

Economic Addresses by William Watts Folwell, LL.D.
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THE SINGLE TAX William Watts Folwell

On the evening of January 3, 1899, Mr. Henry George spoke in the Lyceum theatre in Minneapolis, Minnesota, to a large and interested audience on his favorite theme, "The Single Tax." Returning from the lecture on a street car the writer was asked by some of his students to speak in reply. "Hire a hall, and I will try," was the response. That was done. His address was delivered on the evening of January 31, 1899. On request of the Minnesota Legislature it was repeated in the hall of the House of Representatives. The following pages contain the address substantially as written out in intervals of exacting duties. While the speaker has not materially changed his views, he would, if writing anew, endeavor to improve his diction, and would probably suppress some passages that border on levity.

When Mr. Henry George appeared in this hall some days ago, all present were instantly charmed with his personality. His well-set figure, and massive head, his gracious eye and kindly face bespoke him at once, as one of those persons, "who" — to use a happy Emersonian phrase — "who are to be considered." He is a man very much in earnest. He is full of that "enthusiasm of humanity" which inspires reformers. Mr. George cares for his fellowmen and desires with all his heart to see liberty and comfort everywhere increased. Let us follow his excellent example of going at once to the business in hand.

First: the question which meets us is, do existing conditions and circumstances permit the consideration of the single tax, so-called, as a practicable working scheme in these United States? Granting for the moment all that Mr. George claims for it as an ideal plan of taxation, *can it be worked*, as men and things now are in this country? To this question I answer "*No*": for these reasons: first, it is of the essence of this scheme of taxation that it be *single* and *exclusive*. Its advocates expressly, and with great emphasis, insist on the abolition and abandonment of all other taxes, because, adopting Mr. George's phrase "either stupid or unjust or both." They believe and declare that existing taxes amount to fines levied upon labor and capital and Mr. George insinuated that they are intended so to operate.

All existing plans and ways of collecting revenue, national, state, and local, are then to be cleared away, before the single tax can go into effect. Let us suppose that the whole ninety millions of us should be converted to the gospel of the single tax in the course of the calendar year now passing, I think it ought to take about a generation to make the change of systems. A state is a vast and complicated thing, and a revenue system is a large element in a state. Said Burke, in a happy but justifiable hyperbole, "The Revenue of the State is the State. " By pursuing for years and ages a certain public policy, government clothes citizens with rights, claims if you prefer the word, as against the state. She invites citizens to form settlements, to employ capital and labor in certain industries, and enters into covenant of quiet enjoyment.

At the beginning of the present government of the United States, we established and have since maintained, a revenue system expressly devoted to inducing citizens to embark in manufactures, and we have endowed transportation with untold millions.

Governments are, therefore, in the practice of sane and just men, estopped from sudden economic revolutions. Especially is this true of proposed revolutions of the land-laws of a people, for these laws prescribe and predetermine the very nature of the state. Grant to a legislature the power to fix the tenure and descent of lands, and in the words of Tocqueville, it "may rest from its labors. The machine once put in motion will go on for ages, and advance as if self-guided, toward a given point.

"² Primogeniture will develop an aristocracy, partible inheritance moves towards democracy. No nation of ninety millions can or ought to make a great and radical revolution in its housekeeping, in the time it takes the legislative clerks to call the roll. But not to make too much of this phase, let it be granted that this nation could skip from its old revenue system to a new one as easily as Harlequin shifts his jackets and masks; provided the American people had undergone the necessary change of heart, and had resolved to leave off compelling themselves to pay unjust and stupid taxes and tariffs, operating as fines. Let this be granted, we meet the question are the American people *likely* to be *suddenly* and *presently* converted? It is demanded specifically that the tariff must go to make room for the single tax. Do you think the protective system is about to fade away suddenly like the grass? Where have you been hiding since the kalends of November? It was a square issue between protection and free trade.

The reference was, of course, to the presidential campaign of 1898, in which Cleveland was defeated by Harrison on a clean tariff issue.

Every possible argument, pro and con, was blazoned from the stump and spread out in the columns of the pamphlet, book, and newspaper press. There were no distracting side-issues. The day of trial came. Did you hear it? Did you hear the voice of the

people on the sixth of November?

"It came as the winds come when forests are rended; It came as the waves come when navies are stranded," a complete triumphal approval and ratification of the protective principle and system. No matter what any one's private opinion may be, every one will admit this result as a cold, solid fact.

I am but a moderate protectionist, and free trade ideals are dear to my heart; what I fear is that it will be impossible to obtain in the present generation those modifications and reductions of tariff, which protectionists of the reasonable sort, demand. Abolish protection? Abolish indirect taxation by imposts on imported goods in one day? It will take a Joshua mightier than the commander of Israel to roll back the wheels of protection.

