

BY JOHN Z. WHITE.

"ALL HUMAN things do require to have an ideal in them," said Carlyle. This is true. But, like the sayings of so many philosophers, it is but partial truth. Human things, like all other things, require poise, balance, equilibrium; that is, a due proportion of their essential constituents. Without oxygen we have no water. Without ideality we have nothing human. Just as surely, with oxygen, minus other essentials, we have no water; and with ideality, minus other attributes, we have nothing human.

Things human must contain an ideal; as certainly they must involve emotions; just as emphatically, they must be practical. Without ideality, justice will be wanting—and justice alone is permanent. Power is requisite to all achievement, and power is found in emotions alone. Still, no matter how great be the power, no matter how just the cause, failure will be the certain issue in the absence of practical method.

Most appeals for a better adjustment of social forces, because of over-emphasis of one essential, have failed of success through lack of equilibrium.

For example, consider the tariff agitation. Emotion was excited, to be sure, although it was the emotion of wrath against oppression, not the emotion of joy or pleasure aroused by contemplation of the normal or beautiful. When presented in the guise of free trade, this appeal has always lacked the essential of practicability, for free traders of the usual sort have not proposed a rational method for providing an adequate revenue. When presented in the guise of tariff reform the appeal has lacked ideality, for it proposed a distinctly dishonest plan for raising public funds. Not only did tariff reform propose to continue a dishonest system, but, to maintain its own

position, it was under the necessity of itself demonstrating this dishonesty. The tariff reformer is compelled to show the essential dishonesty of a high tariff, and to do this must advocate the principle of free trade. Having proved his case, he proceeds to assure his hearers that he has no intention of practicing honesty, but would utilize the theory he has just overthrown—pleading, however, that he will be content with a less amount of plunder.

Free coinage of silver, with gold at a given ratio, is not so bad as gold monometalism, but is it anything more than to say to the mine-owners: "You shall have a market, maintained by law, for all you may dig from the earth; but those who dig vegetables must take the chances of traffic"? What ideal is here presented other than the ideal involved in tyranny? The reader will perceive that the criticism applies with still greater force to the gold-standard policy.

In spite of the manifest insufficiency of most proposals offered for social relief, some will insist that our troubles find their source in the limitations and perverse tendencies of human nature. To this oft-repeated assertion one can only reply, Human nature, so far as we know, is as it always was and will always be. People will act differently in different circumstances. To a degree we control our environment. Let us give our attention to that same environment and accept human beings as we find them. If there is anything wrong with them, you, my friend, may rest satisfied that you did not make them. You did not know enough. Therefore in that direction you are not responsible.

We make articles of food, clothing and shelter. Therefore, we know how. Therefore, again, it is possible for us to examine the processes by which they are

made and to arrive at a conclusion which shall be based on assured knowledge—not guessed at.

Looking over the field, we find that for many years the press has furnished tales of public wrong, involving, of course, private misfortune and often misery and wretchedness—even death. Some years ago we were told of Tweed; riders on river and harbor bills—not to inquire too particularly as to the bills themselves; credit mobilier; whiskey frauds; later of Carnegie armor-plates, Cuban post-office steals, embalmed beef, etc. Just at present it is the System, whether as unearthed by Folk, defeated by LaFollette, Dunne or Douglas, or exposed by Miss Tarbell, Lincoln Steffens or Lawson.

For relief what are we offered that will comply with the requirements of "things human"? Populism is suggested, and besides being aggressive, it has polled many votes. It tells us that bankers charge too much interest; therefore the government must become a money-lender. Oil refiners exact too high prices; therefore the state must become an oil refiner. Warehouse managers speculate in and falsely grade cereals; therefore the government—but why continue? This is merely patchwork. It is the adoption by populists of the socialistic method of cutting knots they are unable to untie.

Even Mr. Roosevelt, in his late message declares that "the question of transportation lies at the root of all industrial success." He seems wholly unconscious of the fact that things must be made before they can be transported. Are there no essential conditions to this "making"?

Nor is this mental attitude peculiar to socialists and populists. The whole mass of restrictive laws with which we are burdened is of the same parentage. Legal attempts to regulate interest; to improve morals; to promote trade; to compel posterity to pay part of the expense incident to making public improvements, are all exhibitions of the same sort of stupidity. Law can keep the peace, or, in other words, prevent some men from

interfering with the legitimate industry of other men. Law can also establish and maintain an honest system of land-holding. Beyond these, law can do nothing other than to hamper and hinder industry.

In order, therefore, that we may obtain a comprehensive view of industrial affairs, let us call to mind those fundamental facts of human life which we all know, but usually choose not to admit, even to ourselves. The constitution of the State of Illinois very truthfully expresses the thought that a frequent recurrence to first principles is necessary for the preservation of liberty.

