

SOCIALISM AND SINGLE TAX
Fair Play ¹
BY ERNEST HOWARD CROSBY
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¹ Editor's Note.—This article has been included under the division Socialism and Single Tax as on the whole the most applicable, without making a division for it only. The original paper was written in the heat of the great steel strike, just at the time when the corporation ordered the removal of the McKeesport mills. In revising his paper for permanent publication, the author has retained the reference to that incident as an illustration generally applicable.

CAPITAL and labor are at war. There can be no question about it. Pick up the morning's paper almost any day of the week and you find accounts of strikes and lockouts and trade disputes. "Let us have peace," all good people are crying, but there is no peace, and we do not seem to know how to secure it.

There are several kinds of peace. There is the peace that prevailed at Warsaw, a peace founded on massacre and outrage, and itself the foundation of despotism and oppression. That is not the kind of peace that we long for. There is a peace that means life and a peace that means death, and we want the former. It must be a peace growing out of an honest attempt to establish justice, and containing the germs of a continuous growth toward the ideal of absolute justice. We want nothing less than that.

Unequal Distribution of Profits.—But first of all we must know what the war is about. If you had been alive one hundred and fifty years ago, and some prophet had told you that in the year 1901 one man could by means of machinery do the work of thirteen—striking an average for all trades and industries—what would you have said? Would you not have exclaimed: "Why then people will only have to work one thirteenth as much as they do now, and with two or three hours' work a day they will have all the luxuries imaginable." Well, it is a fact. Today one man can do as much as thirteen could in 1750. The wealth of the world has increased enormously. In this country especially it is increasing by leaps and bounds, and yet no less an authority than John Stuart Mill said twenty years ago that it was doubtful if machinery had lightened the toil of a single workman. This is perhaps an exaggeration. A man who has employment now usually gets somewhat better pay and works somewhat shorter hours than he did a century and a half ago; his scale of living is somewhat higher—but the advance he has made bears no comparison whatever with the ratio of one to thirteen, nor to the immense increase in wealth of the community.

Where has this new machine-made wealth gone? Look around you and see. One percent of the families in this country own more than half of the wealth. There are

several thousands of millionaires in New York City alone. Forty years ago there were hardly a dozen in the country. There were no tramps in those days either, and very little talk of the unemployed. Now we have a steadily growing army of tramps, and they are beginning to write books about them, and the unemployed is always with us. When scarlet fever or diphtheria breaks out in a town there is always a good deal of consternation. Placards are put on houses, families are quarantined, and mothers worry over their children. A tramp, or a man seeking work in vain, is a symptom of a far worse disease than these, and ought to cause as much more of a fright. They are studying the malaria plasmodium on Staten Island and dissecting the anophele mosquito that carries the contagion. They propose to exterminate this pest by applications of Standard Oil, but they have not yet tackled the Standard Oil disease itself.

The gist, then, of the complaint of the wage-earners—whether they know it or not—is that they do not receive a fair share of the wealth which they help to produce, and the glance which we have taken at the situation would seem to indicate that there is some justice in their complaint. I have seen the statement quoted from Mr. Carroll Wright, the national Commissioner of Labor, (whether accurately or not, I do not know,) that the average rate of wages per year paid in this country is \$347, and the average product of each laborer is valued at \$1888.

Machinery and Workmen. — Besides this anomaly we must remember that there were about one million men who could not obtain employment during the depression of 1882 to 1885, and a large number in 1893-94. If there were signs of steady improvement we might make light of these figures, but the general tendency (except for temporary reactions) is downward. Machinery is becoming more perfect every day, more and more men are thrown out of work in consequence; where human beings are still needed women and boys are supplanting the men, and when “hard times “ come again there will undoubtedly be more unemployed than ever.

I visited a mill some time ago which exemplified the progress of industry in a striking way. In it they manufactured cheap socks for working men. There were four hundred machines, and each machine made a complete sock by itself in five minutes. It began at the ankle, making the sock of blue thread. At the heel it substituted white thread, and again at the toe. Then it cut the thread, laid the sock down, and commenced on another. There was nobody near the machine during the operation. In fact, when I came into the room, which contained one hundred similar machines, I saw no one at all.

