

How Poverty Can Be Abolished  
by Joseph Fels

*The following article on Single Tax was written especially for The National, and is one of the last works of Mr. Joseph Fels. It comes to the editor with the authorization of Mrs. Fels, and it is here published as the last patriotic contribution of her beloved husband to the service of the public. Its frankness, clarity and simplicity of style makes it a classic among the many articles and volumes written on the Single Tax*

CAN there be a more important problem for government to solve than that of involuntary poverty? What problem receives less attention from government in proportion to its importance? To be sure much is said in discussion of public questions about the needs of the poor, and many schemes are proposed to help them, but when it comes to eliminating poverty altogether, practically nothing is done. I say this with a full knowledge of the fact that charity organizations, stung by repeated criticism of their palliative proposals, are beginning to claim that they are abolishing poverty. Investigation always shows that they are doing nothing of the kind. The very best of them are only working an endless chain. They may assist an individual here or there, but this only means that as a result some other individual somewhere has been pulled down. It brings no relief to the mass of citizens in abject poverty.

What The Poor Man Needs

*The first thing a poor man needs in order to help himself at all is a job. Jobs, outside of the penitentiary, are not to be had for the asking. They are exclusively controlled by a part of the population. When enough men have been employed to produce the things needed to supply all the wants of those in control, and to sustain the workers and their families, all others are allowed the choice of begging, stealing or starving. This does not mean that there are no jobs left, since there are unfilled jobs somewhere as long as a single human want remains unfilled that labor can supply. But it does mean that jobs are being withheld from those who need and want them.*

What is the cause of poverty, which government might remove? Well, the first thing a poor man needs in order to help himself at all is a job. Then what he needs in order to lift himself out of poverty is the full product of his labor. Jobs, outside of the penitentiary, are not to be had for the asking. They are exclusively controlled by a part of the population. When enough men have been employed to produce the things needed to supply all the wants of those in control, and to sustain the workers and their families, all others are allowed the choice of begging, stealing or starving. This does not mean that there are no jobs left, since there are unfilled jobs somewhere as long as a single human want remains unfilled that labor can supply. But it does mean that jobs are being withheld from those who need and want them. There are, for instance, food-producing jobs unfilled when people are suffering for want of food in a country, the natural resources of which, if properly used, could produce enough to feed the world. There are building jobs unfilled while in cities teeming with vacant lots people are forced by high rents to crowd into tenements. There are clothing producing jobs unfilled when many who would like decent clothes must go in rags.

And so it goes all along the line of human wants and human industries. Why should there be any need of wants remaining unsupplied, while labor, willing to supply them, remains unemployed? Must not such a state of affairs be due to some evil which can be removed?

Now, the man who wants to produce food must have land on which to raise it. The man who wants to build a house for himself and homes for others, who want to give him food and other necessities in exchange, must have land. The man who wants to make clothes must have not only a piece of land to locate his workshop upon, but material produced from the land. In the same way in all industries the need is for locations to work on and products of the earth to work with. Thus, those who control access to the earth, control all jobs. To the extent that they permit or shut off access will jobs be plentiful or scarce. Existing laws make it more to their interest in many cases to shut off access. Thus arises the paradoxical condition of unsatisfied wants side by side with involuntarily unemployed labor, eager for a chance to satisfy them.

#### ***Why He Doesn't Get It***

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WHY not change the laws so that it will "no longer be to the interest of landowners to deny labor access to the earth? That is what Single Taxers propose to do. The Single Tax will reverse conditions so as to make unprofitable obstruction of industry by holders of vacant or partially used land. Since I happen myself to be one of these obstructionists, I can show from personal experience just what is meant. I own a tract of eleven acres in Philadelphia for which I paid \$30,000 a number of years ago. Since then, I have had offers for it — some of them more than four times what I paid. I have so far refused them all because I believe it probable that by holding on I can in time do still better. Now, the offers I have received came from men who wanted to build. Just how eager they were to furnish houses to men who want them is shown by the offer, in each case, of an amount considerably in excess of \$100,000 for the privilege. Why did I refuse the offers? Because the law has made it to my interest to do so. Property is advancing in that neighborhood. When I first bought, transportation facilities were poor. Later a trolley came, inducing people to move out there and sending land values skyward. Now an elevated railroad is a probability of the near future. So far as I am concerned, I can afford to stand pat and let other people put unearned wealth in my pocket. I can stand it as long as the creators of that wealth can, so I won't sell until I get an offer that will be to my interest to accept. Then I will step aside and let building proceed, if such should be the new owner's intentions. And I am only one of many landowners playing this same game.

