

## BOOK REVIEWS.

## \* THE PROBLEM OF THE UNEMPLOYED.

Under the title of "The Problem of the Unemployed" an unknown writer has made a valuable contribution to economic literature of the new school. It is a book of three hundred pages, of convenient size and good print, and is from cover to cover interesting reading. Although political economy is proverbially dull and heavy, yet so simple is the language employed and so clear the presentation of each proposition and argument throughout that even to a mind unfamiliar with this study its ideas are readily absorbed.

As the title indicates the object of the book is to discover the cause of involuntary poverty. Briefly stating the undisputed fact of the vast increase in labor-saving devices for which the last century was conspicuous, and the consequent enormous additions to wealth mankind has thus gained, the author notes that this gain has not been shared in by all, and quotes from the late Thorold Rogers that "relatively speaking, the working man of to-day is not so well off as he was in the 15th century." "If," he continues, "it is true that labor-saving processes do not increase wages in the same proportion in which they increase the laborer's ability to produce wealth, where does the increasing difference between the wealth which he produces and that which he receives as wages go? Who gets it and what becomes of it? What is the law which controls its distribution?" A very pertinent question which he proceeds to answer to the complete satisfaction of Single Taxers, tracing with masterly logic to the monopolization of natural opportunities and to special privileges granted to the few, such as protective tariffs and franchises, the vast fortunes of some of the children of the All-Father and the enslavement and grinding poverty of the majority.

The chapter on Definitions is excellent, grouping into reasonable and natural category the various elements which belong respectively to the prime factors, Land, Labor, and Capital, and showing the confusion which arises from classing as wealth things which should fall under either of the other headings and *vice versa*, as authors of reputation often do in standard treatises on political economy. I have but one objection to make to this chapter. Of Capital, he says: "Capital is the fund from which wages are drawn and it is proper and convenient to refer to the capital in a community or nation as the wage fund of such community or nation."

\* This review is of a book from the author's advanced pages. The work is not yet published. The author is well known to Single Taxers everywhere, and the work will shortly be on the market. This notice is printed by special permission of the author of the work reviewed.

Although in a footnote the author himself observes that it may not be strictly accurate to define capital as the fund from which wages are drawn, since capital is but stored up labor, yet he holds this objection as technical, considering employees as a class dependent upon such fund even though their work each day produces in advance the wealth which really constitutes their wages. One of the important vantage points gained by Henry George over old economists was the refutation of the old wage fund theory, and no writer of the new school should, in my opinion, even seemingly, surrender that point or obscure it. It is not necessary for labor to wait to store up wealth before beginning the construction of some work not immediately repaying effort, but only that other labor engaged in work at once returning results should be willing to exchange such results—say bread and meat—for a future share in the other's work when completed; or, we may put it, for a share in the day's portion of such work while in course of construction. All that is needed is the faith of men who produce bread and meat that the work of their fellow laborer requiring many days' labor before completion is worth the exchange.

While, no doubt, the author of this book has merely given this definition of a wage fund for convenience in other statements, and in deference to the common holding of this idea, I think the chapter would be stronger without it, for it is misleading to one reading such a book for the first time and unfamiliar with Single Tax teachings. It seems a small matter, but the dignity of labor rests on the maintenance of the George axiom that no wage fund is necessary, but that labor produces its wages with each day's work as well as interest to capital and rent to land.

This same idea is elaborated in the chapter entitled "The Wage Fund," and the author here enters upon what seems to me an unproductive argument as to what, by rich people, constitutes the most advantageous encouragement to industry; their expenditures determining production in whatever direction their tastes demand. "The so-called miserly men," he says, "who economize and save are public benefactors as compared with the less provident whose incomes are entirely absorbed in living expenses. The former may not be so popular with tailors and retail store keepers as the latter, but if it were not for the prudence and self denial exercised by them the wage fund would be smaller, rates of interest would be higher, and the comforts and luxuries of life would not be so commonly enjoyed."

