

CHAPTER XXXI.

THE HOPEFULNESS OF THE REFORM TO WAGE-EARNERS COMPARED WITH THE EXPECTATIONS FROM TRADES UNIONISM.

THE advantages which have been shown to be likely to follow the introduction of the Single Tax reform must appear to wage-earners generally as offering much more solid ground for improvement in their condition than any of the more popular aims of the past and present. Some of these latter have the effect of *reducing* the production of wealth, whereas the more hopeful plan must surely be to *increase* it. If there is more for *all*, there must be more on the average *per head*, and therefore a greater likelihood of more falling to the share of the wage-earner. On the other hand, a reduction of the total must reverse this probability. Other aims, again, seek by official regulation to inspect and control many operations. This method involves the multiplication of public officers and the limitation of the freedom of both employers and employed. Let not the employee think that in practice it will all work in his favour, because in the nature of things this is impassible. He must therefore elect which he would prefer; either to be looked after by an ever-increasing official system, or else to have certain vicious laws and all taxes repealed, and government simplified, so that he can look after *himself* by obtaining a *real* chance of *self-employment*. The proposed reform, by affording him this alternative, would make "freedom of contract" an actual possibility.

Look at trades unions. In the first place, they entail a considerable cost for organisation, for strike funds, and for assistance to other associations, and this has to be met by a levy upon each member. Then the discipline which must be maintained places some restriction upon the individual freedom of members. In the event of a strike being entered upon, wages cease, and the funds are drawn upon to afford a bare maintenance; the production of wealth is stopped for the time being, and the trade is seriously disorganised — in some extreme cases it has been driven from a district or a country. Sometimes, as an alternative, the output in a trade has been artificially reduced, in the hope that scarcity would increase prices and wages. Such attempts are always doubtful of success, and are made at the expense of an evident present sacrifice. A reduction in the hours of labour, desirable as it is

on many grounds, entails, under existing conditions, a sacrifice of production, and therefore of earnings. There is a point, undoubtedly, beyond which an extension of hours will not lead to an increased *manual* output, but this does not apply to the products of *machinery*. The limitation of the number of apprentices cannot be a permanent remedy for the evil at which it is aimed. It logically points to putting a certain number of our youth out of existence altogether. When brought to this point, it cannot obtain the assent of any organisation. The device is therefore stamped as a temporising expedient, and not as a genuine attempt to grapple in a far-seeing way with a present difficulty. The Opposition to free labour must stand in the same category. The fact of the existence of free labourers shows that there are a great many men outside of the organisations who consider themselves worse off than those who are inside, and they are consequently ready, whenever a strike occurs, to bid for the employment which has been vacated. While such free labourers exist, and while trades unions are increasing the number of them by restricting boy labour in union trades, it is pretty evident either that the difficulty is insuperable, or that the efforts to cure it are misdirected.

Look, again, at the proposals of the Single Taxers, as explained in the chapter headed, "The Resulting Increase," etc. They propose, in the first place, that all taxes and local rates should be abolished. No one needs assuring that it would be a gain to him to cease to pay such imposts as he now pays *direct* in cash: but this cannot yet be said of *indirect* taxes which are collected through the Customs, and especially of such of their number as are imposed in order to encourage home industries. The latter point must be left to the consideration of each, according to his lights, but free trade must be understood by all to be involved in the Single Tax programme. But it is certain that the saving of taxes and rates would increase the purchasing power of everyone, and thus lead to more employment.

The next point is one upon which there is very little room for doubt. It is universally admitted that a tenant, by reason of his tenure being short, and because he is subject to various uncertainties, does not produce as much as he would if he was the owner of the land. It has been shown that landlordism would soon become extinct when ground rent was nationalised, and that a system of working proprietorship would succeed to it and take the place of tenancy. The result would be that

production would become greater, owing to the improved conditions. Over-production need not be feared when general purchasing power is increased. But further than this, it is almost certain that a large proportion of the taxes saved by every one who used land would in the future be devoted to improvements. These in addition to requiring labour to bring them into existence, would enable the owner to add another instalment of annual increase to his productions and profits. How different is this *expansiveness* to the contracting influence of trades unionism, and how much brighter the prospect which it offers! A reduction of self-seeking antagonism, a relaxation of discipline, an enlargement of opportunity, and a certainty of better economic results, must follow. Unless the whole basis of the Single Tax can be upset, there appears to be no room for two opinions as to its being the better course open to wage-earners.

