

IN a speech at Delmonico's in July, Hon. W. B. Wilson, Secretary of Labor, said:

"Every man is entitled to the full social value of what his labor produces. I think everybody, whether an individualist or a socialist, can accept that part of the philosophy as being sound. The difficulty thus far with us has been that we have not evolved any method by which we can determine what the full social value of any man's labor is."

Has Secretary Wilson ever heard of the law of competition? That is a law which works in the absence of monopoly. It is a law not created by statute; it works independently of legislation; it laughs at lawmakers; it is one of the natural laws of economics. Wages under the operation of this law is the product of every man's labor, less that which is the payment to society for the extra advantage created by population and social service, and which is a sort of by-product of civilization, the sum total of all its purely material advantages. Any merely human or theoretical method of computing the social value of the laborer's wages is beyond the wisdom of anybody, as the Secretary rightly assumes.

THE following statement from the well known real estate dealer in this city, Joseph P. Day, is quoted in the *New York World* of August 25:

"Then real estate will come back to its own, a country-wide building boom will set in, and vacant land, now a drug on the market, will rise to its true value. Everywhere, particularly around growing cities, it will be in demand for buildings of all kinds—and principally for homes where our returning soldiers may settle down in peaceful pursuits."

We do not doubt that Mr. Day is a patriot. But a patriot who will sit at home and calculate how much is to be reaped in increased land values from the returned soldiers, is a kind of patriot we could well spare. We are speculating just what the soldiers may have to say to Mr. Day on their return regarding him and the system on which he and his kind thrive. And what party ticket will they vote? And will they have a ticket to vote for? Of course, every party candidate will be the "friend of the soldier." For thirty years after the Civil War every nominee for every office in the gift of the people was "the soldier's candidate." He didn't have an enemy in all the land—of course not. And he became the easy prey of the politicians.

Let the land speculators, the rent-takers of the great cities and towns, all those who live upon landed privilege, take notice now that we do not purpose that those who have faced the supreme sacrifice for human liberty in this great world conflict, shall remain in ignorance of the system that enables a privileged caste to live upon their labor by the appropriation of land rents to private uses. Those brave lads who have done so much for us and the world shall not be asked to enter the economic struggle with the terrible handicaps which the present system would fasten upon them. If we are true to ourselves and to them we shall see that they be made free who fought for a world's freedom.

Some Unconsidered Aspects of Free Trade

THAT free trade is the natural trade, and that nearly all the claims made by the advocates of protection are baseless, may be at once conceded. Yet it remains to be said (see editorial in March-April issue) that as a matter of expediency as well as justice to established manufactures, we should seek for the removal of fiscal handicaps before subjecting our industries to the keener competition of foreign rivals. If what Single Taxers have all along contended regarding the oppressiveness of these fiscal burdens is true—and it is true—it follows as a natural corollary that these burdens unfit our manufacturing industries to stand the more intense competition to which free trade would in many instances subject them. If there is anything at all in the teachings of Single Taxers for the past generation, then the contention made in our editorial, which has caused so much comment, remains unanswered and unanswerable. Not the "infancy" of our industries, not the higher wage rate, not the higher interest rate, nor all combined, constitute any real element of weakness. The real weakness is the burden of taxation under which in these times, as also in normal times, the national industry staggers.

Does it not occur to our readers that it is possible we have made a fetish of free trade, and that it may now be advisable to take account, in this new time of the revaluation of cherished principles, of certain considerations which possibly may have been overlooked? Is the almost universal delusion in favor of protection wholly a delusion? Or is it not based, perhaps, upon a certain dim consciousness, not intelligently voiced, that free trade holds out only a partial promise of emancipation and relief—that in other word, it is suspected that, singly and alone, international free trade leaves a lot of questions unanswered?

It is so easy to become rhetorical in picturing the future of free trade, with the sails of commerce whitening every sea, with shipping that will make our harbors forests of masts, with wharves busy by day and night with softly falling bales and sweet smelling casks—

"From silken Samarcand to cedared Lebanon."

Why has the picture not proved convincing? Probably because it isn't true, or rather and more probably because it is only a partial picture. Free trade does not mean such an enormous multiplication in volume in our international commerce—it is doubtful if it means an actual increase and not a positive decrease in international trade. Why has not the emphasis been laid on the increase of national industry? Why has not the claims of free trade been based on the strengthening of national industry and the enormous increase in the volume of home production that would follow? Are we not told, too, that the tariff, along with internal taxes, serves to cripple and confine our industry within narrow bounds, and do we not know that certain imports of the bulkier kind would in all probability cease altogether were this burden removed? We are poor stu-

dents of the tariff question in its larger relation if we have not discovered that.

