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page 60

Socialistic Objections to the Single Tax

by F.T. Moreland

SINGLE Taxers are but half way reformers," writes Fred. Wainwright in the November issue of the JOURNAL, "and if they would save the toiler of America from the fate of the slaves of the East, they must join in the crusade against every form of monopoly, whether it be the monopoly of the land, of public franchises, or of industries."

"I admit" says Dwight A. Potter, in the same issue, "that under such competition as the Single Tax presents the miner would get the full reward of his labor, if the transportation companies did not rob him."

I have been invited by the Editor of the JOURNAL to reply to the articles criticizing the Single Tax which appeared in the November issue, but as it is evident from the above extracts that the writers do not understand the meaning of the term Single Tax, as used by Single Taxers, a brief explanation will be necessary.

As controversialists, Single Taxers occupy a position that is probably unique in the history of thought. They are condemned forever to contend with adversaries who do not understand the subject under discussion. This is exasperating, but results from the very nature of the question at issue. For, as soon as a just man understands the subject — as soon as he grasps the philosophy of the Single Tax — he at once becomes a Single Taxer; as the Single Tax is simply the practical application of the principles of justice to the operations of government. "But" it may be said, "all men are not just and there must be some opponents of the Single Tax who do understand it!" Yes there are some who understand the Single Tax, who know well that its adoption would banish involuntary poverty from every civilized land, and who are bitterly opposed to it from motives of selfishness. But they do not argue against it, they are too shrewd for that. They go on pocketing wealth created by the community and say nothing, or, if a Single Taxer come in their way, they call him some pet name and let it go at that.

When it is remembered that the gospel of the Single Tax, "Progress and Poverty," was given to the world less than 20 years ago, and that the real crusade for its adoption started less than a dozen years ago, it is not surprising that even among intelligent men who aim to keep abreast of the world's current of thought, there should be more or less

ignorance regarding this new philosophy. As for the socialists, they have a remedy of their own which, though a little dubious regarding the method of administering it to the patient, they firmly believe to be a sovereign cure for all the ills of the body politic; so it is not strange if they have neglected to investigate the merits of this new remedy, even though it be admitted easier of application, and recommended, by its advocates, as being "just as good." Then too, it is terribly handicapped for want of an expressive and appropriate name. I have often laughed at myself in thinking of the perplexity of men unacquainted with the incidence of taxation (and this is the condition of the great mass of the people) upon hearing, for the first time, of the Single Tax as a remedy for all social ills. "What!" I could imagine them saying, "We all look upon taxes as a burden and strive in every way to pay as little as possible, yet here are some crazy lunatics who propose to tax us all rich." Paradoxical as it may seem, that is just what we propose to do, and what we actually are going to do, for the Single Tax is coming, there is no question about that. It is just as certain as tomorrow's sunrise. It would now be in operation in many communities in this country if it were not for constitutions that stand in the way.

I shall not attempt to show how the Single Tax would accomplish what its advocates claim, as I have not the space. Henry George, one of the profoundest thinkers and greatest masters of the art of using words that the world has ever known, required more than 400 pages to do that and then did not say a tenth part of what might have been said, and his work is a model of condensation. I will explain as clearly as I can the meaning of the term Single Tax as used by us, and will then examine some of the arguments advanced against it by our socialist friends. But first let me say that, in common with nearly all Single Taxers, I dislike to engage in controversy with socialists over the Single Tax and do so reluctantly. Single Taxers have only the kindest feeling for socialists; we regard them as sincere reformers who, if they have not found the right way, are at least seeking a way to better present unjust conditions. But as under the regime for which socialists are striving there would be no taxes, and the production and distribution of wealth would be state directed. Socialists seem to consider it a useless waste of mental effort to attempt to acquire a knowledge of the incidence of taxation, and of the fundamental laws which govern the production and distribution of wealth, knowledge which Single Taxers regard as absolutely essential to any intelligent discussion of the social problem. Consequently, discussion of the Single Tax between socialists and Single Taxers is apt to turn upon points which the latter consider finally settled, and about which they have lost interest as subjects of discussion, and when called upon to explain, elucidate and defend what they regard as simple elementary truths, their feeling is much what a mathematician's would be if, when explaining an abstruse calculation, some one ignorant of numbers should ask him to demonstrate that 2 and 2 are 4. Thus most of us consider argument with socialists as a waste of time and ammunition. It is the upholders of the present

iniquity, not the socialists, that Single Taxers are gunning for, but it is hard, very hard, to smoke them out of their holes. So just to keep our hands in, we sometimes consent to a tilt with the socialists, but when we do so it is rather a diversion than a real battle.

The term "Single Tax" has two meanings. In its restricted sense it means a tax on land according to its value, and the abolition of all other taxes. In its broadest sense it signifies a complete system of government in accordance with absolute justice. This proposed system has its advocates in every land who are making converts by the thousand, but unfortunately it has no name, so for want of a better name we call it the "Single Tax," but that is a misnomer, and refers merely to the first step that must be taken in transforming our present system of government into a just system. It is sometimes called "Georgeism," after the great philosopher and thinker, upon whose matchless work, "Progress and Poverty," it is based. As all men have equal right to the earth, justice demands that land be made common property. As the granting of special privileges and monopolies to any members of the community is an imposition upon the rest, justice demands that all special privileges and monopolies be abolished. As there are some businesses which are by their nature monopolies, such as railroads, telegraphs, telephones, the supplying of gas, water, etc., justice demands that they be operated by the government for the benefit of the whole people. Socialists say, "Why that is Socialism." Not at all. These businesses are public functions, and are so recognized by all governments. Most governments delegate their operation to private individuals or corporations through franchises, but their operation by government would not be distinctively socialistic, as such operation is common to all forms of government.

