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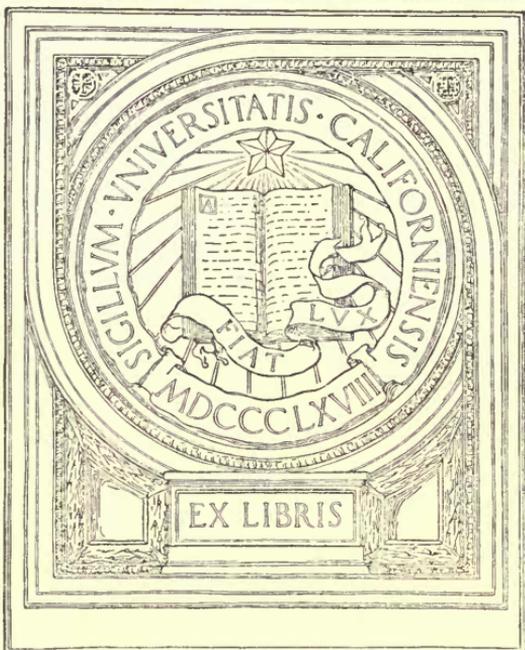
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Single Tax Exposed

By  
Charles H. Shields

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ROBERT ERNEST COWAN





# SINGLE TAX EXPOSED

BY

CHARLES H. SHIELDS

Secretary Oregon Equal Taxation League



Shall Oregon Be the Victim on Which  
Joseph Fels Would Try Out the  
Fallacies of Single Tax



## Oregon Awaken







# SINGLE TAX EXPOSED

AN INQUIRY INTO THE OPERATION OF THE SINGLE TAX SYSTEM AS PROPOSED BY HENRY GEORGE IN "PROGRESS AND POVERTY," THE BOOK FROM WHICH ALL SINGLE TAX ADVOCATES DRAW THEIR INSPIRATION, REVEALING THE TRUE AND REAL MEANING OF SINGLE TAX, WHICH IS LAND COMMUNISM

BY  
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Secretary Oregon Equal Taxation League  
and  
Head of the Anti-Single Tax League  
of Washington

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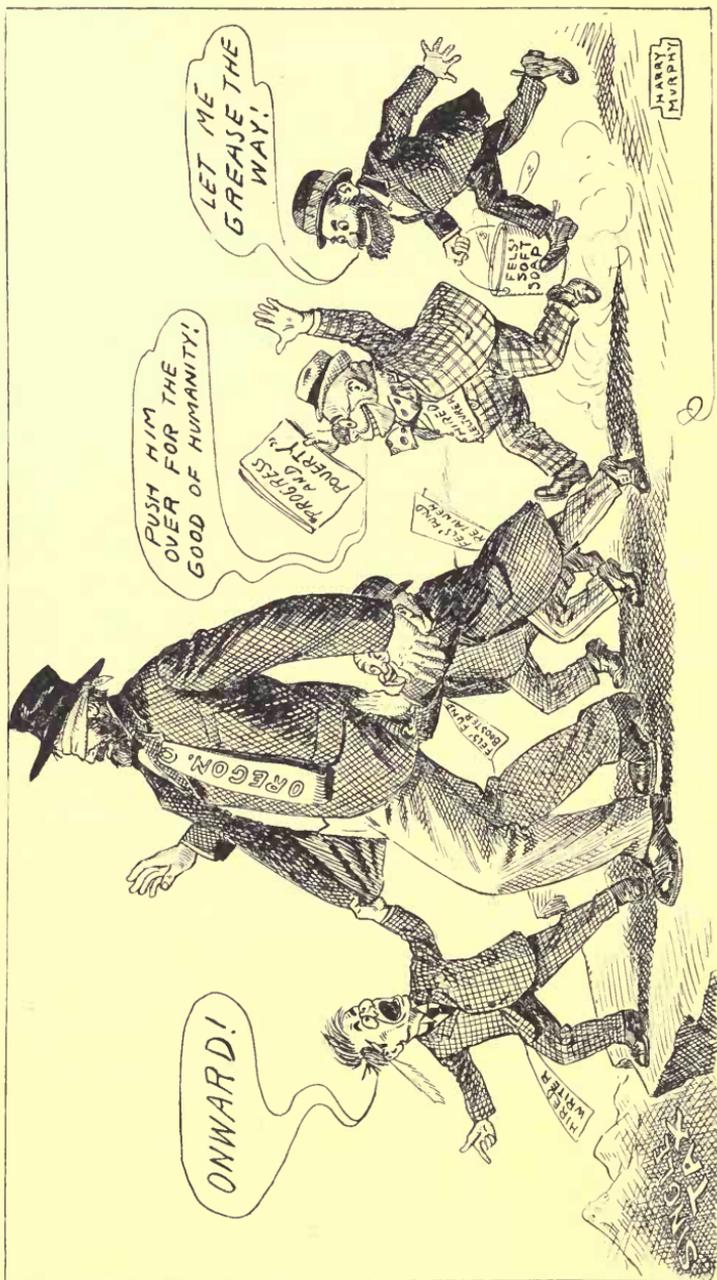
SINGLE TAX EXPOSED  
THIRD EDITION

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**M**AN is a social as well as a land animal. Land therefore is no greater factor for the good of man than the combined elements which constitute the social structure in which he has his being. ❁ ❁

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# SINGLE TAX EXPOSED

## CHAPTER I.

### PROGRESS AND POVERTY BY HENRY GEORGE OBJECTS OF THE AUTHOR

About forty years ago Henry George, then a news correspondent, conceived the idea that the unequal distribution of wealth could be traced to no other cause than that of private ownership of land. Being of a benevolent nature and having a burning desire to extirpate **pauperism and poverty**, which indeed is a noble spirit, he began his study and writings on economic and social conditions, reasoning always that the source of all the ills so apparent in society was that of **private ownership of land**. He wrote many books dealing with this subject which received more or less attention from the reading public, and especially from the laboring class of people. The climax of his efforts along this line of thought was reached when he wrote "Progress and Poverty." Perhaps no other book on social or political economy received so much attention throughout the world as "Progress and Poverty." In this book was culminated his system known as Single Tax, meaning that all other forms of taxes direct or indirect, shall be **abolished save that of a tax on land**. By this system of **Single or Land Tax**, he reasoned, and we will concede that he reasoned well, that the burden of taxes when resting entirely upon land, would be too great for individuals to own the land and that it would eventually **revert to the Government or society** from which it had been **wrongfully taken**; that under such conditions, i. e. the **Government owning the land**, and the people the **tenants**, the present ills of society would disappear, inasmuch as the cause had been destroyed. He further rea-

Extirpation of pauperism his object

Cause of pauperism private ownership of land

Burden of taxes too great for land

Land reverts to Government

soned that poverty and wealth would blend, even want, misery and crime would be no more.

Read by all classes

The book in a few years after its publication caused a great stir throughout both the new and old worlds. There was a great demand for it. People in all walks of life read with much interest this most **novel and peculiar scheme for relieving society of the many irregularities that then existed.** Mr. George even goes so far as to figure that the **abolition of the private ownership of land** will regulate the **physical ills of the human race**, that it would make all men and women equally mental, and that it would even be a bar to improvidence. In other words, **the abolition of private property in land would bring about a Millennium.**

Idea novel

His system to regulate mental inequalities

Condemned by economists

Men of science and political economists, however, did not regard the reasoning of Mr. George as sound or honest. As the latter is one of the cornerstones on which good government must rest, the book therefore did not receive the support of the reasoning and logical thinking people of any country. It did, however, appeal very strongly to the emotional and sympathetic side of life, and on this account found many ardent supporters who appreciated the work for the object and purposes at which it aimed. One thing was certain in Mr. George, the poor man, the laboring man, had at least found a friend; one who was trying to relieve their condition; whether his method was good and his logic sound was not a serious question for their consideration; it was the intent of the man. As before stated, the object of Mr. George was the extermination of pauperism. Logic and reason here gave way to emotion.

Appealed to emotion

Reasoning unsound

**I want to warn my readers that this is a failing too often indulged in—one which often leads to confusion and disorder. Reason is the highest attainment of organic evolution and should always be on the throne. Emotions are dangerous and should always be held in subjection to that of reason.**

The following of Mr. George and his peculiar doctrine grew until about 1886 when the fever began to subside.

In this year Mr. George ran for mayor of the City of New York and was defeated presumably on account of his Single Tax theories.

Defeat of Henry George

For many years after his defeat for mayor of New York but little was heard of the Single Tax doctrine. It had been so universally condemned as unsound, unjust and so revolutionary in its character, that only a few fanatics held to the doctrine.

Single Tax fever subsides

Some five or six years ago one **Joseph Fels**, a multi-millionaire soap manufacturer of Philadelphia, became infatuated with the **Henry George doctrine of Single Tax**. In fact, Mr. Fels holds it as a religion, and became so wrapped up in this peculiar system of taxation that he decided to spend a few of his accumulated millions in promoting this system (and at the same time advertising his soap). He therefore organized a commission known as the **Joseph Fels Fund Commission of America**. This Commission was to handle his contributions (which were to duplicate the contributions of others) and to direct a campaign in such states as in the judgment of the Commission would be most likely to experiment with **Single Tax ideas**, and where the statutes and constitutions could most easily be changed to suit the situation.

Fels infatuated

Fels spends his millions

To change Statutes for Single Tax

### BEST OF MEN HIRED.

This Commission employed the most able men that money could secure, men versed in the art of politics, men who as the Commission say, "were on to their job," men who could be trusted to cunningly devise and work out plans for Single Tax which could be disguised and which would cause the least resistance in the community or state in which such work was undertaken.

### OREGON SELECTED AS THE VICTIM.

For reasons which have not yet been made known, Oregon was selected as the victim on which **Joseph Fels**, through his Commission, was to try out the fallacies of the **Single Tax theory**,—the **Henry George scheme** of so-called **tax reform** which the author claimed when once in

To regulate ills of  
society

operation, would do away with **poverty and pauperism**, at the same time making it impossible for millionaires to exist. In other words, that the abolition of private property in land would blend poverty and immense riches, thereby lifting the pauper and lowering the millionaire, until the two would meet on a common plane; that under such a system all men and women would enjoy equal possession of worldly goods; that crime, **want and misery would forever disappear**. This indeed would be a happy condition. It must be apparent to the reader that such a condition could exist in a dream only.

Blend millionaire  
and pauper

It would indeed be a credit to the State of Oregon or any state in the Union to be the first to adopt such a righteous system of taxation as Henry George and his followers would have us **believe Single Tax is**. We will discuss, however, in the Chapters following the merits of this Single Tax theory—for a theory it is—as compared with the present system of taxation.

Single Tax a theory  
only

### OREGON FOR SINGLE TAX IN 1912. HOW IT WAS DONE.

Some smooth work

I wish first, however, before entering upon the economic question of Single Tax to call the attention of the reader to some of the details in connection with the last state election in Oregon, at which time there were submitted to the voters three constitutional amendments, two of which were defeated, the third being adopted, that of **County Home Rule on Taxation**, and where the work of these hired emissaries of the **Joseph Fels Fund Commission entered so clearly and cunningly into the campaign**.

Defeat of two  
amendments

At the last State election in Oregon held on the 8th of November, 1910, the people voted down a proposal to change the constitution, which amendment would have omitted from that instrument the words "And all taxation shall be equal and uniform." The vote was 37,619 for and 40,172 against the change. From the beginning of the Republic the provision **that taxes shall be equal and uniform has been deemed a fundamental principle of our written constitution**. It is not surprising therefore that

the voters declined to relinquish what has so long been and deemed one of the mainstays of our Government.

Rule of uniformity

At the same election another amendment of similar purport was voted upon and likewise defeated. This also was a proposal to change the **uniform rule of taxation**. The vote was 31,629 for, and 41,692 against.

Both of these proposed constitutional changes were **fairly and honestly submitted** to the **intelligent judgment** of the voters by printing upon the ballot the titles of the proposed acts in such a manner as to clearly indicate that the proposed alterations were directed against the rule of uniformity and equality in taxation.

Honestly submitted

### ABOLISHING THE POLL TAX.

But at the same election the people were called upon to vote upon a third constitutional change which also had the effect of **abolishing the rule of equality and uniformity in taxation**. The title of the act on the official ballot was "For a constitutional amendment providing for the people of each county to regulate taxation and exemptions within the county **regardless of constitutional restrictions** of state statutes and **abolishing poll or head tax.**"

No poll tax to abolish

This measure was carried by a vote of 44,171 for, and 42,127 against.

Now the curious fact is that the state poll or head tax in Oregon had already been abolished. I understand that in Clackamas County there was still in some form a road poll tax. The title of the act as printed on the ballot, especially that portion of it relating to the **abolishment of poll tax, gained votes** for the measure among those who opposed such a tax on principle but who did not know that there was no **poll or head tax to abolish**.

Objects disguised

Moreover, the title did not in words propose to strike out from the constitution the words "equal or uniform" as applied to taxation. If it had, it must be presumed that the amendment would have **met the fate at the hands of an intelligent and discriminating electorate, that attended the other two**. The amendment was adopted without a single argument having been printed against

Title misleading

it. It was proposed by the Oregon State Federation of Labor and by the Central Labor Council of Portland and vicinity, who jointly signed a combination argument covering and advocating the adoption of this measure and two others. Their argument was published in the State pamphlet issued to voters by the Secretary of State. No one seems to have been sufficiently interested against this radical change in the law to pay for a counter argument, for none appeared in the State publication. The argument that was printed in the State pamphlet in favor of the measure was largely devoted to an attack upon the **poll tax**. They claimed the County Home Rule provision in the amendment was very valuable, that every county would be obliged to pay its fair share of the state taxes, but that the people of the county may decide for themselves how they will raise the money and that it would make no difference whatever to the people of other counties; **different methods** and **systems** of taxation and exemption they reasoned could thus be tried on a small scale just as other inventions and experiments are first tried out on a small scale. With the people of every county studying and **experimenting** on this question of just laws for taxation and exemptions, it is certain that in a very few years Oregon will develop a fair system of taxation that will bear equally and justly on every citizen. It should be obvious to the reader that an ordinary voter at least would not detect in this **proposed amendment** or in the arguments for it, as appeared in the state campaign book, **anything** that would **suggest Single Tax**. However this was the real object and purpose of the measure, as will be clearly proven a little further on.

In another pamphlet published at the expense of the **Joseph Fels Fund** by Messrs. Cridge, Eggleston and U'Ren, and circulated before the election, a strong argument in favor of all three of these amendments was made.

It was under these **circumstances** that this **amendment** to the **constitution** of **Oregon** was adopted that is

now **relied upon** by the advocates of the **Single Tax** system.

### CONCEALING THE SINGLE TAX IDEA.

It will be apparent that the ballot did not use the words "Single Tax." Nothing in the body of the amendment refers to Single Tax, and this is true of the other two amendments that were voted down, yet the adoption of any one of the three would have brought the same result, for all three were shrewdly designed to let in Single Tax, and it made little difference to the Single Tax advocate if two of the amendments were voted down, if the third were carried. The measure adopted reads as follows:

One of the three  
would do

"Section 1a. No poll or head tax shall be levied or collected in Oregon. No bill regulating taxation or exemption throughout the state shall become a law until approved by the people of the state at a regular general election. None of the restrictions of the constitution shall apply to measures approved by the people declaring what shall be subject to taxation or exemption and how it shall be taxed or exempted, whether proposed by the legislative assembly or by initiative petition, but the people of the several counties are hereby empowered and authorized to regulate taxation and exemptions within their several counties, subject to any general law which may be hereinafter enacted."

The bill

Under the amendment none of the restrictions of the constitution shall apply to tax measures approved by the people, and counties are empowered to regulate taxation and exemptions. The provisions requiring equality and uniformity have therefore no force though still in the constitution, and each county is to be at liberty to make a tax law to suit itself and to change it at every election.

Rule of uniformity  
destroyed

Now I venture to say that the people of **Oregon** are **not in favor of Single Tax**, and they were not in favor of **adopting an amendment** that would allow inequality in **taxation**, thereby making their **investments uncertain**

Not the will of  
the people

and unstable by the **menace of frequent and experimental local changes** in the **tax system**, and I feel justified in saying that the 2,000 majority for this measure would have utterly disappeared if there had been any appreciation of what the amendment stood for.

The total vote on the measure, pro and con, amounted to 86,298. The highest total vote at the election was 120,248. Thus it will be seen that some 40,000 voters did not express themselves upon this important question. Certainly had the people of Oregon **known that they were voting upon a question that stood for Single Tax**, that stood for a system which had for its ultimate end the confiscation of private property in land, a greater percentage of voters would have expressed themselves on this important subject.

Single Taxers re-  
joice

Doubtless there was great rejoicing among the Single Tax advocates, for the way seemed open for the next step, that of imposing the burden of tax upon land. Renewed activity among them was at once manifest. **Supplied with ample resources through the Joseph Fels Fund**, a vigorous campaign to capture Oregon for **Single Tax** was at once opened. The **United States** was flooded with circulars calling for money on the ground that Joseph Fels had agreed to duplicate all contributions made by others for the purpose of securing the adoption of Single Tax somewhere in the United States within five years.