To work the single tax, the taxes on franchises of every sort and the license taxes on liquor selling must go. Is there anything in the present state of the public mind on these subjects, to indicate an early abandonment of these forms of taxation? The internal revenue taxes on whiskey and tobacco must go; and, because (along with all other existing means of taxation) they are "stupid and unjust," the nation must be forever debarred from reestablishing any similar internal revenue system, no matter what dangers threaten within or without. Will the nation disarm?

The speaker might have remarked that under the single tax regime, the nation, the state, and all municipalities would be debarred from levying taxes for the restraint of monopolies, the discouragement of vice and immorality, the abolition of impure foods, the preservation of game, and "social purposes" generally.

Further, we have not merely to deal with particular existing statutes and machinery for collecting public revenue, but with ideas, prejudices, and customs so ancient that "the memory of men runneth not to the contrary"; with ideas and doctrines running back to the time of Aristotle at least. There is an idea that as all forms of property are protected by the state, they may all be rightly subjected to taxation if the public needs require. The single tax men know but one kind of property, which may be justly taxed, and that, they are proposing to abolish. There is the idea that as all persons are under the protection of the state, so all persons may, if the public needs require, be called upon to contribute to the support of the government and its reasonable purposes. The single tax doctrine is not to touch persons, as such, but only as they are receivers of the public, of the rents and profits of land. Again there is the idea that as all industries and employments are protected by the state, the government may, if public needs demand, collect some fraction of the returns and profits of industry and incomes of

well-paid employees and professional people.

I do not accept either of these propositions, protection of property, or protection of persons, as the ultimate ground of the taxing power. They are incidental considerations. Here I am only insisting that the ideas are ancient, traditional, and everywhere accepted.

There is no possible room or justification for an excise, inheritance, or income tax, under the single tax regime.

Second; there is another idea, which has played a great part in the history of the Anglo-Saxon race, embodied in an epigram, as familiar to every English-speaking man as the immortal rhymes of Mother Goose "no taxation without representation." Now let this doctrine be as absurd as the romance of Peter Wilkin, grant that it was never anything more than an airy and impracticable revolutionary rallying cry, still no man in his senses will deny that "no taxation without representation" is stamped across every page of his political history.

Our American colonists objected to being taxed by a foreign legislature, in which they had no representation. The cry "no representation" had no reference to tax-paying as a qualification for voting. It is a novel and strained use of the phrase by advocates of suffrage extension, when they claim that all persons owning taxable property should have the right to vote.

Defiance of this immemorial tradition cost one of the Stuart kings his crown, and another his crown and head to boot. "No taxation without representation" was the cry which nerved the hearts and steadied the aim of the embattled farmers at Lexington and Concord. It may have been a miserable mocking delusion, but the same sentiment bore up the courage of the soldiers of the Revolution from Lexington to Yorktown, and cemented into one national union Roundhead of New England, Virginian Cavalier, Quaker of Pennsylvania, Catholic of Maryland; English, Dutch, German, Swede, all faiths, all bloods, and all interests. In obedience to sentiment universal at the time, the framers of the national constitution provided that "direct taxes and representation shall be apportioned according to population, and not according to property or values of any kind." Taxation and representation, are in the national code, coextensive and inseparable.

The doctrines I have enumerated are embodied in every one of our state constitutions. The Minnesota Constitution further provides that all taxes shall be "equal" as nearly as may be, and it will be sometime before the people of this state shall be persuaded that "equal" means laying all taxes on some one class, or some one kind of property.

The new section to Article 9 of the Minnesota Constitution, adopted November 6, 1906, empowers the legislature to select classes of "subjects" for taxation, and requires that taxes shall be "equal upon the same class of subjects." Up to this time no material changes have been made in the system.

Third; the single tax scheme, alone and exclusive, is also impracticable because of our complicated American government. We have three systems of taxation, working side by side, and two or more independent agencies of tax administration. We have a national system of indirect taxation by means of imposts on imported merchandise, and by internal revenue excises on certain selected manufactures. We have also state taxes, and local taxes administered by mixed agencies of state and local officials. The single taxers do not inform us what agency they propose to employ. There would be no sense in using two or three agencies for administering a single tax system. Some one of these existing jurisdictions, national, state, or local must be made the primary agent for obtaining the single tax revenue, and be required to pay over to the other two their respective shares. Do you expect the state governments will subordinate themselves to their creatures, the town and city authorities, and exist by their sufferance? Far more likely it is that the power of local taxation by cities and towns would vanish away and the municipalities content themselves as best they could with such moneys as the state legislature should dole out to them. Local government, the pride of American and Anglo-Saxon free men, would of consequence disappear. But how would the state governments fare when it came to the question whether they or the national government should be primary collectors of the single tax revenue? Does not every schoolboy know that we changed the government of the United States in 1789 from a confederation to a national union, chiefly, almost exclusively, because the states would not collect and pay over the "quotas" imposed by Congress? Schoolboys may not know, but grown men ought to know, what kind of tax it was that the old Congress of the Confederation tried in vain for years to extort from the reluctant states. Some of us may have forgotten, so let me remind you that it was a single tax on improved lands after an idea imported from France along with other political bric-a-brac. The framers of the constitution of 1789 applied themselves to make a national government which should not need the interposition of any state, to raise and collect its revenue. They put into that document a power to raise revenue, absolute, unassailable, irrevocable. And this power has been defined and supported by a long course of supreme adjudication. With a standing army, and a navy which we now talk of making the most formidable that ever ploughed the seas, do you think the national government will surrender her unquestioned, traditional, unlimited, supreme power of taxation? It is absurd to expect it.