The great beauty of this reform is its simplicity and the ease with which it may be accomplished. No violent or revolutionary methods are demanded. All that we need do is to abolish one after another the innumerable taxes that now restrict trade, check production and lower wages, and collect the necessary revenue by a tax levied upon land according to its value. When this tax is carried so far as to take all rent for the community, the land will be practically common property. All will occupy the earth on equal terms. Then by abolishing all lawmade monopolies, we would have a government in strict accordance with justice. But, say our socialistic critics, we would still have competition. "That monster competition," as Mr. Potter calls it. Competition for what? For employment? For business? Trace it out, and in the last analyses you will find that what is really being competed for, is the privilege of using land. But with land public property, as it would be under the Single Tax, competition would be co-operation, a far more perfect and desirable co-operation than any state directed co-operation could possibly be. The difficulty now is not that there is competition, but that competition is rendered absolutely impossible by the monopoly of all the

opportunities of production. The spectacle of a fairly intelligent people butting their heads against monopoly and calling the assinine performance "competing with each other," would be amusing if it were not so sad.

Says Mr. Wainwright: "Those who control capital are not only able to, but do, appropriate to themselves the greater share of what labor produces." This I deny. I deny that capitalists as capitalists have the power to appropriate any part of the earnings of labor. When a capitalist does so, it is because he is a capitalist plus something more. During slavery days the slave owners appropriated to themselves the wealth produced by their slaves. These slave owners were all, to a greater or lesser extent, capitalists. No one else could buy and own slaves. But it was the institution of slavery, not any power inherent in capital, which enabled these southern capitalists to rob their slaves. I have not the space here to show by logical argument, as can easily be done, how impossible it is for capital to rob labor. But I can bring it to the test of facts, and to do so I need only ask one question that has already been asked of socialists and received no answer. The New York World has taken a careful census of the unemployed in that city, which was published the other day, and it shows that there are 92,000 people, comprising all professions, trades and callings, willing and anxious to work for the scantiest remuneration that will sustain life, and unable to find an opportunity to do so. The census of the unemployed in the whole country would run into the millions. The country is fairly glutted with capital seeking employment. Any one with proper security can go into New York City and borrow millions of money at 1 and 2% per annum. All over the United States may be found capital in every form and shape that capital takes, rusting and wasting for want of employment. Now, if capital robs labor, if capitalists are pocketing the difference, or any part of the difference., between the wealth that labor produces, and the pittance that is returned to the laborer as wages, why do not the owners of this idle capital set these idle men at work and rob them?

"Is it not a fact," asks Mr. Wainwright, "that those who control the capital necessary to secure the most economic application of labor are enabled to dictate the terms upon which labor will be employed — in other words dictate its wages?" It is not. No point in political economy is better settled than that the return to labor at the margin of cultivation — the no rent line — is the factor that determines the rate of wages, and raising the margin of cultivation must inevitably raise wages, and the owners of all the capital and all the machinery in the world could not prevent it, or even exert the slightest influence upon it. The Single Tax will, of course, raise the margin of cultivation.

The margin of cultivation may now be found probably somewhere on the border of the Western desert, or near the line of perpetual snow in the North, but with the Single Tax in operation it would be at the outskirts of every community. Instead of capitalists being able to dictate the wages of labor, or being in any way responsible for prevailing conditions, they, equally with wage-earners, are victims of the present iniquitous system. Do not the papers teem with accounts of the failures of business men of every class, merchants, manufacturers, owners of shops and mills and factories, of costly and perfect machinery? What are they but capitalists?

"The Single Tax would absorb the income of an Astor, but how would it circumvent the manipulations of a Havemeyer or a Rockefeller? How will it prevent the watering of stocks?" Havemeyer's operations are made possible by the "Tariff for the protection of American industry." There would be no tariff under the Single Tax. As for Rockefeller: Is not his fortune due to the control of oil lands and ore mines combined with freight discrimination? Just ask Rockefeller what he thinks of the Single Tax. As for watered stocks — you can not issue stocks on a vacuum. They must be based on something, and they are nearly all based on franchises and monopolies that rest on land. They would all be swept out of existence by the Single Tax.

The truth is, that instead of being "half-way" reformers, Single Taxers are the only practical, thoroughgoing reformers in the world. They know just what they want, how to get it, and what the result will be after they have got it. The difference between Socialists and Single Taxers in this: Socialists see a few profiting by the restrictions placed on the many; they see those who control monopolies fattening at the expense of all the rest, so they would impose restrictions upon all, and form one grand monopoly that would include all. What they propose is practically impossible of attainment; would be cumbersome and unwieldy, and it seems to me must inevitably break down and merge into a despotism. The Single Taxers on the other hand would abolish all monopolies and sweep away all restrictions, but the plan by which they propose to do this is so simple and practical that, until they have studied it, people do not realize what a radical and far-reaching reform it is. All that we ask is that all will give it careful study, for the more it is studied the more will the justice, the beauty and the simplicity of the Single Tax be apparent. And when once understood we know that all who believe in justice and who love their fellow men will join with us in this new crusade for the regeneration of humanity. Then we may usher in a new civilization, a civilization in which poverty and want and crime will be unknown, and in which liberty will reign supreme, with Justice the only law.