Renewed activity

Appeal for help

### VICTORY FOR SINGLE TAX.

These circulars are vibrant with the triumph of the Oregon victory achieved, and they forecast the consummation of the plans two years **before the time limit set**, but let us quote from the circulars:

Report of Fels  
Commission

"The Fels Fund Commission began its work in 1909. Two of the five years have now passed which were allowed to it to secure the Single Tax. Reports of progress have been sent from time to time to all supposed to be interested. We

give herein a statement of the same kind brought up to date.

“Oregon has secured county option in taxation. This is the furthest step in advance that any state in the Union has yet succeeded in taking. It was obtained after a hard-fought campaign which required a very large share of the resources at the command of the Commission. Now the Single Taxers of Oregon are preparing to take advantage of the power thus gained by submitting the question of adopting the Single Tax to the voters of every county. They will furthermore submit an amendment to the State Constitution providing for state-wide application of the principle.

“These questions will be decided at the election to be held in November, 1912. Oregon is getting close to the goal, and if the workers receive proper assistance and encouragement, will surely get there two years before the time limit set for the Commission’s work has expired.”

These circulars say:

“The commission has spent and is spending considerable sums in Oregon in preparation for and in prosecution of the Single Tax battle of 1912. The same activity on a lower financial scale is taking place in Missouri.”

They very emphatically say that the fight is on, and that the November election will decide whether all public revenues shall be raised from land values exclusively.

So here is the plain issue. It cannot be palliated or denied. **This time the voters must know the effect of their yea and nay.** The generals to an aggressive organization (the Fels Fund Commission) have **selected Oregon** as a battlefield, and the 5th of November as the fatal day. Enthusiastic in their cause, they are supported by the vast sums of money which will be used to supply the state with literature full of **specious argument** appealing to **prejudice, jealousy and envy**, stirring up the **spirit of unrest and dissatisfaction, inflaming passions, and appealing to the selfish.**

Fight is on for  
1912

Oregon the battle-  
field

### HOW W. S. U'REN DISGUISED SINGLE TAX.

To further prove that this campaign was carried on under cover and that the true and real purpose of the promoters was at all times hidden and disguised as much as possible from the voters and taxpayers of Oregon, I want to quote the words of Mr. U'Ren before the Commission at the Single Tax Conference held in New York, November 19 and 20, 1910, or at least this language from Mr. U'Ren appears in the report of the Commission dated November 19 and 20, 1910. He says:

U'Ren speaks

“We have cleared the way for a straight Single Tax fight in Oregon. All the work we have done for direct legislation has been done with the Single Tax in view. But we have not talked Single Tax because that was not the question before the house. Now that question is before the house in Oregon and we will discuss it in that state. Since we first began our work with Single Tax as the goal in view we have confined ourselves to the questions to be voted on at the next election. To do otherwise is to confuse the voters.”

Mr. U'Ren might have said: “To do otherwise would have exposed the true purpose of the proposed amendments and that they would have been overwhelmingly defeated,” as the people would have fully understood what they were doing, which was not the case at the last election. Many paragraphs from speeches that were made by different adherents of the single tax at this convention could be cited which would give further evidence of the design to put Oregon on the Single Tax basis by not allowing people to know that they were preparing the way for straight Single Tax in 1912. Under the direction of Mr. U'Ren, according to the Commissioner's Report of 1910, there was expended in the State of Oregon for the year ending 1910, \$16,775. Enough has been said to put at rest any question in the mind of the reader, that Oregon has been the victim of the designing men hired by the Joseph Fels Fund Commission to shape conditions in the State of Oregon for straight Single Tax, before the end of 1912. It has been one of the smoothest pieces of political work in the United States of which we have a record.

Would have been  
defeated

Way cleared

## CHAPTER II.

### **SINGLE TAX AND HOW IT WILL OPERATE. A TRUE AND REAL ANALYSIS OF WHAT IT MEANS.**

---

IT MEANS—

The confiscation of **private property in land.**

IT MEANS—

Taking, by **process of taxation**, all the **rental value of land.**

IT MEANS—

The **annihilation** of the **selling value of land.**

IT MEANS—

The **destruction** of the **foundation** on which a very **large proportion** of our **business rests.**

It is a **great step** towards the **end** of our **present social and fiscal system.**

That you may not be deceived of its true meaning, we quote below extracts from "Progress and Poverty" by Henry George, from which the Single Tax movement and all of the Single Tax advocates draw their inspiration.

Speaking of private ownership of land, on page 356. Henry George says:

"The truth is and from this truth there can be no escape, that there is and can be no **JUST TITLE** to an exclusive possession of the soil, and that private property in land is a bold, bare enormous wrong, like that of chattel slavery."

Again, he says, on page 363:

"If the land belongs to the people, why continue to permit **LAND OWNERS** to take the **RENT**, or **COMPENSATE** them in **ANY MANNER** for the loss of rent?"

The section above referred to is directed **against every land owner**. It is directed against YOU. It makes no difference whether you have 25 feet frontage on Stark street in Portland, or whether you have 160 acres in the Willamette Valley, or whether you own unlimited acres of timber land in Coos County. There is no **discrimination between land owners**. The intention is that **all land-owners** must be treated alike and that their **lands must revert back to society** by the process of the **Single Tax System**.

All land to revert  
to the state

Again on Page 395, Title to Chapter 1:

“**Private Property in Land** is **INCONSISTENT** with the **Best Use of LAND.**”

Again, on Page 401, Chapter 2.

“**How equal rights to the land may be asserted and secured.**”

On Page 434, in speaking of the decline or fall in land values, he says:

Land values to fall

“**The selling price of land would fall; land speculation would receive its death blow.**”

**That means you, home owners, you widows, who perhaps have struggled hard to make payments on your lots or your homestead, and have now just about completed them so that you feel that you have a real value in your home, or your farm; under the operation of Single Tax this is swept away, given back to society by the process of this innocent cure-all tax reform Single Tax.**

Again, on Page 446, in speaking of land values, he confirms positively that land values will be diminished—theoretically, that they will **disappear**. He says:

“**The selling value of his lot will diminish—theoretically it will entirely disappear. But its usefulness to him will not disappear. It will serve his purpose as well as ever. While, as the value of all other lots will diminish or disappear in the same ratio he retains the same security of always having a lot that he had be-**

Price of city lots  
to fall

fore. . . . His only loss will be if he wants to sell his lot without getting another."

Do you home owners want such a condition as above named, i. e., that the selling value of your lots will entirely disappear, as it certainly will under this **Single Tax System**? You may want to move to some other city, or to some other part of the city or to convert your lot into a homestead or to convert your homestead or perhaps your farm into city lots. Henry George says the selling value of your land will have disappeared under **Single Tax**.

Home - owners do  
you want it?

Mr. George certainly is right and his reasoning is good when he says that under full application of Single Tax the selling value of your land will disappear. It is very apparent that when the rental value of land is all taken by the state, which is the meaning of **Single Tax**, that there could be no value to the owner or individual whose money is only invested in articles and things which bear a return for the money so invested; hence, it is perfectly natural that when all the burden of taxes is placed upon land, its selling value will gradually decline until there is no value left in it because of the returns going to the state instead of to the individual.

Investments made  
for profit

Again, on Page 326, in speaking of conditions, he says:

"We have examined all the remedies, short of the abolition of private property in land, which are currently relied on or proposed for the relief of poverty and the better distribution of wealth, and have found them all **INEFFICACIOUS** and **IMPRACTICABLE**. There is but **ONE** way to remove an evil—and that is, to remove its cause. . . . This, then, is the remedy for the unjust and unequal distribution of wealth apparent in modern civilization, and for all the evils which flow from it."

"**WE MUST MAKE LAND COMMON PROPERTY.**"

On Page 360 he shows, without any question, how far the single tax movement would go to take from individuals their land without compensation.

To what extent he  
would go

“By the time the people of any such country as England or the United States are sufficiently aroused to the injustice and disadvantages of individual ownership of land to induce them to attempt its nationalization, they will be sufficiently aroused to nationalize it in a much more direct and easy way than by purchase. They will not trouble themselves about compensating the proprietors of land. . . . Nor is it right that there should be any concern about the proprietors of land.”

A bold statement

I want to call the attention of the reader to the last portion of the above quotation, “nor is it right that there should be any concern about the proprietors of land.” This is certainly a very bold statement to be made by a man, a political economist, who pretends to have the best interests of the people and nation at heart. I do not question his intentions, however. I simply call your attention to the fact that he reasons from false premises; that he ignores the fundamental principle of government; that he disregards the moral obligation that the people have with the government and the government with the people. He seems to have not yet discovered that morality, justice, stability in laws and institutions are absolutely necessary, in fact, are the cornerstones on which good government must rest. It is often said by the single taxers that this is a moral question. I heartily agree with them in this respect. Certainly it is a moral question, and we consider it very immoral indeed to take from an individual property of any kind whatsoever without giving compensation therefor. We shall consider at some length the right of the government to confiscate land values without compensation, in chapters following.

A moral question

On page 401, Mr. George further gives vent to his feelings as regards **private ownership of land**. He says:

“We have weighed every objection and seen that neither on the ground of equity or expediency is there anything to deter from making land common property by confiscating rent.

“But a question of method remains. How shall we do it? We should satisfy the law of justice.

We should meet all economic requirements by at one stroke abolishing all private titles, declaring all land public property and letting it out to the highest bidders in lots to suit, under such conditions as would sacredly guard the private right to improvements."

Again, on Page 404, in speaking of the appropriation of rent by taxation, he says:

"In this way the state may become the universal landlord without calling herself so, and without assuming a single new function. In form, the ownership of land would remain just as now. No owner of land need be dispossessed, and no restriction need be placed upon the amount of land any one could hold. For, rent being taken by the state in taxes, land, no matter in whose name it stood, or in what parcels it was held, would be really common property, and every member of the community would participate in the advantages of its ownership.

"Now, inasmuch as the taxation of rent or land values, must necessarily be increased just as we abolish other taxes, we may put the proposition into practical form by proposing

How it could be done?

**"TO ABOLISH ALL TAXATION SAVE THAT UPON LAND VALUES."**

The above quotation certainly conveys to the reader the exact meaning of **Single Tax**. It certainly makes clear the fact that this so-called tax reform, or **Single Tax**, is not a tax reform. In fact, it is not a system of taxation. **It is a method by which land values are to be confiscated.** It is a method of **deliberately robbing the rightful owners of the land value.** It is a system of **repudiation.** It is **dishonest and destructive.** It means **contraction** instead of **expansion.** It is **visionary in the extreme.** It **contemplates** the placing of a **tax on values of land** which have been created under the present system, but which will be destroyed under its own operation. Therefore, the reasoning is **extremely unsound and illogical.** It would destroy all **incentive for public improvements** which

A method of robbing land owners

has been one of the **great elements** in the **upbuilding** of our **country**.

Land values  
crushed

As a further evidence that the operation of Single Tax will **destroy all land values** and that all owners of land at the present time will **lose their land** under the application of **Single Tax**, I offer you the words of Henry George. On Page 404, in speaking further on this land question, he says:

Where rent ex-  
ceeds revenue,  
take it all

“In every civilized country, even the newest, the value of the land taken as a whole is sufficient to bear the entire expenses of government. In the better developed countries it is much more than sufficient. Hence it will not be enough merely to place all taxes upon the value of land. It will be necessary, where rent exceeds the present governmental revenues, commensurately to increase the amount demanded in taxation, and to continue this increase as society progresses and rent advances. But this is so natural and easy a matter, that it may be considered as involved, or at least understood, in the proposition to put all taxes on the value of land. That is the first step, upon which the practical struggle must be made. **When the hare is once caught and killed, cooking him will follow as a matter of course.** When the common right to land is so far appreciated that all taxes are abolished save those which fall upon rent, there is no danger of much more than is necessary to induce them to collect the public revenues being left to individual land holders.”

No escape from  
state ownership

Thus, you see, there is no escape. The land must, under the application of Single Tax, revert to the Government. **During the years necessary** to make this **process complete**, **land values will decline** and with the decline of land values, **business will be demoralized**, industry crippled, and an era of hard times and **financial depression** will be the inevitable result.

**A reversion to the old system** of course will follow, but in the **meantime** the **harm has been done**, and **those who will be able** to withstand the **crash**, who, **of course**,

would be the **rich**, would come out **greatly benefitted**. The **poor** would be **poorer** and the **rich richer**.

I now want to call your attention to the final consummation, to the milk in the cocoanut of Single Tax. In this quotation is centered the very essence and process of this destructive so-called system of taxation or Single Tax. In speaking of the method, he says:

“I do not propose either to purchase or to confiscate private property in land. The first would be unjust; the second, needless. Let the individuals who now hold it still retain, if they want to, possession of what they are pleased to call **THEIR** land. Let them continue to call it **THEIR** land. Let them buy and sell, and bequeath and devise it. We may safely leave them the shell, if we take the kernel. **IT IS NOT NECESSARY TO CONFISCATE LAND; IT IS ONLY NECESSARY TO CONFISCATE RENT.**”

The milk in the  
cocoanut

I think enough has been quoted from “**Progress and Poverty**,” which as before stated, is the book from which all single tax **advocates draw their inspiration**. In fact, it is the fountainhead of the Single Tax scheme. All other books written on Single Tax take Henry George as their guide.

I have offered the quotations from “Progress and Poverty” to set at rest any doubt as to the ultimate end of the Single Tax system. The logical analysis of its operation, however, would bring you to the same conclusion, namely, the reversion of private property in land to the state, or, in other words, that the state would be the landlord and the present owners the tenants.

Logical analysis

It would require too much space to enter into a complete analysis of the system.

Inasmuch as “Progress and Poverty” was written some thirty-three years ago and that during this lapse of time there might possibly have been some change in the sentiment among the Single Taxers, I want to call your attention to the language of Henry George, Jr., who delivered an address in Vancouver, B. C., some time in

The same today

January, 1911. In speaking of conditions in Vancouver, he says:

“What was required in the case of Vancouver was that the full market value of the land should be made, that as taxation now existed it applied to 75 per cent of the true value. **This assessment should be increased, practically to 100 per cent. Then that 100 per cent should be taxed so as to absorb into the public coffer practically the whole of the annual potential rent. This is taking the kernel of the nut.**

“If that were done, not only would all the present needs for revenue be supplied, but a great surplus revenue would be furnished. In addition to this revenue result, **land speculation would be destroyed**, for no man would hold valuable land vacant for a rise in the value if that value was to be **taxed** out of his land into the public treasury.”

Hence, you see that the old Henry George theory of Single Tax, as written in “Progress and Poverty,” has not been changed one iota. The advocates of Single Tax are just as keen today to tax land values out of the possession of the individuals as was Henry George at the time he wrote his book, “Progress and Poverty,” thirty-three years ago.

It is a most peculiar reasoning that the Single Taxers indulge in. If you will notice, Henry George, Jr., speaks of the vast sum of money that would be taken from the present land holders of Vancouver, B. C., by land value tax, that is when the full rental value of the land is taken. In the next breath he says land speculation, under the single tax system, would receive its death blow and land values would therefore decline until the state took all of the value out of it by process of Single Tax. In one minute he would tax the present land values, thereby receiving a handsome revenue, and in the next minute he would destroy the present land values on which he was going to receive these handsome revenues. Now as to just what he really could do and would do, and how he would raise the revenue is a mystery yet unsolved. or at least to be explained.

Henry George, Jr.,  
speaks

Time makes no  
change

Peculiar reasoning

## SINGLE TAX FIGURES A DECEPTION.

Single Tax advocates fail to recognize that the conditions under which land values have been created and on which they base their reasoning and figures would not exist under the application of their system. Therefore, the figures they present in many cases, in fact, all cases, are misleading.

Figures a deception

As an illustration, they would take the value of a city lot and the value of the house upon the lot. If the value of the lot exceeded the value of the house under the application of Single Tax, the taxes would be higher; if the value of the house exceeded the value of the lot, the taxes would be less. In this way they reason that taxes in cities, especially in the outlying districts, would be less for the owners to pay under Single Tax than under the present general tax system. They do not take into consideration that the many vacant lots, which, as a rule, are three vacant to one improved, which under the present system are revenue-payers, would, under Single Tax, be the first to revert to the state. The **product** of the **city lot** is the **rental of the house upon it**, and when there are **houses enough to supply the demand**, the **further building of houses** would be a **loss** because there would be no renters. Even though rents came down, that **would not multiply** the number of tenants. Therefore, these vacant lots could not stand the burden of taxation, and as revenue-payers they would disappear. The burden of taxation would then fall more heavily upon those who occupy the land. This the Single Taxers fail to recognize, or if they do, they fail to mention it in their literature or in their public speeches. It is very apparent why they do not mention it, conceding they recognize it, because it would destroy the force of their argument.

Values—How affected?

Vacant lots of no value for revenue

## SELLING VALUE GONE.

Furthermore, when the lot adjoining yours has been confiscated through the process of Single Tax, the selling value thereby having been destroyed, your lot, even

though you are living upon it, is worth no more than the lot adjoining yours.

Suppose your house should burn down; your **lot becomes a vacant lot**. This is true of every lot in the city on which there is a house. The small consideration that may be pointed out in figures as a saving under the Single Tax system, even though final confiscation would not be the result, **the reduction in the value of your lot would far exceed the small sum you would save in the taxes** as figured in Dr. Eggleston's Campaign Book of 1910, and other figures that the Single Taxers present to the tax payers of Oregon.

Figures of U'Ren  
misleading

What is true of a city lot is true of a farm, of the five-acre tract that the gardner operates.