We really need trouble ourselves but little as to how rich men spend their money providing it be rightly acquired, nor worry about what effect such spending would have upon determining production in any special field. What concerns us is how the rich man gets his money, not how he spends it. Up to

recent times the possessor of great wealth has been credited with industry, prudence, superior ability and the special favor of Heaven; poverty to the reverse of these qualities and to the will of God. But we have learned a valuable lesson and one that can never again be obscured, and that is that unjust privileges and nothing else, is the basis of all vast fortunes, and that the most fundamental of these privileges is the holding of the earth as the private property of a few. The "Problem of the Unemployed" points this moral in convincing fashion. But I have one serious objection to offer to its pages. This is its chapter on "The Immediate Nationalization of Land."

The author, indeed, disclaims the special favoring of the proposed scheme, merely suggesting it as a possible means to an end. Still, this chapter is an integral part of the book and can not be passed over. The proposition is that the Government shall at once buy out the present owners of land so that the Single Tax on rent might be immediately instituted; the money for this purchase to be raised by the issue of interest bearing Government bonds. The sum required to reimburse present owners he sets at forty billion dollars, the interest for bonds and expenses of government as about two billion six hundred million. The required revenue, it is suggested, might be easily raised by a budget as follows:

Ground rent taxation, not in excess of economic rent. . . .	\$866,000,000
Tariff so levied as to produce a revenue without reference to protection. . . . .	400,000,000
Internal revenue taxes on liquors and tobacco (which would include all license taxes now levied by States and municipalities. . . . .	525,000,000
A general stamp tax. . . . .	100,000,000
An ad valorem tax on railroad freight and passenger rates, collected by stamps applied to tickets and bills of lading. . . . .	500,000,000
An inheritance tax. . . . .	75,000,000
From an increase in postal rates. . . . .	84,000,000
From miscellaneous sources. . . . .	100,000,000
Total . . . . .	\$2,800,000,000

Whether the impetus to all branches of industry which would follow the nationalization of land would quickly liquidate the debt, or whether, as Spencer contended, to properly indemnify landlords would permanently swamp the whole people, is a question which might prove interesting for abstract discussion, but to seriously propose to buy out the octopus who has so long drained the life blood of the body politic is analagous to a proposition to retire a class of Capt. Kidds in opulence and ease. They

have had too much already. Besides to speak of compensation is to lose the moral strength of our position. If land owners have a right to compensation they have the right to retain possession. The Single Tax is not a mere fiscal reform, it is the harmonizing of social law with the law of Justice. Even if we were obliged to wait longer for the day of freedom, better that than attempt to palter with Justice and buy the abolition of this hoary wrong.

This book has been read by me with such pleasure that I am reluctant to set down these adverse criticisms on some points in it, and these objections are made in no cavilling spirit, but with a sincere appreciation and admiration of the good work done for the cause of freedom by its unknown author.

IDA HIBBARD.

#### \*A REMARKABLE WORK.

The author of this book is one of the Republicans whose real democratic instincts were recognized by the Hon. Tom L. Johnson when the latter became Mayor of Cleveland. With that profound knowledge of men which has availed him so well in his selection of individuals in sympathy with those intelligent and far reaching aims which he has in mind for the government of Cleveland, and ultimately for the regeneration of society—for it is no less important a task to which this remarkable man has dedicated the labors of his life—Mayor Johnson from the beginning has sought the co-operation of both parties whose knowledge of municipal problems and high minded devotion to their solution have set them apart from the self-seeking horde of office holders, municipal grafters, and the mass of indifferent citizens.

This book from the hand of one whom Mayor Johnson has so signally honored is by far the best work extant on the problems of the cities. There is not a book on the subject in which general conditions and the many problems of city government are so fairly and accurately stated; and the remedies presented so closely in line with the abstract and practical knowledge of these vexed questions.

If, to begin with, one would know the chief cause of the corruption of cities, and knowing the cause would seek a remedy, this book is of inestimable value. Where others have dealt with the manifestation of civic corruption in their personal aspects, our author has seen them in their true and deeper relation. Forms of social disorganization which Lincoln Steffens ascribes to business our author more accurately attributes to "Business—plus the valuable franchises of the cities." He shows that here is the power which creates the "bosses" and supplies them with the funds needed to

\* The City the Hope of Democracy. By Frederick C. Howe, Ph.D. Cloth, 12mo, 312 pp. Price, \$1.50 net. Chas. Scribner's Sons, N. Y. City.