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**Review of the book: Privilege and Democracy in America**

Dr. Frederic C. Howe Writes an Important Work on Present-Day Problems in America

That monopoly is not due to illegal combinations in restraint of trade, nor to any superior genius on the part of superhumanly gifted captains of industry, but is due to laws made by the American people, is the argument of Dr. Howe's "Privilege and Democracy in America."\* It is not the lawbreaker, but the lawmaker, who is at fault. Monopoly is born of law-made privilege.

\*Privilege and Democracy in America, by Frederic C. Howe, Ph. D. New York: Charles Scribner's Sons. \$1.50

In the Old World the economic framework of society, from the time of the Middle Ages, had been adjusted to perpetuate the domination of the ascendant class. Then, as if to give the under dog a new chance, another continent was discovered. As if Providence had contemplated "that in this new continent a new race, free from the mistakes of the past, might try again the experiment of nation-building," not alone agriculture, but every conceivable industry was provided for. Nature set no limit to the generosity of her endowments.

Whereupon, with inconceivable stupidity, the people of America proceeded to make laws handing over the ownership of these gifts of nature to a few and perpetually excluding themselves from any share therein. "Nature, generous to a degree, has been thwarted by laws of our own making. Society, with even less wisdom than the wild animals of the forest, has erected barriers between itself and its inheritance."

The public domain amounted to about 3,000,000 square miles. "No such opportunity was ever offered to any people." Were America settled as densely as France, there would be room for 480,000,000 people here. The German Empire could be laid across the face of Texas and still leave unoccupied an area three times the size of Switzerland.

But we proceed to throw away this domain in handfuls. Our one desire seemed to be to get rid of it at any price. As a result the age-long westward movement of the human race has come to an end with the inclosure of the last of our Western domain. We have given to a few the gifts Nature made to us, and given them not primarily for use, but for the purpose of excluding others who would use them from the opportunity of doing so. By law we have created a monopoly of the resources of the country.

Almost without exception, Dr. Howe says, the monopolies of today are traceable to four sources: monopoly of the land, private ownership of the Nation's highways, privilege by taxation, and the direct action of the Government in the creation of exclusive grants, of which the franchises of our cities are the chief.

Private ownership of land, he says, is a comparatively modern idea. The motive of early society

was production. He who would use the land was preferred to him who would not. Man is a land animal; he cannot live without land, and therefore whoever owns the land is the master of him who does not. There was food enough in Ireland during the great famine. "Millions of produce were shipped out of the country to pay rent when the peasantry were dying of hunger by the tens of thousands."

As private ownership of land is now complete, those who come after us must come as trespassers and must pay a competitive price for the right to live. Permission to work must be had of another. It is useless to expect the alleviation of the condition of the working class by the progress of science and invention, for the wealth made by these simply passes on into the pockets of the landlord.

The value of land is not created by those who receive the rent. It is made by the mere presence of the community. Those who create this value have to pay for the privilege of creating it, and those whom they pay do nothing to create it. The Astors acquired for a few thousand dollars property much of which was mere barren rock, worth in itself no more than the rolling prairies of Nebraska. Now it is worth \$450,000,000 because we have come to live here. The annual tribute which the owners of New York City take from those who have to live here is not far from \$200,000,000, and the mine is inexhaustible.

This value, being made by the community, should belong to the community. The only way in which it can be taken by the community is through taxation. Therefore the remedy is the single tax on land value, as distinguished from taxes on improvements. If this is not adopted, Dr. Howe maintains, the appropriation of land by private owners, with the constant demands for the means of existence made by an increasing population, will force wages and interest down to the subsistence level, to the point where the wage earner can only sustain life. Or below it; for famine can exist in the midst of plenty.

Such is the argument. It is difficult to avoid the suspicion that Dr. Howe set himself the task of bringing Henry George's "Social Problems" down to date. In that book, written in the early eighties, when the giant trusts of today were just born or unborn, George analyzed the tendencies of the time and predicted certain results from those tendencies of the time and predicted certain results from those tendencies -- the wiping out of the public domain, the growth of monopolies, &c. A quarter of a century later comes Dr. Howe, with a book reciting what has come to pass -- it has happened about as George predicted -- and making further predictions in his turn about the inevitable results of the same tendencies in the future. And as George made use of the arguments that lay to his hand in the business institutions of that day, so Howe makes use of the Steel Trust, the Standard Oil and Morgan federations, and other developments of which George never dreamed. His facts and figures seem to be entirely up to date, and are drawn, in the main, from the most authoritative sources.

Dr. Howe, like all single taxers, is a vigorous opponent of Socialism, and he evidently has no slightest doubt that in the development of modern society to which we are tending the world will

have to choose between Socialism and Georgeism. The two, by the way, are sometimes spoken of as if they resembled each other, but they are as opposite as the poles. Socialism proposes the abolition of all competition. Georgeism claims for itself that its adoption would produce unrestricted competition.

Henry George advocated his doctrine as a social philosophy, and not merely as a fiscal proposition. Dr. Howe does the same. It involves, of course, the abolition of the tariff. In view of the difficulty experienced whenever we try not to abolish the tariff, but to amend it slightly, it may be thought that the single tax calls for rather a large order. But, for that matter, so does Socialism, which Dr. Howe holds up to us as the inevitable alternative.

Up to the present time the single tax has not made an impression on American legislation, though it has made a great deal on that of New Zealand, and is making some in Great Britain -- as witness the Lloyd-George budget, which Dr. Howe claims as an example of "the single tax limited." There are few signs that it need scare our landowners for some time to come. But, without regard to the remedy Dr. Howe proposes, his statement of certain conditions of modern industrial civilization is forceful and backed up by what is evidently a great deal of thorough and conscientious research.