

The Kind of Society in a Community Supported by Ground Rent

WE ALL AGREE that the slaves lived in a better society after slavery was abolished than they did before. Is it not reasonable to expect that the society we would live in, after ground rent was used to pay for community expenses, would be much better than the world we live in now? Is it unreasonable to expect this improvement to be as great for all of us as the improvement that occurred for the slaves when slavery was abolished? If we lived in a world in which society collected ground rent for the community expenses, we would not be fined for increasing the wealth of the community. At present, if a man is hard-working and able, and builds a house for his family, the law compels the assessor to put the house on the tax roll and the man has to pay taxes on the house with which he has added to the wealth of the community. If he is especially able, and starts a business and gives employment to a number of men, the local taxing authorities fine him for erecting a factory building and the federal authorities fine him an income tax. If he is especially successful, and gives employment to a considerable number of men, the tax fine is 52 per cent of his profits. If the worker in a factory lived in a society in which ground rent was used to pay the expense of the government, the worker would not find the employer compelled by law to take a noticeable part of his wages for the Income Tax Department. He would be able to take home all of his wages instead of only a part.

It is impossible to produce wealth without using land and giving employment to someone. When our man-made laws fine people for producing wealth, it fines people for producing employment.

The most noticeable change one would see in a society in which the community collected the ground rent it produces, would be that land values would disappear. As pointed out heretofore, land value is the ground rent on a piece of land capitalized. If the community used the ground rent to pay government expenses, there would be no ground rent for the landowner to capitalize. A society in which there were no land values would be very different from the one we know now. Land would be very easy to acquire but costly to keep. Anyone could acquire land for practically nothing, but could not keep it without paying the ground rent to the community. Land would be forced into its best use. Land cannot be used without giving a job to someone. When the land is forced into its best use, the number of jobs will be much greater than now. *There will be more jobs than men.* A society in which there are more jobs than men would be a much better world to live in than the one we have now—so much better that it is hard to believe that such a society could exist.

Inventions, such as the cotton gin, would benefit the people as a whole, rather than bringing unearned increment to holders of the cotton lands. Hybrid corn would make corn more plentiful and, therefore, cheaper and decrease the cost of living, instead of greatly increasing the cost of land that raises corn, as happens at present.

The discovery of oil and gas wells would make oil and gas cheaper, rather than making millionaires of landowners on whose land the wells were found. Inventions and discoveries will make more jobs when the community collects ground rent for the community expenses. The amount raised would pay for the expense of the government—education, good roads, etc., for the community—instead of making millionaires of landowners. When there are more jobs than workers, the competition between employers would raise wages to the point that would tend to decrease the share which they now take from the total production to somewhat less than they are fairly entitled to.

If the millions of vacant lots in our cities were forced into

use, each lot so used would provide one or more jobs that do not exist now. If the millions of acres of poorly used land could be properly used, they would provide millions of jobs that do not exist now. In a society where there are more jobs than workers, unemployment would disappear and wages would rise to their natural level. Instead of unions forcing employers to pay wages to which the worker is entitled, competition between employers would force wages up to their natural level. Competition of employers for workers will raise *non-union as well as union wages*. When there are more jobs than there are workers, the necessity for unions to compel just wages will be past. A society in which there are more jobs than workers would be a society in which there was no unemployment or poverty. This is the society which would exist if natural law were observed.

Let us follow the steps again:

1. According to natural law, ground rent produced by the presence and activity of the community belongs to the community and should be collected for government expense.
2. If this were done, government taxes on the wealth of its citizens could be abolished and would be abolished.
3. Land values would disappear and land would be easy to acquire but expensive to hold. Land would be forced into its best use. If all land were forced into its best use, there would be more jobs than workers, and wages would rise to their natural level, and unemployment and poverty would disappear. This is the natural condition of society which would exist if natural law were obeyed.

Many thousands of people have read George's *Progress and Poverty*, and agree with him that if his proposals were made a part of the law of the land we would live in a new and better world. In Book X, Chapter V, in *Progress and Poverty* (pp. 544-52), Henry George shows the sort of world we might expect to live in if we would obey natural law with regard to the collection of ground rent and taxes on wealth. In the following quotation he states what he calls the "central truth":

In the short space to which this latter part of our inquiry is necessarily confined, I have been obliged to omit much that I would like

to say, and to touch briefly where an exhaustive consideration would not be out of place.