Single Taxers says: "We will make you improve your lot or sell it." Suppose you do sell it, the lot still remains there, and will not be improved unless there is a demand for the improvements. It is worse than folly to advocate the theory that you can continue improving city lots, build houses, office buildings and store buildings, unless there is a demand for them.

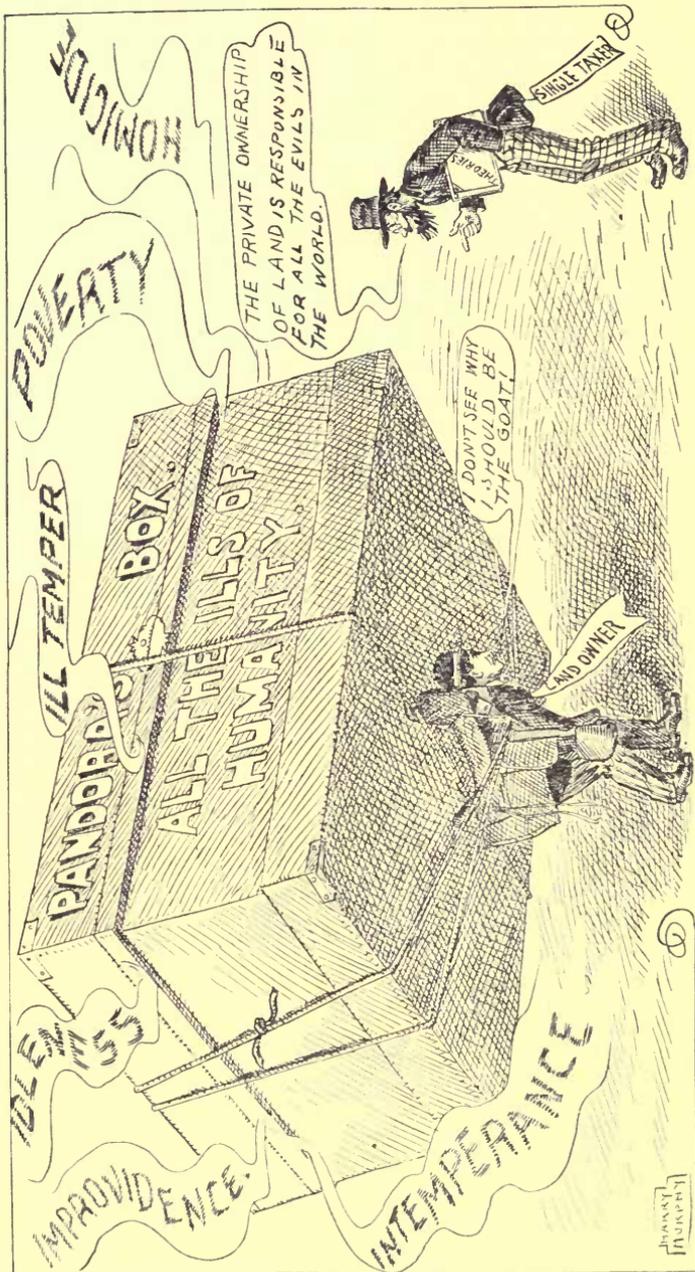
Sell or improve

In other words, a city can grow no faster than the country and commerce from which it draws its support. It would be irrational and illogical to attempt or to think of attempting to improve and bring to a state of perfection the entire resources of the country at once. The law of supply and demand, competition, of compensation and the various other elements that enter into trade and development must regulate the rapidity with which a country or city is developed. **An act of legislation cannot develop a country. Legislation may, however, stimulate development, thrift and industry, by affording encouragement to individual possession, enterprise and all the unearned increment in such industry and enterprise as may accrue to it as society grows and population becomes greater. Such a guaranty is best given by the permanency and stability of the laws under which and by which the people are governed.** It is the stability and permanence of laws that inspire confidence, and the very mo-

Law of develop-  
ment

ment that a community or state shows a disposition to continually experiment and change their laws, especially such laws as would materially affect the fiscal system, **confidence, thrift and enterprise will surely give way to fear, indifference and financial disorder.** It is therefore necessary that people be **extremely conservative in introducing and passing acts of legislation.** It must be remembered that our **present system is the outgrowth of hundreds of years of experience,** and that while many changes have been made in our laws, one principle has **always been maintained,** that is that no **individual shall be deprived of his holdings without due process of law and compensation therefor.**

Stability of our  
laws an inspira-  
tion



THE SINGLE TAX WOULD SADDLE IT ALL ON THE LAND OWNER

### CHAPTER III.

## CONFISCATION OF PRIVATE PROPERTY IN LAND BY THE PROCESS OF SINGLE TAX.

I hold that such a process is immoral, unjust and decidedly unethical. It is contrary to the judgment of the great thinkers of the age, contrary to the judgment of men who have given their lives to the study of social and economic questions. Single Tax is the dream of a visionary—a man who allowed his emotion and sympathy to suppress logic and reason. So far as the analysis of his system is concerned, it may be said that his deductions from the premises taken are good. The trouble lies in the false premises on which his whole system rests, namely, that “private property in land is a bold, bare, enormous wrong like that of **chattel slavery.**” In order to show you to what extent the Single Taxers would go and be justified, reasoning from their viewpoint, I want to quote you the words of Henry George as found in “Progress and Poverty” on page 362. In speaking of the condition of society and the injustice of private ownership of land, he says:

Confiscation immoral

“For this robbery is not like the robbery of a horse or a sum of money, that ceases with the act. It is a fresh and continuous robbery, that goes on every day and every hour. It is not from the produce of the past that rent is drawn; it is from the produce of the present. It is a toll levied upon labor constantly and continuously. Every blow of the hammer, every stroke of the pick, every thrust of the shuttle, every throb of the steam engine, pay it tribute. It levies upon the earnings of the men who, deep under ground, risk their lives, and of those who over white surges hang to reeling masts; it claims the just reward of the capitalist and the fruits of the in-

All the ills of society due to private ownership of land

Emotion subdues  
reason

ventor's patient effort; it takes little children from play and from school, and compels them to work before their bones are hard or their muscles are firm; it robs the shivering of warmth; the hungry, of food; the sick, of medicine; the anxious, of peace. It debases, and embrates, and embitters. It crowds families of eight and ten into a single squalid room; it herds like swine agricultural gangs of boys and girls; it fills the gin palaces and groggery with those who have no comfort in their homes; it makes lads who might be useful men candidates for prisons and penitentiaries; it fills brothels with girls who might have known the pure joy of motherhood; it sends greed and all evil passions prowling through society as a hard winter drives the wolves to the abodes of men; it darkens faith in the human soul, and across the reflection of a just and merciful Creator draws the veil of a hard, and blind, and cruel fate!"

Private property  
in land to perish

From the above quotation it must be apparent to the reader that Henry George was an extremist and that he really believed that all of the ills of society, as before mentioned, are traceable and due to private ownership of land. **It must also be apparent that nothing short of the abolishment of private property in land will ever satisfy the demands of the Single Tax advocates.** While I do not think for a moment that any intelligent man or woman or any community of people would ever adopt such a system when they are advised of its true meaning and purpose, yet it is necessary to review the fallacies of such an argument as is offered by Henry George and his followers.

Herbert Spencer, perhaps one of the greatest scientists and political economists of the age, in speaking of the above quotation from Henry George, in the *Edinburgh Review* of 1883, says:

"It cannot fail to surprise sober persons on reading such rant as we have just quoted, that a person of so much intelligence as the reader evidently is, however misguided his views of the economic results of land ownership, should be

able to persuade himself thus summarily to ascribe all of the derangements and diseases, physical and moral of society, to one single cause. Is it possible for any person who casts an observant eye on the sad condition of the indigent classes in our crowded towns, to believe that the greed of the landed proprietors and that alone is the source of all the evils that he sees there. The true causes of that manifold mass of suffering are not easily enumerated. Intemperance with all the painful consequences which it entails, not on the individual only, but on his children and posterity, heads the list. Indolence, improvidence, physical disease, inherited weaknesses of mind, vicious dispositions, and all manner of evil passions are the chief factors of this conglomeration of misery. Mere indigence indeed is to be met with in the country as well as in the city, but by a natural gravitation, the refuse of the community, the great multitude of the feeble and the helpless, those who cannot and those who will not work for their own living, the tramp, the criminal, the profligate and the outcast, flock together and concentrate themselves in large towns. These are the camp followers of the great industrial army whose headquarters are in crowded centers of trade and manufacture; nor is the plague of the squalid pauperism peculiar to the populous centers of the old world.

“According to Mr. George’s own statement, New York is no less burdened than Manchester or Lyons with a degraded and indolent population. How it should be dealt with, how to rescue from the mass those whom it may be possible to reclaim, to succor such as may be helped to extricate themselves, to restrain those who were abandoned to evil habits from preying on their fellows, such are the problems which task to the utmost the wisdom of the statesmen and the philanthropist. Happily we may say that in this age and in our own country the efforts to cope with such difficulties are more energetic and better directed perhaps than at any former period. Yet the attempt to raise the stone of Sisyphus to the summit is still baffled. According to our American philosopher however, all the miseries of society have but one neck which may be severed by

**Herbert Spencer’s  
reasons for ills  
of society**

**Camp followers**

**Is it possible to  
regulate?**

a single blow. The neck is rent, the remedy is confiscation."

It appears to me that Herbert Spencer has pointed out quite clearly that Mr. George is entirely wrong when he reasons that all of the ills of society enumerated in his book are traceable to the private ownership of land. **Certainly no system of taxation or the enactment of land laws of any description can change human nature.** Mr. George fails to recognize the inherent inequalities of the human race. He fails to recognize the great element of chance with which humanity must battle and which is very largely responsible for the unequal distribution of wealth. Such would be the case if all men were equal in intellect, disposition and thrift. Chance would not treat all alike. We must leave the reader to follow this thought to greater extent than we are here able to enter into. The conclusion after a careful analysis of the condition must be that Mr. George allowed his sympathies and emotion to distort his judgment.

Taxation  
change  
nature     c a n ' t  
                  human

Element of chance

Judgment distorted

## CHAPTER IV.

### REPUDIATION OF PRIVATE CONTRACTS.

In the early history of the Republic it became necessary to enact certain laws for the disposition of the public domain. The founders and early law-makers of our country, guided by the wisdom and experience of older and advanced civilized nations, enacted laws that in their judgment would offer the greatest security and the greatest encouragement for settlers to take up the then apparently unlimited public domain. Our early law-makers though not versed in political and social science as we are today, seemed to have been inspired with the fundamental principles of civilized and organized society. **They recognized that the private appropriation of land was the foundation, the bed-rock on which a stable and progressive government must rest. They recognized that a nation of home-owners, be their homes ever so humble, would be a nation far superior to that of a nation whose inhabitants were merely tenants to the government. They recognized that great inducements must be offered to the people of the old world to persuade them to cross the ocean to a far-away and unknown land. They recognized that there must be a great reward in store for people to take such a risk and such a chance. Therefore they offered by the enactment of their land-laws, 160 acres of good agricultural land as a homestead which should ever belong to the homesteader. This indeed was a great reward to the poor and homeless people of all nations, and they accepted the invitation. The conditions under which our public domain has been settled were that any citizen of the United States, native-born or otherwise, could take up 160 acres of our public lands under the conditions that when a certain amount of improvements had been made upon the land and a continual residence of a certain**

Early history of  
land laws

Understood principles of government

Nation of home-owners

Incentive to endure hardships

Land Laws

length of time had been made by the claimant, final proof might be made. The government would then give to the claimant a title in fee simple, **which means that the land and all of the appurtenances thereunto should forever afterwards belong to the one who legally held this title;** that the land might be divided into as many parts as were desirable; that title could be passed to any one of the subdivisions; that there would be no interference from society or the state; that all values attached to this land from any cause whatsoever should become a part of it and belong to the legal owner; that it should always be theirs; that in case for any reason, society needed any portion of the land under this title, for the **public good**, it might be condemned and a just and **equitable compensation** allowed the **holder** of the **land**.

Such a **guarantee** from the **government** had a very stimulating influence for the people to take up public domain. Such an invitation to the people of the old world was readily responded to. We needed the presence of the foreigner; we needed their brawn and muscle; we needed their numbers to assist in **converting** this great **primitive continent** from a **state** of **savagery** and waste into one of **civilization** and **productiveness**. Under the **stimulating influence of the land laws above described**, the work of **transforming a wilderness into fields of waving grain** and pastures on which grazed the lowing herds, where savage life clothed in skins and housed in wigwams, gave way to **rude but happy homes of civilized, honest, law-abiding and patriotic citizens**, was **undertaken**. Step by step, and section by section, this work of transformation was carried on. Again and again people would leave the more developed sections and push on into the wilderness and plains to carve out new settlements, thereby clearing the way for their more effeminate followers, beating back the red Indians, battling with hardships, suffering untold agonies and privations, all for the purpose of getting possession of a homestead—a farm, a parcel of ground of 160 acres which they could call their own, and which, they reasoned, in the course of time

would become possibly very valuable. There seems to be an inherent desire in the individual to **secure a plot of ground that he may call his own**; that he may there **feel secure**; that organized society **will** defend him in the **possession** of this plot of ground; that as population increases this land will **become more valuable**. **These advance guards of civilization** reasoned, and correctly so, that emigration would follow their footsteps and that with the coming of more people there would be the merchant, the blacksmith, the cobbler; then would come manufacturing plants, transportation, and finally, all of the necessary divisions of labor and industry which go to make up a **modern civilization**. The reader may call to mind instances where the original homesteader and the early settlers have waited patiently for years and years for this period to come, for the time to come when they could convert their homestead into a few thousand dollars and **enjoy** some of the **privileges of modern society**. Not coming as soon as expected, and **becoming discouraged**, these homesteaders have **sold their land**, because the **tilling of the soil** was not as **profitable** as other **pursuits**. It was not as profitable as merchandizing or many lines of manufacturing that was going on about them. They took their compensation for the land and embarked in some industry that perhaps proved a failure for the lack of **judgment** or **experience**. Conditions change and the land they sold becomes valuable. They are discouraged, and complain that they have not received their just reward. They have been their own free moral agent and acted to the best of their judgment. Here the element of chance has played its part. One has reaped where another has sown. And so this process goes on from day to day, year to year. Yet while many have made mistakes and others have profited thereby, it has been the **stability** and **permanency** of our laws and **institutions** that has **converted the North American continent** from the **Atlantic** to the **Pacific**, from the **Gulf of Mexico** to the **frozen regions of the North**, into one **vast field of agriculture**. Thrift, enterprise and progress are visible on every hand. Homesteads have

Security in possession an element of progress

Development to Follow

Instances of patience

Tilling of the soil not profitable

Element of chance plays its part

Thrift and industry replace wilderness

been converted into village sites, villages have grown into cities, and land has become very valuable in these cities. Those who were fortunate enough to be the possessors of these lands at the time it became apparent that that particular locality was going to be a center of trade, traffic and commerce, have become very wealthy. **This is a natural consequence, and is the result of the very principle that has stimulated the people of our country to such activity, thrift and enterprise.** There has been permanency to our institutions. Investors have felt secure in their investments, believing, and in fact knowing that our citizens were honest and honorable; that repudiation of contracts would not be tolerated; that what was theirs today would be theirs tomorrow, and would continue to be theirs so long as they so desired; or if they passed title, that it would belong to the one to whom title was passed, whether it was land or any other thing of value; that the **laws under which they were governed were secure**; and that the **rights of the individuals to their possessions would always be recognized.** It has been the stability of our laws and institutions that has caused the development, growth and prosperity of our country to far exceed that of any other nation.

Trade centers valuable

Repudiation not to be tolerated

Great stimulant

### SINGLE TAX WOULD DESTROY.

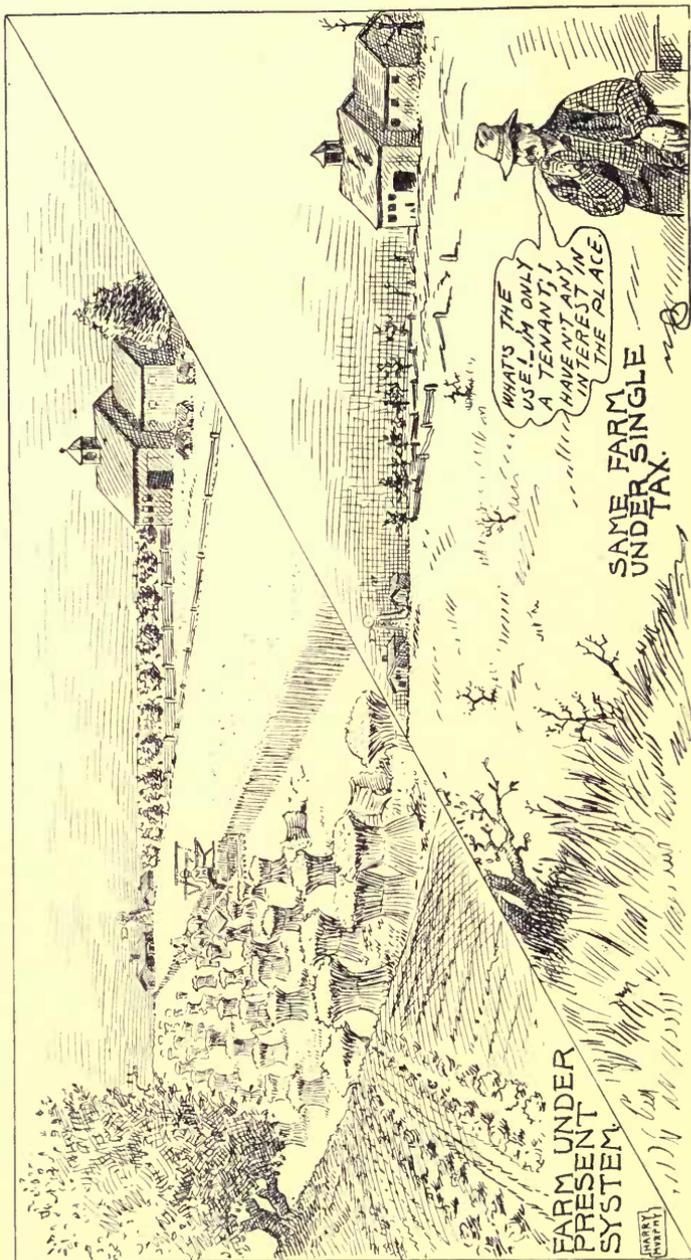
Now comes Henry George and his theory of taxation whereby he would place all of the burden of supporting the government on one class of property—land. By this process, he reasons that it will be necessary, just and honest to take in taxes all of the earning value of the land,—whether it be a farm or a city lot, it makes no difference. By this process he would take from the individuals who now hold the land, all of the selling value represented therein; and in return, give them nothing. This I hold to be repudiation, pure and simple. It can be nothing else. Our Single Tax friends will say “Does not the government now take from individuals lands where it is necessary for the public good?” This we have

Is it honest?

