

The Philosophy of the Single Tax.

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Monopoly, and How It Works.

In the beginning there was neither exchange nor capital. Primitive man had to face life with no other help than his hands, and satisfy his primitive wants as best he might. Each had access to everything he found existing that could serve his purpose. After a time it was found that one had different capacities from another. One excelled in tilling the soil, perhaps, and another in catching fish. Both wanted fish and bread, and it occurred to both that if the fisherman kept solely to fishing and the agriculturist solely to farming they could each, by exchanging their produce, get the best return for a given amount of labor. The fisherman found out, too, that by devoting a certain part of his work to making nets he could secure more fish in a day with that time deducted from it than he could in a full day's fishing on the old principle. The farmer made a similar discovery in regard to making implements for his own assistance. Thus capital made its first appearance. The fisherman and the farmer in turn found that someone also could make nets or implements better than they, so they exchanged fish and wheat with such makers, who could not produce either for themselves directly with such advantage, for nets and implements, to the gain of all parties. That is a true statement of the case of labor, capital and exchange, and of the relation they bear to each other. Let progress and invention go on to infinity under the conditions I have stated — equal access to all needful raw material — and that relation could not be in the smallest degree changed. It is natural cooperation of production. Every labor-saving invention in conferring gain on the user would confer it upon all others within the circle of exchange by reducing the amount of labor consumers would have to give, in the shape of their own products, for the products cheapened by the labor-saving machines. As I have before pointed out, no one could benefit himself except by benefiting others.

But monopoly soon found out a vulnerable spot and fastened upon it. It secured the raw material from which not only fish or wheat could be produced by labor, but the capital, such as nets and implements, which would add to its productive power. It said, "labor and capital can only exist and prosper by employing themselves in producing wealth and doing good. I will exist and prosper by preventing their operations." After having entered into possession of the best points of production

(which involve those of exchange and distribution) it began to produce, exchange or distribute with its labor or capital. This labor and capital had no more power in it to extort undue wealth from others than any other labor or capital; its only province was to produce some form of wealth to give in exchange for some other, its proper function and an advantageous thing in every way to everybody. But it had behind it a power which did confer undue advantage, that of access, denied to all other labor or capital, to places where production could be most easily carried out — monopoly, in short. The wages of its labor or the interest of its capital were no higher than those of the most ill-paid labor and capital in use, but it had an ever-increasing fountain of wealth in rent, which confused thinkers cannot clearly distinguish from wages or interest unless the possessor of a monopoly, instead of using labor or capital himself upon his better opportunities, sold or leased them to other users, and realized his advantage over these others in the shape of a lump sum, or a payment of annual rental. This power, it should be seen at a glance, is the power to cancel progress, annul the effect of knowledge and invention, ensure the continuance and increase of poverty, and enslave and degrade the great mass of human beings. Let certain men *own*, without any condition, the material which other men need in order to procure the necessaries of life and they have the same power over the others as if, instead of land and its potentialities, they owned the air, as Sir Henry Parkes once said. At first the advantage to monopoly is small, but as population gathers or grows labor and capital have to resort to less and less productive opportunities of production. The best return labor and capital can ever get is the return for their exertion upon the least productive opportunities — that is, such as have no rental value and are free to be used by whoever may choose to do so. Thus the rent for access to better opportunities increases with population.

I cannot better exemplify the strength for evil which land monopoly possesses, and how it uses that strength, than by quoting the following passage from a vigorous and admirable pamphlet, "The Land," written by A. J. Ogilvie, a large Tasmanian landowner, who has thrown himself enthusiastically into the single tax movement. Mr. Ogilvie says:—

"Suppose I own a sugar estate and 100 slaves, all the land about being held in the same way, by people of the same class as myself. It is a profitable business, but there are many expenses and annoyances attached to it. I must keep up my supply of slaves either by breeding or buying them. I must pay an overseer to keep them continually to their work with the lash. I must keep them in a state of brutish ignorance (to the detriment of their efficiency), for fear they should learn their rights and their power and become dangerous. I must tend them in sickness and when past work. And the slaves have all the vices and defects that slavery

engenders; they have no self-respect or moral sense; they lie, they steal, they are lazy, shirking work whenever they dare; they do not care what mischief their carelessness occasions me so long as it is not found out; their labor is obtained by force and given grudgingly; they have no heart in it. All these things worry me.