Finally, in the distance I saw the head of a small boy, and then another. There were five boys in the room, and each watched twenty machines (a bright boy can watch twenty-five), and all they had to do was to oil and clean them, supply new thread when the great spools were exhausted, and report any break in the machinery. In this factory fifty boys (there were several shifts) turned out five thousand dozen pairs of socks a day, or as much as fifty thousand people could have done one hundred and fifty years ago! Each boy did the work of one thousand people.

Now the peculiar thing about such factories is that they employ so few persons, and only boys and girls at that. In this mill the only men were in the packing department. If this tendency goes on, what shall we do with our men? A workman of forty is superannuated. In such factories as the above he is discharged at twenty or so. What shall we do with the men? We may have to hand them over to the street-cleaning department to be dumped out at sea off Coney Island.

In another century a few hundred boys may be able to do all the work of New York, and there will be nothing human left except small boys and stockholders. Meanwhile what shall we do with our five thousand dozen pairs of workmen's socks every day, with no workmen to wear them, or—what amounts to the same thing—with no money to buy them? Is it not clear that we are getting into an industrial hole? We must find a market for the products which our unemployed cannot buy, and that is the reason why we are bagging the Philippines and Cuba and Porto Rico, and any old island that comes along. If you explore the jungles of Luzon a year hence I have no doubt you will see half-naked savages gliding among the trees wearing blue socks with white toes and heels.

But the supply of the isles of the sea is not inexhaustible, and a good many manufacturing nations are "laying for" them. New markets will only postpone the evil day, and no one knows this better than our great captains of finance, who by means of trust and combinations are attempting to ward off the crisis. This is a foolish policy. We had better recognize the fact that we are industrially ill and seek to find out the cause and the remedy. Is capitalism sick unto death? And if so, why? And what can cure it or take its place?

State Socialism.—The state socialist has a ready answer. He says that these difficulties of overproduction and lack of employment are the natural results of competition, and that the only way out is for the people to take over the land and all

means of production and organize the industries of the country from Washington. This solution is called “scientific,” and it seems very simple; but I must confess that the idea of it “gives me pause.” There is a Teutonic love of government implied in the suggestion which seems to me unlikely to attract any large portion of the American people, and I do not anticipate the adoption of any such programme, unless the industrial chiefs of the country by their refusal to give up their privileges bring it upon us as a punishment for our sins.

If multi-millionaires and tramps, bribe-taking legislators and party bosses, the Stock Exchange and Tammany Hall are the natural result of ordinary business competition, the state socialists may be right and it may become necessary for the people to absorb and organize politically the productive energies of the land, although it is a task which might make a giant stagger; but I doubt their major premise. America is supposed to be a free country, but we have not given freedom a fair trial in industrial matters, and until we do I shall not be satisfied that nature cannot cure evils for which monopoly of one kind or other is responsible.

Monopolies.—A glance at the great fortunes built up during the past half-century will show the character of the monopolies which entered into the formation of them. In almost every case there is an artificial monopoly of some kind created by law. Take the two greatest fortunes in New York. Is it possible to limit the share which the protective tariff had in storing up those millions which are now overflowing into libraries, big and little—a tariff which enables the manufacturer to sell his products cheaper abroad than at home, a law deliberately passed by supposedly sane people to force themselves to pay more for a native article than foreigners have to pay for it? The other great fortune came from petroleum. An excellent history of its rise has been written by Henry D. Lloyd, in his book, *Wealth against Commonwealth*, published by the Harpers. This business was built up by the unscrupulous manipulation of railway freights so that competition became impossible. Its founders made contracts by which their oil was carried practically for nothing and their rivals were charged extravagant prices and cars were refused them when there were plenty to be had. Here, again, we have a fortune created by bad laws, for our laws authorized the building of these railways over land seized by the right of eminent domain of the State without assuring equal freights and privileges to all citizens.