To give nothing in return

already answered. Certainly the government reserves the right to condemn under the laws of public domain, but in such cases the owners receive a fair and equitable compensation for the value represented in the land. It appears to me that any **intelligent individual** can at once see that the adoption of such a system as would take from an individual, land values, or values of any kind **without compensation**, would be **detrimental** to the best **interests of society**; that it would create disturbance; that it would destroy confidence and undermine the whole political and social system on which the business and commerce of our country is constructed.

Can folly be greater?



## CHAPTER V.

### PRIVATE APPROPRIATION OF THE SOIL, THE FIRST MILE-POST ON THE HIGHWAY OF NATIONAL PROGRESS.

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I have attempted to make clear to the reader that the object of Single Tax is that the state should own the entire land of the country on the ground that it is the legitimate property of the whole community, that it ought never to have been alienated to private owners whose rights are usurped and must be brought to an end, either by **compulsory methods or simple confiscation by the Single Tax process.** Mr. George goes so far as to advocate the latter method, on the ground that private property in land is as immoral as slavery, and he extends his anathema not only to agricultural land but to building land in towns, and argues that even a free-hold on which the owner has built a house is as much a robber of the public domain as the largest estate of a Highland laird. He condemns not only the great estates of the aristocracy of the old world, but the small properties of the American homesteader and all of the French peasantry—even the poor widow with her two small lots. In his eyes the possession of any portion of the earth's surface by private owner is theft, and the stolen goods ought to be restored to the public that has been defrauded.

The first step

Holds property in  
land immoral

Even the widow's  
lots

The phrase "nationalization of land" has a fine grandiose sound about it, like other well-known catch-words which take captive, minds that have not analyzed the question or grappled with the real difficulties of the ease. It has a delightful vagueness which covers many shades of meaning and makes it no easy task to analyze or refute it.

Would lull to sleep

We have explained quite thoroughly in the previous

People the tenants

chapters and have quoted from "Progress and Poverty" sufficient evidence to show that it is Mr. George's intention for the state to become the landlord, and that those who occupy the land must therefore be tenants, paying the rental to the state. While he has not in so many words advocated land socialism and land communism, he has advocated it under another title.

In the tribal state

Now the main ground on which Mr. George makes this **startling proposal** is that the land originally belonged to the state or community and that it was **wrongfully granted away to favored individuals**. He compiles a brief history of ancient civilization to prove his point. I will go with him so far as to allow that before the earth was peopled, land was not appropriated and that while population was very sparse, it was not worth the while of individuals to claim special plots of ground. Therefore there were no special plots of ground cultivated. The origin of all communities that we know anything of was the tribal state; when a tribe or a clan, under a chieftain of their choice, roamed over a wide tract of country, supported by their flocks and herds or by the produce of the chase. Agriculture in our sense of the word did not exist in the infancy of the race. Our ancestors lived as savage tribes now do, by hunting and fishing and afterwards by pastoral pursuits. Therefore there was no motive for the private appropriation of land, for the tilling of the soil was not necessary for the maintenance of the inhabitants who were then in a state of savagery. But the point I wish to bring out is, that usually private ownership of land arose when agriculture commenced. It should be apparent to the reader that, thus far in the history of our early institutions, private appropriation of the soil was necessary for the very reason that one would scarcely improve a piece of land which would be necessary under agricultural conditions, and not be protected in such improvements. Even in our primitive state of agriculture private appropriation of the soil was necessary; no one would toil to raise crops which he could not enjoy. Indeed so invariable has been this rule that we may almost

When agriculture began

Ownership of land coincident to agricultural development

Civilization and land ownership

say with certainty that civilization has never made a commencement, or at least has **never advanced beyond a rudimentary stage until private ownership in land**, or at least individual occupancy was recognized by common consent of the tribe or clan, or by the law of the state. The necessary stimulus for cultivating and improving soil was wanting until security was given, that he who labored should enjoy the fruits of his labor.

I want to impress upon the minds of the reader this point, that the necessary stimulus for cultivating and improving the soil was wanting until security was given that he who labored should enjoy the fruits of his labor.

But without going back to the dim and dusty records of antiquity, we have only to take a survey of the condition of the globe today to prove the truth of my assertions. We still have in active existence nearly every form of human society from the most barbarous to the most refined. We still see a large part of the earth tenanted by races as primitive in their habits as our forefathers were when they were clothed in skins of beasts and possessed the soil of the old world in common. Nearly all Africa, considerable portions of North and South America, a large portion of Central Asia, the interior of Australia, New Guinea, and many of the islands of Polynesia are all in that state of primitive simplicity. In these regions the land is not appropriated. It is either the common possession of the tribe, or the battleground of contending tribes. Now Mr. George gravely assumes that all our modern poverty and degradation are the result of **private land ownership**. He would have you believe that all of the ills that now exist in society **would disappear** if we would but revert to the **happy Arcadian** times when land **communism prevailed**. It is but natural for us to ask whether we find an absence of poverty and degradation among those portions of mankind who have preserved the primitive traditions unimpaired, as is in the case of the countries above mentioned.

Let us in our imagination travel through Africa with Stanley or Livingstone. Let us accompany the expedi-

Necessary stimulus

Primitive methods yet found

Uncivilized countries

Where poverty is greatest

Follow Stanley and Livingstone

tions that went to Ashantee or Abyssinia or Zululand in quest of the golden age of plenty. Do we find anywhere even a trace of such social well-being as to be worthy of comparison with the worst of Europe, and most especially of the United States? Do we not find **slavery, polygamy, the most hard oppression and barbarous cruelty, the invariable accompaniment of this primitive state of existence?** Do not famines and pestilences desolate those tribes, while human life is scarcely valued more than that of the brute? The Indians who once roamed over our own country, and who still hold reserves especially in the West and Middle West, were all land communists. There was never private appropriation, nor was there any agriculture worthy of the name. These rude tribes lived by the chase, and a section of country that would now support in plenty a million of our people could scarcely sustain a thousand of these roaming savages. Wherever we find the land unappropriated, whether among Zulus, Indians, or the roving Tartars in Central Asia, we find a savage and degrading condition of mankind, and we find **almost invariably that the first step in civilization is coincident with the private appropriation and careful cultivation of the soil.**

So far from the sweeping generalization of Mr. George being true that human misery and degradation have sprung from private ownership of land, we find from actual survey of the earth at the present time that precisely the opposite is true, that human misery is deepest where the land is not appropriated, and human happiness and civilization most advanced where the land is held by private owners.

I am aware that it will be objected that other than agrarian causes account for the progress of the advanced races. Christianity, science and trade have elevated Europe and America, while Africa remains in primitive darkness. This is self-evident to an ordinary person, but Mr. George ignores all moral causes for social progress, or treats them so lightly as to leave the reader to infer that the possession of the soil is the only vital question

for a nation's welfare; that if this be secured to the state, all other things will right themselves, and social perfection be speedily reached. The retort to Mr. George is obvious. Why have those communities that have acted on this principle (land communism) for thousands of years remained in primitive barbarism, while all advancement has been made by nations that have discarded them? The reason is plain,—because they are not suited for mankind in a civilized state. Whenever progress has attained a certain stage, the land becomes appropriated while at the same time arts and literature rise, cities are built and laws are formed. At that state of **human progress** where **slavery and polygamy prevail**, where private rights are at the mercy of the chief or despot, where agriculture is unknown and population is kept down by incessant wars and famines, we find that the land is unappropriated. Here, no doubt, the advocates of Single Tax would offer some excuse for such a state of affairs other than that of the soil being unappropriated. Perhaps they would say that it is on account of the lack of intelligence of these people; that they are barbarians—are uncivilized. Certainly this is true. The question is: Why are they uncivilized, and why have they not advanced as other once uncivilized nations have advanced? It is because they have not adopted methods which would allow advancement. I want to call the attention of the reader to a quotation from Henry George found in "Progress and Poverty," on pages 479 and 480, in speaking of the savages and civilization, he says:

Remained in primitive state

Slavery and polygamy prevail

Why this state?

“The difference between the savage and civilized man may be explained on the theory that the former is as yet so imperfectly developed that his progress is hardly apparent, but how upon the theory that human progress is the result of general and continuous causes shall we account for the civilizations that have progressed so far and then stopped? It cannot be said of the Hindoo and of the Chinaman as it may be said of the savage, that our superiority is the result of a longer education, that we are, as it were, the

grown men of nature, while they are the children. The Hindoos and the Chinese were civilized when we were savages. They had great cities, highly organized and powerful governments, literatures, philosophies, polished manners, considerable division of labor, large commerce, and elaborate arts; when our ancestors were wandering barbarians, living in huts and skin tents, not a whit further advanced than the American Indians. While we have progressed from this savage state to Nineteenth Century civilization, they have stood still. If progress be the result of fixed laws, inevitable and eternal, which impel men forward, how shall we account for this?"

Result of environ-  
ment

Individuality rec-  
ognized

Cause of social  
progress

Primitive methods  
disappear

Evidently Mr. George believes that progress is the result of fixed laws inevitable and eternal which impel men forward. It is upon this point that I want to be clearly understood. I hold that progress is not the result of fixed and designed laws; that it is the result of environment; it is the result of the physical conditions under which we exist; that where individuality is recognized, where there is an incentive for individuality, for individual progress, where that individual progress is in some manner compensated, where the incentive is greatest for progress; there we find that progress is made. Competition—intellectual competition, is absolutely necessary for the advancement of the human race. It is upon this theory that I hold that civilization has not and cannot advance, as we have advanced, where the inducements necessary for mental competition have not been held out by the system, habits or laws of the country. **Private appropriation of the soil is one among, and perhaps the greatest of all inducements that may be offered by society to the individual members that will promote social advancement.**

Wherever the abuses which we find in a state of savagery, of which land communism is the greatest, are discarded, and the **garments of civilization** are put on, we find that **private ownership** of land **appears**; that the pastoral or nomadic state is exchanged for the agricultural, and dense population takes the place of thinly scattered tribes.

I am aware that some exception may be taken to this large generalization. I cannot go into minute details in such a booklet as this. The case of India will present itself as an exception to some of my readers, regarding which I will only say that the state from time **immemorial has owned the soil of India and leased it to cultivating tenants**. But so far has this system been from **abolishing poverty**, that **India** has always been one of the **poorest countries** in the world. Speaking broadly, I contend that the theory of **human progress which I have sketched comes nearer the mark than that** of Mr. George. I hold that in place of private appropriation of land causing the deterioration of mankind, it usually accompanies their upward progress, and marks the first great advance from barbarism to civilization. Hence the title of this Chapter—"The First Mile-post on the Public Highway of National Progress." If this be true, the main plank of the **communist platform disappears**, and the ground is clear for looking at some other side of the question.

India and poverty

First milepost on highway

### SINGLE TAXER DISLIKES THE TERM "COMMUNIST."

I am aware that my Single Tax friends will object to the use of the term "communist." They dislike very much to have Single Tax called its real name, and attempt to disguise the purpose of Single Tax. The reader certainly has discovered that Single Tax means nothing else but **land socialism**, and we are going to call it by the **right name**.

Disguise its meaning

But it will now be objected, granted that private ownership of land is the law of civilization, that the methods by which it was brought about were unjust; that large grants of land were made by kings to courtiers and favorites; great estates were gained by conquest and confiscation; might took the place of right, and the descendants of those land-robbers today should receive no mercy. That means you. That means every individual who has land, or who has the hope or desire to have land. This

Methods unjust

Ancient times

is an argument we constantly hear. What is the practical worth of it? No student of history will deny that there have been many cruel conquests, many displacements of population, as weaker races were subdued by stronger, and one incident that usually accompanied those conquests was the allotment of the soil to the conquerors. In this way the old Roman Empire was transferred to the chieftains and warriors of the rude tribes that overran it. The feudal system of modern Europe arose out of these conquests, and the land was conveyed by the chiefs to their vassals upon a military tenure. In this way the soil of England changed hands, first upon the Saxon, then upon the Danish, and lastly upon the Norman conquests. The white race is gradually dispossessing the colored race of their land. In South Africa, in New Zealand, in Polynesia, and the citizens of our own land have nearly completed the spoliation of the red Indian who was once the sole possessor of the North American continent.

North American  
Indian

Titles questioned

These processes have usually been cruel and unjust. It would be the work of an archeologist rather than a statesman, to investigate the original titles by which most of the earth's surface passed to our ancestors. None but a dreamer, however, could seriously think that modern titles should be questioned on the ground that some time in the dim and distant past, title was unjustly obtained to some of our possessions. Modern civilization is the web, woven of the warp and woof of conqueror and conquered, and it is well for humanity that time which wears away all things, covers with the mantle of oblivion the rough processes by which they were knit together. **Nations that are wise, seek to bury the hatchet.** It is only worthy of children or visionaries to be ever seeking to keep alive race injuries that are irreparable and hoary with antiquity.

It is well for hu-  
manity

Indeed, those very processes by which the land of most countries have been transferred have been the prelude to a higher civilization.

I dismiss as the dream of Utopia the idea that mod-

ern land tenures can be upset, because ages ago they originated in conquest. In England forty years of undisputed possession is adequate to give a valid title, and surely two or three centuries should be enough to satisfy even a legal purist. Were states to act on the principle that because several hundred years ago a grant was given illegally and that therefore these illegal titles have followed the land down to the present owner, the world would be convulsed with strife. Feuds between nations, races and individuals would be endless. No settlement could ever be regarded as final, and modern civilization would perish as ancient civilization did in the smoke of internecine strife. Mr. George points to the fact that nations appear to advance about so far and then stop and recede; that the barbarians of today will be the advanced nations in several hundred years from now. This statement from Mr. George seems to be borne out by history. The writer is inclined to believe that it is just such acts and the result of such acts as Mr. George would have the civilization of today indulge in, namely, that of land communism, **that bars further progress, and tends to deteriorate social achievement.** In our primitive state we were land communists. In our present state of civilization we have private ownership in land. To revert to the land communist system again would very likely lead us back to the primitive state from whence we came. Certainly it would have such a tendency.

It is an undisputed fact that the first conditions of all national progress are security for life and property. Till these are attained no wealth can be accumulated nor any material prosperity enjoyed by the mass of the people. The wretched condition of the people of Egypt and Turkey today arise from the circumstances that no man feels secure in the possession of his property, and consequently few will take the trouble to produce wealth of which they may any day be robbed. In all countries that enjoy settled government, the first property to claim protection of the laws is that in land (the very thing that the Single Taxer would abolish). All other industries

Civilization would  
perish

Deterioration by  
Single Tax pro-  
cess

Security of life  
and property

Egypt and Turkey

Land to be pro-  
tected

hang upon it and so long as it is liable to violent seizure or disturbance through acts of legislature, there will be no industry and no trade of any moment. I defy any of the Single Tax advocates to point to any country where the title of the soil is violently attacked, where any trade or industry flourishes to any extent. I cannot conceive anything more destructive to the social welfare of any peaceful country than to tear up the foundation of all property by disputing the rights of individuals to the title of the soil. There may have been times in past history when long continued and cruel wrongs have furnished a partial justification for dispossessing a ruling caste of its property and privileges. Such a time was the first French Revolution. The old French nobles had shockingly abused their power for ages. The ancient regime was rotten to the core. The down-trodden people tore the rotten fabric to pieces, and shocked the world with their frightful excesses. The land system of France was remodeled as a consequence of that revolution, and no doubt a healthier system arose from the ashes. But no one save a madman would wish to see a repetition of that carnival of blood. Nothing but the most desperate agony of a nation could justify or even palliate such a convulsion, and it would be absurd to suppose that there is any analogy between the just constitutional government of the United States and the grinding tyranny of the ancient regime in France.