"Suddenly a brilliant idea strikes me. I reflect that there is no unoccupied land in the neighborhood, so that if my laborers were free they would still have to look to me for work somehow. So one day I announce to them that they are all free, intimating at the same time that I will be ready to employ as many as I may require on such terms as we may mutually and independently agree upon. What could be fairer? They are overjoyed, and falling on their knees bless me as their benefactor. They then go away and have a jollification and next day come back to me to arrange the new terms. Most of them think they would like to have a piece of land and work it for themselves and be their own masters. All they want is the few tools they have been accustomed to use and some seed, and these they are ready to buy from me, undertaking to pay me with reasonable interest when the first crop comes in, offering the crop as security. As for their keep they can easily earn that by working a few weeks on and off on any of the plantations, or by taking a job of clearing, fencing, or such like. This will keep them going for the first year, and after that they will be better able to take care of themselves.

'But softly,' I observe, 'you are going too fast. Your proposal about the tools and seed and your own maintenance are all right enough, but the land, you must remember, belongs to me. You cannot expect me to give you your own liberty and my own land too for nothing. That would not be reasonable, would it? They agree that it would not, and begin to propose terms. A fancies this bit of land, and B that. But it soon appears that I want this bit of land for my next year's clearing, and that for my cows, and another is too close to my house, and would interfere with my privacy, and another is thick forest or swamp, and would require too long and costly preparation for men who must have quick returns in order to live, and, in short, that there is no land suitable that I care to part with. Still, I am ready to do what I promised — 'to employ as many as I require, on such terms as we may mutually and independently agree upon.' But as I have now got to pay them wages instead of getting their work for nothing, I cannot of course employ quite so many of them. I can find work for 90 of them, however, and with these I am prepared to discuss terms. At once a number volunteer their services at such wages as their imagination has been picturing to them. I tell the 90 whose demands are most reasonable to stand on one side. The remaining 10 look blank, and seeing that since I won't let them have any of the land it is a question of hired employment or starvation they offer to come for a little less than the others. I tell these now to

stand aside, and 10 others to stand out instead. These look blank now and offer to work for less still, and so the 'mutual and voluntary' settlement of terms proceeds.

"But meanwhile I have been making a little calculation in my head and have reckoned up what the cost of keeping a slave, with his food and clothes, and a trifle over to keep him contented, would come to, and I offer that. They won't hear of it, but as I know they can't help themselves I say nothing, and presently first one and then another gives in, till I have got my 90, and still there are 10 left out, and very blank indeed they look. Whereupon, the terms being settled I graciously announce that though I don't really want any more men, still I am willing, in my benevolence, to take the 10, too, on the same terms, which they promptly accept, and again hail me as their benefactor, only not quite so rapturously as before. So they all set to at the old work at the old place and on the old terms, only a little differently administered, that is, that whereas I formerly supplied them with food, clothes, &c., direct from my stores, I now give them a weekly wage representing the value of those articles, which they will henceforth have to buy for themselves.

"There is a difference, too, in some other respects, indicating a moral improvement in our relations. I can no longer curse and flog them. But then I don't want to; it is no longer necessary; the threat of dismissal is quite as effective, even more so, and much pleasanter for me. I can no longer separate husband from wife, parent from child. But then again, I don't want to. There would be no profit in it; leaving them their wives and children has the double advantage of making them more contented with their lot and giving me greater power over them, for they have now got to keep these wives and children out of their own earnings. My men are now as eager to come to me to work as they formerly were to run away from work. I have neither to buy nor to breed them, and if any suddenly leave me, instead of letting loose the bloodhounds, I have merely to hold up a finger or advertise, and I have plenty of others offering in their place. I am saved the expense and worry of incessant watching and driving. I have no sick to tend, or worn-out pensioners to maintain. If a man falls ill there is nothing but my good nature to prevent my turning him off at once; the whole affair is a purely commercial transaction — so much wages for so much work. The patriarchal relation of the slave owner and slave is gone, and no other has taken its place. When the man is worn out with long service I can turn him out with a clear business conscience, knowing that the State will see that he does not starve. Instead of being forced to keep my men in brutish ignorance, I find public schools established at other people's expense to stimulate their intelligence and improve their minds, to my great advantage, and their children compelled to attend these schools. The service I get, too, being now voluntarily rendered (or apparently so) is much improved in quality. In short, the

arrangement pays me better in every way.

