

holding responsible for land-using in its full economic measure?

How much longer will Congress shirk its obvious, elementary duty of ending the fiscal immunities—amounting to an enormous annual premium—accorded to idle or inadequately used land? Public opinion would welcome a Federal Land Tax as a first step toward sanity in national finance.

Further, can Congress, even though the matter be outside of its normal sphere of purely federal service, be held entirely blameless today, if it tolerates any State legislation which penalizes production and exchange, while favoring the non-productive or inefficient use of land? Such legislation, universally in force in all our States and in practically every municipality, constitutes a very heavy dead weight on our national efficiency.

THE attention of the eminent leaders in national industry whose words we have quoted may be invited to the precedent of the Australian Federal Land Tax, details of which were printed in our last number. In this issue we publish an important contribution from Mr. A. G. Huie, of Sydney, on Land Value Taxation as the source of local government revenues in the State of New South Wales. Australia is beginning to realize that no democracy can afford to make the non-use of land a safe investment. Perhaps, some day, in the midst of the loud clamor for more production, it may occur to some responsible statesman that it might be wise not to encourage non-production, that a title to American land really ought to carry with it some obligation to the American nation. When that simple, rational conception becomes incorporated into our fiscal system, we shall see the beginning of the end of the scandalous anomaly of land being "safe" from its just service to the nation.

THE report of the Board of Assessors of the City of Detroit for 1917 shows a total real estate valuation of \$886,000,000. This is about three times the valuation of ten years ago. The population has about doubled in the same time, being estimated now at 900,000. It is interesting to note that, unlike most other cities, the tax rate for Detroit for 1917 was much lower than in any recent year, being only \$1.38 on \$100 of valuation. The total city tax levy was \$16,000,000.

The highest assessed land values per foot front were \$15,000 for business property and \$600 for residence.

PLANK 6 in the platform of the Maine Non-partisan League is as follows:

All taxes to be assessed on actual land values exclusive of farm improvements. All land held out of use to be taxed at its full rental value.

WHAT is not for the common good is good for nothing.

Socialism and the Single Tax

WE have been asked to state editorially the difference between Socialism and Single Tax. In one sense nothing can be easier, in another nothing more difficult. For to point out the difference is to indicate that Socialism is its direct antithesis. For Single Tax recognizes society as it is—uses social and governmental instruments at hand, rebuilds from the foundations, and holds that the laws of distribution need not be interfered with, but merely freed of the handicaps and obstructions which impede their normal operation.

Socialism, on the other hand, proposes to replace the laws of distribution resulting from each individual seeking to gratify his own desires in his own way, with new laws in which the needs of the individual shall be governmentally ascertained, and production directed into channels and in ways prescribed by the State.

The Single Tax philosophy, because it recognizes that there are laws of distribution, may, without invidious distinction, be called the *natural* method of social reform, while Socialism, because it challenges these laws, or argues that they are non-existent, or lays no special stress upon them, may be called, on the other hand, the *artificial* method.

The Single Tax philosophy does not deny that the State has its functions—it would not too rigidly limit them, even. But it contends that in the economic field, as in every other, man is an individual before the time when, with other individuals, he helps to constitute the State, co-operating with the State, but never wholly merged into it.

Yet the Single Tax recognizes, too, that society is co-operation, that co-operation is civilization. But it assumes that this is a natural law—that men do not co-operate because there is a State, but because there is a society. And men do so in obedience to a normal individual impulse which, when they congregate together, becomes a social urge.

There are two great economic individual impulses which become the social urge when men organize economically, and long before they organize politically, and when acting wholly independent of political organization. One serves the interests of the producer, the other those of the consumer. They have been called the centrifugal and centripetal forces of the economic world. Pulling in opposite directions, they really constitute the true equilibrium. They are the union of two apparent discords which results in true harmony.

All this may seem a trifle vague and indeterminate. But it will appear so only to those who consider production and distribution superficially. And Socialists are given to consider them in that way.

What is monopoly? It is the result of interference with natural economic laws. To what are low wages and inequitable distribution of wealth to be attributed? To precisely the same cause. If we have competition we

cannot have monopoly. Socialists, dimly seeing this, try to escape from the dilemma by telling us that unhindered competition leads to monopoly. But at just what point does competition cease and monopoly supervene? To say that competition eventuates in monopoly is simply to assert. But the statement does not tell us how it happens.

