

THE NATIONALIZATION OF WATER POWER.

By Professor Dr. F. SCHAR.

The tremendous advance in the scientific understanding of electricity and its powers of transmitting light, heat and power over great distances has increased the value of all natural resources, all substances by means of which the electrical current can be produced.

All such resources have become a valuable asset in a nation's wealth. And still more important for progress is the consideration that coal and petroleum are no longer the only sources of power, light and heat. An important competitor has arisen in the "white coal," the moving water, be it the cataracts in the mountains, the quietly flowing river or the beating of the surf on the shore. Water-power is today an important factor in the housekeeping of a nation.

King Coal came to his throne over a hundred years ago, when science discovered the possibilities of steam for moving great machines. Those countries under the soil of which lay the precious coal, found themselves unexpectedly possessed of apparently limitless riches. But not a single State of those days had the insight and the energy to secure these riches for all its people. For a mess of pottage the privilege of working the coal mines was given over to private speculation. In 1828 the owner of the most important Westphalian coal mines, Prince von Arenberg, offered the mining privilege to the Prussian administration for 1,000 talers. His offer was refused. Scarcely eighty years later a Prussian Minister made an official offer for a single mine, of 150 million marks, an offer which was also refused.

The understanding of the importance of these hidden riches came too late. The inexhaustible treasures were taken possession of by a few and utilized for their own benefit. The nation as a whole shared none of the advantages, had no further benefit from it than the fact that hundreds of thousands of its people were forced to become workers in the mine for miserable wages, were forced to spend their lives deep down in the bowels of the earth in a dangerous and unwholesome occupation, enjoying little of the beauties of the world which the coal they mined had won for the Few who owned it. Nay, more. In leaving these mighty treasures of nature, which the sunlight of a former age had stored up for the good of all mankind, in the hands of a Few, these Few were given a still greater power, a still more mighty privilege. For here again could be seen the truth of the ancient Hindoo proverb, "He who has the power over the land, has power over the human beings that dwell thereon."

The story of how the Coal Trust in the United States of America utilizes this power is world-known. The Trust limits production to bring about an artificial scarcity of coal, that it may raise the price according to its own will . . . concerns itself little about the fact that its workmen are unemployed,

that industrial development is hindered, and that thousands of poor families suffer the need of the coal for which they cannot pay. Similar conditions already threaten us in Germany. The German coal Syndicate is practically nothing else than a Coal Trust. Here as in America, we see the concentration of the workings, the concentration of the united capital of the private owners to one gigantic enterprise, with the outspoken purpose of killing off smaller undertakings, of laming competition, and of regulating the price of coal according to its will. And all this is done that high dividends may be secured for the stockholders; for stockholders who often have no knowledge of the labor, the need, the danger and the sacrifice endured by the workers in the mines; who have no knowledge of the need, the privation and the suffering endured by a great mass of the population because of the high price of coal. The government which stands powerless against the aggression of these coal barons is the same government which one hundred years ago either gave away the mining privileges or sold them for a pittance. It is these mining privileges upon which the great Trusts are built up, and upon the ownership of which depends the price of coal regardless of the cost of production. Here again we come to the same old truth that Ground Rent monopolized by a Few is the chief cause of the social distress of today.

And now again we find ourselves in a similar position as when, a hundred years ago, the State gave away its mining privileges. Another great mechanical invention is revolutionizing modern production, coal has found a competitor. In place of the stored-up sunlight of prehistoric days, we have a source of power in the ever renewed accumulation of sunlight, in the water which the sun's warmth draws up into the mountains. The use of falling water in power-production is thousands of years old; this is proved by the ruins of ancient mills. What is new, however, is the collecting of the water in mighty reservoirs, the equalizing of greater and smaller falls to steady the strength, and most important of all, the use of the mechanical power of electric energy, by which power, light and heat can be produced and carried onward to enormous distances. We can build an artificial lake in the mountains, we can collect in it the water of the smaller mountain brooks and springs, through pipes we can regulate the height of the falls, we can keep the amount of water steady throughout the year, and we can send out the electric stream to a distance of many miles, to turn the wheels in factories, to make the telephone and the telegraph possible, to heat and light the family home, to cook the family meals, to light our streets; for any and every one of the purposes for which electricity is used today.

But right here lies the danger. This new source of power is threatened by the same fate that overtook the mining privileges a hundred years ago. The water power rights are being given in concession by the State and the community into the hands of private monopolies. Because of this, the new source of natural wealth will go the same way that the coal mines went, i. e., it will become a monopoly of capitalistic enterprise. The blessing which was destined to assist an entire nation in its economic process, in its labor, therefore

in its well-being,—this blessing will be changed into dividends on shares which are held by a few, which are a means of speculation for a few. And the people to whom by right this wealth belongs, will find themselves suffering under the same dull struggle for existence, spending weary hours in the service of the machine.

It can easily be seen how soon this will all come about once the water-power has become an object of value, that is, has passed into private ownership. Just as the price of coal is artificially kept up, so the right to the water-power, which is expected to provide an income, will lead to a raise in the price of the power produced. Competition will be killed by monopoly, all the more surely as the symptoms of a Trust can already be seen. Here in Switzerland, the companies owning the water-works are already making arrangements among themselves by which each company has a firmly marked field of exploitation, that no unnecessary competition may interfere with the regulation of prices.

If we wish to prevent conditions such as this development will bring about, i.e., not a cheaper source of power but merely a change in the production of power, we must go to work about it at once. We must fight towards making an end of the private exploitation of water-power, particularly in the form of conditionless concessions and franchises. If ever a State or a community had the duty to stand up for the right of the majority of its people, then our State has it now in this matter of the water-power. And the League of Land Reformers, understanding the importance of letting the values of natural resources go back to the people where they belong, can find here labor worthy its best efforts.

THE reason that the rental value at present is as great as it is, is owing to the fact that a large proportion of the land is held by speculators, out of use.

NEARLY all the advantage which an increase of business brings to a community is absorbed by the land owner by increasing the rent.

THE Single Tax is a proposal which has for its object the taking over of this value of the land which by right belongs to the community.

THE N. Y. *Mail* supports the proposition for a referendum on the question of halving the tax on buildings, the measure advocated in the legislature of this State in what has come to be generally and favorably known as the Sullivan-Brooks Bill.