I think it much to be feared that a people so martial in character as the Americans would wish to raise and maintain a standing army of 500,000 men and a navy of 200

battleships with all necessary accompaniments. As this volume goes to press the United States Government with the full and hearty approval of the people is engaged in raising an army of two millions, and a navy of innumerable bottoms. And it is predicted by some persons whose judgment may prove to be sound that we shall in the coming three years increase the army to five millions. How charming a contrivance for raising the billions of money would the single tax be!

The single tax scheme if worked at all, must be engineered by the general government and its agents, and the states and all municipalities through the states will enjoy only such revenues as Congress shall see fit to apportion and pay over. Under such a scheme the forms of democracy, might, indeed, survive. but the state and the government would, in essence be imperial. Of all tyrants the many-headed tyrant is the one most to be dreaded.

For these reasons: (1) the impossibility of clearing away existing taxes; (2) the persistence of ancient custom and industries; (3) the peculiar and complicated nature of our American government; for these reasons, which are by no means all, as stated and discussed, I submit the conclusion, that the single tax, the exclusive tax on land values, has no claim to consideration as a practicable working plan, in this country, in our day.

Let us next examine the single tax scheme as a mere doctrine, as an ideal thing. It is a grateful and indeed not an unfruitful exercise to let our minds play freely on great and serious matters; to let the imagination soar a little skyward; nay 'tis well to dream betimes, of Utopias and blessed isles. What do these dreamers say? First of all, that all taxes except the proposed single tax on land value are, "either stupid or unjust or both," and I hear no exceptions made on account of stress of war or famine or other calamity. They assume, then, a state of continuous and universal peace. Does the history of this nation or of any nation warrant any such exceptions? Must a nation, beleaguered and invaded, lay down its arms, and accept the terms of the foe, at the point where the revenue from single tax, on land values shall have been exhausted? Were that the doctrine of the world, one single nation, not so scrupulous about collecting taxes from persons, chattels, incomes, franchises, and so on, would soon dictate the conditions of existence to all the rest. The single tax, as advocated, endangers, if not denies, the right and power of nations to maintain their organized existence. The old common law theory suits me better, that a free and a brave people may "rob the cradle and the grave" to recruit their defensive forces and throw the last dollar they can wring from the orphan and the widow into the military chest.

These dreamers assume the continuous and universal advancement of society; population always on the increase and evenly so, wealth increasing, intelligence and

virtue always abounding more and more. The world does move, has moved, but never on any continuous line of advance by steady and unbroken march. The lot of civilized man in general has been painful and stormy. The progress of particular nations has been by fits and starts, periods of depression succeeding as by a kind of rhythm, to epochs of advance. There have been times in the history of this country when the rental value of land would hardly have paid the salaries of the town clerks.

Fortunately, unjust and stupid taxes on imports, on incomes, and property of many kinds saved us from political marasmus. The progress of wealth and population is not uniform in different parts of the country. Population shifts and industries migrate. Rents go down in New England and go up in Dakota. One New York county, with which I have been acquainted, declined in population from 1860 to 1870 and again in the decades 1880 and 1890. That county was on the whole, probably richer in the administration of John Quincy Adams than it has been since. I should like to know if any provision will be made by the single taxers to reimburse the Seneca county farmers for so much rental value as has been already taxed out of them in excess of justice? In such counties the revenue from a single tax on land values would be sometimes a minus quantity.

The old farm on which the speaker grew up has lately been sold for \$25 an acre. The soil is excellent, the buildings substantial; the distance to New York is three hundred miles, and there is a railroad station on one corner.

However, it may be expected by the single tax apostles that the great national taxing machine would equalize such things.