The most obvious fact of human existence is that each man, woman or child must consume certain physical things—or die. (There is always the alternative suggested by Epictetus and endorsed by Schopenhauer.) These physical things are known as food, clothing and shelter. Each of these articles is a product of human toil. But human toil alone cannot produce. The toiler must be in possession of the elements (or some of them) of which the earth is composed. This simple, obvious fact is overlooked (or evaded) by nearly all who complain of, or attempt to explain, existing social conditions. It is vastly to the credit of Carlyle that he neither overlooked nor evaded. He said: "It is very strange, the degree to which these truisms are forgotten in our day."

In short, land (meaning the elements of which the earth is composed) and labor (meaning human energy expended in making articles of food, clothing and shelter) are the factors of all physical wealth. All physical things passing through the markets of the world are results of labor applied to land. Most people will agree that land is used at the beginning of all processes of production, but seem not clearly to perceive that it is vital at every step. To make bread we must use land to grow grain. Just as surely we must use land to transport it, to grind it, to bake it. The same is true in all forms of production. Labor and

land are absolutely necessary at each point in every productive process.

If each individual had equal opportunity to join in the processes of production it would seem that just distribution would certainly follow. But here is the rub. Each individual has not this equal opportunity. Land is private property. Production is absolutely impossible without land. It inevitably follows that those who own land are able to demand from laborers a part of the product in return for permission to use their land. For this payment by laborers land-owners make no return—save permission as noted, and it will doubtless be admitted that this payment might possibly be great enough to leave workers with a very small remainder, a remainder so small, in fact, that they could properly be classed with the "worthy poor."

That part of the product that is paid to the land-owners is called "rent." The balance is known as "wages"—being the return for industry, of whatever grade. It should be noted that payments made for the use of buildings are not rent—are, instead, wages.

The term "wages" is used in common speech to indicate the reward of employed men. But when considering industry in general it must be given a wider meaning. To illustrate. A man rents a farm, paying one-third of the crop to the owner. The remainder is the reward of his toil, and is therefore his wages. He may have employed others to aid him, but his reward, as well as theirs, is wages. Again, the Deering reaper concern is helping to gather grain, and therefore is a producer, and so is a receiver of wages as truly as is its modest employer. Again, to produce one thousand bushels of wheat worth one dollar per bushel is, through exchange, to acquire capacity to secure a diamond worth one thousand dollars. That is, to produce wealth in one form is equivalent to producing it, to like value, in all forms. So, a man raising wheat in Dakota is in effect catching fish on the banks of Newfoundland, provided, of course, he wants

fish. If he prefers a carriage, then his toil at producing wheat is equivalent to mining iron and coal, making paint, manufacturing all the various articles included in the finished vehicle. The growing of wheat is thus equivalent to making the carriage, because such toil secures, through exchange, possession of the vehicle, just as would the direct application to the making of the conveyance.

Wealth, then, is one, although of many forms, and is produced by the application of labor to land, and is divided between producers and land-owners.

Rent is payment for the use of natural opportunity—for land. It follows from this division of wealth between producers and land-owners that the less of the total product of industry be taken as rent, the more will be left for wages; and conversely, the more be taken as rent the less will be left for wages. Those who own land upon which production occurs divide rent among themselves in proportion to the value of land held by each. Those who produce divide wages among themselves in proportion as each has contributed to production.

The ownership of the land thus having the same effect as the doing of work, that is, ownership of the product, all are trying to become land-owners. As a result of this endeavor, land is bought and held vacant in anticipation of future demand. (This is characteristic of every city in the United States.) If, now, we observe the necessary conditions of production, we shall know how very simple is the industrial problem. Men must use land—or die. Land is private property, with the necessary result that product is divided between land-owners and land-users. Holding some land vacant reduces the effective supply, and of course increases the value of that used—thereby artificially raising rent and reducing wages.

It is perfectly clear that the portion of wealth paid to land-owners is not theirs by right of toil—others did the work. Because of this plain fact most of the social reformers of history, under one or

another form, have proposed to make land common property. They have supported the demand by arguments based on both expediency and equity, but the great utility of private possession of land has been sufficiently powerful to resist their efforts.

Henry George has been widely charged with the desire and intention to make land common property, in spite of his statement in *Progress and Poverty*, Book VIII., that, "I do not propose either to purchase or to confiscate private property in land."