Another kind of monopoly created by law is that of the gas, trolley, and other companies that use the streets. The number of such franchises possible in a given street is necessarily limited, and hence arises a natural monopoly, which can only be

avoided by municipal ownership or by operation by private companies instituted like our colleges and universities, without stockholders and dividends. As it is, these companies levy what tribute they please almost without check, and some of the greatest accumulations of wealth are due to them. The Metropolitan Railway Company alone has at least \$80,000,000 of watered stock—a gift from the people, and nothing else. "Water" is a pretty word, suggestive of purity and health; but the only water in watered stock is the sweat of other people's brows. You cannot get money without earning it unless some one else earns it without getting it.

There are also patent monopolies—as in the case of the Telephone Trust, whose life has been prolonged by some strange hocus pocus at Washington; and the internal revenue monopoly of the brewers, and the banking monopoly; but the only other one worth dwelling on here is the most fundamental of all—the land monopoly, including the natural resources of the earth, its coal and oil and iron and silver and gold. This monopoly enters into almost all great accumulations of wealth and represents a vast amount of unearned wealth. John Stuart Mill first called attention to the unearned increment—the increase in value of land due to the community and which goes into private pockets. Henry George showed how, by his single tax, this loss could be saved to the people and equality of rights in land introduced. Land is a gift of nature, like light and air, and every man should have the same right to it as every other.

I hope that when Tesla gets into communication with Mars he will ask the inhabitants if nine tenths of them pay rent to the other tenth for the privilege of remaining on the surface of the planet.

A Warning.—And now a friendly word to our great financiers and trust magnates.

If you do not want state socialism adopted by the people—disastrous to your plans if it succeeds and disastrous to everybody if it fails—you must loosen your hold on your unjust privileges. You must consent to drop the protective tariff; you must grant equal rates to all on the railway, as the post-office does; you must squeeze the water out of your stocks, and you must take up seriously the question of unearned increment in land, as they are beginning to do in England and some of her colonies. This is the only alternative open to you, unless you take the motto, "After us, the deluge."

But you are doing just the opposite of all this. You are insisting on increasing your privileges; you are bringing all your accumulations together into one; you are passing around the hat for preposterous ship subsidies and all sorts of new franchises, and you

are becoming so powerful and using your power so arbitrarily that no self-respecting people will long submit to it.

We read today that the steel trust has ordered the demolition of the great works on which the life of the city of McKeesport depends, because the mayor expressed his sympathy and that of the citizens with the strikers there. The Czar has no such power as this, and would not dare to use it if he had. Those whom the gods would destroy they first make mad.

Freedom of Opportunities.—It is clear that we have never really tried freedom. We have no free trade, no free land, and our highways are infested by corporate brigands who hold us up and make us pay dividends on watered stock when we wish to use them. Is it not likely that if freedom and equality prevailed in these respects, the labor market would automatically adjust itself and that the great benefits secured through machinery would distribute themselves among all classes of the community? If a man walks lame and has fetters on his arms and legs, which is the better way to try to cure him,—to construct a complicated wheeled chair for him, which may never work at all, and then haul him about with his fetters on, or to knock off his fetters? Common-sense says: “Knock off his fetters, and then if he turns out to be permanently lame it will be time enough to get a chair for him.”

What would be likely to happen if we had free trade, free land, free banking, and equal opportunities for all, as we might easily have if our affairs were not managed by greed? The maldistribution of the profits of labor is effected in three ways—through rent, interest, and profit. The single tax would apply rent (that is, ground rent or economic rent—the unearned increment of Mill) to the benefit of all. Free banking would tend to reduce interest to the actual cost of banking operation, and free trade would tend to reduce profits to the actual cost of commercial operations, and each kind of freedom would help each other kind. In this way the channels by which the just share of labor in its products escapes would be stopped up, and every man would get the product of his labor, whether it be manual or mental. No wage-earner that I have ever met objects to the payment in full of the value of management and superintendence. If a captain of industry’s services are worth \$50,000 a year, let him have it, but under just and free conditions it is not likely that any man’s services would be worth so much. It is because of the war of unnatural competition produced by the artificial scarcity of opportunities for labor, springing in its turn from the monopolies of land, trade, etc., to which we have referred, that great generalship seems necessary in our industries. In a time of commercial peace and goodwill the

task of superintendence would be simple—it would be simply to serve the public and not to get ahead of competitors.