The enthusiasts again, make no allowances for those disasters which in every generation wreck cities, dismantle provinces, and even involve continental areas in vast loss and ruin. Famine is chronic in India and China.³ In the latter empire only last year one million five hundred thousand people were left homeless and starving from the overflow of a single great river. Would the single tax on land be convenient for those poor worms of the dust? If no other tax could, without injustice, be collected, would the government of that province be able to bury the dead? A very few years ago, several counties lying within a half day's journey of this spot, larger in aggregate area than any one of several considerable nations, were desolated for three seasons by the red-legged grasshopper. The surface of the land was swept as clean of vegetation as the pavements of our streets. The governor of this state locked his office door for many days and hastened to see what might be done for the stricken people. What he did as an official is a part of the history of the state; what he did as a man, is known only to himself, his wife, and the recording angel. How distressing it is to reflect that at this time the single tax doctrine had not been revealed. How might the suffering farmers have been comforted by that sweet doctrine of the unearned increment and the

single tax on rent, which would relieve them of the last burden, their farms themselves.

Would a single tax on the unearned increment of city lots have been a convenience and a boon to the people of New Ulm and Rochester and Sauk Rapids, after the tornado had got in its work in those towns? States, like men, do wisely not to carry all their eggs in one basket. It is a principle of taxing systems to distribute the burden so that no one class, nor any kind of property or industry shall be ruined in case of disaster. There is no safety valve to the single tax boiler.

Again, these devotees of a mere theory assume that land is the only thing which increases in value, as population and wealth increase, if they do increase; and which derives value from community labor and social demand. It is a hackneyed truism that increasing demand is the prime force in raising values of all products (farms and gardens are products) and all services. An abounding population, if it swells demand, normally occasions a general increase of prosperity and wealth. According to single tax philosophy the community ought to appropriate to the common good whatever moiety or scintilla of value may have been caused by social order, protection, education, conservation, or other contribution. Let us take a single instance, Mr. George's late speech. The language and most of the sentiments of that ingenious and captivating address are and have for a long and indefinite time been the property of the whole people. He spoke with a degree of ease and confidence to indicate that speaking was rather a pleasure than a toil for him. He got, let us presume, \$100, a hundred ounces of silver, for that performance, and carried the same off with him to the Standard office. Now what gave that speech its selling value? Would the Comanches, or the Patagonians, or the natives on the left bank of the Niger, all of them actual practitioners of the philosophy which Mr. George is commending to the people of these United States, would they have paid their currencies to hear that speech?

"A fortiori, we might on the same principle (as that land is limited) insist on a division of human wit; for I have observed that the quantity of this has been even more inconveniently limited. Mr. George himself has an inequitably large share of it."⁴

Let us analyse the conditions which give value to such things as Mr. George's orations. First, Mr. George enjoys a monopoly of a certain kind of reasoning which I trust will remain his exclusive property. I allow something for that.

Next, there are a lot of people in this town. These people are civilized and possess a great body of inherited arts and industries which have long been common property.

They have had themselves educated according to the best learning of all time and they have maintained at great expense a costly apparatus for the cultivation of religion and morality. I submit that the cash value of that speech and of all speeches and sermons and orations is given by the numbers, the labor, the saving, the virtue, and order of the people, and that Mr. George has, according to his own philosophy, robbed this city of a good round sum of money. In the next place, I dissent from the fundamental assumption of the single tax optimists,—that all land belongs to everybody. The statement is a vague and glittering generality, or perhaps better stated, it is the exaggeration and caricature of a doctrine true, but only true within reasonable limitations, and as understood by reasonable persons, who know and feel the inadequacy of language to express all that is in the minds of men. We assert the equality of all men and we understand those words in a certain reasonable way. We say that governments derive their just powers from the consent of the governed, and the statement is true, but only true in a reasonable sense. The words do not import that any individual or clique or party may withdraw his or their consent, refuse to pay taxes or serve on juries, or that resident aliens, minors, paupers, and idiots may vote. The state in a certain true sense owns all its territory, but the state's "eminent domain" does not conflict with the right of citizens to own lands by allodial tenure. The doctrine that the land of the world belongs to God's children is a harmless truism. What is it good for in actual politics? Nothing. It is a mere unworkable sentiment, void of all efficiency; "Void" as lawyers phrase it, "void for uncertainty." Only a limping, one-legged philosophy of property can bolster up such a vagary, that all mankind taken collectively owns all the soil and waters of the planet.

This doctrine may never have been stated in clearer terms than by that distinguished apostle of temperance and anti-slavery, Gerrit Smith, in his speech in Congress on February 15, 1854, and in resolutions offered by him on January 16. The resolutions read:

"Whereas all the members of the human family, notwithstanding all contrary enactments and arrangements, have at all times, and in all circumstances, as equal a right to the soil, as to the light and air, because as equal a natural need of the one as of the other; and whereas, this invariably equal right to the soil leaves no room to buy, or sell, or give it away; therefore,

1. Resolved, that no bill nor proposition should find favor with Congress which implies the right of Congress to dispose of the public lands, or any part of them, either by sale or gift.

2. Resolved, that the duty of civil government in regard to public lands, and indeed to all lands, is but to regulate the occupation of them; and that this regulation should ever proceed upon the principle that the right of all persons to

the soil,—to the great source of human subsistence,—is as equal, as inherent, and as sacred as the right to life itself."

