are empowered to live upon the exploitation of labor, have exhausted their ingenuity in devising new forms of taxation, food taxes, house taxes, window taxes, carriage taxes, income taxes, death taxes, and so on, *ad infinitum*. But it always seems as if the Taxation of Land Values has never occurred

to them. And yet the Taxation of Land Values has as much advantage over all the other taxes as the railway train and the motor car has over the primitive carrier's cart and wheel-barrow. How comes it that they have never thought of it? that they studiously avoid even referring to it? So illuminating are its excellencies, so far-reaching and important are the advantages it would yield to the masses of mankind, that a great French statesman declared over a hundred years ago that the idea of Single Tax upon the value of land was the greatest forward step that had ever suggested itself to the human mind. How comes it, then, that our wise men are silent respecting it, that they pose and act as if such an idea had never been given to the world?

Is it not because the Taxation of Land Values would strike a deadly blow at the privileges of the rich? Is it not because it would secure in reality the equal rights of all to life and happiness? True, the opponents of the equal rights of all to life and liberty obstinately contend that the Taxation of Land Values can be of no advantage to the workers, since it would simply be passed on to the tenants. But if so, why are they so much opposed to it? Surely if this tax, like taxes on commodities produced by labor, could be passed on to the landless land users it would long since have been adopted.

It is a fact, affirmed by Economists and confirmed by practical experience, that a tax upon the value of land must be borne by the land-owners. Taxes imposed upon commodities produced by labor make such commodities dearer and scarcer. A tax upon corn makes bread dearer; a tax upon houses makes houses dearer. But a tax upon the value of land, by making it unprofitable to withhold land from use, makes land cheaper. What would happen to the speculators and holders of land if one morning they were informed that for the future they would have to pay the full rental value of the land they were holding, whether in full use, half used or entirely withheld from use? To them it would be as if the heavens had fallen. For the value of their land would fall, and in part entirely disappear. All the papers controlled by the rich would be full of the bitter lot of the patriotic land speculators who had "invested their hard earned cash" in land in the hope and belief that the stupid people would allow them to levy tribute upon them for ever and ever.

But such a step would usher in the dawn of a better day for the landless masses of the people, whose interests have too long been ignored, whose sufferings have too long been unheeded by the rich and powerful of this world. For the land, "the field of all labor and the source of all wealth," would be made and maintained available to industry. The deserted waste places of the country side would be converted into a garden, even land having little or no economic value, for there would be no owner to forbid its use. The empty sites in every centre of trade and commerce would be covered with buildings necessary to the expansion of industry. The supply of houses and other buildings would adjust itself to the demand, as would all other commodities. House rent, as well as land rent, would be materially lower. Land in both town and country would be available to industry and enterprise at its lowest natural or economic value, and could no longer be withheld from use. With

increased employment, increased demand for labor, "jobs running after men instead of men after jobs," wages would rise to their natural level, the full earnings of labor, while with the expenditure of the natural public revenue, the land value of the contry, appropriated by the State, would be at last a real benefit to them. Free Land, Free Trade, Free Men: this is the hope of the workers of the world, the one policy which would benefit them all.

It is often said that the workers will never come to realize the effect of the Taxation of Land Values on the condition and earnings of labor. If it were true, then we might despair of the future of labor. But it is not true. Every year, aye every day, adds to the number of the workers who realize what it means. For they see land lying idle in both town and country; they know that idle land means idle men; and they know that, despite the apparent surplus of land, the rent demanded for the use of land in both town and country increases with their ability to pay.

But so long as they fail to realize that the poorest of them has an equal claim to the use of the earth with the richest millionaire, they have yet to realize all that is meant by Land Reform, by the Taxation of Land Values.

(To be continued.)

UNCLE JOE AND HIS PET THEORY.

(For the Review.)

By W. A. DOUGLAS, B. A.

Uncle Joe was decidedly set, if not crystallized in his pet theories. Nothing short of a cyclone could move him. To him protection was a fetish, a paternity of beneficence, from which all our blessings flowed. To him Horace Greeley with his *Tribune* was an oracle, not to be questioned or criticised.

Many a stump speech had he made at election times, when he quoted history and statistics to prove that freedom was always the harbinger of disaster and protection the herald of plenty and prosperity. The favorable balance of trade was his favorite subject, and woe be to the man who had the temerity to cross swords with him on the justice or expediency of protecting and fostering the infant industries.

His eldest son Bill and I were about the same age. . We attended college together and during our leisure hours had devoured the books of Henry George.

One day at the dinner table, after we had returned home, cousin Bill dropped the remark that he could not for the life of him see the wisdom of wasting money and life to drive away a blockading fleet, only to replace it with another blockade under the guise of a tariff,—first to fight for freedom and then to destroy that freedom.