RECAPITULATION.

IT will not be necessary to deal again with the first seven chapters, which contain a general description of the Single Tax proposals, positively, negatively, and by contrast. A great deal of controversy in the past has been caused by misconceptions of what is intended, and "country settlers" have been erroneously warned that they alone are intended to bear taxation. It may reasonably be hoped that some of these misapprehensions will be removed by the direct and plain statements made in the above-named chapters. It is proposed to tax no *improvements*, to allow no *exemptions*, and to impose no *graduated* or *absentee* tax. It would not *disturb freehold* titles.

With Chapter VIII. the argumentative portion of the pamphlet begins, and with Chapter XII. the "Existing Central Fault" of the present land system is reached and dealt with. This fault is stated to be the "*Private Monopolisation of Ground Rent.*" This is the point round which the battle must ultimately be waged after the opponents of the Single Tax have become convinced that misrepresentation and denunciation have had their day, and must be replaced by serious and deliberate criticism. The advocates *pro* and *con* must ultimately aim at convincing the public mind, on the one hand, that the "ground-rent fund" is properly a thing to be retained by inheritance or purchase by one section of the people; or, on the other hand, that it should *not be* so dealt with. Single Taxers make the latter assertion, and say that ground rent should always have formed the *public revenue*, and should never have been seized by a section of the people as *personal income*. This is the great issue in the question. This "recapitulation" will be purposely brief, in order that it may emphasize this point, and not draw the attention of readers upon any details, as if they were of any special importance.

It will only be necessary, therefore, to briefly run over the points of the argument against this "*private monopolisation of ground rent.*" The first is, that its existence accounts for that of the "landlord and tenant" system. Under this the tenant labours under the disadvantages of (1) a limited term; of (2) a rent which is often higher than present value, owing to the land having a prospect of becoming more valuable; of (3)

uncertainty as to how much rent may be demanded for a renewal of the term: and, finally, a difficulty in realising the value of such improvements as he may add to the land or premises. This leads to imperfect cultivation or inefficient use on the part of all tenants. It is therefore injurious to them, and to the general interests of the community, by cramping and stunting the best use of land in the production of wealth and conveniences.

A second objection to "private monopolisation" is that it gives to land a selling value. This makes it impossible for some, and very difficult for many more, to become landowners, *i.e.*, to acquire the permanent use of land, subject to no man's caprice or dictation.

A third objection is that it makes it necessary to maintain public-services by levying taxes and local rates upon the whole people. If the ground-rent fund had not been seized by a section of the people and used as private income, it would have been the most fitting and convenient source from which to derive all public revenue. It is created by the presence of the whole community, and not specially by that section which receives it. It grows as the community grows, and therefore keeps pace with its increasing requirements.

A fourth objection is that it presents this curious anomaly: that while a large portion of the people properly pay for the use of land, a small portion do *not* pay for it; — further than this, and stranger still, the *large* portion pays *to* the *smaller* portion. If *all* who use land paid for it annually to the *State*, and if the State used the money to defray the cost of *public services*, the plan would be intelligible and reasonable, and must commend itself to the intelligence and sense of justice of an impartial visitor — say, from another planet. But to tell such a person that the world belonged to any *section* of its inhabitants, and that the other section gave to it a portion of all its produce in return for permission to work, would strike him as monstrous. Chapter XL shows very briefly that it *was not always so* in England, and never so in Palestine under the Israelites.

A fifth objection is that the results of the system condemn it as inequitable, and therefore inexpedient. Its operation leads, not only to *reduced production*, but to such an *inequitable distribution* of the proceeds that the weaker and less provident people fall into poverty. It prevents the bulk of wage-earners from obtaining the alternative

opportunity of employing themselves. Again, the use of *some* capital in buying up land and thus securing a share of the ground-rent fund has, moreover, led large numbers of people to believe that the use of *all* capital was antagonistic to labour. This has led to serious disputes between employers and employed, and has withdrawn attention from the real issue, which is between *landless people* and *landownership*. It should not be a *personal* antagonism, but a fight against a wrong *system*.