Nevertheless, this, at least, is evident, that the truth to which we were led in the politico-economic branch of our inquiry is as clearly apparent in the rise and fall of nations and the growth and decay of civilizations, and that it accords with those deep-seated recognitions of relation and sequence that we denominate moral perceptions. Thus have been given to our conclusions the greatest certitude and highest sanction.

This truth involves both a menace and a promise. It shows that the evils arising from the unjust and unequal distribution of wealth, which are becoming more and more apparent as modern civilization goes on, are not incidents of progress, but tendencies which must bring progress to a halt; that they will not cure themselves, but, on the contrary, must, unless their cause is removed, grow greater and greater, until they sweep us back into barbarism by the road every previous civilization has trod. But it also shows that these evils are not imposed by natural laws; that they spring solely from social maladjustments which ignore natural laws, and that in removing their cause we shall be giving an enormous impetus to progress.

The poverty which in the midst of abundance pinches and embrates men, and all the manifold evils which flow from it, spring from a denial of justice. In permitting the monopolization of the opportunities which nature freely offers to all, we have ignored the fundamental law of justice—for, so far as we can see, when we view things upon a large scale, justice seems to be the supreme law of the universe. But by sweeping away this injustice and asserting the rights of all men to natural opportunities, we shall conform ourselves to the law—we shall remove the great cause of unnatural inequality in the distribution of wealth and power; we shall abolish poverty; tame the ruthless passions of greed; dry up the springs of vice and misery; light in dark places the lamp of knowledge; give new vigor to invention and a fresh impulse to discovery; substitute political strength for political weakness; and make tyranny and anarchy impossible.

The reform I have proposed accords with all that is politically, socially, or morally desirable. It has the qualities of a true reform, for it will make all other reforms easier. What is it but the carrying out in letter and spirit of the truth enunciated in the Declaration of Independence—the “self-evident” truth that is the heart and soul of the Declaration—“That all men are created equal; that they are endowed by their Creator with certain inalienable rights; that among these are life, liberty, and the pursuit of happiness!”

These rights are denied when the equal right to land—on which and

by which men alone can live—is denied. Equality of political rights will not compensate for the denial of the equal right to the bounty of nature. Political liberty, when the equal right to land is denied, becomes, as population increases and invention goes on, merely the liberty to compete for employment at starvation wages. This is the truth that we have ignored. And so there come beggars in our streets and tramps on our roads; and poverty enslaves men who we boast are political sovereigns; and want breeds ignorance that our schools cannot enlighten; and citizens vote as their masters dictate; and the demagogue usurps the part of the statesman; and gold weighs in the scales of justice; and in high places sit those who do not pay to civic virtue even the compliment of hypocrisy; and the pillars of the republic that we thought so strong already bend under an increasing strain.

We honor Liberty in name and in form. We set up her statues and sound her praises. But we have not fully trusted her. And with our growth so grow her demands. She will have no half service!

Liberty! it is a word to conjure with, not to vex the ear in empty boastings. For Liberty means Justice, and Justice is the natural law—the law of health and symmetry and strength, of fraternity and co-operation.

They who look upon Liberty as having accomplished her mission when she has abolished hereditary privileges and given men the ballot, who think of her as having no further relations to the everyday affairs of life, have not seen her real grandeur—to them the poets who have sung of her must seem rhapsodists, and her martyrs fools! As the sun is the lord of life, as well as of light; as his beams not merely pierce the clouds, but support all growth, supply all motion, and call forth from what would otherwise be a cold and inert mass all the infinite diversities of being and beauty, so is liberty to mankind. It is not for an abstraction that men have toiled and died; that in every age the witnesses of Liberty have stood forth, and the martyrs of Liberty have suffered.

We speak of Liberty as one thing, and of virtue, wealth, knowledge, invention, national strength and national independence as other things. But, of all these, Liberty is the source, the mother, the necessary condition. She is to virtue what light is to color; to wealth what sunshine is to grain; to knowledge what eyes are to sight. She is the genius of invention, the brawn of national strength, the spirit of national independence. Where Liberty rises, there virtue grows, wealth increases, knowledge expands, invention multiplies human powers, and in strength and spirit the freer nation rises among her neighbors as Saul amid his brethren—taller and fairer. Where Liberty sinks, there virtue fades, wealth diminishes, knowledge is forgotten, invention ceases, and empires once

mighty in arms and arts become a helpless prey to freer barbarians!