I now pass to consider another argument by which the nationalization of the soil is advocated. The Single Tax advocate says that land differs from all other forms of wealth, because it is limited in quantity, and not the product of human labor. It should, therefore, not be the monopoly of the few; but the property of the many. There are many elements that go to make up the value of the land, and the productiveness of the soil, and the subduing and surmounting of the many difficulties that man has had to contend with is the result of ages of physical energy in its many forms. In ancient times most of this country, as of the continent of Europe, was covered with dense forests, and it has been transformed by untold ex-

French Revolution

Carnival of Blood

Land and labor

penditure of labor into the smiling gardens it now appears.

I can conceive of no equitable reason why this form of wealth should not have the protection of the law like all other forms of wealth. All wealth may be called stored-up labor, and none is more valuable to the community than that which makes two blades of grass grow where one grew before. Under a system of tenantry, the two blades of grass where one grew before, would not exist. It is the interest in the home; it is the interest in your own land, that causes you to work early and late to figure out how you will make this or that little portion of your field more productive; how you will reclaim that low piece of ground that it may be productive. When adversity overtakes the man with the home, or the crop fails for one year—he does not become discouraged and pull up and leave the place, as would a tenant. He hangs on, keeps up his courage, hopes that another year conditions will be better, keeps the farm in a state of cultivation, repairs the fences, and continues his work, because it is his home.

All wealth stored up labor

Interest in the home

Works because it is his home

What was it that induced the hardy emigrant to settle in the wilds of this country, to hew down the primeval forests, and with intense labor and privation to turn the wilderness into a fruitful field? What, but the hope that he or his family after him would own a comfortable homestead? Had no private property in land ever been permitted, could we conceive how the continent of North America would have been settled? How would the Anglo-Saxon race been spread over the globe? What would have drawn the emigrant-ship to the desolate shores of Australia and New Zealand? No magnet would have charmed the hardy pioneer of civilization but the hope of bequeathing a freehold to his posterity. And now after vast regions have been settled on the faith of the solemn sanction of the state, it is coolly proposed by the advocates of Single Tax to rob these people or their descendants of the land on which they have spent their life-blood, on the ground that it should never have been

Desire to own a home

Rob the people of their homsteads

granted to them. Could human folly go further? Can you think of any process that could be adopted by any state or nation that would have a more destructive tendency for the deterioration of society than to make our present land-owners tenants of the state instead of home-owners? The process by which the wilds of America were reclaimed within the past two and a half centuries is the same process by which other countries were settled at a still earlier period. You will always reach a point at which human labor gave its first value to land, and without that labor, it would have been as worthless as portions of the soil of South Africa are today.

I grant that in old and settled countries land rises in value just as the community prospers, but so do most other kinds of property. There is increment in professional, educational, and industrial lines as well as in land. I cannot see in justice why one form of property should be singled out for attack, and especially that property on which all other lines of industry, thrift and progress hang—land. The motive that lead the settler to clear the primeval forests was partly the expectation that population would follow in his track and raise the value of the investment. As stated in a previous chapter, but for that hope, he would hardly have forfeited all the comforts of civilized life. Would it be fair, after he has cleared the pathway through the jungles for the more timid followers, to deny him the legitimate fruit of his enterprise? Surely one of the greatest stimulants to material progress is the knowledge that good orderly government will increase the value of property. It affords the strongest inducements to all the propertied classes in a community to avoid warfare and civil strife. Take away from the owners of property all hope of improving their position, and you abolish one of the greatest safeguards of peaceful progress.

Same process by  
w h i c h other  
countries were  
settled

Land rises in value  
in all settled  
countries

Hope of improving  
condition great-  
est safeguard of  
progress

## CHAPTER VI.

### ALL PROPERTY OF EXCHANGEABLE VALUE SHOULD BE TAXED.

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Under our present system and present land laws, land is property, and I hold that private property in land is consistent with and necessary to man in a state of civilization. Under our present system of exchange which is the product of civilization and the outgrowth of the division of labor, we have several classes of property. Land owned by individuals may be considered first, as it is upon land and land values, home values, that all other industries rest. Cattle and other animals that are bought and sold on account of their usefulness for food or otherwise, may be classed as another kind of property. Stocks, bonds and obligations to pay may be classed as another kind. The products of the soil coupled with labor, form another class. Goods, wares and merchandise, manufactured articles of all kinds, whether manufactured by machinery or by hand constitute another class. Books containing the mental efforts and energy of individuals may be classed as another kind of property. All the property coming under the various classifications are essential to man in a state of society. One is exchangeable for another by and through the process of our system of exchange. If an individual desires a manufactured article of any description, he may sell the product of his labor, or may exchange an article of value that he has for money which is the blood of commerce, and with that money purchase any other article he may desire that is obtainable. The various articles which may be considered the product of man are the result of the requirements of society. Consequently they are in demand. Therefore are exchangeable for other commodities that are in demand, according to the tastes and desires of the

All property of  
exchangeable  
value should be  
taxed

various individuals of society which are extremely numerous. When an article is no more desired by society, the manufacture of it ceases, and in its place a more important article is manufactured. Thus the process of the growth and demand of the hundreds of thousands of various manufactured articles desired, and even necessary, for man in a state of society. If a man owns cattle and is desirous of owning some other kind of property, he may sell his stock for money, and take the money and purchase other kinds of property which he desires. If he has land and wants to convert that land into money and with that money travel abroad, he can do so. Or if he has goods, wares and merchandise of any description that is desired by society, he can convert his goods, wares and merchandise into money, and with that money purchase land, automobiles, jewelry, or airships if he so desires. He will have no difficulty in finding those who have the articles he desires and who are willing and anxious to part with them for a certain stipulated value. If an individual has money, he will have no difficulty whatever in finding others who own land, to part with that land for a certain amount of his money. Hence it should be obvious to the reader that all kinds of property which are desired by society and which can be exchanged, one for another, should be treated alike in the eyes of the law. Any discrimination against one kind of property would have a tendency to injure that particular class. It would be perfectly natural for an individual to desire and hold that class of property that was favored by law. Mr. George reasoned this out. Therefore he schemed to discriminate against land, and by the process of this discrimination force land back into the hands of the government. It is a question for the people to determine whether or not society would be better off under a system of land tenure where the government would be the owner and the occupants the tenants; or whether it would be best for society to continue under the present system, allowing the individuals to have private property in land,—or to put it very plain, own the land for them-

By discrimination  
force lands back  
into hands of  
Government

selves and not for another. As long as we treat land as property, there should be no discrimination against it. There is no justice in placing the burden of taxation upon land. There could be but one reason for it, namely, that of discriminating against it and finally confiscating the present values of it.

No justice in placing burden of taxation on land

Henry George claims that man is a land animal and therefore cannot live without the use of the land, and that the land should belong to all of the people because of man being a land animal; that man can no more live without the use of the land than he can live without air and water. Therefore land should be free as air and water. Of course we agree with Mr. George that man is a land animal, and that he cannot subsist without the products of the soil any more than he could live without free access of air and the use of water. That is no argument against the private ownership of land. Mr. George says that the man who owns the land under our present system virtually owns those who must occupy the land. He fails to recognize that man is a social as well as a land animal, and that social conditions are as necessary for man in a state of society as the use of the land or the air and the water. In order to get this thought more clearly before the reader it will be necessary to go back into the early history, in fact, beyond the period when there was history, to show the progress and growth of society.

No argument against private ownership of land

To illustrate this thought we will concede that land is the hub of the wheel of society. Man must draw his support from the land; that in his undeveloped state—in his tribal state, land was practically the only essential to his well-being; but when the division of labor was first adopted, social progress then commenced. When man evolved to that state of intelligence where he saw that a division of labor was better for his well-being, the fisherman said to the rude boat-builder, "You build the boats and I will fish;" and these two said to a third, "You till the soil while one builds the boat and another fishes;" and to the fourth, "You make the bows and arrows while

Division of labor advisable

the fifth will do the hunting;" and to the sixth, "You make the crude implements necessary to till the soil."

Thus the division of labor was started, and as the wants of the colony grew, the greater became the division of labor. The land was no more important to this crude state of society than the individual who made the boat for the fisherman to use in fishing. It was no more important than the man who made the bows and arrows with which to shoot the game, nor was it of any more importance than the man who made the crude plow with which to till the soil, or the man who made the yoke to put on the ox, or the harness to put on the horse with which to pull the plow. Neither were all of these of more importance to that primitive state of society than the medicine-man who had given his time to the study, even though very imperfect, of the herbs necessary for the betterment of the physical condition of man. And so this division of labor grew, as man progressed intellectually and socially. It has been a long continuous growth, and each and every new invention has added to the wants of man and have therefore become a necessity in the state of society that he then or now exists in. This process has gone on and on. The greater the wants of society, the greater the division of labor; and the greater the division of labor, the greater were the wants of society.

Division of labor  
grew with pro-  
gress of man

Now, the various lines of industry, the various articles of wearing apparel, the many thousand articles of value that are desired by the individuals of society, form the other portions of the wheel. Machinery of all description that is today used, transportation facilities, great manufacturing plants, banks, telephone and telegraph systems, in fact, the whole superstructure of society are the spokes, the felloes, and tire of the wheel. Now I submit to you: Is the land which we have designated the hub of any greater importance to man in a state of society, than the numerous other factors which we have just enumerated, and which we may call the spokes the felloes and tire of the wheel? The hub, or the land, would supply the wants of man in a state of savagery, but not in a

Is land, designated  
as the hub of the  
wheel of society,  
of greater im-  
portance than  
other factors  
enumerated  
which go to  
make the com-  
plete wheel?

state of development. For this reason I hold that there may be many thousand lines of pursuits of trade and combination of various interests that may be promoted by individuals, that could be of more harm to society than any possible monopoly of land.

In the growth and development of our commerce, men and women have had their choice to till the soil or to fit themselves for the various positions necessary for the carrying on of commerce; and as a matter of fact, during the past two hundred years the United States, England, Germany and France, and I think I may be safe in saying, in all nations, that the industrial and professional pursuits have offered a greater field for intellect, enterprise and thrift, than has the tilling of the soil. The movement has been from the country to the city; men and women have preferred to take their chances for accumulation, or if not for the accumulation of wealth, for the greater pleasures that city life affords,—for the pleasure of the theatre, of excitement and society. It is not all of life to be the possessor of any great amount of worldly goods of any nature. There are many other phases to life than possession. Farms have been neglected because they have not been as profitable, all things considered, as many other lines in which individuals may become interested. The compensation for the operation of the farm has not been inviting. Hence, and perfectly natural, the young man and the young woman have sought such environment as seemed most profitable and pleasant to them.

Other pursuits  
have offered  
greater field  
than tilling of  
the soil

Many other phases  
to life than pos-  
session

Under our system of exchange, as before stated, if one accumulated goods or money, they could at any time convert it into land. There is no monopoly of land. The majority of people who own land are perfectly willing to let it go for a fair consideration. They can take the money and engage in other pursuits that are equally as profitable as that of tilling the soil, and much more pleasant. As a matter of fact, if you would today divide the land in the United States and give each individual their portion, it would not be twenty-five years until con-

No monopoly of  
land

Those not satisfied  
would sell their  
land and engage  
in other pursuits

ditions would be about the same as they are today. Those who wanted to experiment and were not satisfied with the tilling of the soil would sell their land. One would want to go into a grocery store, or perhaps he would want to go into the automobile business. Another would want to sell his land and go into the city where he could have the greater pleasures of society; where he could wear fine clothes and make a good appearance, at least while his money would last. Others would want to convert their land into money and travel, they would want to see the sights of the cities and perhaps of foreign countries; and so on, until each and every one satisfied to the extent of their ability so to do, their curiosity, their peculiar desires, their peculiar ideas, etc. A majority of them would prove a failure in the enterprise in which they embarked. Ninety per cent of the business enterprises undertaken prove failures. These people then would not be the possessors of soil. They would have spent their money. Ninety per cent of their undertakings have failed therefore they would be in what we call the working classes. This would be the process of working back to the present state of affairs.

It is folly to argue as the Single Taxer does—that improvidence, bad judgment, ill health, intemperance, insobriety, stupidity, vicious temperament, ignorance, laziness, dishonesty, bad management, diseased brains, physical and intellectual delinquency, lack of foresight, and other imperfections of mind and body that could be mentioned, can be overcome and righted by an act of legislation. All the physical and mental ailments above recited play their part in the unequal distribution of wealth; they play their part and are responsible for the many sad conditions that we see in society. Mr. George would have you believe that all of these ills are traceable to and have their being in the private ownership of land.

Folly to argue that  
all the evils of  
life could be  
remedied by an  
act of legisla-  
tion

As long as we have the various stages of intellectuality we may expect to have a like variation in the possession of property. Any legislation seeking to restrict the advancement of one because others are unfortunate and

cannot keep up with those who are in the advance, would have a tendency to hold all down alike, therefore would destroy all ambition to advance. This may best be seen in a state of savagery, or the primitive state from which we have progressed. The lower down in the scale of humanity you go, the nearer you come to an equality. I should like very much to see the ills of society abolished were it possible. We must not, however, allow our emotion and sympathy to distort and warp our judgment. The law of the survival of the fittest seems to hold good in all mineral, vegetable and animal creation.

Must not allow  
emotion to dis-  
place judgment

Henry George tried to figure out a system that would make all men equal. In doing so he failed to recognize that the great inequalities, both social and financial are very largely due to the differences between individuals, not that the possessor of vast wealth is wiser or has more brains than those who have no possession whatever, for such is not the case. The philosopher is seldom a rich man. The professors of our universities are seldom rich men. The great thinkers of our age are not rich men. They have used their talents for the acquisition of knowledge. The same is true of musicians, physicians and surgeons. They have used their time and energy in becoming skilled in the arts of music and human anatomy. The same may be said of great sculptors and painters and of clergymen, scientists and political economists. They have given their time and energy to the acquisition of knowledge. Therefore, they have but little of the worldly possessions.

Great thinkers are  
not rich men;  
men are not born  
equally endowed  
with different  
faculties

I believe enough has been said along this line to give the reader a clear insight into social conditions; that enough has been said to clearly show that no process of taxation, and especially that of Single Tax which would confiscate all private property in land thereby destroying the very foundation upon which civilization has advanced, can ever bring about the extirpation of pauperism and the equalization of the distribution of wealth. Society will always have its troubles as long as there is such a vast difference in human nature. The great readers along

No process of tax-  
ation can abolish  
pauperism and  
equalize distri-  
bution of wealth

the line of political economy have recognized this fact. Herbert Spencer when a young man, reasoning without experience, attempted to write a purely ethical work on political economy. The title of the work was "Social Statics." He advocated the nationalization of land by compensating the owners for their land. After forty years of experience, when his judgment was tempered by the cold stubborn facts and realities of life, he came to the conclusion that his early writings were wrong, and in speaking of the nationalization of land, he says:

"Until there is a great change in human nature, the nationalization of land would be impracticable."

Nationalization of  
land

## CHAPTER VII.

### THE DOG-IN-THE-MANGER CRY OF THE SINGLE TAX ADVOCATES.

The advocates of Single Tax try to work upon the prejudice of the people and arouse their envy, on the ground that there is a monopoly in land; that landholders are reaping an unjust reward; that they are taking from society what they are pleased to call the unearned increment or the increase in the value of the land, which does not belong to them. They especially cite to you conditions in the city. They point out that certain lots in the city have increased greatly in value; that this value should not go to the owners but should be taken by society; that the taxes should be raised upon these lots and not upon the buildings as is the case at the present time. They tell you that the vacant lots in the city should be improved; that the present owners should be made to improve them or sell them; that the unplatted section of a city such as may be found in Portland and other cities in the State of Oregon should be made to pay a heavy tax thereby forcing the owners to sell the ground or to subdivide it and sell it out in lots so that improvements may be made thereon; they tell you that all the vacant lots or plots of ground in city or country should be forced to improvement; that those owning the timber lands should be made to pay **excessive taxes on their holdings**. They thus continue enumerating all of the undeveloped sections of your country which should be at once brought into a state of cultivation and perfection.

Monopoly in land,  
What is it?

Forcing improve-  
ments

Let us analyze such a system in a city such as Portland. While I am not so well versed in Portland as I should like to be, I am safe in saying that there are three vacant

Single Tax frightens

lots to one that is improved by buildings. Now, suppose that the owners of these lots were confronted with this condition: From and after this date all of the taxes necessary to operate the city government of Portland are going to be raised from land values only. This would practically double the assessment upon the vacant lots. Your first thought would be to improve the lots. Upon investigation, however, you find there are already sufficient houses in Portland to accommodate the demand for tenants. You find the same to be true not only of residences but of all other kinds of buildings. You decide that even if your buildings will not be taxed under the new system, it will still be unprofitable for you to put up a building and have it unoccupied. Now you must either build under such conditions, or you must pay the increased tax upon your land.