In his speech Mr. Smith demanded in the name of justice that government should cease from selling or giving away what it can not own, the soil, and said, "Vacant land belongs to all who need it. It belongs to the landless of every clime and condition."

Gerrit Smith antedated Mr. George a whole generation.

Property right is an institution, an immemorial inheritance, not a theory. Rights, practical, reasonable, legal, rights do not descend from the clouds; they have grown up out of human experience and the nature of things.

These dreamers fall into another error, after the example of the socialists. They confuse value and utility. They talk of value where no exchanges take place, and of labor and capital producing value. Value appears only on the field of exchange, not in that of production. Much labor is not simply negatively useless, but positively destructive, as for example that employed on perpetual motion devices, in gambling, in the manufacture and sale of intoxicants, and the culture of tobacco. In their discussions they get themselves into such a tangle with their values—land-values, rental-values, real-values, selling-values, real selling-values, speculative values, that the ordinary intellect can not follow them, and political economists retire in despair.

Finally (under this head) these amiable proselytes neglect to take any account of probable political consequences of their scheme, provided it were possible to clear the way for it. It is a common experience of nations that changes in their economic institutions are followed by totally unexpected consequences; so short is the sight of the wisest men. But there is one consequence of the scheme under discussion which experience may warn us from risking. Put all your taxes on any one class of persons, and you at once consolidate the members of it into a compact body ready either to embarrass and oppose the government or to take possession of the powers of the state and dictate the laws. I hardly know which of these inevitable alternatives is more to be feared. If the class selected be the landholding people, and they embrace a large majority of the voters I think, all experience teaches that they will surely and rapidly establish themselves as the ruling class in the state. In this day of large production when the fashion of large farms worked by machinery is coming into vogue, I am persuaded you would not have long to wait before a landed aristocracy showed its powerful grip upon your legislative department, placed its best men in your executive chairs and filled the bench of your supreme tribunals with judges whom it could depend upon. Mr. George himself suggests the best reason of all for expecting this result when he says, "The tax on land values is the only tax of any importance that

does not distribute itself. It falls upon the owners of the land and there is no way in which they can shift the burden upon any one else."⁵

Mr. George does not propose to dispossess landlords, and reduce them to the condition of tenants of the state or municipality.⁶

He was thinking as an economist not as a politician. Lay the taxes on landlords and you may trust the real estate lawyers to find them a political way of escape from excessive burdens at least. It is with difficulty the people now submit to direct taxation in amounts sufficient to support those institutions which modern states must needs maintain. The public schools are illequipped, the teachers poorly paid. The university lags half a century behind the point to which she might advance in ten years if the money could be voted. Do you think things would be bettered if you placed the fortunes of the state in the hands of the landholding class? That class would name the assessors, and dictate the rates and the valuations, or human nature will have undergone a new creation. From class government, good Lord, deliver us, evermore. I submit therefore that the single tax on land values as a theory fails to answer to the requirements of a reasonable system of taxation considered at large in the abstract.

Mr. George makes great account of the irregularities which attend the taxing systems in vogue, and he says much that is worth while. The science of government and in particular the economics of government are not far advanced. In the past the science has been cultivated by a few philosophers only. Economics has of late become, or is becoming, the science of the people, and there is ground for hope that valuable truths will be brought forth and useful devices invented to make government more efficient and its burdens lighter. I must say, however, that the suggestions and the reasonings of the school I am now dealing with are discouraging. Because nine ways are bad it does not follow that a tenth will certainly be good. Because the household pet of the Dutchman's story is utterly worthless in all known respects it is not safe to conclude that he will be infallible as a "coon dog" till you have tried him. The collecting of taxes on moneys and credits may be very unsatisfactory, but we may not conclude from that that a single tax on land values will be satisfactory. And these men make the radical mistake of all enthusiasts, in presuming that the adoption of their one idea will mend all matters. Criss-cross, hocus-pocus, presto change, now you see it and now you don't see it, and the miracle is done. "We believe," says Mr. George, in substance⁷ "that in this simple measure of the single tax lies the remedy for the great social and political evils of our time." This is not the language of truth and soberness, it is the wild exclamation of the devotee of one idea.

Before I had gone far in this matter I was inclined to think that the single tax might work in some petty state, some remote and happy isle, some secluded mountain gorge, (whence population could escape only by the golden stairs) and where the passions of

men would not be stirred by the storms that sweep over great nations. With regret I am forced to abandon this amiable conceit, because nature is against it and humanity is now incapable of the virtues it implies. For the realization of their dream I can only point our single tax friends to some heavenly consummation, to some "Happy land, Far, far away, Where saints in glory stand, Bright, bright as day." Again my good nature gets the better of my judgment; in the celestial country there can be no single tax, or double tax, no mortgages to be sworn off, no personal chattels or credits to be listed, no tax on conscience there. Oh, sweet and blessed country, Where taxes ne'er shall be! Perish the thought which rises here like Banquo's ghost and will not down at my bidding. There is but one other place where population is ever on the increase and whence emigration is impossible. Perhaps in that unmentionable realm the unearned increment of land may form a common fund sufficient for all social needs. No one can object to the experiment there.