We are poor students of Henry George, too, if we are oblivious to this seldom regarded aspect of the question, and we invite our readers to the consideration of the following weighty words from the master:

"Instead of looking to importation for the supply of food stuffs and raw materials, which our agriculture can easily and cheaply supply from our own soil, we shall draw them from their source * * * Production at home will expand in all its branches, *and will therefore repel foreign competition.*"

And again:

"Every observer who will study attentively the course of foreign trade will be struck by the extraordinary and ever growing importation of heavy merchandise and bulky goods. Every year, the imports and exports of the great nations amount to millions of tons. *Yet all this displacement of matter is in no way necessary for the well-being of a civilization that is set on a right foundation.*"

There are many more neglected passages of Henry George that might be cited, but these must suffice. The attention of our critics is invited to these and like teachings of Henry George, which we do but humbly reiterate.

Germany and the New International Free Trade League

FREE TRADE IS ONLY POSSIBLE BETWEEN FREE PEOPLES

UNDOUBTEDLY the removal of tariff barriers, the free commercial intercourse of nations, makes for peace. Yet the struggle for trade supremacy has been, and continues to be, an active factor in fomenting war. Much diplomatic intrigue of a very dangerous character has been undertaken for the promotion of commercial advantages.

Doubtless much of such intrigue is entered into with an entire misconception of the nature of foreign trade. It has been assumed that great volumes of exports somehow result in a flow of money into the country, and that excess of imports tends to impoverish. But not all of such diplomatic intrigue is based on misconception. Many great industrial monopolies are actually so closely linked with the government as to form part of it, and constitute an *imperium in imperio*. These seek concessions through diplomatic channels. Ambassadors are their commercial travellers, those nearest to the government being the specially favored objects of this international intrigue. Patent rights, tariff concessions, natural monopolies and other considerations, form factors in this intrigue. The effort is made to enlist prominent financiers and native capital to play off foreign as against domestic industry.

When, as in the case of Germany, the great industries are linked to the government, do in fact form a part of the government, this policy is identical with her war policy. She has commandeered all trade and commerce to speed her war policy. It has been the deliberate one of strength-

ening her war resources and weakening the defensive power of her rivals.* To favor free trade or reciprocal tariffs, and protection and export bounties where the former would not serve, has been her unflinching course.

It is idle to preach the beauties of free trade in this connection. German industries have never been free to form their most favored connections. And international trade relations have with Germany been the most subtle form of securing that war supremacy to which her every activity has been directed with a thoroughness and completeness of which the world is only just now gaining a slight but shuddering knowledge.

In view of this knowledge, which has burst upon the world like an apparition, it would seem that it were very treason to humanity itself to start at this time a movement for world-wide free trade that should embrace an unrepentant Germany. Should this war leave a sullen, impenitent, plotting nation, such as she has been for years, it would seem that a closed door of commerce is the only deterrent to further wrong-doing on her part. Moral and ethical values, as we have contended (see editorial in March-April issue) must be considered in any proposition emanating from whatever source for the establishment of trade relations with her.

Perhaps the Coming Slavery

WHAT Herbert Spencer called "the coming slavery," was the reign of socialism. This foremost exponent of individualism as the true philosophy of society was not to be deluded by the humanitarian professions of the socialist; he discarded the perfectly well-meaning intentions of this class of "reformers" and preferred to look at men and things as they are.

Dove, in his "Theory of Human Progression," the work in which, long in advance of George, this remarkable Scot gave us the true social remedy of the Single Tax with a depth of reasoning equal to Henry George, but in a style much inferior to the great author of "Progress and Poverty," said that society would try socialism before it accepted the Single Tax.

Today there is every evidence that we are facing the menace of socialism in a form not hitherto looked for. It is idle to think that the socialism made necessary to government by the needs of war will be readily relinquished when the war is ended.

And this leads to certain reflections. The masterful intellects that have taken advantage of what socialists call the "capitalistic" state of society to build their institutions of privilege, will be able to use governmental socialism to secure for themselves the same economic advantages. And the masses of Americans, lulled into a false security, will be easy victims of the new slavery. As wages decline, a hopeless reaction will set in, and the slavery which Spencer predicted will be complete.

*Economic war is as important as military war, and therefore a war aim of the first importance.—Dr. Dernberg. In this spirit Germany has made business as she has made war.