More houses than tenants

Unprofitable to build

As a logical business man your first thought would be, "I will pay the increased taxes rather than to build where there is no demand for the building." Your second thought will be, "I cannot afford to continue paying the high rate of taxes on those lots under such a system, knowing that the ultimate end and purpose of the Single Tax System is the confiscation of the value in the land." So you hasten to sell your lots, and offer them at a greatly reduced price, thinking you will unload this burden on to some one who is not familiar with the condition. The man to whom you make the offer is considering the matter in the same light that you have, and he too refuses to buy, knowing as you do, that the ultimate end and purpose of Single Tax was that the state would take all the rental value, therefore leaving no individual value in the property. He reasons, and justly so, that buildings can only come and be profitable as the city grows, and that the growth of the city can be no greater than the growth of the country, and that the growth of the country must be consistent with all other things and follow the natural law of development, the law of supply and demand. He reasons that all such development must come gradually, that you may

Hasten to sell

Development to be gradual

judge the future by the past; that it would be entirely unreasonable to think of forcing all undeveloped sections of the country to a state of perfection in a few years; and he says to you, "No, I don't want your property." And again you reduce the value, and so on goes the process of declining land values, until the vacant lots first revert to the state; then, of course the taxes must fall more heavily upon the occupied land, and as the tax falls more heavily upon the occupied lots, they, too, decline in value. It should be apparent to the reader that this process will continue until Single Tax has done the work laid out for it to do, namely, that of abolishing all values in land, the land therefore reverting to the government.

**Forced develop-  
ment**

**Single Tax com-  
pletes its work**

### FARM LANDS.

When we apply the theory of Single Tax to agricultural lands, it works in the same manner. It would either force all of the undeveloped portions of the country into a state of productiveness at once, or the vacant lot would be the first to revert to the government. If it should have the effect of forcing the undeveloped portions of the country into productiveness, the result would be an over-production, because there has been an ample production under the present condition, and if there should be a forced production, there must of necessity be an over-production, thus lessening the value of the products of the farm, therefore reducing the price of the land in proportion as it reduces the products of the land. In addition to this process, however, is the fact that the object of the process and the purpose of the system is the final destruction of land values. This hastens the end by reason of the discouragement to those who now own the land.

**Over - productive  
farm lands**

### TIMBER LANDS OF OREGON.

I am aware that a great prejudice exists towards the man or men who hold large sections of timber lands in the State of Oregon; that there is a desire on the part of some individuals to call this land monopoly; that they want these timber lands to bear a very large proportion

Timber lands

of the taxes; that they want to make owners of these timber lands put in sawmills, logging camps, logging railways, and all of the other necessary expenditures that go with the logging industry. They want these great resources of the country fully developed—immediately developed; that is, they think they want them developed. It is entirely illogical and unreasonable to expect that the great forests of timber in Oregon can or should be logged off and the logs cut into lumber other than by process of the law of supply and demand and the natural growth of the country. But suppose that the owners of these vast acres of timberland should attempt to do what the Single Tax advocates would have them do, i. e., to at once proceed to cut down the timber, log it off, and saw it up into lumber, it would not require a great deal of business experience to at once see that there would be an over-production of lumber; that the price of lumber would fall; that the industry would be paralyzed, and that the attempt would be a failure. But suppose that it would not be a failure, and that there was a foreign market for all of the timber sawed into lumber. The result would be that in the course of a few years the timber of the State of Oregon would be destroyed; that in the meantime there would have been a false stimulant given to the influx of population on account of such an unnatural condition, and when the timber was exhausted a reaction would take place which would be a compensation for the unnatural acts. The industry that would have been an asset for perhaps many decades would, under the operation of the Single Tax ideas, have in a few years perished.

Over - stimulation  
causes reaction

Preservation of  
timber in other  
states

In the states of Wisconsin and Michigan it is not a question of forcing the timber owners to get rid of their timber hurriedly. It is now a question before the legislature and has caused a great deal of concern, what method they may employ to preserve the forests and use them no faster than is necessary. They therefore have advocated that a tax on the stumpage shall replace a tax on the standing timber and land values, thereby

relieving the land-owner from excessive taxes which has a tendency to force the owner to get rid of his timber. They want to discourage the gigantic destruction of their forests rather than to encourage it as the Single Taxer would do in the State of Oregon. The people of Oregon should not entertain the prejudice there seems to be regarding the timberland owners. This land was all taken up first by individuals. Most all of it was taken for the express purpose of converting it into money, selling it out to firms and corporations whom they knew were buying timberlands, and receiving the compensation for it in proportion to the amount of timber on the land. So your citizens and the citizens of other states have come to Oregon and located these lands receiving their patents from the Government, and have sold it to the companies and corporations, receiving the agreed price. This money has come into your state by reason of your citizens taking up and selling this land. The money has gone into the various industries throughout your country. It has been a great factor in developing many lines of industry in your state. It has played its part, and it is not consistent to ask now that the people who bought these timber lands in good faith, expecting to hold them perhaps for many years until they were warranted in logging the land off as fast as there was a demand for the timber, to place upon them an extra burden of taxation which was not contemplated at the time the purchase was made. It would not be so bad if it was simply an extra tax, but when the purpose is final confiscation, it becomes dishonest and a breach of the fundamental principles of a stable and reliable government, namely, that of repudiation of contracts.

Preserve the forests

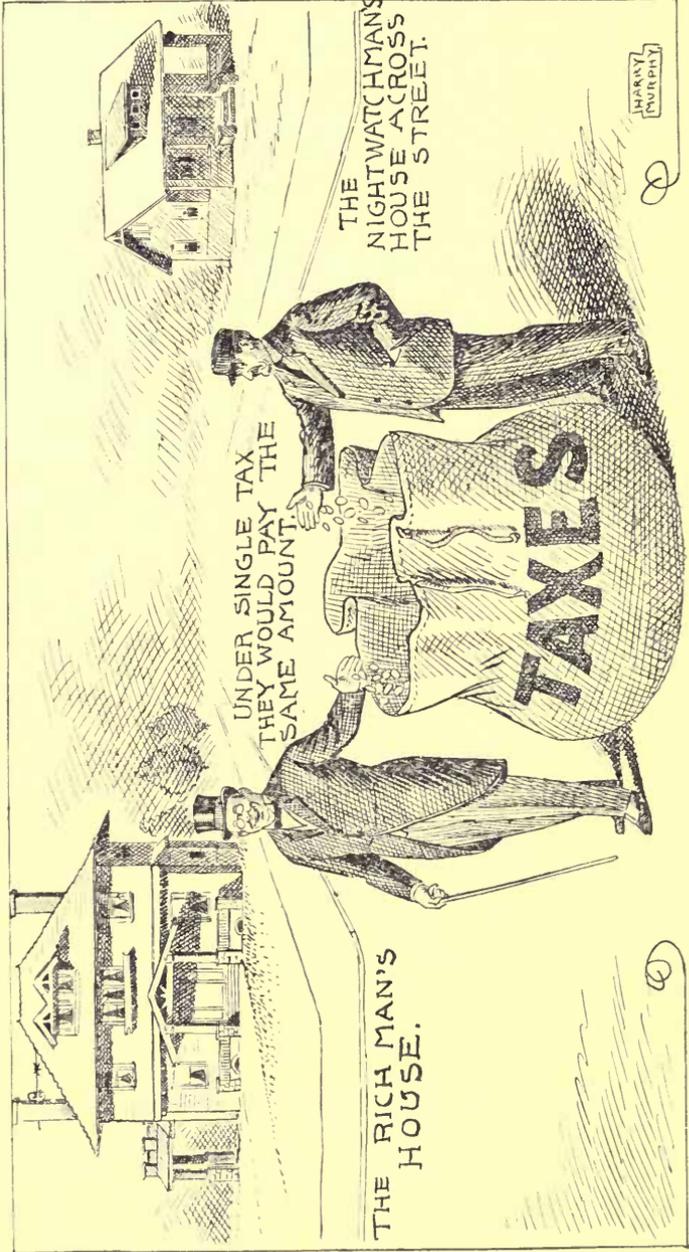
Timber lands sold

Purchased in good faith

The law of competition, the law of supply and demand, must govern the development of industries. It is impossible to legislate against the interests of the people who own these timberlands and not legislate against the interests of the whole state. Society is so closely linked together that when you enact a law that destroys the property rights of one, it will undoubtedly do the same to all.

Law of competition

Injury to one—injury to all



THE NIGHTWATCHMAN'S HOUSE ACROSS THE STREET.

UNDER SINGLE TAX THEY WOULD PAY THE SAME AMOUNT.

THE RICH MAN'S HOUSE.

## CHAPTER VIII.

### SINGLE TAX UNJUST, UNREASONABLE AND INCONSISTENT.

I want to call the attention of the reader to the unreasonable, unjust and illogical method of Single Tax. I want to point out just how the operation of Single Tax does harm and works a hardship upon the poor rather than upon the rich. It has been quite clearly shown that all property is equal, or should be equal in the eyes of the law, because one class of property can be quickly converted into another class. Under the application of Single Tax the man who owns money escapes taxation. Inasmuch as money is absolutely necessary for the transaction of business, for the carrying on of commerce and all lines of industry, it is therefore a very important factor. Consequently the tendency would be for an individual who had lands, merchandise or any other class of property, to convert it into money; especially land, as land under Single Tax would have to bear all of the burden, and money and other classes of property would escape. Now, when one converts his property into money, he could in turn, and perhaps would, loan his money to the various individuals who must have its use and service, receiving a compensation for it. His returns for the loan of this money would possibly net him many thousands of dollars. This individual owns two lots on the corner of A and B streets on which he has a \$25,000 residence. The residence is built from the returns of his loaned money. The house is elegantly furnished, possibly the furniture cost \$10,000. He has two automobiles which were purchased by the revenue from his loaned money. He has his servants and chauffeur. He enjoys the city police protection; he enjoys the parks, boulevards

Equality in eyes of law

Money the blood of commerce

The loan shark

Comparison

Enjoys the priv-  
ileges and pays  
no more

and the driveways; he is a gentleman of leisure and has all of the comforts of life that money can buy. He pays a small rental for his office which is located in a forty-two story skyscraper.

Is this just?

Across the street from the residence of this money-loan shark lives a night watchman who receives for his pay \$60 a month and who has two lots of the same dimensions as the loan shark's, on which he has a modest cottage valued at \$900. Under the application of Single Tax the tax-collector comes around and calls on the man that has the elegant home, for the taxes. The taxes on his two lots amount to \$35, which is a mere trifle. He goes across the street to the night watchman and says to him, "Your taxes are thirty-five dollars." It is a hard struggle for him to pay that amount, for it is a little more than half a month's salary. He makes inquiry of the tax-collector what taxes the man across the street pays on his two lots. "Thirty-five dollars," is the answer. "And mine thirty-five dollars, just the same as his?" The tax collector replies, "That is the system we are now working under." The night watchman then says, "I have no benefit of the parks and the boulevards and the driveways; I have no automobiles; my house is scantily furnished; I need none of the police protection that the man across the street requires; I have no diamonds, no jewelry, no silverware, no five hundred thousand dollar necklace, or anything of that description which needs police protection; I do not require the fire protection that the man across the way does. Must I contribute as much to the support of the government of the City of Portland (or any other city) as the man across the way?" I appeal to the good judgment of the reader. Is there any justice, is there any consistency in such a system? Certainly not.

A soliloquy

Needs no protec-  
tion

Consistency, thou  
art a jewel!

Should he escape  
taxes

Now let us consider another illustration. Suppose that A owns a line of steamboats, sailing vessels, or any other transportation line. He has a large income from his business. Under the application of Single Tax, he too will escape. He will pay no taxes on three, four, five

or six hundred thousand dollars' worth of appliances which bring him a great revenue and to which the public must pay tribute. He occupies the same position as the man who loans the money. He pays no more for the maintenance of the city government or the state government, possibly not as much, as the man who works in the switch-yards of the Northern Pacific Railway in Portland, or the widow who works in a laundry or may do washing to support her children.

**The laboring man  
or woman**

Take for a further illustration your department stores, your manufacturing plants, your transfer companies, the owners of your magnificent buildings which bring to them a great income through their rentals. We could multiply the illustrations already made by many different lines of industry that offer the same comparison. Time and space will not permit, however, to do this. I only desire for the reader to get the idea of the fallacy of such a system.

**Multiply these il-  
lustrations**

To further illustrate the inconsistency of the operation of Single Tax and how it will work a hardship upon both producer and consumer—the very classes that Mr. George intended to relieve—under Single Tax the products of the soil and of labor will not be taxed. The Department of Agriculture reports that the farmer receives but 50 per cent of the price which consumers pay for farm products. This shows that from the time the products leave the farm until they reach the consumer, 100 per cent is added to the value by reason of carrying charges and handling charges of every nature, together with the profits that the middlemen receive. Inasmuch as the price the consumer has to pay is twice that which the farmer receives, it must be apparent that there is room for manipulation and excessive profits after the goods leave the farm and before they reach the consumer. Under our present system, personal property is subject to taxation. Under the application of Single Tax it will be exempt. This will offer a still greater inducement for those who manipulate the distribution of the various

**Department of Ag-  
riculture report**

**Would be exempt  
under Single Tax**

staple commodities or products of the farm and products of manufacture.

**Commodities cornered**      **Controlling the market**

As an illustration, only in the latter part of 1911, sugar was manipulated, and advanced to an exorbitant high figure. It was not due to the fact that there was a scarcity of sugar. It was simply a manipulation of the market, the controlling of the product of the soil. The consumers paid the bill. Again, wheat, oats, corn, cotton, flour, and many staple articles are thus controlled by combinations made between various individuals together with their vast accumulations of wealth, money, etc. The prices of these commodities may possibly be lowered for a time—what is known as “bearing the market.” When the market is low enough, or as low as they can force it, they begin buying and get control to a great extent of these commodities, then advance the price, thereby reaping enormous profits. The consumer pays the penalty. So with manufactured articles; so with rubber, rubber clothing, coffee and tea, and many other lines too numerous to mention, that the genius and intrigue of man could get hold of and manipulate to the detriment of society. Yet under the application of Single Tax their holdings and their profits would go scot-free. They would pay no part of the running expenses of the government, yet enjoying greater privileges than those who were paying the operating expenses. The field is so broad that it would require a book on this particular phase of the Single Tax question to thoroughly present the many unjust and illogical features in the application of the System.

**Advance the price**

**Would go scot-free**

**Millions made in soap business**

In connection with this phase of the question I must not fail to call your attention to the fact that Mr. Fels, the man who has spent his millions to promote this system, has made his money from the manufacture of soap. He has not made it from the increased value of land. Please bear in mind that Mr. Fels has made a good many millions of dollars out of a manufacturing plant—an industry that under Single Tax would pay no revenue to the government. I would not accuse Mr. Fels of pro-

moting this system for the express purpose of exempting his manufacturing plant from taxation, because he is spending more money than he would gain thereby. It is a good illustration, however, to show you that there may be, and no doubt are, many thousand different lines of manufacture that are equally as profitable as the manufacture of soap. Under the application of Single Tax these profitable enterprises would pay no taxes. Land would have to bear all of the burden.

Would not accuse  
Mr. Fels

### THE CONSUMER PAYS THE BILL.

The Single Taxers appeal to the working classes and those who are unfortunate, and say to them: "You create these many million dollars' worth of value in land, why not take it? Why give it to another?" Such a statement upon first thought appeals to the individual. Who pays the bills now? Who pays the tax that is collected on the various commodities? The consumer does. It cannot be otherwise. When an article is manufactured, the cost of the raw material is first taken into consideration, then the cost of the transportation of the raw material to the place of manufacture, then the cost of manufacturing, rent, interest, insurance, labor, deterioration of plant and all of the incidental expenses are figured and become a part of the expenses that attach to the manufactured article; then a certain profit is added to the price of the article; then cartage to the railway or transportation line is added; then follows the freight and the cartage at its destination together with the wholesalers' expenses and their charges; then the expenses follow to the retailer, with his profits and expenses added; finally to the consumer. He pays the final total charge that has attached to the article so purchased.

Who pays the final  
bill?

Costs attach to ar-  
ticles

The individual who hires an attorney pays the office rent, pays all of his office expenses. Those unfortunate enough to require the services of a physician, pay the expenses. And so you might single out each item which goes to make up the volume of business of the country, and the burden finally falls upon the consumer. Now

There is no escape;  
the expense fol-  
lows the article

**Consumer also a producer** these consumers are producers as well. We must ever keep this in mind. I consume the products of another one's labor; he consumes the products of my labor. This is the result of the division of labor, the result of commerce which follows the division of labor. Under the application of Single Tax we will have the same process. The consumer must and will pay the final bill. Under either system the consumer and the producer pay the bill. Now, what difference would there be in the cost of the manufactured article, whether the owner of the plant in which a certain article was manufactured paid \$2000 taxes, \$1000 of which was on the ground so occupied and \$1000 on the building, machinery and contents. The same \$2000 in either event would attach to the total amount of goods manufactured and sold from that plant during that year. So the consumer who purchased these articles would neither profit nor lose in this transaction. The cost of transportation would be no more or less on account of the application of Single Tax as far as taxes were concerned and the relative portion of expense attached to the article the consumer purchases.

**Producer also a consumer**

**Change in form only**

**How it worked in 1911** Let us follow these manufactured articles still further. They reach the wholesale house. In 1911 this particular wholesale house paid \$3000 total taxes on goods, building and ground. This year, 1912, under the application of Single Tax the taxes will be relatively the same amount, but on the ground only. There is still no difference in the price of the article and the expenses that attach to it. He may follow these articles on until they reach the consumer, and they are practically the same as under the old system. That being true, there has been no relief to the consumer whatever. The advocates of Single Tax howl and rant and clamor about taxing industry—taxing the products of labor. Isn't it clear to the reader that the product of labor has been taxed just as much under the Single Tax System as under the old system? It makes no difference whether you tax the article itself or whether you tax to a greater extent the

**In 1912 the same**

**No difference to consumer**

ground that the man, machinery, or manufacturing plant must occupy while he is manufacturing the article.