In the first division of this address I undertook to show that the single tax, can not be put in operation in our country and time. In the second, that, resting on unfounded assumptions, it has no merit as an ideal plan of taxation. In the few minutes remaining at my disposal I propose to show that the single-tax plan is not a plan of taxation at all in the proper sense of the word, and further that Mr. George did not originally propose the scheme as a scheme of taxation proper. What, let me ask, are taxes in free states? When the English commons were debating the question of taxing the colonies, Lord Chatham answered this question and settled it for English speaking freemen, for all time. Taxes in free states are not impositions on the people by outside and superior powers, they are the contributions of the citizens for public uses. The idea that taxes are a burden let down onto the people, is a survival from the great conquering empires of antiquity. It ought to have no place in the minds of intelligent modern thinkers. There two ideas inhere in the word tax, or rather two phases of one idea. The word at bottom, means to set in order, to arrange; and we have on the one hand the principle that taxes must be proportioned to the public needs, and on the other apportioned equitably among the persons who are to contribute.

The ultimate root is *tag*, to which may be traced the words *task*, *touch*, the Latin *tangere*, and the Greek *tasso*.

These principles are reasonable and in our day beyond dispute. No free people will for a moment consent that their agency, the government, may assess and collect taxes *ad libitum* without regard to the purposes and duties of government. Nor will a wise people, by imposing the burdens of the state on any one class, lay the foundation for a claim by that class to rule the state.

Exactions of money, goods, or services not proportioned to public uses and not apportioned to private ability and interest are not, in any just sense of the word, taxes.

Keeping this in mind let us examine Mr. George's position. The disciples of this teacher are insistent in season and out of season in commending the book *Progress and Poverty* as containing the whole gospel according to Saint George. It is, indeed, a notable book. The author has a happy art of elucidating abstruse economic doctrine by ingenious statement and happy illustration. His literary style is forceful, graphic, and generally chaste. The best qualities of the man, his ardent love of humanity and his burning desire to be of present service to all who toil and moil, shine on every page, but, I am forced to add, these merits only throw into strange relief the fallacy of his reasoning. One can not but regret the mistaken direction of splendid gifts. The fundamental assumption of this book is the one suggested by the title that human progress, under existing conditions, is necessarily accompanied by poverty, deepening, widening, irremediable poverty. This point we will not argue now. We will grant it for the moment. After laboring through several chapters with technical discussions of wages, interest, capital, and the population question to clear his way, Mr. George at length offers us the sole reason why poverty keeps pace with progress; that rent (i.e., land value) is always on the increase at the expense of wages. Landlords must always, if present institutions continue, be growing richer at the expense of labor. Well I will not now contend about this. We may agree that evils exist, and disagree as to remedies.

Addressing himself to the question of remedies our genial apostle argues in detail that the following proposed remedies are of no avail, against the impoverishment of the people.⁸

1. Greater economy in government
2. Better education, and improved habits
3. Combinations of workmen
4. Cooperation of labor and capital
5. Governmental direction and interference
6. More general distribution of land

To these remedies, proposed by men as wise and philanthropic, perhaps as Mr. George, he will allow no efficacy, not even a modifying or mitigating efficacy. They block the way, he declares, to the bringing in the sole and single remedy for poverty and its attending misery and crime, which he carries in his medicine case. On page 295, he states this remedy frankly in loud italic type "*We must make land common*

property." This is the bottom doctrine of the single tax men. This is the gospel according to Saint George.

In book seven, the author of *Progress and Poverty* proceeds to argue:

1. that private property in land is unjust;
2. that its ultimate result is the enslavement of laborers;
3. that private land owners have no claim on society for compensation for lands they pretend to own, because they are either robbers, or the successors and grantees of robbers.