Only in broken gleams and partial light has the sun of Liberty yet beamed among men, but all progress hath she called forth.

Liberty came to a race of slaves crouching under Egyptian whips, and led them forth from the House of Bondage. She hardened them in the desert and made of them a race of conquerors. The free spirit of the Mosaic law took their thinkers up to heights where they beheld the unity of God, and inspired their poets with strains that yet phrase the highest exaltations of thought. Liberty dawned on the Phoenician coast, and ships passed the Pillars of Hercules to plow the unknown sea. She shed a partial light on Greece, and marble grew to shapes of ideal beauty, words became the instruments of subtlest thought, and against the scanty militia of free cities the countless hosts of the Great King broke like surges against a rock. She cast her beams on the four-acre farms of Italian husbandmen, and born of her strength a power came forth that conquered the world. They glinted from shields of German warriors, and Augustus wept his legions. Out of the night that followed her eclipse, her slanting rays fell again on free cities, and a lost learning revived, modern civilization began, a new world was unveiled; and as Liberty grew, so grew art, wealth, power, knowledge, and refinement. In the history of every nation we may read the same truth. It was the strength born of Magna Charta that won Crecy and Agincourt. It was the revival of Liberty from the despotism of the Tudors that glorified the Elizabethan age. It was the spirit that brought a crowned tyrant to the block that planted here the seed of a mighty tree. It was the energy of ancient freedom that, the moment it had gained unity, made Spain the mightiest power of the world, only to fall to the lowest depth of weakness when tyranny succeeded liberty. See, in France, all intellectual vigor dying under the tyranny of the seventeenth century to revive in splendor as Liberty awoke in the eighteenth; and on the enfranchisement of French peasants in the Great Revolution, basing the wonderful strength that has in our time defied defeat.

Shall we not trust her?

In our time, as in times before, creep on the insidious forces that, producing inequality, destroy Liberty. On the horizon the clouds begin to lower. Liberty calls to us again. We must follow her further; we must trust her fully. Either we must wholly accept her or she will not stay. It is not enough that men should vote; it is not enough that they should be theoretically equal before the law. They must have liberty to avail themselves of the opportunities and means of life; they must stand on equal terms with reference to the bounty of nature. Either this, or Liberty withdraws her light! Either this, or darkness comes on,

and the very forces that progress have evolved turn to powers that work destruction. This is the universal law. This is the lesson of the centuries. Unless its foundations be laid in justice the social structure cannot stand.

Our primary social adjustment is a denial of justice. In allowing one man to own the land on which and from which other men must live, we have made them his bondsmen in a degree which increases as material progress goes on. This is the subtile alchemy that in ways they do not realize is extracting from the masses in every civilized country the fruits of their weary toil; that is instituting a harder and more hopeless slavery in place of that which has been destroyed; that is bringing political despotism out of political freedom; and must soon transmute democratic institutions into anarchy.

It is this that turns the blessings of material progress into a curse. It is this that crowds human beings into noisome cellars and squalid tenement houses; that fills prisons and brothels; that goads men with want and consumes them with greed; that robs women of the grace and beauty of perfect womanhood; that takes from little children the joy and innocence of life's morning.

Civilization so based cannot continue. The eternal laws of the universe forbid it. Ruins of dead empires testify, and the witness that is in every soul answers, that it cannot be. It is something grander than Benevolence, something more august than Charity—it is Justice herself that demands of us to right this wrong. Justice that will not be denied; that cannot be put off—Justice that with the scales carries the sword. Shall we ward the stroke with liturgies and prayers? Shall we avert the decrees of immutable law by raising churches when hungry infants moan and weary mothers weep?