All the same—  
ground or labor

To carry this illustration further let us take the farm. The Single Taxers tell the farmers he is punished—penalized—every time he puts an addition on his house or adds a new piece of furniture for his convenience, or when he builds a barn, even a henhouse—that he is punished each year for it, and it therefore discourages him rather than encourages him. Now let us see. In 1911 the taxes on Mr. Johnson's farm were \$200. In 1912 we will admit that the taxes may be slightly less under the application of Single Tax, say \$175. In 1911 there was a tax on horses, the cows and all of the livestock, on the buildings and all of the improvements on the farm. In that year, as the Single Taxers say, there was a penalty placed upon improvements. In 1912 the penalty has been abolished. Personal property has been exempted from taxation, but the extra amount less a small percentage has been placed upon the land. The burden has only been shifted.

Taxes in 1911

Exemption has not  
changed results

Let us follow one article from the farm to the consumer and see if it has made any difference to him. In 1911 the cow was taxed; the food that she ate was taxed; the barn that she was housed in was taxed; the milk-buckets that were used in the dairy and all of the dairy appliances were taxed; the wagon and the horse that pulled the wagon to the market were taxed; and milk sold for 20c a gallon. In 1912 the cow, the food that she ate, the barn, the dairy and its supplies, the wagon, and the horse that conveyed the milk to the market are exempt from taxation, but still the milk sells for 20c a gallon. The farmer gets no more profit from his cow than in 1911. Industry has not been encouraged at all—the consumer has not profited one cent. We have only changed the percentage in form. The practical results are the same. This illustration may be applied to any commodity or product of the farm.

Following the cow

Industry not en-  
couraged

Now the application of Single Tax has done the consumer no good, and it has done the farmer no good.

Who has been helped? Nobody

It has not helped the manufacturer; it has not helped the producer. Then what has it done? It has lowered the price of farm lands, village and city lots throughout the land. It has created unrest; destroyed confidence, and paralyzed industry. Whenever land values decline, all lines of industry and trade decline with it. According to the Government report, there are in the United States land values to the extent of \$65,000,000,000. Land values have always been recognized as the most staple of all values, therefore have become the basis of a volume of business perhaps three times greater than its value. Land

Who has been injured? Everybody

acts as a reserve on which credit money is issued. It occupies the same place in commerce as the gold bullion in the bank on which the gold certificates are issued. As a matter of fact, land values are and should be more reliable than gold reserves, because land cannot be destroyed. Under the process of Single Tax, the \$65,000,000,000 of land values would finally vanish, and with it the great volume of business which has been transacted on securities. As land values would decline mortgages would be foreclosed unless payment was made when due. New mortgages could not be secured. Why should an individual be willing to loan money upon land when there was a system in operation that had for its final purpose the confiscation of land values by the process of all the potential rent being taken by the government?

Land as a reserve fund

Security all gone

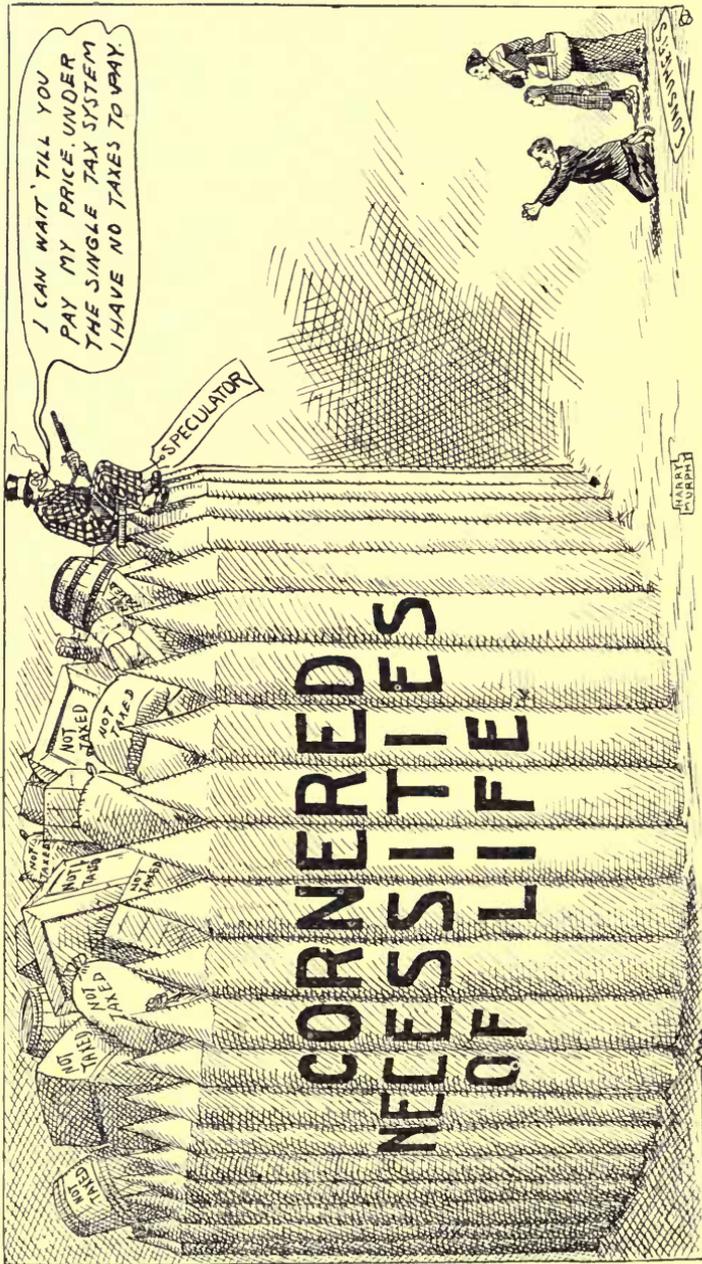
I am aware that the Single Tax theorists will claim that they do not intend to carry their system thus far; that it will take many years to reach the final goal. I reply that in my judgment, that makes the system so much the worse. It would be much better, if we are to finally reach that point where land values are to be abolished, to reach it at once and adjust the affairs of the government and the people to the new conditions, rather than to start in on an era of declining land values and declining industries which would necessarily follow. It would be a poor excuse for a criminal to say that he had administered a dose of poison, but that it would take a long time to kill the individual. The crime would be just as

Would do it slow

A poor excuse

great as though the dose administered would produce death at once. The crime would be just as great in the eyes of the law, and so I believe that the crime of introducing a system which will destroy land values gradually but certainly, is just as immoral and unjust as though it produced the same result in a shorter space of time.

**Result to be the  
same**



SINGLE TAX FAVORS THE SPECULATOR

## CHAPTER IX.

### THE SINGLE TAXERS CRY "LAND MONOPOLY."

Within the past ten years, according to the statement of Mr. Fels which appeared in the March number of "Everybody's Magazine," he purchased in Essex, England, fifty miles from London, 700 acres of a deserted farm at \$50 an acre. He purchased another deserted farm within 24 miles from London for \$35 an acre. I cannot imagine that there is very much of a land monopoly even in England, which of all countries there would be a monopoly of land, if in any, when land is to be purchased at \$35 an acre. In fact, Mr. George cites England in "Progress and Poverty" as a country owned and controlled by landlords and great landed estates. I imagine that the farmers of Oregon would ask more for their land than \$35 an acre, especially within 24 miles of Portland, or Salem, Eugene, or many other cities of Oregon.

Fels buys land

Land monopoly at  
\$35 per acre

Oregon farmer  
laughs

As a matter of fact there is no land monopoly anywhere in the world, unless it is in such countries where the land is owned by the state, which our Single Tax friends would have us do in Oregon. In order for there to be a land monopoly which will work an injury to the citizens generally, the conditions must be such that the products of the soil are unreasonably high; that the consumer must pay too much in proportion to other things and commodities for the products of the soil and the privilege of occupying certain portions of the soil. In other words, when the operation and the tilling of the land bring no greater reward or compensation for the labor thus expended in producing, cultivating and harvesting the products of the soil than other industries and lines of human energy, there can be no land monopoly

Competition in  
farm products

Comparison of re-  
turns of labor

where there are no greater returns to the land owner or the land operator than other lines of industry requiring the same amount of effort and energy. To show that the advocates of Single Tax, and especially the teachings of Mr. George in his book "Progress and Poverty" are incorrect, that instead of land or the products of land increasing and operating against the interests of the poor, I want to quote you statistics showing the opposite to be the fact.

Rentals declined  
50 per cent

Geo. Gunton in "The Forum" of 1887 quotes figures from Tookes' History of Prices, v. 1, and of Barton and Wade and Wade's History of the English Middle and Working Classes and in speaking of the proportion of the products of the soil that was retained by the owner, he says:

"Just before the close of the Seventeenth Century, according to Davenport, the total agricultural produce including pasture and forest land, was estimated at £21,790,000, and the total rent £9,480,000, or a little over 45 per cent of the produce. About a century later, 1779, according to Arthur Young, the produce was estimated at £72,826,827, and the gross rental £19,200,000, or about 26 per cent. Sixty-three years later, 1842 and 1843, McCulloch's Statistical Account of the British Empire, page 553, estimated the gross agricultural product at £141,606,857 and the total rental £37,795,905, or 26.69 per cent of the total produce; and in 1882, forty years later, according to Mulhall, the total produce was £270,000,000, and the total rental £58,000,000, or 12½ per cent of the produce. Thus the actual rent roll from agricultural land has increased over 600 per cent. The total produce of the land during the same period has increased 1250 per cent. In other words, the proportion of the total product of agriculture paid in rent has fallen from 45 per cent to 21½ per cent, or more than one-half. He continues, if we include land used for manufacturing and commercial purposes, we shall find the same result to be no less striking. According to the authorities already referred to at the close of the Revolution, 1688, the annual total produce of all kinds was in round numbers £43,000,000, and

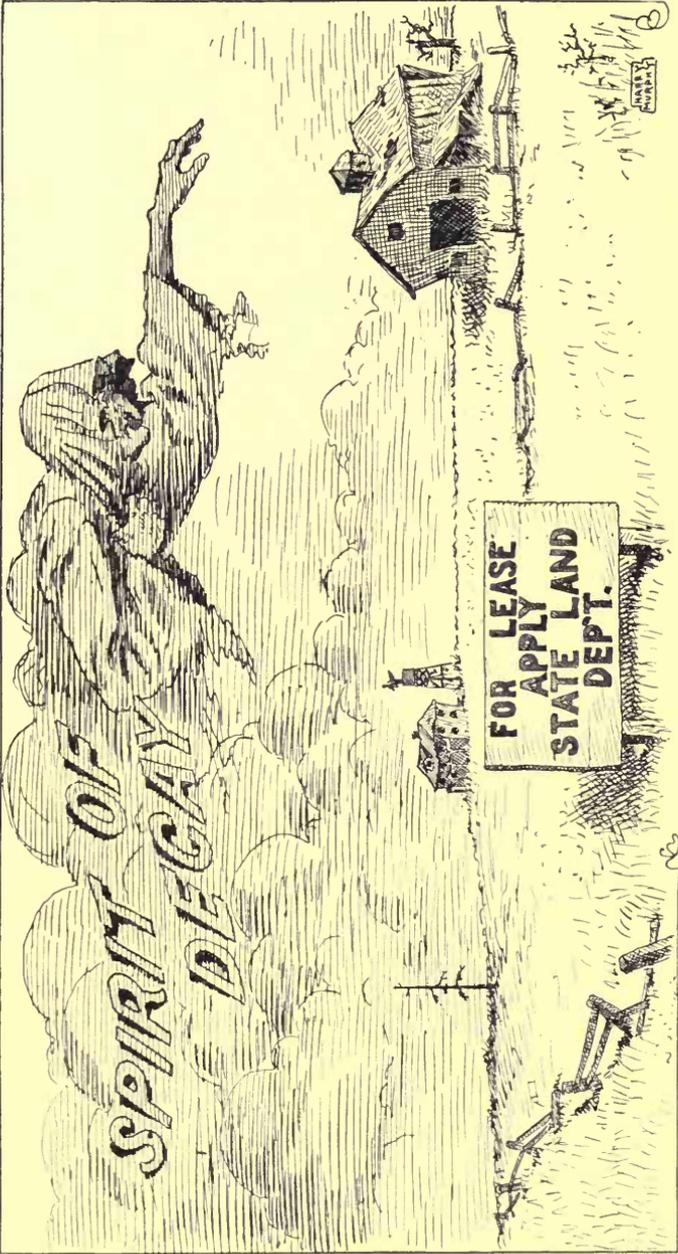
the total rents £10,000,000, or a little over 23 per cent of the produce, and in 1882 the aggregate annual produce was estimated at £1,200,000 and the total rent roll at £131,468,288, or only 10.9 per cent of the total produce. In other words, while the aggregate produce has increased nearly 2800 per cent, the aggregate rent has arisen only about 100 per cent. Thus instead of rent swallowing the whole gain during the last 200 years, relatively to the total wealth produced, it has fallen over 55 per cent."

This same line of reasoning justified by the facts may be continued through all lines of industry in the United States. The production of cotton, the production of the goods manufactured from cotton, and many other lines have shown the same relative reduction in the cost of production and distribution. The Single Tax theorists point to the fact that a greater portion of the citizens of the United States are not land owners, therefore a land monopoly; that the majority are tenants, and the minority the landlords. This is no argument against the system of private ownership of land. Many of our wealthiest people have no land. It is not because they cannot get it. It is because they don't want it. There are other lines more profitable to them. The Jews as a class are the shrewdest business man we have. As a rule they are tenants, and not land owners. They can get greater returns for the money invested in commercial pursuits than they can to have it invested in city lots, houses or farm lands. Like Mr. Fels, they can make more out of the soap business than they can in the land. This cry of land monopoly; this cry that the poor people are being strangled to death by the land-grabber and the landlord is not justified by the facts when the question is thoroughly analyzed and the true cause of poverty is discovered. It will not be found in the private ownership of the land, but from causes very largely inherent in the human race and which will ever be with society and be a source of pain and discomfort.

Tenants of United States

Other pursuits more profitable

Inherent in the human family



## CHAPTER X.

### HOW SINGLE TAX WOULD BAR PUBLIC IMPROVEMENTS.

Under the stimulating influence of our present system, individuals privately or collectively, for the sake of profit and gain, undertake great enterprises—great development schemes. As an illustration, take the improvement that is now going on in Portland by Lewis & Wiley. They purchased a slough or low piece of ground covered with water near the old exposition site. They also purchased a portion of the hill lying west of Portland. They have spent large sums of money in sluicing the dirt from this hill to the valley below, filling up this low ground, thus reclaiming a large tract of waste land, at the same time reclaiming a large portion of the hill, making it a very beautiful and attractive residence district. The private fortunes of these individuals are risked in this enterprise. They had but one object, that was that the land would increase in value and that all of this increase would belong to them. They would not only get paid for the amount of labor and money thus expended and for the interest on the money and the risk so taken, but they would get even more. They expected at least a handsome profit for their enterprise, and no doubt they will get it, unless perchance Multnomah County should adopt Single Tax. In that event they would be cheated of the reward that is justly due them for the enterprise thus displayed. I hold that it is perfectly right and just that these men should receive the full benefit of the increase in the value of the land thus reclaimed. Under the application of Single Tax the work never would have commenced. There would have been no incentive for such improvements, and certainly it would be a very hard

Improvements in  
Portland exam-  
ple

No inducements for  
reclamation

Investments made  
for gain

Have a just claim  
for the incre-  
ment

matter if the land belonged to the state, to persuade the State Legislature to embark on such an undertaking. Consequently the development of this particular tract of ground would not be accomplished under the Single Tax system.

Single Tax would  
be a r improve-  
ments

Improvements ne-  
cessary

Impediments re-  
moved

Regrade districts

Improvements cre-  
ate values

To carry this illustration further to make it applicable to any such an enterprise, let us suppose that a large portion of the City of Portland (or any other city in the State of Oregon) required certain streets to be regraded and great cuts and fills to be made; that certain hills or high elevations were in the way of the progress of the city; that the grades on account of these high elevations were too great to permit of traffic and that the regrading of these hills was absolutely necessary for the further development and growth of the city. Under the present system of improvements in cities and towns, districts are formed for the purpose of regulating the cost of such improvements. Now, suppose we get together all of the property owners in the district which comprise that section of the city where these cuts and fills and high elevations are to be removed and the district made accessible for city traffic and business, and we shall say to these lot owners: "For the regrading of these streets and the tearing down of the hills, the filling up of the low lands, the entire cost to this district will be thirty million dollars. This entire section has been formed into a district—a regraded district. All of the lots in this district will have to bear their proportionate share of this expense. Now, you lot owners will have this bill to pay, each lot paying in proportion to its location. When this improvement is made, however, great advantages will accrue to this locality, and your lots will improve greatly in value. Are you willing to spend your accumulated wealth in a further outlay for these improvements?" The question is discussed by a number of the leading property owners and finally they come to the conclusion that it will be a profitable move, and upon motion, the lot owners agree unanimously that they will undertake the work, the consideration being that the unearned increment, as the

Single Taxer calls it, will compensate them for the money thus expended, the risk thus taken and the interest on the money. They are satisfied to proceed.