On page 322, he says, "Private property in land is a bold, bare, enormous wrong like that of chattel slavery." Unsubstantial as such propositions may be, I can not turn from my present purpose to deal with them. Private property in land is, in Mr. George's opinion, the sole cause of (I quote)

"Want and suffering among working classes

"Industrial depression"

"Scarcity of employment"

"Stagnation of capital"

"The tendency of wages to the starvation point."⁹

For these vast, complicated, perennial, and appalling evils he sees but one remedy; a panacea, a patent ointment, a wizard oil, and that—"Common property in land." How then shall we compass it? he feels bound to inquire. I quote from his reply "We should satisfy the law of justice, we should meet all economic requirements, by at one stroke abolishing all private titles, declaring all land public property, and letting it out to the highest bidders in lots to suit, under such conditions as would securely guard the private right to improvements."¹⁰ "But such a plan, though perfectly feasible, does not seem to me," Mr. George continues, "the best, or rather I propose to accomplish the same thing, in a simpler, easier, and quieter way than that of formally confiscating all the land and formally letting it out to the highest bidders I do not propose [he proceeds] either to purchase land or to confiscate private property in land. The first would be unjust; the second, needless. Let the individuals who now hold, still retain if they want to, the possession of what they are pleased to call *their* land. Let them continue to call it *their* land. Let them buy and sell, and bequeath and devise it. We

may safely leave them the shell, if we take the kernel. It is not necessary to confiscate land; it is only necessary to confiscate rent."¹¹ Here we have it, the core and essence of the single tax philosophy. Confiscation, frankly and boldly, confiscation, Mr. George proclaims to be his aim.

Now confiscation and taxation are not the same thing, they are diverse and irreconcilable things. Taxation implies proportionment to public uses and apportionment to private ability and interest. Confiscation means forfeiture, transfer by force and arms to the public treasury, without any reference to, or regard for, the public needs. Mr. George will be personally content with proximate confiscation of rent, because he knows it leads to ultimate confiscation of land. He does not like racket and disturbance, and personally chooses the simple, easy, and quiet way of confiscating rent instead of an honest, thorough, rough-and-ready plan of universal eviction. A very important question arises here. It has many times happened in the history of evolutions that the early leaders, alarmed at impending consequences, unexpected, at some crucial moment, shrink from the logic of their premises, turn conservative and the command passes to less scrupulous men. Mr. George seems to be such a leader. He is now engaged with all the passion of a saint and a devotee, in persuading the poor, that their poverty proceeds from the private ownership of land. He tells wage workers, that landlords are robbing them and will go on robbing them to eternity, unless they smash the institution of private property in land. He is earnest, eloquent, continuing instant in his holy crusade. Suppose Mr. George to be successful in rallying to his cross and banner enough thousands of the working men of America to carry his revolution at the polls. Does Mr. George offer us any guaranty that he will then be able to control the wild spirits which will surround and support him? Will he be able to curb their wild ardor and persuade them to adopt the easy, simple, and quiet way of doing the deed? The history of great social revolutions offers no hope of such a consummation. When you break the dam and let the waters loose, no human power can stay their course. But Mr. George not only desires to spare his fellow countrymen the unpleasantnesses which would attend the turning of everybody out of doors and putting all our homes up at auction, he is so tender and amiable that he will not even scare the good people with a naughty word. That word confiscation, a truly horrid malodorous word, he hastens to suppress, by another which can hold up its head in any respectable circle. Hear these comfortable words: "What I, (Henry George) therefore propose, as the simple, yet sovereign remedy, which will

raise wages
increase the earnings of capital
extirpate pauperism
abolish poverty
give remunerative employment to whoever wishes it

afford free scope to human powers
lessen crime
elevate morals, and taste, and intelligence
purify civilization to yet nobler heights

is to *appropriate rent by taxation.*"¹²

Is it honest, Mr. George, to say taxation when you mean confiscation? Can you fool the four million farm owners of this land and get them to make believe they own those homesteads after your confiscating machine shall have knocked all exchange value out of land? Will they not understand as well as you do that "this simple device of placing all taxes on the value of land" will "be in effect putting up the land at auction to whoever" will "pay the highest rent to the state?"¹³

Mr. George's disciples in this region are now laboring to show that confiscation and taxation do not differ, that the state confiscates, when it taxes. Have they lost the power of understanding ordinary language? In all this fine talk about appropriating rent by taxation, there is no suggestion of limiting the collections to the public needs. The proposition is to confiscate the whole rental value. I quote: "In every civilized country, even the newest, the value of land taken as a whole is sufficient to bear the entire expenses of government. In the better developed countries it is more than sufficient. Hence it will not be enough merely to place all taxes on the land. It will be necessary, when rent exceeds the present governmental revenues, to commensurately increase the amount demanded in taxation, and to continue this increase as society progresses" . . . this is "understood in the proposition to put all taxes on the value of lands."¹⁴ Call you this, taxation? The arming your government with power to collect from year to year sums of money in excess, to begin with, of the present public uses, and increase from year to year and generation to generation? "There would be a great and increasing surplus revenue," adds the author of *Progress and Poverty*, "from the taxation of land values, for material progress . . . would tend constantly to increase rent. This revenue arising from the common property could be applied to the common benefit, as were the revenues of Sparta. We might not establish public tables, they would be unnecessary" (query?) "but we could establish public baths, museums, libraries, gardens, lecture rooms, music and dancing halls, shooting galleries, play grounds, gymnasiums, etc. . . . We should reach the ideal of the socialist Government would change its character and would become the administration of a great cooperative society."¹⁶

The government will never exist, I submit, which any free people will entrust with a power to raise surplus revenue increasing annually to all eternity.