"But I gain in other ways besides pecuniary profit. I have lost the stigma of being a slave-driver and have acquired instead the character of a man of energy and enterprise, of justice and benevolence. I am a large 'employer of labor,' to whom the whole country, and the laborer especially, is greatly indebted, and people say, 'See the power of capital! These poor laborers, having no capital, could not use the land if they had it, so this great and far-seeing man wisely refuses to let them have it and keeps it all himself, but by providing them with employment his capital saves them from pauperism and enables him to build up the wealth of the country and his own fortune together.' Whereas it is not my capital that does any of those things. It is not my capital but the laborer's toil that builds up my fortune and the wealth of the country. It is not my employment that keeps him from pauperism, but my monopoly of the land forcing him into my employment that keeps him on the brink of it. It is not want of capital that prevents the laborer from using the land, but my refusing him the use of the land that prevents him from acquiring capital. All the capital he wants to begin with is an axe and a spade, which a week's earnings would buy for him, and for his maintenance during the first year, or at any subsequent time, he could work for me or for others, turn about with his work on his own land. Henceforth with every year his capital would grow and his independence with it, and that this is no fancy sketch anyone can see for himself by taking a trip to our north-west coast, where he will find well-to-do farmers who began with nothing but a spade and an axe (so to speak) and worked their way up in the manner described.

"But now another thought strikes me. Instead of paying an overseer to work these men for me, I will make him pay me for the privilege of doing it. I will let the land as it stands to him or to another — to whomsoever will give the most for the billet. He shall be called my tenant instead of my overseer, but the thing he shall do for me is essentially the same, only done by contract instead of for yearly pay. He, not I, shall find all the capital, take all the risk and engage and supervise the men, paying me a lump sum, called rent, out of the proceeds of their toil and make what he can for himself out of the surplus. The competition is as keen in its way for the land, among people of his class, as it is among the laborers for employment, only that as they are all possessed of some little means (else they could not compete) they are in no danger of immediate want and can stand out for rather better terms than the laborers, who are forced by necessity to take what terms they can get. The minimum in each case amounts practically to a 'mere living,' but the mere living they insist on is one of a rather higher standard than the laborer's; it means a rather more abundant supply and better quality of those little comforts which are next

door to necessities. It means in short a living of the kind to which people of that class are accustomed. For a moderate reduction in my profits, then — a reduction equal to the tenant's narrow margin of profit — I have all the toil and worry of management taken off my hands, and the risk too, for, be the season good or bad, the rent must be forthcoming, and I can sell the tenant up to the last rag if he fails of the full amount, no matter for what reason; and my rent takes precedence of all other debts. All my capital is set free for investment elsewhere, and I am freed from the odium of a slave owner, notwithstanding that the men still toil for my enrichment as when they were slaves and that I get more out of them than ever. If I wax rich while they toil from hand to mouth, and in depressed seasons find it hard to get work at all, it is not, to all appearance, my doing, but merely the force of circumstances, the law of nature, the state of the labor market — fine-sounding names that hide the ugly reality. If wages are forced down it is not I who do it; it is that greedy and merciless man the employer (my tenant) who does it. I am a lofty and superior being, dwelling apart and above such sordid considerations. I would never dream of grinding these poor laborers, not I! I have nothing to do with them at all; I only want my rent — and get it. Like the lilies of the field, I toil not, neither do I spin, and yet (so kind is Providence!) my daily bread (well buttered) comes to me of itself. Nay, people bid against each other for the privilege of finding it for me, and no one seems to realize that the comfortable income that falls to me like the refreshing dew is dew indeed; but it is the dew of sweat wrung from the laborer's toil. It is the fruit of their labor which they ought to have; which they would have if I did not take it from them. . . ."

Can anyone deny that this is a true picture of the world as it is today? If he does, with any hope of gaining credence, he must adduce very different arguments from any I have yet seen put forward. Land monopoly is here plainly shown to be the active and basic curse of the earth. Restriction of that exchange of products which reduces labor and raises wages is all the protectionists have to suggest; freedom of exchange is all the so-called free traders ask. What is needed is freedom, not only of exchange but of production. I propose in my next paper to explain the method by which we hope to secure this and the justice of that method.