While we are engaged in doing this, men who might be employed in improving our land are walking the streets of Philadelphia and other cities looking in vain for work. The Society for Organizing Charity of Philadelphia, which claims abolition of poverty to be its object, has not a word to say about this state of affairs; neither, so far as I am aware, has any organized charity in any other city. I am sure that the National Conference of Charities and Corrections always looks

the other way when the matter is presented.

Why don't I build on this land myself, if I don't want to sell? Because the State will fine me if I do. As soon as I put up a building, the assessor would raise my taxes. The more men I employ, the more buildings I put up, the higher my taxes would be raised. It looks as though the State prefers that the land be kept idle and the streets filled with the unemployed. At any rate, I feel under the circumstances that it is better for me, from a business point of view, to hold the land idle until someone wants to build badly enough to pay tribute to me for the privilege, and to pay tribute to the tax collector also.

To what extent landowners everywhere are doing as I am may be judged from the recent report of the Department of Agriculture, which shows that only twenty-seven percent of potentially tillable land in the United States is in use, and this condition exists while shortage of food products has made the cost of living reach an unprecedented height. The census of 1910 showed only a four percent increase in the area of improved farm land in ten years, while population had increased twenty-one percent. Why was this? The census furnishes the answer. Values of farm lands had increased more than one hundred percent. Land speculators had boosted prices so that farms cannot be had by those who want them.

The report of Herbert Knox Smith, United States Commissioner of Corporations in 1911, shows that the Steel trust has secured control of most of the country's ore lands. It is not using them. It holds them to prevent competitors from getting pre. Other trusts are working a similar game, a fact that the framers of anti-trust legislation seem to prefer not to see.

In a speech in the House on June 17th, Congressman Bryan of Washington told of what happened to the Olympic forest reserve, a tract of 750,000 acres opened to settlement in 1901. By 1911, said Mr. Bryan, only 600 acres of the tract were in cultivation, while nearly 600,000 acres had passed into the hands of about twenty large corporations.

### ***The Remedy For Poverty***

*Let all taxes on houses, personal property and other labor products be abolished. Let a horizontal reduction of one hundred per cent be made in tariff duties. Let the same be done with the internal revenue duties, and with taxes on honestly earned incomes. Let all license taxes, occupation taxes, mercantile taxes, poll taxes and all other methods be abolished of fining a man for trying to earn his living. Let all revenue for the nation, state and locality be raised by a Single Tax on land values, so that we landlords will have to pay something like the annual rental value of our land into the public treasury. Then there will come a change*

A population of 40,000 to the square mile is a figure far in excess of what exists in the most crowded city of the country. Yet, if each family in any city were put on a lot measuring twenty-five by one hundred feet, there would be room enough to accommodate 40,000 people — figuring five to a family — on a square mile of land, after allowing ample space for streets. Yet so much land is withheld from use in cities that large masses of urban dwellers must herd in

tenements — a fact which housing reform associations, friendly to land speculators, are too busy to see.

What should be done to change this? Let all taxes on houses, personal property and other labor products be abolished. Let a horizontal reduction of one hundred per cent be made in tariff duties. Let the same be done with the internal revenue duties, and with taxes on honestly earned incomes. Let all license taxes, occupation taxes, mercantile taxes, poll taxes and all other methods be abolished of fining a man for trying to earn his living. Let all revenue for the nation, state and locality be raised by a Single Tax on land values, so that we landlords will have to pay something like the annual rental value of our land into the public treasury. Then there will come a change. It would be to my advantage, then, to put all the men I could get to work improving my land, in order that it might be made to produce enough to at least pay the tax. I would either do that or I would let someone else have the land who would improve it, and I would no longer be in a position to insist on being paid exorbitantly for getting out of the way of progress. Other landlords would be affected the same way. The army of unemployed, now tramping the streets, would suddenly find their labor in great demand and themselves in a position to insist on getting the wages they would earn. On the other hand, landowners like myself would be deprived of the power to draw profits we do not earn.

This reform adopted throughout the country would open up enough unused resources to make opportunities accessible to all of the workers of the country and to keep opportunities open for all the immigrants who would come. So far from wanting to restrict immigration, it would be to the interest of workers to encourage it — for every newcomer would mean an increase in effective demand for labor.

That is how poverty can be abolished, with all the evils and wretchedness resulting from it or from fear of it. What good excuse has any uplift, charitable, religious or reform association for neglect to push the question to the front? What good excuse has any legislator for opposing it? How can any government be justified for delay in putting it into effect?