The language of Mr. George's addresses in this vicinity, though ingenious and guarded, is entirely consistent with that of his book. He used no such naughty word as confiscation; that would have shocked people. But he spoke of a tentative and entering wedge, and dropped mysterious suggestions of a theoretic perfection to be at length attained to. His theoretical perfection "we now understand to be the actual or the virtual confiscation of land and making it the common property of the state." As reported in the daily papers, Mr. George also said, "No one ought to be permitted to hold land that has a value" and "I think it necessary to take the entire rent value of land in order to fully carry out the justice of the single tax."

I trust I have made good my promise to show that the scheme of a so-called single tax on land values, as proposed and advocated by Mr. George is not in the proper sense of the word a scheme of taxation, but is simply a device to work the destruction of the institution of private property in land, to change the character of our government, and work a revolution in society, whose consequences no human intelligence can foresee. These purposes Mr. George boldly avows. I wish all his followers had equal courage and better sense.

The hour is passing. There is no space to enter on a defense of private property, nor am I now called upon to apologize for ownership of homes and farms, and gardens and orchards. Private property in land is an ancient and venerable institution of gradual historic development. It is not a theory, but it has a foundation on solid facts and reasonable principles. Mr. George is half right, that is all wrong, in basing property right on human labor alone. Men own what they make; and this means to him the same thing with men may not own what they do not make. Men make canoes, plows and looms; therefore they may own canoes, plows and looms. Men do not make land; therefore they may not own land. What kind of logic is this? Let us try some more examples:

I love my wife and children; therefore I hate all the rest of mankind.

A tax on land is a good tax; therefore all other taxes are bad.

There is dishonesty in working the personal property tax; therefore there will be none in working the single land tax.

All teachers, preachers, statesmen, and philosophers have failed to abolish sin and wrong; therefore Henry George can do it.

These open and apparent fallacies are of a piece with Mr. George's logical jingle; arguments just as valid as his.

Ownership is a fact founded partly on individual claim, partly on social claim. Men own what they make if the laws allow. Some counterfeiters make, i.e., create, very beautiful plates for printing national banknotes, and the impressions are only distinguishable by reason of their superior elegance. The United States marshal takes possession for all that, and brings the makers to answer at the criminal bar. Property law supports private right, in the act of asserting coordinate social right. For ages the institution of property in land has made its way. Its origin marked the emergence of men out of barbarism into civilization. Savages and barbarians everywhere are communists in land. Hunting, fishing, and pastoral life make them nomadic. Civilized men settle on the land, and live by cultivation. The state begins when settlements begin. Long experience has shown that secure tenure is essential to good cultivation. Tenants at will rob the soil and impoverish the state. Owners in fee plow deep and beautify for posterity. Land lying remote and waste is, of course, without value. Land, appropriated, enclosed, subdued, and tilled becomes by the union of private effort with society's magical potency the dearest wealth of man. The very soil becomes the depository of our earnings and savings. This is a priceless blessing to humanity. I care not what the brisk young men, who are shouting for the single tax, may think about this. I will speak for myself and I believe I speak for the great body of men who live upon what they earn. Over in a part of this city there is a little homestead. It stands for the earnings of man and boy, for the little daily self-denials and economies of the wife. It holds the savings of fifty years, a sacred deposit under the constitution of our country, and the immemorial custom of our race, for the shelter and support of a family, should death or disaster overtake its now happy owner. If that owner shall ever in any moment of folly raise his voice, or lift his hand, or cast a vote, which shall knock the value out of that little homestead, may his right hand forget her cunning, and may his tongue cleave to the roof of his mouth. I am not here to apologize for abuses of property or the imperfection of our existing ways and means of taxation. They need reform. Every serious proposition to that end deserves our hospitality. I do not therefore regret the agitation, now becoming extensive, begun by Mr. George. I have no fears that the American people will take the back track towards barbarism. The agitation will stir the air of stagnant public opinion, and lift the fog, and let the daylight in.

NOTES

'Works 3:260. Boston. 1889.

But Burke was anticipated in the *Hitopadesha* by many centuries. 5 Alexis de Tocqueville, *De la Democratie en Amerique* 1:76. Paris. 1864. 'Annual Register 1887 p. 323; 1889 p. 360.

* J. R. Lowell, *Essay on Democracy*.

6 H. George, *Progress and Poverty* p. 384. New York. 1882.

• *Ibid.* 364.

Ibid. 296.

Ibid. 269-70.

Ibid. 362.

m *Ibid.*

u *Ibid.* 364.

« /fx'd.

»/4i<I. 392.

"/did. 365.

»/Wrf. 410.