The difficulty with the proposal to make land common property is that while it conforms to justice—is ideal and satisfies the emotions, whether of wrath at present conditions or of joy at prospective ones, it does not meet the need of practicability. If the public owns and rents all land possessing value, we are immediately confronted with contractual relations between public officials and private parties—the condition precedent to all "graft." This arrangement might be very much better than that now obtaining, but would undoubtedly be "patchwork," and soon necessitate another remodelling. Taxing land values alone secures permanent possession and involves no contracts between officials and citizens. It will occasion no change of existing forms.

Single-Tax men call attention to the fact that ownership of land is not important, save as it leads to ownership of products. The owner of land is able to secure products as rent. May it not be possible to recover these products without destroying private property in land?

This inquiry raises the question of the right to property. On what does the right to property justly rest? What ought to be the basis of possession? What is "ideal"? The irksomeness of toil must be endured in order that anything be made. Who ought to receive the benefit, or become the owner of the product? Surely one may be forgiven if he is inclined to assert that the individual, or group of individuals, who do the

necessary work ought to receive the reward. If there be other equitable basis for the institution of private property, it has not been promulgated; and yet newspapers have credited Carnegie with saying that the greatest surprise of his life was when he "realized that the man who did the work was not the man who got rich." Mr. Carnegie perceived the certain effect of the private appropriation of rent, though very likely without apprehending the nature of the thing perceived.

If work is the rightful basis of private property, or, in more sounding phrase, if tenure be the prerogative of toil, and our Scotch friend found that to become rich he must do something other than work, may we not fairly claim that existing property relations are in a degree defective?

It would appear, then, that common property in land is ideal, but impracticable; that private appropriation of ground rent is wholly lacking in ideality, but seems at first to be unavoidable, as it apparently is a consequence of private property in land. Here is the paradox.

It is, nevertheless, easy of solution. Any large group of people—as the United States—living in a civilized condition, must maintain government. They must keep the peace,—that is, exercise police power. They must maintain some form of land tenure. Whatever be decided upon as the better mode of holding land—whether in common or in severalty—only government (*i. e.*, the majority of the people) is competent to its enforcement. Instituting and administering the police power and the tenure of land are the "necessary" acts of sovereignty. Otherwise civilization is not possible.

Public or governmental functions are carried into execution only by men, and these must be compensated by those who receive the benefit. To secure the wherewithal to make such payment, a public revenue is necessary. In short, taxation (that is, the collecting of a public fund) is an inevitable condition of civilized life.

As indicated, all wealth is distributed

as rent or wages. It follows that all payments must come from one of these funds. Taxes, therefore, must be paid out of one or the other; or, of course, be derived partly from each. The proposal of Single-Tax men is that public revenue be taken wholly from the rent fund. This plan is believed to be ideal, forceful and practical.

It is ideal in that it secures each one in the ownership of the wealth his labor may produce, with no burden or tribute in any form, save the one subtraction of ground-rent (and this only when he occupies land possessing value). And this is true whether he toils alone or in voluntary association with others. If, then, rent be recovered by taxation and used for the common benefit, it would seem that none would be able to possess wealth not equitably acquired. It is ideal in that it strictly conforms to the only concept ever put forward as the rightful basis of the institution of private property.

The question arises: Does each contribute equally to the rent fund, and thereby become equally entitled to share in public benefits? As before stated, land tenure is one of the functions of government. It is an unavoidable expression of sovereignty. Each man in a community is bound to support its sovereignty—even though he does not agree with the majority. It is only by virtue of this assertion of sovereignty that any one in a community can enjoy peace and security of property. Nature compels us thus to associate. We hold, then, that the benefits of that common association, which nature compels, should be shared in common. The Single-Tax will secure to each that which is his individual product, whether his effort be made alone or in voluntary coöperation and it will secure to the public that to which no individual or voluntary association can establish just claim. It is ideal.

The Single-Tax appeals to the emotions because it reveals a beneficent order in society. It confirms belief in a divine

order. It points the way whereby tyranny may be dissipated from among men. It destroys the fear of want, and thereby allows men to be free in fact. Thus it makes the field of natural opportunity a reality to each and all. When we realize that just as we have more air than we can by any possibility use, so have we more land than many times the present population of the earth could utilize, we may form some concept of the mighty possibilities the Single-Tax would open to the race.

Are not the glories of the modern world wholly due to the overthrow of old forms whereby the native impulses of humanity were suppressed? Have we not freedom of conscience as a result of the overthrow of feudal power? Is not equal participation in government a like result? Is not freedom of the person from serfdom and chattel bondage a like achievement? Is not all of which we may fairly boast in the modern day due to the breaking of the feudal lord's grip? That grip still holds the land. The Single-Tax will break this, his last hold. With its inauguration will vanish the curse that has blighted the earth—the power of some men to control the lives of others. With the advent of "the simple yet sovereign remedy" will come an era of peace, good will, kindness. No longer will any one be able truthfully to say, as did Robert Burns: "We are placed here amid so much nakedness, and hunger, and poverty, and want, that we are under a cursed necessity of studying selfishness in order that we may *exist!*"

The Single-Tax appeals to the imagination; it excites the emotions, both against wrong and for the right; it is forceful, and it will come.