Yes, it is the monopoly of opportunities that makes the war between capital and labor so acute. All the natural resources of the country—the land, the coal, the oil, the iron—are locked up in some strong box or other, and if the workman loses his job he sees nothing but starvation before him, and this often makes him desperate. With equal opportunities for all there would be nothing to be feared in case of discharge, for the demand for labor would be steady and the workman would confer as much of a favor by accepting employment as the employer in offering it. Employer and employee would see that they were mutually necessary to each other, and they would esteem each other as friends. It is only when each party occupies such a point of equal vantage that the war between capital and labor will cease, for neither side will be able to oppress the other.

Meanwhile the war goes on. Capital and labor, which ought to be allies and friends, are at swords' points. How is the warfare to be conducted? It is hardly necessary to urge forbearance upon both sides, for the unreasonable pressing of an advantage on either side in the end does harm to that side. If the mills are moved from McKeesport it will be a serious blow to capital. If the strikers have recourse to violence, it will injure them most and influence public opinion against them. The public, in so far as it is a disinterested spectator, does not want tyranny of any kind, either from the trusts or the trade-unions, but just at present it is so much more in danger of a capitalistic oligarchy than from trade-union dictatorship that its interests are pretty clearly on the side of the under dog. Trade-unionism is a most valuable counterpoise to the despotism of monopoly. More than that, it is a great educational force among the wage-earners, and within its limits it inculcates comradeship and brotherhood. It is teaching the people voluntary co-operation of a kind, and perhaps some day it may develop into a self-organizing democratic independent system of production, although it is not yet ripe for this. From every point of view it is to the interest of the public that trade-unionism should thrive and improve, and to this end it needs the support of public opinion and must earn it by its wisdom and forbearance.

The fundamental justice of the wage-earner's case—the importance of according him his just dues—is forcibly borne out by the religion which most of us profess. Christianity sprang from the Jewish church, and the Jewish church had its origin in a strike—the strike of the Hebrew brickmakers in Egypt—and Moses and Aaron were the first walking delegates on record. The longest of the Ten Commandments was a

labor law, fixing a six-day working week in complete analogy with our eight-hour statutes. The law of Moses endeavored to secure to every citizen an equal right in the land. The prophets, many of them, were agitators for the rights of the poor, and in the New Testament we find working men—carpenters and fishermen—establishing Christianity on a basis of doing unto others as you would have them do to you. Every teacher of Christianity should be enlisted in the cause of labor and of industrial peace, and fortunately not a few of them are.

But our political faith as well as our religion sets up the standard of equal rights and equal opportunities. The Declaration of Independence is going out of fashion in our foreign dependencies, but we should at least keep it for home consumption. The equal right to life, liberty, and the pursuit of happiness can hardly be said to exist in a land of slums and palaces, of child labor and unemployed and unexampled luxury. To accept the present divided condition of our society as a finality is to be untrue, not only to our Christianity, but to our democracy. Our political democracy is nothing but a mask behind which our industrial oligarchy hardly tries to hide itself. The real power has passed from our state-houses and city halls, and is now centred in the counting-room and chamber of commerce. Unless we can democratize these our constitutions have become useless trappings, and we may as well admit that they give us no more assurance of freedom than did their senates and consulships to the subjects of the Caesars. And the first step toward the democratization of business is the abolition of the unjust privileges which it enjoys and a free and frank recognition of the ills which the wage-earner suffers in consequence.

But even to those who turn a deaf ear to the plea of religion and democracy we can appeal with equal force in the name of fair play. Every man worthy the name must respond to that appeal. You would not cheat at cards or sell out a horse race or refuse an equal chance to a rival in an athletic contest. Can you then consent to play the game of life with loaded dice or insist on every handicap that wealth and chance have given you? Is it fair to match your steam yacht against my leaky scow—your thoroughbred against my broken-down nag? A fair field and no favor, this is all that men need for the present, at any rate. The field is not fair and the favors are sold over the counter at Washington and Albany. Until there is a general willingness to accord fair play in the relations of life the war between capital and labor will continue. Its evils may be mitigated and its excesses limited, but it will still be waged. When fair play becomes the watchword of trust as well as of trade-union, then, at last, we may expect an enduring industrial peace.