Entitled to more than interest

Dr. Eggleston, W. S. U'Ren and Mr. Cridge ask permission to address the meeting. They say to these lot owners: "In the year 1912 at the November election they are going to pass a Single Tax measure that all of the taxes in Multnomah County (or in whatever county this might happen to be) will be raised from land values only, and that it is the intention and purpose, it is the object of their peculiar system, to take the full rental value of the lands in the course of a number of years; that the selling value of their land will of necessity disappear under such a system, inasmuch as the increment will be absorbed by the rental so taken; that the increment that they have enjoyed under the old system will, under the new cease to exist." And they further say to these lot owners: "Now, if under the circumstances which we have just described to you, you desire to proceed with your improvement, go ahead, but remember, the increase in the value of the lots, and the present value of the lots will disappear under the application of our system—Single Tax."

Single Taxers throw cold water

No improvements under new system

At the conclusion of the remarks of the three gentlemen just mentioned, after a few prominent lot owners had expressed themselves, it was decided by an unanimous vote that the undertaking would not be started; that under such conditions they did not want to spend any more of their money, but would rather sell, if such a thing was possible, what little interest there might be in the land. Such a conclusion would be perfectly natural and logical. This illustration should be sufficient for the reader to multiply its application in all lines of improvements, in all lines of progress where the individual has been enjoying a return for his money. You should be able to see at a glance that such a system is destructive of the very principles that have caused our nation and country to grow beyond that of any other. Under our laws we have offered all the encouragement possible to

Improvements not undertaken

Such a system would destroy, not construct

individual enterprise, thrift and energy. Under the operation of Single Tax, as stated in previous chapters, land values will decline, and as land values decline, investors pass by communities and localities where land values are declining, and seek a place for investment where there is a chance for profit. As before stated, mortgages would be at once foreclosed, renewals would be refused, loans on land for improvements would be entirely out of the question. When land values begin to decline, confidence is shaken, money is withdrawn, and as money is withdrawn, industry ceases, labor becomes in less demand, therefore the price of labor declines as the greater number of laborers apply for the limited number of positions; the price of commodities declines and the price of everything declines with it. Under such a process commercial conditions would become almost unbearable. It would be a calamity for Oregon or the State of Washington or any other state in the Union, and a national calamity for the entire United States to adopt Single Tax.

Not attractive for investors

Mortgages foreclosed

Less work, less pay

Industrial depression

## CHAPTER XI.

### VANCOUVER, B. C., HAS NOT SINGLE TAX.

Inasmuch as the Single Tax advocates point to the British Columbia cities as having Single Tax, I feel that it is necessary to give some facts regarding Victoria and Vancouver, B. C., relative to their system of taxation. The writer visited Vancouver in the month of January, 1912, for the express purpose of investigating their fiscal system. I found that the citizens of Vancouver were not at all familiar with the theory of Single Tax. When asked their idea of its application in Vancouver, they knew but little about it. They said they knew the buildings were not taxed and that they were having prosperity; that property, **land**, was increasing rapidly; that rents were very exorbitant, and the prices of commodities were extremely high.

Upon further investigation I learned that about sixteen years ago Vancouver by a mere act of the City Council, which they have the authority to do, eliminated 25 per cent of buildings from taxation. In 1906 they made it 50 per cent, and in 1909 75 per cent. In 1910 all of the buildings and improvements together with personal property were exempted from taxation in the City of purposes only, and that there were two distinct sets of machinery for collecting taxes in Vancouver and other British Columbia cities. If you should say to a citizen of Vancouver, "Your prosperity is due to the system you have of collecting your taxes," he would be highly insulted. They claim their prosperity is due to their exceptional resources. In part this is true. British Columbia has vast resources, large areas of yet undeveloped land, vast stretches of timber some of which is the best in the world; great fishing industries and mineral wealth.

Just now a building boom is on

Buildings exempted

Prosperity due to great resources

Central Canada is a vast agricultural empire only partially developed, and in the past few years there has been an enormous emigration not only into Central Canada, but into British Columbia, because of the great opportunities for free land—a homestead, if you please, with a perfectly clear title such as was given to the homesteaders in the United States. It is to be their land—they are not to be tenants, as Single Tax advocates would have them be.

A homestead title  
in fee simple

Are not Single  
Taxers

The people of Canada are not Single Taxers by any means. They would not consider for a moment the repudiation of their contracts. They believe in private property in land. In addition to the other great resources of British Columbia which account materially for their commercial activity at this time and the advance in growth of their cities, the Grand Trunk Pacific, Canadian Pacific and Canadian Northern Railways have spent in the past three years over fifty millions of dollars in western Canada, and contemplate spending another fifty millions by the end of 1913. With this vast amount of money that has been spent in the past few years, and anticipating the additional expenditure of fifty millions, all of western Canada has been stimulated to a very high degree. It must also be remembered that Canada, especially British Columbia and the western provinces, have not been developing while other western states of the United States have been. While Seattle and Portland have been making great strides in building and population, British Columbia cities have stood still. It is now their turn, and in spite of this Single Tax fallacy they are active.

Vast sums of R.  
R. money

Just awakening

Limited Single Tax

Vancouver's high  
valuation

There is one more feature, however, in connection with the growth of Vancouver that must not be passed by without notice, for it is one of the great factors in its exceptional activity. Vancouver has a population of practically 100,000. The assessed valuation for 1912 is estimated by Mr. Baldwin, Controller of the City of Vancouver, at \$192,000,000. This is a per capita valuation of \$1920. They have a bonded indebtedness exclusive of

local improvements of \$21,000,000, or \$210 for each man, woman and child in the city. I was informed by men well posted that Vancouver has seven people for each lot in the city. This would make a bonded indebtedness of something over \$1400 for each lot in the City of Vancouver. The Provincial Government allows cities of the first class to bond for 20% of their assessed valuation. Vancouver, being a city of the first class, has this privilege. They have borrowed their 20% up to the limit. It must also be remembered that Vancouver assesses practically the full value of the real estate in the city.

Allowed by law to  
borrow 20%

Up to the limit

In the past five years they have, perhaps, in addition to other sums as above mentioned, spent \$20,000,000 in improvements paid for by this bonded money. Or in other words, they have borrowed on forty-year bonds at 4% this vast sum of money for a city of 100,000 people. Suppose that Portland should follow Vancouver's footsteps in her fiscal system, namely, to go in debt as much as her values would justify and the law allow, as Vancouver has done.

\$20,000,000

Vancouver vs.  
Portland

Portland has a population of 230,000. Suppose that her assessed valuation would follow the same proportion as that of Vancouver, namely, \$1920 per capita, which so far as I can see, she would have a perfect right to do, they would have a total valuation of \$499,000,000. The State of Oregon allows cities of the first class to borrow 7% on their valuation for general bonded indebtedness. This would allow an indebtedness to Portland of \$34,000,000. But suppose the State of Oregon allowed cities of the first class to borrow 20%, which is the case in Vancouver, and suppose Portland faithfully followed up her limit, as Vancouver has done, instead of having a general bonded indebtedness of \$14,000,000, your general bonded indebtedness would reach a grand total of \$99,800,000.

I am of the opinion that Portland, Salem or any other city on the Pacific Coast would far outstrip Vancouver, B. C., if they would be so frightfully indifferent to the consequences of indebtedness as to go in

What a cry would  
be made

debt to the extent of \$99,800,000, or on that proportion to population, and spend that money on city improvements, leaving the rising generation to pay the obligation. This excessive indebtedness of Vancouver and other Canadian cities, which is pointed out to us as a criterion of the application of Single Tax, would not be tolerated in American cities of any note, and it will be the ruination of those who have adopted such a reckless and indifferent course.

You would not allow it

### TAX LAWS OF BRITISH COLUMBIA.

As a matter of fact, taxes are levied as follows in the province of British Columbia, quoting from page 6, chapter 53, "An act to assess, levy and collect taxes on property and income."

"Property subject to taxation: (1) All land, personal property and income of every person in the province, including the land and personal property within the province of non-residents in the province, shall be liable to taxation.

"(2) All mines and minerals shall be assessed and taxed.

"(3) Every person shall be assessed and taxed on real property, personal property and income, subject to the exemptions of this act" (which relates to cemeteries, etc.).

"The taxes on all incomes up to \$2000 is 1 per cent; from \$2000 to \$3000,  $1\frac{1}{4}$  per cent; from \$3000 to \$4000,  $1\frac{1}{2}$  per cent, and from \$4000 to \$7000, 2 per cent; from \$7000 and over,  $2\frac{1}{2}$  per cent."

"Every bank doing business in this province shall be assessed and taxed in addition to the foregoing subsection \$1000 per annum, and \$125 for each additional branch."

"The owner of every salmon cannery in addition to the tax on real property, personal property other than salmon and income, shall be taxed at the rate of two cents on each case of salmon packed by him during the year ending the 31st day of December, and in addition to such tax a tax of 1 per cent on the total price for

which salmon, other than canned salmon, has been sold by him during said year.”

“In addition to their real estate and income tax, every insurance company every life insurance company every guarantee company loan company and trust company, every telegraph, telephone and express company, every gas company and every water works company and street railway company is assessed and taxed upon its gross revenue from all sources derived, arising or accrued from business transacted in the province.”

“If personal property tax is greater than the the income tax then they collect from the personal property, and if the income tax is greater, the amount of tax on income shall be the only tax payable in respect of both income and personal property.”

The Provincial Government of British Columbia pays a very large portion of Vancouver's school expenses, which comes from revenue derived from the various kinds of taxes other than that of land.

Do not allow Vancouver, B. C., to enter into your consideration as a city trying out Single Tax, for such is not the case; they are simply exempting, as a city, buildings and personal property, and even that far only by resolution of City Council; there is no such provision in the city charter.

Really no comparison

In conclusion, a word to the wise is sufficient. Let Vancouver and other Canadian cities continue their experiments, until they have passed through a period of depression, which will surely follow, as has been the experience of Seattle, Portland, San Francisco—in fact all cities and countries; then is the time to observe the effects. This much boasted reform is not like Halley's comet—passing by, never to return. Moderation is the silver link in the pearly chain of virtue; therefore use moderation in all your acts.

Test yet to come







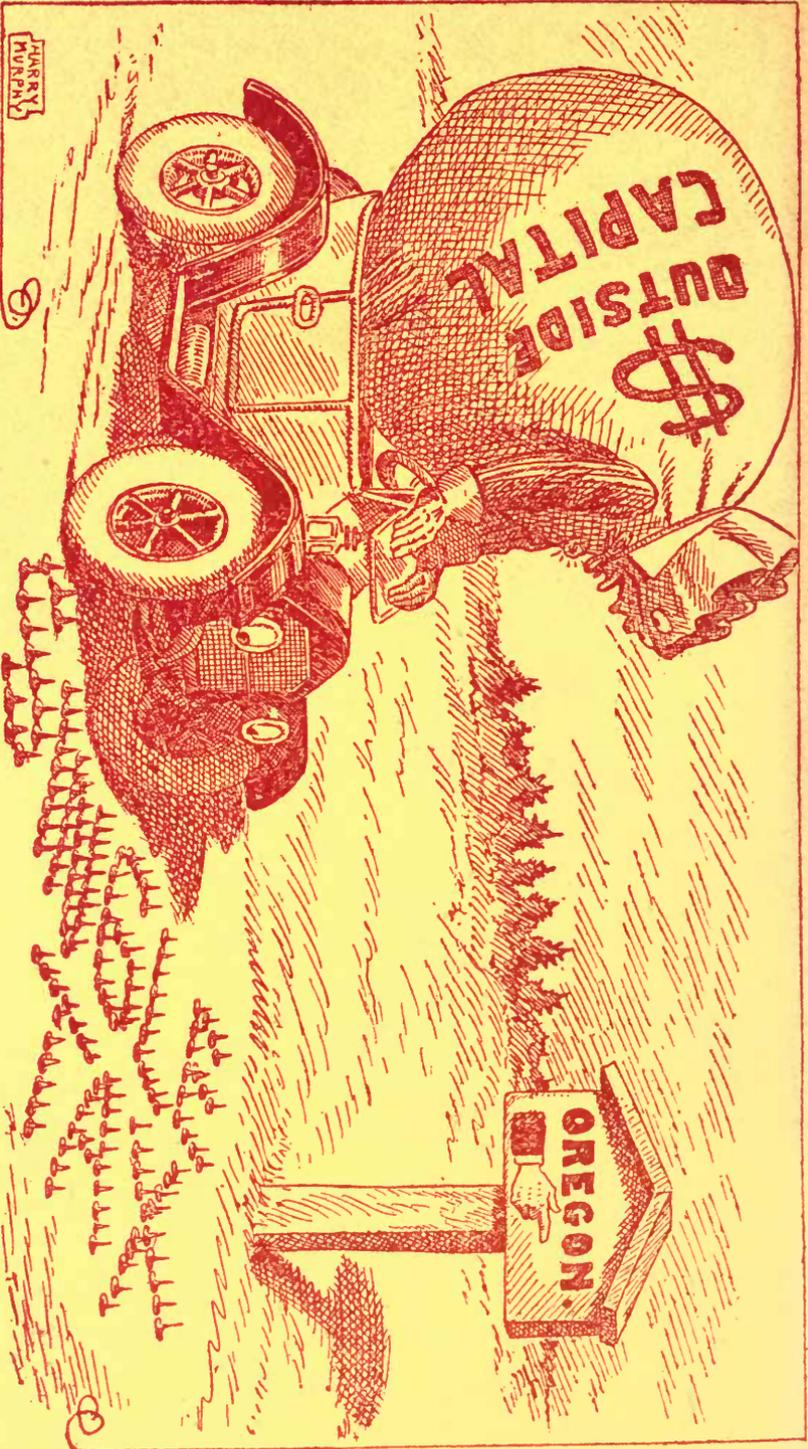












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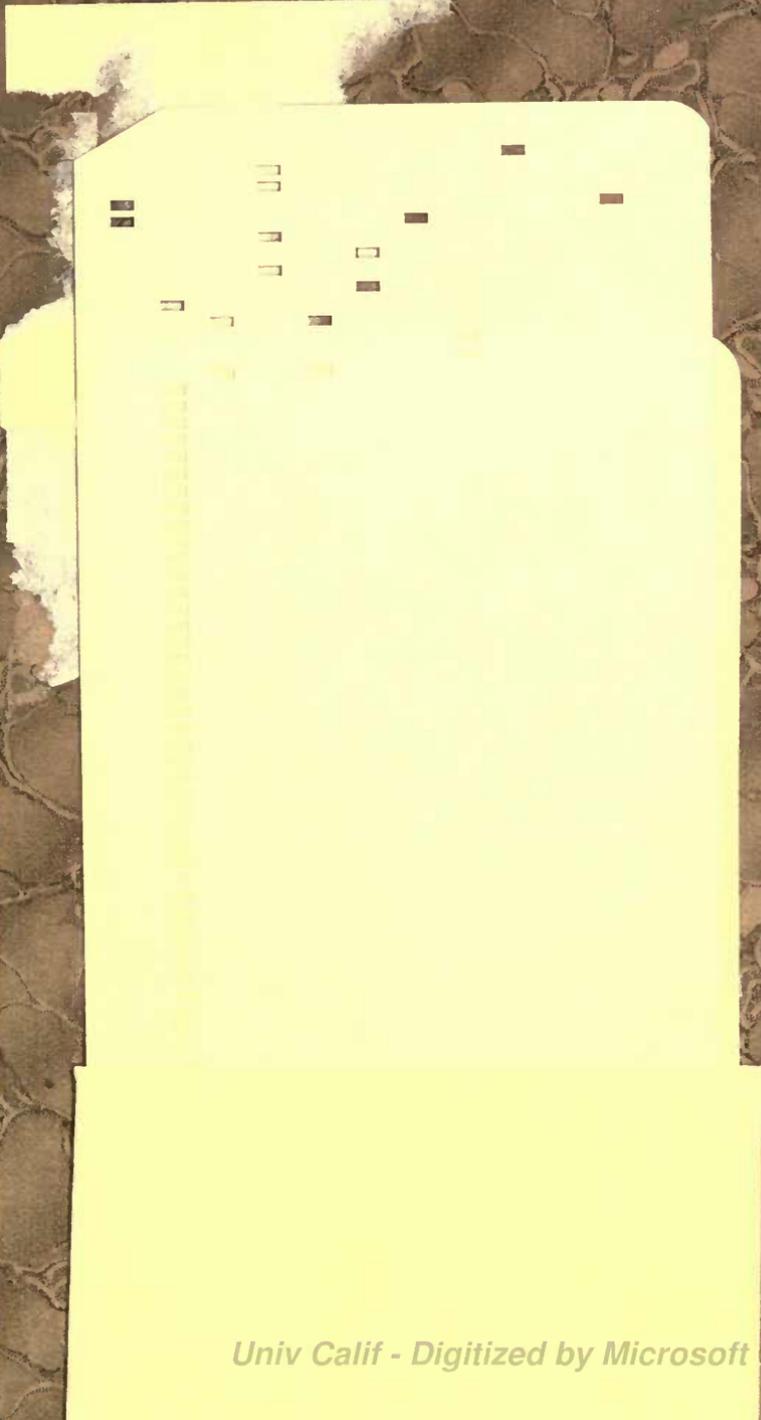
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