

BOOK (Quinquennial), and myself; and we three have unequivocally attributed poverty to the fact that "The mass of men are disinherited from the earth" (SINGLE TAX YEAR BOOK, page xiii of the Introduction). And we three agree that to abolish poverty it is only necessary to restore the earth back to the mass of men. And we agree that one solitary levy on the land value will do this, because it makes unused land an unprofitable investment, one in which no sane person would indulge.

The mass of men are disinherited from the earth! That is enough to impoverish them beyond all hope, help or alleviation.

Restore the earth to the mass of men! That is enough to enrich them beyond our present dreams of wealth and luxury.

Whatever is to be added to these statements can only be either a definition of LAND, LABOR or WEALTH, or the correction of a misapprehension of these terms.

What other Single Taxers think on the subject it is impossible to say; but I can vouch for the three foremost authorities: Henry George, the SINGLE TAX YEAR BOOK, and the humble servant of the United States of Wisdom-Love-Power, Bayonne, N. J.

JULIA GOLDZIER

MR. COWERN'S ERRORS

EDITOR SINGLE TAX REVIEW:

The errors of Mr. J. F. Cowern, due to lack of research, can be briefly shown. He overlooked entirely the "Law of Wages." Read page 291, "Progress and Poverty."

Says Cowern: "Single Taxers have attributed poverty to a divorce of labor from land." Not that alone; present taxes double prices, thus halving the purchasing power of present low wages.

"...and have urged that Single Tax would abolish poverty because its full application would result in unimproved land having only an annual rental value, enabling labor to secure access to the earth upon payment of the annual rental value."

This is not correct; it ignores the law of rent. In fact, Mr. Cowern has a superficial view of effects, without grasping natural laws. Much land now held would be free of rent; only land to which some advantage attaches, from some natural cause, independent of the holder, will yield rent. Page 448: "Cultivated and improved farms would have no taxes to pay until the country around them had been well settled."

"It is clear," says Mr. Cowern, "that the total of such taxes could then be contributed IN ADDITION to the Single Tax, without reducing any to poverty, or even seriously burdening them."

This ignores the law of justice. Why should labor, after paying the site-tax, ample for the public fund, pay also present taxes in addition, even if the burden is light(?) and who would get this tax?

But it would be both unjust and a burden. Taxes on labor double prices by increasing profits (this law also ignored), and with want of land, causes poverty.

"The Single Tax merely proposes that the SAME RENT shall be paid to the State... simply a change in the pocket in which it finally rested."

"Progress and Poverty," page 434: "The selling price of land would fall." How could this be, if rent remained the same? Wages and interest will increase AT THE EXPENSE OF RENT, page 221. "But rent will remain the same," says Mr. Cowern.

Although four-fifths of our land is unused: "Speculative purchase and holding for rise, is almost always accompanied by a rental thereof TO OTHERS TO USE." This is in the interest of private taking of rent.

"The theory of non-access to land as the efficient cause of poverty, is therefore not tenable." Ponder on that. Lack of the source of a thing is no obstacle to getting the thing. Suppose all wealth came from water instead of land; would a charge for a seat on the shore, or right to sail a boat, operate to restrict production, and would not many people be poor who had not "the price?"

"In the U. S. the people NOW HAVE ACCESS TO LAND... upon the same terms they would have to meet under the Single Tax." Ponder also on this conclusion from anyone who has been "an advocate of Single Tax for 24 years."

"These enormous [land] values are not imaginary." Henry George says they are fictitious wealth; could be destroyed without decreasing real wealth (page 39). Land value is merely the market price of the legal power to collect rent; destroy that legal power, and the imaginary

value disappears. It never existed as real wealth. It was the exchange value of unjust privilege; "Value of Obligation," as George defines it in "Political Economy." "This bogus value," says Mr. Cowern, "will not be destroyed. It will simply be shifted to labor products... of which there would be enormously increased production."

Increased production invariably lowers prices. The removal of taxes on products must decrease prices, according to common sense, hence the idea that bogus value can disappear, then reappear, added to products which must decrease in price for two valid reasons, is pure fancy.

When a share of stock falls in price, from any cause, the watered value should "shift" to something else. No one ever traced this shifting. This fancy that value shifts in some occult manner, makes Value an imponderable essence, incapable of increase or decrease, which attaches to objects, and leaves them, according to an unknown law. I once had a hat, which, though not worn out, was no longer stylish, and I found I could buy such hats on the bargain counter for a few cents. The value had departed; the stylish hats seemed to contain only their own market value. Where did my value go, Mr. Cowern? Chicago, Ill.

C. F. HUNT.

PRICES, RENT AND TAXES

EDITOR SINGLE TAX REVIEW:

Referring to recent discussions in your columns:

Price and rent are related, as cause and effect; price is prior to, and independent of rent; price provides the rent, but rent is the effect, and cannot be the cause of price.

The social value, rent, accrues, as aggregate prices on superior sites exceed the labor and capital charges.

Rent, therefore, is not a charge on production, but is a by-product in the sense of being a valuable privilege in excess of the production of labor and capital.

This rent surplus will, by means of the Single Tax, provide revenue to pay for the service of government to all the people and relieve them of the burden of other taxes, which increase prices and reduce wages.

As to public service corporations, I believe their charges should be based on the labor and capital engaged, and that they should not be taxed, but facilitated to operate with efficiency and economy, for the mutual benefit of the public and the company.

A street car company plant and equipment, devoted to serve the public, should be exempt from taxes, provided the revenue is not in excess of the wages, interest and sinking fund due, excluding land value.

If the corporations holds more land than required for the efficient operation of their service they should pay the Single Tax on that surplus. Pittsburgh, Pa.

JAMES D. McDADE

MR. COWERN AGAIN

EDITOR SINGLE TAX REVIEW:

My good friend, Cowern, in the REVIEW for Sept.-Oct., 1917, seems to convey the idea that it makes very little difference to whom the user of land pays ground rent—whether to the government or to an individual title owner. It seems to me it makes a vast difference.

Under a full ground rent tax the land user would pay to the State only the *normal economic rent*. Under our present system he must pay this same normal rent to the private landlord. In addition, he pays to the private landlord the speculative rent which in most cases is more than the normal rent. Then he must pay all those taxes that are not laid on ground rent. So much for direct payments.

In the form of interest payments he is caught with all sorts of indirect burdens that fall on him either as original producer or ultimate consumer.

Furthermore, our present system of not taking all the normal rent into the public treasury, results in land having a selling price—a very high price. The prospective user must either get this price and pay it before he can get title or must mortgage the future and pay interest.

Again, the high price of land prevents production and reduces wages probably to much less than half what they would be if access to land could be had on payment annually of only the normal ground rent.

It is my opinion that the present system costs the ordinary working man from \$1,500 to \$2,000 a year directly and indirectly which he might save under the full Single Tax.

St. Paul, Minn.

C. J. BUELL.