Though it may take the language of prayer, it is blasphemy that attributes to the inscrutable decrees of Providence the suffering and brutishness that come of poverty; that turns with folded hands to the All-Father and lays on Him the responsibility for the want and crime of our great cities. We degrade the Everlasting. We slander the Just One. A merciful man would have better ordered the world; a just man would crush with his foot such an ulcerous ant hill! It is not the Almighty, but we who are responsible for the vice and misery that fester amid our civilization. The Creator showers upon us his gifts—more than enough for all. But like swine scrambling for food, we tread them in mire—tread them in the mire, while we tear and rend each other!

In the very centers of our civilization today are want and suffering enough to make sick at heart whoever does not close his eyes and steel his nerves. Dare we turn to the Creator and ask Him to relieve it?

Supposing the prayer were heard, and at the behest with which the universe sprang into being there should glow in the sun a greater power; new virtue fill the air; fresh vigor the soil; that for every blade of grass that now grows two should spring up, and the seed that now increases fifty-fold should increase a hundred-fold! Would poverty be abated or want relieved? Manifestly no! Whatever benefit would accrue would be but temporary. The new powers streaming through the material universe could be utilized only through land. And land, being private property, the classes that now monopolize the bounty of the Creator would monopolize all the new bounty. Landowners would alone be benefited. Rents would increase, but wages would still tend to the starvation point!

This is not merely a deduction of political economy; it is a fact of experience. We know it because we have seen it. Within our own times, under our very eyes, that Power which is above all, and in all, and through all; that Power of which the whole universe is but the manifestation; that Power which maketh all things, and without which is not anything made that is made, has increased the bounty which men may enjoy, as truly as though the fertility of nature had been increased. Into the mind of one came the thought that harnessed steam for the service of mankind. To the inner ear of another was whispered the secret that compels the lightning to bear a message round the globe. In every direction have the laws of matter been revealed; in every department of industry have arisen arms of iron and fingers of steel, whose effect upon the production of wealth has been precisely the same as an increase in the fertility of nature. What has been the result? Simply that landowners get all the gain. The wonderful discoveries and inventions of our century have neither increased wages nor lightened toil. The effect has simply been to make the few richer; the many more helpless!

Can it be that the gifts of the Creator may be thus misappropriated with impunity? Is it a light thing that labor should be robbed of its earnings while greed rolls in wealth—that the many should want while the few are surfeited? Turn to history, and on every page may be read the lesson that such wrong never goes unpunished; that the Nemesis that follows injustice never falters nor sleeps! Look around today. Can this state of things continue? May we even say, "After us the deluge!" Nay; the pillars of the State are trembling now, and the very foundations of society begin to quiver with pent-up forces that glow underneath. The struggle that must either revivify, or convulse in ruin, is near at hand, if it be not already begun.

The fiat has gone forth! With steam and electricity, and the new powers born of progress, forces have entered the world that will either compel us to a higher plane or overwhelm us, as nation after nation,

as civilization after civilization, have been overwhelmed before. It is the delusion which precedes destruction that sees in the popular unrest with which the civilized world is feverishly pulsing only the passing effect of ephemeral causes. Between democratic ideas and the aristocratic adjustments of society there is an irreconcilable conflict. Here in the United States, as there in Europe, it may be seen arising. We cannot go on permitting men to vote and forcing them to tramp. We cannot go on educating boys and girls in our public schools and then refusing them the right to earn an honest living. We cannot go on prating of the inalienable rights of man and then denying the inalienable right to the bounty of the Creator. Even now, in old bottles the new wine begins to ferment, and elemental forces gather for the strife!

But if, while there is yet time, we turn to Justice and obey her, if we trust Liberty and follow her, the dangers that now threaten must disappear, the forces that now menace will turn to agencies of elevation. Think of the powers now wasted; of the infinite fields of knowledge yet to be explored; of the possibilities of which the wondrous inventions of this century give us but a hint. With want destroyed; with greed changed to noble passions; with the fraternity that is born of equality taking the place of the jealousy and fear that now array men against each other; with mental power loosed by conditions that give to the humblest comfort and leisure; and who shall measure the heights to which our civilization may soar? Words fail the thought! It is the Golden Age of which poets have sung and high-raised seers have told in metaphor! It is the glorious vision which has always haunted man with gleams of fitful splendor. It is what he saw whose eyes at Patmos were closed in a trance. It is the culmination of Christianity—the City of God on earth, with its walls of jasper and its gates of pearl! It is the reign of the Prince of Peace!