This "private monopolisation of ground rent," then, is the great issue. Single Taxers say that no elaborate system of purchase, of tenancy, or of regulation, can be effective so long as it conveys to the owner for ever, or to the tenant for his term of occupation, the increase of the ground-rent fund; or, on the other hand, fixes upon either of them the disadvantage of its possible future decrease. On the contrary, Single Taxers care not what detailed regulations are made about land tenure so long as the *one reservation* is made that all ground rent shall for the future be devoted to public revenue for the purpose of maintaining public services. When that is secured, nearly all of the present artificial restrictions, stipulations, and interferences will have become superfluous. No monopolisation of more than a man can use will then be attempted by him, no land will be left unused if there are enough people to require it, and no cultivation or use will be stunted by the imposition of conditions of uncertainty. They contend that no lump sum, and no annual payment fixed for a lengthened period, can equitably secure the possession or use of something which has such a very fluctuating value as land, and especially of something which is required by each succeeding generation. Especially would they denounce the latest development, which, only last year, made it possible for men, without even the need of purchasing it, to acquire the use of land for *ten centuries* ahead in consideration of paying an *unalterable* annual rent, fixed at a very *low* rate of interest upon *today's* value. This is the so-called "eternal" lease of the Ballance Land Act.

Various arguments used by the upholders of the present system, and some of their misapprehensions as to the effect of the proposed reform, have been dealt with. Amongst the latter, attention may with advantage be specially directed to the denial (1) in Chapter IX., that the taking of ground rent for public revenue would have the effect of entirely exempting a large section of the people from contributing: and (2) in

Chapter XXVI., that the Single Tax would bring any *additional burden* upon land and thus lead to its disuse. It is argued, in addition, that ground rent is not a *burden* at all, but a payment for superior opportunity. The payment would be continued by tenants as at present, and would in future be imposed upon owners also.

Single Taxers charge the present system with hindering settlement in various ways, and they claim that their reform would greatly encourage and help it, and at the same time render all its operations more profitable, because more thorough. This claim must seem utterly paradoxical to people who have swallowed the assurance that the Single Tax would put the whole taxation upon land and landowners, and who believe that it would impose *additional* burdens on land. If *either* of these statements was correct, the result must be a hindrance to settlement; happily, they are *both erroneous*.

Finally, it may be pointed out that very little has been said herein to prove that there is a great difference between land and the products of man's industry. This is still frequently denied, and the consequent assertion made that both may with equal propriety be held as unrestricted private property. It is unnecessary to spend time over this point. The difference between the two things is emphatically pronounced by all our Land Acts. They restrict the amount of land which a man may buy or lease. In the case of leases, except the "eternal" ones, a provision for re-valuation is made, while residence conditions and stipulations for certain improvements are made in all. In many other ways we are told, as plainly as legal phraseology can put it, that land cannot be treated like the products of industry. Then, again, our Native Land Acts and our practice coincide in determining that on no account must natives be allowed to become landless. Reserves are set apart for them, which must remain inalienable as long as the Maoris exist. But if it is bad for natives to become landless, why not for men of our own race? The fact is, that it is bad for *both* races that any section of *either* should be so far divorced from the soil as to be obliged to make terms with another section in return for permission to work on their own account. By common consent no such laws are made to regulate the sale and purchase of *commodities*. The absence of such laws is proof positive that *land* and *commodities* do *not*, in the public estimation, stand in the same position. A fear is implied in all our Land Acts that men will try to get hold of land for other purposes than

a *personal use* of it. What induces them to do so? We all *know* what it is, and may as well frankly *avow* it. It is the desire to turn it to a profit as an article of merchandise — as a future lottery prize — or to make an investment of it which shall bring in ground rent to us without any necessity for working. We know quite well that this is *not* in the *public interest*, and therefore we make laws against it; and we have to confess that they have not been effective for the purpose desired. It is high time that we should act honestly in the direction of our convictions, and state plainly that we will for the future remove the *cause* which prompts to such evasion. The way to do this is to take the coveted fund for public purposes.

