

TAX FACTS

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UNEMPLOYED PROBLEM

One of the cleverest suggestions yet offered for the solution of the unemployment problem appeared in the Los Angeles Record of February 19. It is nothing more nor less than to organize the unemployed to employ themselves.

"In this army," says Paul Davis, who suggests the plan, "there are members of every trade and profession. Let's set 'em to producing on their unemployed time. Then let's have them exchange their services among themselves"

"The unemployed barber would cut the hair of the unemployed cook, receiving for his labor a prepared meal. The cook would get the materials out of which he made the meal from a farmer member who brought in a load of produce. The tailor would get his shoes tapped in return for mending the torn trousers of the unemployed cobbler, and so on.

"For convenience, of course, there would not be a direct bartering of services or materials. The association would handle the materials and services, giving the working members a credit which would be honored among the other members."

Strange that no one has thought of such a simple plan. It is so obvious, when one thinks of it. All wealth, all service comes of human exertion. Everything that satisfies human wants comes of work. All that is necessary in order that the unemployed may satisfy each other's wants is to exert themselves, that is, go to work.

Why, then, do not the unemployed go to work? Mr. Davis answered the question by acknowledging one flaw in the plan. "In the last week," he naively said, "I found just one man who would sign up, and I talked to one hundred."

But why would they not sign up? The men have wants to be satisfied; wants are satisfied by labor, why do not the unemployed sign up? Mr. Davis must have overlooked some factor in the problem. Most social reformers do overlook an important factor when considering the problem of the unemployed.

It is true that human satisfactions come from labor, but that labor must be expended on material. Man lives in a material world, and life is sustained by material food, and protected by material shelter. Mr. Davis proposes to supply the labor to prepare food and shelter for human satisfactions, but he failed to supply the materials.

No man can work without land to work on. Possibly Mr. Davis had seen so much unused land all about him—the most conspicuous thing about Los Angeles is the vacant lots—that he did not think it necessary to mention it. Nevertheless it is a fact that cannot be ignored, if a working plan is to be had. The unused land belongs to one person, and the potential labor belongs to another person. The problem is to get these two persons to co-operate.

History records a situation not unlike the one under consideration. When the *Mayflower* landed on the Massachusetts shore with her load of home-seeking Pilgrims, neither buildings nor supplies were to be found. There was no one to employ these people who were in sore need of food and shelter.

What happened? Why, the obvious thing happened. The Pilgrims' did what Mr. Davis is suggesting that the unemployed do now, three hundred years later. They went to work.

But how were they induced to sign up? They didn't sign up. They just went to work. The difference in their situation and the present lies in the fact that the land upon which it was necessary to work lay before them, and there was one to keep them from it.

It is a far cry from the landing at Plymouth Rock to the unemployed in sunny California. But the factors are the same. Food and shelter are to be had in California as in Massachusetts, by applying labor to land. The problem in 1620 was simple because there was no one ahead of them to keep the public from the land; whereas, now all the unused land is owned by persons who refuse to co-operate with the unemployed.

How shall we meet this situation? It must be met in some way. We cannot have idle men and idle land at the same time. It is unsafe. It is a temptation for foolish demagogues to attempt a French or a Russian Revolution.

Men hold valuable land unused because they gain wealth by the speculation. The land grows in value from the growth of population and the services of government. If the tax on this unused land were increased to a point that would equal its annual growth in value the owner would then derive no gain from it till he put it to use.

Under such conditions Mr. Davis' problem would be solved, not through the creation of a great organization to regulate labor, but by the owners' seeking to put unemployed labor on unused land. To solve the unemployment problem while allowing valuable land to stand idle is impossible. It cannot be done. To put idle land to use will of itself solve the problem. For land can be used only by putting labor on it. Shall we favor the land speculator, or the unemployed?