It is practical for many reasons. It is in accord with our civilization. Land is held now in fee-simple, which is a lease—or holding in perpetuity, subject to such tax as the state may levy. This tenure the Single-Tax would continue—thus it is not a change in social institution, but in the administration of institution.

Most men appear not to realize the fact that nearly all fundamental law is now in agreement with Single-Tax ideals. In *Providence Bank vs. Billings* (4 Peters, 502), Chief Justice Marshall—who surely will not be credited with prejudices favorable to the great plain people—said, “the power of taxation may be carried so far as to absorb these profits” (referring directly to rent), and then asks, “Does this impair the obligation of contracts? The idea is rejected by all,” etc.

It is practical because it is in operation now, partly by the public and partly by land-owners. Rent makes its levy with certainty. To say that it is not practical is to decry the acumen of every land-owner in the world. It is practical because it is the one plan that conforms to the accepted canons of taxation,—namely, that a tax bear as lightly as possible upon production; that it be easily collected, and fall as directly as may be upon the ultimate payers; that it be certain; that it bear equally.

The Single-Tax does not bear upon production at all, for the land-owners collect rent whether or not the public tax them. It is easily collected, for the land lies out of doors, and so cannot be hid, and its value is the only value that can be arrived at with approximate truth. It is the only tax capable of producing sufficient revenue that “falls directly upon the ultimate payers.” It cannot be shifted, for rent is a monopoly price. That is the chief reason many have for opposing it.

It is related that one Irishman said to another: “The Single-Tax ‘ud stop tax dodgin’.” The other replied: “Then what’s the objection to it?” “It ‘ud stop tax dodgin’.” “Oi understand, then why not adopt it?” “It ‘ud prevint tax dodgin’.” “That’s three toimes ye ‘ve tould me that. An’ Oi understood ye the furst toime, an’ Oi understood ye the second toime, an’ the third toime. Now, since ye ‘re so sure it would prevint tax dodgin’, what the devil’s the raison they do n’t put the Single-Tax in opera-

tion?” “Oi big your pardon, but Oi understood ye to ask me why do n’t they adopt the Single-Tax?” “An’ what the devil else did Oi ax ye?” “Well, then, for the fourth time—count ‘em—Oi ‘ll answer ye that the raison they do n’t adopt the Single-Tax is because it ‘ud prevint tax dodgin’.”

It is certain, because if all other sources of revenue be cut off, public officials cannot neglect this—they need the money. It will bear equally because each man is either land-owner or tenant, and in either capacity pays in rent just what the social advantage he enjoys is worth.

It is practical because our forms of government lend themselves to its easy adoption. Any state in the Union may adopt home-rule, or local option, in taxation; that is, enact a law whereby any city or town may levy taxes for its local revenue in such manner as it may choose. This is the measure already adopted in New Zealand with such happy results, and is in reality the only legal measure Single-Taxers ask for. Such act would permit any locality to try in a moderate way the value of our proposal, and its practicability would be demonstrated as is being done in New Zealand.

It may be observed that there is here no proposal to force this measure upon any community. There is only provided a method whereby any community may utilize the plan if it so desires. What honest man can say he does not believe in permitting a community to conduct its own affairs in its own way; but on the contrary believes that some communities need the benefit of his superior wisdom?

The Single-Tax is practical because nothing else can successfully meet existing monopoly conditions. If we secure relief at any other point in the field of production, rent will increase, and by this means the whole gain will disappear, so far as producers are concerned. When we cheapened transportation by substituting the steam-railway for the canal-boat and the ox-cart land values increased. If we make public utilities common prop-

erty, and thereby again reduce the cost of transportation and other public services, will the result be different? It is impossible to afford permanent relief to industry while the landlord's privilege remains unchecked.

The Single-Tax is absolutely in harmony with natural justice, as between man and man; it accords with those eternal and self-evident principles of

freedom that are the foundation of our American society; it is ideal; it is forceful; it is practical. It will make possible of realization the hope of the poet who sang:

"Then let us pray that come it may,  
As come it will, for a' that;  
That man to man, the war' o'er,  
Shall brithers be, for a' that."

JOHN Z. WHITE.

*Chicago, Ill.*

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