It may be fitting to wind up by repeating some of the benefits which, it is claimed, would be secured by the adoption of the proposed reform:

- It would secure to the user of land, and to every other worker, the full produce of his industry.
- It would prevent land being held for the sake of receiving the ground rent.
- It would prevent land being dealt with as a commodity, and as a lottery prize of the future. It would prevent land being held out of use. It would make life to depend upon work.
- It would afford to all the option of employing themselves or of seeking employment.
- It would make it easier for existing settlers to place their sons on land.
- It would increase the beneficial use of land.
- It would vastly add to improvements.
- It would lead to increased production of conveniences and wealth.
- It would prevent unjust distribution of these benefits.
- It would remove all existing public burdens.
- It would raise all future public revenue without imposing any burions.
- It would simplify and purify government, and greatly reduce the number of public servants.

EPILOGUE

(SPOKEN BY "THE CROWS").

THE "CAUSE" OF ALL THE TROUBLE.

ONCE upon a time there was a man who owned a piece of land in the centre of a large town. This land was not built upon nor put to any use; for, said the man to himself, "the town is growing bigger every day, and the land is getting worth more and more each day, and though I can't use it myself I won't sell it to anyone else yet; I'll wait a bit." But people wanted to put the land to use, and kept asking him to sell it or lease it, and the man began to be bothered with their asking him. One day, when sitting in his country house, he saw a crow flying along, and enjoying the freedom from care the bird seemed to possess, he said, "How I wish I were a crow." To his surprise he found himself taken at his word, and that he really had been changed into a crow. He was, of course, very much puzzled, but could not change matters, and so he thought he would just make the best of it. Finding the sun was very warm, and seeing a wood a little way off, he flew towards it to shelter on the branch of a tree. But when he got near the tree another crow flew out and told him to go away; he must not come there, for that tree belonged to him. "How's that," said our friend, "the tree, was not made for you only; how can you say it belongs to you?" The other crow laughed. "Ask me something harder than that," he said; "why, I bought it, of course." "But how could anyone have the right to sell you, for your own use, a tree that was created for the use of everyone?" "Oh," said the second crow, "you don't understand, the crow I bought it from belonged to a *very* old family; his ancestors came over with Jim Crow, and the tree has been in possession of the family ever since that time." Tree after tree was tried by our friend, but all in vain: each tree was the private property of someone or other, and though there were enough to give shelter to all the crows in creation, he could not get as much as a branch to rest on.

Tired out with hunting for lodgings, he began to feel hungry. Close at hand there was a field in which men had been reaping, and so he flew down to pick up a few grains of corn; but here again he was stopped: a few crows *owned* the field, and though food was lying around in plenty, these other crows would not let him pick up a grain of wheat, or even a

worm, to keep himself from starving. Away he flew wearily over field after field, seeing food all around him, but yet not allowed to help himself. At last he came to a tree where a lot of miserable looking crows were, and he asked them what they were doing there. They told him they were "out on strike." When he said he did not know what that meant, they said that they had been working for some crows, but the wages they got were so small that they could hardly live, and so they were on strike for a rise. "Will you get it?" he said. "Well, they didn't know, for they had only a little food left, just enough to last them a few days, and then they would have to give in or starve." "But," said he, "there's enough and more than enough for all of you in these fields here, why don't you gather it?" "Oh, that land," said they, "does not belong to us, it belongs to So-and-so." "Did he make it," said our friend, "or did the crows he got it from make it?" "No," said the others, "of course not." "Then what right has he to it?" — but here a lot of other crows, some with their feathers painted blue, and others painted red, came flying down, and if our friend had not flown off, he would have been put in prison, or perhaps been killed, as "an agitator," "a socialistic crow," etc.

After a bit, when he was nearly fainting with hunger and fatigue, he came to some more crows, and asked them what he was to do in order to get food. "Why," they said, "you must find some crow who will give you work to do and pay you wages for it." After a lot of trouble he got work, and his work was gathering worms for another crow from early morning till late at night, and his wages were three small worms a day, and a bit of a tree to rest in. How many thousands are there in this country of ours who toil all day long making wealth for other people, and who get as their share three poor meals a day, and a miserable room to shelter them. It is the "private monopolisation of ground rent" that is the cause of all the trouble, and the programme of the ANTI-POVERTY SOCIETY will go a long way to put these matters right.