Let us try to state how it appears to the Socialist. The producer finds that the goods he makes are decreasing in price by reason of competition. His returns become less and less and approach a diminishing point. Then he seeks to arrest this decline in price by mutual agreement with other producers. In a normal, economic state this downward tendency of any commodity would be naturally arrested without combination at the point where prices cease to yield a fair return. But the Socialists assume that this combination inevitably takes place by mutual agreement. The stage of monopoly has now been reached; competition is killed; and wage worker and consumer are now at the mercy of the capitalist.

Of course, nothing of the kind has happened. Combination has been effected, but competition has not been effectually suppressed, for if prices are raised above the normal return to capital in other industries, this combination will not last. Unless—and here is the crucial point—such combination is based on land, railroad, tariff or patent monopoly, which we indicate in the order of their importance.

Single Tax would destroy these sole buttresses of monopoly and restore the operation of the natural laws of true competition and co-operation—which latter is, after all, but the other name for combination.

It is sometimes thoughtlessly said that the Socialist's diagnosis of conditions is correct but his remedy a wrong one. On the contrary, his diagnosis is wholly at fault, and therefore his remedy is a wrong one.

Parties and Parties

THIS is indeed an era of new political parties. Here we have the *Public*, which is a very good representative of prevailing tendencies, saying that "a strong labor party is the need of the hour," and that "the American labor movement has reached a stage where its interests require active participation in politics through a separate organization devoted solely to the welfare of the wage earner." Of course this party "would for some years at least in presidential elections throw its support behind the candidate of another party whose purposes most nearly squared with its own."

The reasons for a labor party seem to reside chiefly in the recent decision of the Supreme Court in which it is held that union organizers may not solicit employees without the consent of the employers, Judges Holmes, Clarke and Brandeis dissenting. But the *Public* also thinks that such a labor party is needed in view of the necessity

that may suddenly arise of maintaining democratic principles in international questions.

Great success has attended the launching of what is practically a new party in the non-partisan movement in the Northwest; Senator Bailey said not long ago that the organization of a new party was inevitable, and in Maine and New York the farmers are showing a disposition to resort to independent political action. Then there is the new National Party which is beginning a campaign in favor of everything everybody wants, something of a political experiment which will be watched by men and angels with amused interest.

In the day when everybody is forming a new party why should the Single Taxers be begrudged the same privilege, and why should it be assumed that they alone of all men in these free and enlightened States are foolish or premature in asking that men and women be permitted to vote for the principle which is the most important and fraught with the most far-reaching consequences of all possible questions? And we may hint to the *Public* that if an organization is needed that shall "devote itself solely to the welfare of the wage earner," a Single Tax party, which is composed of the only people who know how to solve the wage question, must be fairly admitted to have the right of way on the political highroad—at least to all those who agree that the Single Tax is the only solution of our wage troubles.

We fear that this call for a labor party by Single Taxers is another example of that policy of indirection which has guided the movement, lo, these many years. But as a change from the sadly confirmed habit of supporting the Democratic Party under the delusion that it was "going in our direction," the new policy is distinctly promising. Not that the experience of Single Taxers with the average labor leader is reassuring—quite the reverse. But it may in fairness be admitted that the new labor movement gives promise of something better, and that a change of sentiment is taking place which is almost revolutionary. But that it yet shows a sense of direction would be too much to claim, and it is precisely because of this that Single Taxers should hesitate between taking advantage of this movement or being swallowed by it. It is a question of political tactics, of how best to direct this revolutionary change of sentiment in the labor movement. To us it seems that the formation of Single Tax parties in every State is the most direct invitation to labor radicals to get together on fundamental principles.

In the many letters we have received in criticism of this policy as well as in support of it—the latter far outnumbering the others, for the steady trend of the movement now is away from its old moorings—there are objections which it may be well to note. One from Henry J. Gibbons, withdrawing his subscription from the *REVIEW*, says: "I have always been opposed to the Single Tax Party idea, for I cannot persuade myself that any party built upon one idea can succeed."

We sometimes wonder if many of those who call