

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

themselves Single Taxers have any conception of the fundamental nature of the principle in which they believe. For the Single Tax is *more than a single idea*—it is a great social philosophy, and questions of grave moment receive their solution in the application of that philosophy. But, as a matter of fact, every election from the days of Republicans and Federalists down to the present has been decided on a single issue. For years it was the slavery question, then tariff, once the free coinage of silver, but never more than one issue. It is true that the attitude of the parties on other questions was assumed to favor one policy or the other. And it would be the same with a Single Tax party, though this aspect of the question would not assume any importance at all within State lines.

Another good friend of the REVIEW, who contributes five dollars toward its maintainance, takes the view that in the present state of affairs a Single Tax party might be looked upon as "unpatriotic." But in view of the fact that our government and country need all the light they can obtain on fiscal and economic principles, and that any Single Tax party worthy of the name would stand solidly behind the nation battling to establish a world made safe for democratic experiments, we can afford to disregard our friend's objection, sincerely and not captiously presented, and unaccompanied by a withdrawal of his subscription.

In conclusion, there is no objection to a Single Tax party that does not immediately dissolve when submitted to the "acid test."

## International Free Trade

### A REFERENDUM TO SINGLE TAXERS

**I**N these days of testing, would it not be well for free traders to define their position with unmistakable clearness? Particularly is clear definition of purpose needed with regard to two points:

1. Is our national industry to be exposed to foreign competition in our own markets, before it has been freed from the fiscal handicaps imposed upon it, in the form of direct and indirect taxation, by our own governments?
2. In arranging for international free trade, are we to ignore national preferences and moral and fiscal issues, as presented in foreign markets?

To Single Taxers, who understand the cruel discrimination exerted by our whole taxation system against legitimate industry and trade in our own country, it will scarcely be necessary to elaborate upon point No. 1. Free trade cannot evade the test of sincerity universally applied to charity: If genuine, it will begin at home.

The issue raised for free traders in our point No. 2, is essentially a moral issue, a question of national character, of national integrity and identity.

Free trade, if it is to mean promiscuous, indiscriminate trading, is an immoral, obnoxious thing. In our personal buying and selling, we have our preferences, in which,

naturally and rightly, personal and moral values enter. Nations, too, have a right to moral discrimination in trade relations. They are in an unhealthy moral condition, if they do not have and exercise these preferences. No trade is finally worth having at the sacrifice of this moral discrimination. Though a nation thereby gain a whole world of trade, it would be a moral bankrupt. To lose its soul can no more profit a nation than it can an individual.

The recent message of the German Kaiser to the Chambers of Commerce of Germany, declaring for "a strong peace, which will open new roads to German commerce and give us complete freedom for the development of our industries," is a challenge to the moral sense and moral fibre of the civilized world. After an orgie of treacherous diplomacy and barbarous methods of warfare, which have befouled the record and lowered the moral status of Germany, the Kaiser hopes by force or guile to gain admittance again to the community of nations. For this, he will rely upon those who in the past have served him so pliantly. A meretricious free trade sentiment will be promoted, difficult, perhaps, for many to distinguish from legitimate free trade principles. The advocates of the former will complacently waive the necessity of repentance and atonement on the part of morally unregenerate Germany, and will pander to the Kaiser's wish for an early renewal of trade relations. The real free traders, however, aware of the gravity of Germany's sin against civilization, and conscious of the superior obligations of the moral law and also of moral decorum, will strenuously repudiate the prostitution of these in exchange for trade advantages.

That those nations which have risked so much in the cause of true democracy should, after putting their own house into economic order, then seek to establish closer relations of commercial exchange with one another, is, it seems to us, from every point of view natural and right; and it will be the policy favored by real free traders, by whom a repugnant promiscuity of commercial relationship will never be mistaken for a clearly sanctioned moral order.

Single Taxers have long been identified with this progressive advance toward international free trade through the upbuilding of economic order upon its fundamental bases of free production and free exchange within the national sphere at first and its subsequent extension to international relations, subject always to the moral law and with due respect to political and ethical affinities. This well-known stand of Single Taxers makes it necessary now to reassert and redefine their position, in the face of the insolent aspirations of our country's foe and the sinister co-operation he is sure to find in the aliens, renegades and loose thinkers here, capable, as they have shown themselves, of perverse presentations of American peace standards and consequently, with equal ease, of American economic ideals.

We invite Single Taxers to declare themselves clearly and briefly upon the issue of international free trade after the war. As far as our space will permit, we shall make the replies public.