APPENDIX.

FIFTH ANNUAL REPORT OF THE AUCKLAND ANTI-POVERTY SOCIETY.

"MANIFESTO" OF THE ENGLISH LAND RESTORATION LEAGUE.

"THE LANDLORD'S CLAIMS ON SOCIETY."

"THE PEOPLE'S JUBILEE."

"A STORY ABOUT WIND-LORDS.

NOTE.—We reprint the "Manifesto" and three of the Leaflets published by the ENGLISH LAND RESTORATION LEAGUE, to help our readers to realise the fact that this is no mere "Colonial" or "Country Settler's" question, but that it goes to the very root of the world-wide "social problem," and that the defeat of Landlordism in these Colonies will be but the prelude to its overthrow in Europe. Surely the thought of the emancipation of the wage-slaves of the Old World from their cruel and undeserved poverty should nerve us in our efforts to "lead the van" in this last and greatest struggle for "*the right.*"

For the ANTI-POVERTY SOCIETY,

F. G. PLATT, HON. SEC.

AUCKLAND

ANTI-POVERTY SOCIETY.

FIFTH ANNUAL REPORT.

IN presenting our Fifth Annual Report, we regret the necessity of adopting a somewhat apologetic tone. The question of Land Reform is no longer a novelty, and, several of our most active members having left Auckland, we have had to discontinue our regular public meetings for the present, and confine ourselves to the distribution of the literature of the Land Question and an occasional letter to the papers.

We might, indeed, be somewhat despondent if the principle for which we contend were one of "parish politics," or of merely local application; but, as the most radical and far-reaching of modern ideas, it is universal in its scope, and we must extend our survey beyond our own shores to gain any adequate idea of the flow of the tide of public opinion.

It is apparent to all who read and think that the "labour" question is the vital question of the day, and that "land" and "labour" are (figuratively speaking) the two sides of the social shield. The "labour side," being constantly turned towards us, attracts universal notice, and thus it is not surprising to find that most of those who deal with the question approach it on the "labour" side.

Convinced that the root of modern economic misery is to be found in the misappropriation of "*the land*," we contend that the true remedy is to be found only in restoring it to its proper function in the national economy.

It is self-evident that the proper function of the land is to furnish to all its inhabitants the natural opportunities necessary to enable them to produce wealth for themselves; and therefore it is one of the first duties of the State to take care that none shall use it as a means of taxing the wealth produced by others.

To do this it is not necessary to interfere with any man's property; it is only necessary to take annually for public purposes the annual value created by the public. The Single Tax alone will ensure to every man the full possession of his own liberty and property, by gradually appropriating public rent to public purposes, and thus cancelling the unjust and spurious value of the private taxing power hitherto held by the landlord.

It is to mighty London that we must look for the most vivid illustration of the iniquity of the landlord's taxing power, and we rejoice to find that it is London, also, that has shown most clearly during the past year the dawn of the idea of social justice on the land question.

In 1870 the gross rental of London was 22 millions sterling; this rental rises steadily year by year. In 1880 it was over 30 millions; it is now over 40 millions. Careful calculations prove that three-fifths of the

gross rental is a full allowance for the yearly value of town and city improvements; the remaining two-fifths represent "*ground rent*." The honest rental of London, for which service is rendered in the shape of houses and improvements, is therefore 24 millions; the immoral tribute paid to the landlords, and for which no human service is rendered, is 16 millions annually! Every city and town in the kingdom pays tribute in similar proportion; the total tribute levied on the nation by the landlords in the form of "*ground rent*" being 150 millions per annum.

As it is in London that this frightful iniquity reaches its hugest development, it is fitting that London should lead the way to its abolition. This duty has been undertaken by the London County Council, in their "Owners' Rate Bill," which is now made a condition of proceeding with public improvements. This grand object-lesson on the principle of the Single Tax has been followed by Mr. Dalziel's bill for the taxation of ground values, with separate valuation of land, and power to levy rates thereon, and authorising tenants to deduct such rates from rent. The Royal Commission on the Housing of the Working Classes has recommended that the increased value of land arising out of building operations should be rated at 4 percent on its capital value.

These are cheering signs of the rising tide, which is destined to sweep the landlord's taxing power into the limbo of the past.

The power of wealth production has reached a point hitherto inconceivable; what is lacking is merely the power of distribution. The Socialists, in despair at the apparent complexity of the problem, would adopt arbitrary measures.

We say, Let "*labour value*" alone stand in exchange between man and man, and then distribution will be natural and just. We rest our whole case on the axiom that "*the ownership of land does not entitle any man to share in the produce, of labour.*" This is the real issue, and it involves a mightier question than ever Luther raised. It is not one of forms of creed or modes of faith — no; it goes far deeper than any of these, for the social iniquity caused by Landlordism is forcing men to ask themselves whether there can indeed be "*a soul of justice at the heart of things?*" and on the answer to that question must depend the hope of all religion, or else a blanker atheism than man has yet dreamed of.

Landlordism stands condemned, not only on ethical grounds, or intellectual considerations — it stands condemned by its own fruits. It brings the abomination of desolation into town and country alike; the slums of English cities are living nightmares; the village life of England is perishing in pauperism and degradation. The London *Daily Chronicle* has lately employed a "Special Commissioner" to investigate and report on the conditions of rural life in England, and the result, as recorded in a little book just published ("Life in Our Villages"), constitutes the most crushing indictment of Landlordism conceivable.

We would urge the clergy to ponder this question, for it touches them closely. We hear of Christian Single Taxers who express themselves thus: "If it be indeed true that modern Christianity is in consonance with modern Landlordism, it will be necessary for us to reconsider our connection with such Christianity." We would point out that our cause has its adherents among all sections of Protestantism as well as in the ranks of the freethinkers. The Roman Church also counts them among her priests: it was a Roman priest (Father McGlynn) who, in 1887, founded the first Anti-Poverty Society in New York. It is true that he was afterwards excommunicated, and that the Pope issued an Encyclical Letter, which some of our local advocates of land monopoly (who would not take the Pope's word for a brass farthing on any other subject) were not ashamed to quote in defence of Landlordism!

The Papal Encyclical was fully answered by Henry George in his letter to the Pope "On the Condition of Labour," in which he recites the following declaration, made by Dr. Nulty, the Roman Catholic Bishop of Meath, who thus sets forth the fundamental principle of the Single Tax: "God was perfectly free in the act by which He created us: but, having created us, *He bound Himself by that act to provide us with the means necessary for our subsistence.* The land is the only source of this kind now known to us; the land, therefore, of every country is the common property of the people of that country, because its real owner, the Creator who made it, has transferred it as a voluntary gift to them; *terrain autem dedit filiis hominum* (the earth hath He given to the children of men). Now, as every individual in that country is a creature and child of God, and as all His creatures are equal in His sight, any settlement of the land of a country that would exclude the humblest man in that country from his share in the common inheritance would be *not*

only an injustice and a wrong to that man, but, moreover, would be an impious resistance to the, benevolent intention of his Creator."

It is satisfactory to know that the Pope has lately sent a special legate to New York to reinstate Dr. McGlynn in his priestly office, without his having recanted one word of his teaching on the land question.

We have thus every reason to be hopeful for the progress of our ideal in the old world, although the Socialists, who point only to the monstrous results of social iniquity, gain the popular ear more readily than we, who merely point out the simple (though hidden) cause of that iniquity, and its equally simple remedy.

In this Colony we rejoice that the tide has risen high enough to carry a Land Tax on to the Statute Book. It is indeed of a most imperfect and rudimentary character, but it shows that the idea is working; and it must be our endeavour to secure representatives who will insist on a measure which shall be not merely a half-hearted and tentative recognition of the Single Tax principle, but shall be fully and frankly based on that principle.

In the meantime our greatest obstacles are apathy and misrepresentation, and we are happy to express our obligation to Mr. Edward Withy for the assistance he has rendered by his letters to the Press, which we had the pleasure of publishing in pamphlet form in September last, and also for a clear and concise exposition of the *rationale* of the Single Tax, which we hope to publish shortly.

For the Anti-Poverty Society,

ADAM KELLY,

Vice-President.

F. G. PLATT,

Hon. Sec.