

SINGLE - TAX COURIER.

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TAXES ON LAND VALUES ONLY.

HENRY GEORGE ON THE ALL-IMPORTANT QUESTION.

A Magnificent Lecture - The System of Private Property  
in Land Analyzed.

Hamilton (Ont.) Daily News.

The above is a part of the large heading placed by the Hamilton (Ont.) Evening News over its good report of Henry George's recent lecture in that city. The report is as follows:

Mayor Steward briefly introduced Mr. George, saying that it gave him great pleasure to do so, Mr. George being one of the profound thinkers and able speakers of the age. The theory of single-tax, he said, was no longer a mere fad. The time, he believed, was not far distant when the theory would be inculcated into the practices of the nations the world over. If the theory was right it must in the end prevail. He therefore asked Mr. George a careful, thoughtful hearing, in order that the question might be better understood.

Mr. George was received with becoming applause, and without ceremony or delay launched upon his subject. He said:

"Ladies and Gentlemen, the time has gone by when it can be said that there is no need for any great reform in the social condition. The time is gone - it was slow in going - when men can say that poverty is caused by the ignorance, idleness and vice of the poor. All over the civilized world the deeper and constantly deepening distress of the masses is pressing itself on the attention of all thinking people. In the United States the distribution of charity has become a business. Even in ordinarily good times there are

many men who must receive charity or starve. You have some of them here, but not in as large a proportion. It is useless for me to point out that that is a condition, requiring our best thoughts and energy. There is, however, a wide divergence of thought as to the cause, and as to what is its cure. There are two great schools in the world. One attributes the fact to the ground that there is not work enough to do. Their cure is to lessen the number of workers or the amount of work to be done by each. Into this class generally fall the trades unions, the growing socialists and that great body, the protectionists. They argue that the best thing to do is to prevent foreigners from doing our work. The result is that a protective tariff confronts you entering our country and confronts you entering your country. The same principle is even introduced into our municipalities, and if it could, undoubtedly the tariff wall would be erected between different states of the union. No man who wants work is welcome in the country. If possible they would keep him out.

"The theory is preposterous on the face of it. No man ever wanted to work for the sake of work. Men do not work for the sake of spending their exertions, but in order to secure the gratifications of their desires. The socialistic theory that would stifle competition and the protectionist theory that would draw lines that are harder to cross than great seas, point to the theory that men work for the love of it. Yet competition it is that enables us to enjoy the benefits of civilization and raises us above the savage. The principle of protection, if carried to its logical conclusion,

would destroy all the agencies that have been employed to advance humanity. If work alone is what be needed the logical conclusion is to burn the locomotive and destroy every improvement and labor-saving device. A few nights ago in Toronto there was a great meeting to protest against department stores. The next night one of the greatest of these stores was destroyed. I do not say that there was any connection between the meeting and the fire, but certainly the fire was in the same direction as the meeting - tending toward making work for those who have none. The rational deduction would be that the fire was a good thing.

"The same thing is seen in the protective theory. The introduction of that theory into the United States has done more to degrade and to lessen the control of the people over the legislatures than the introduction of an absolute monarchy could have done. We see it in the events of the immediate past, when the President, knowing the feeling of the people, instead of calling the senate and introducing the promised reform, dallied and at last brought in a poor, little, timid, half-way measure. The little finger of the sugar trust had more power in framing that measure than the loins of the masses. The trusts and combines controlled it. The combines can do openly what the most despotic monarch dare not do. The great principles of our nation are fading away, and demoralization must follow, if the principle is allowed to live.

"It has been said of me in some of your papers that I, professing to be a philanthropist, came here charging a price to be heard. I do not claim to be a philanthropist, but I have been called

harder names. (Laughter.) Surely, however, I have a right to say in what way my energies shall be applied. I feel that I cannot do the most as a speaker, but that I can best accomplish what I desire with the pen. Had I the desire I might follow the platform, for I have many tempting offers and liberal inducements. It has also been said I have been brought here by the Grits. That is not so. A gentleman named Bryan brought me here. If, however, the Grits want me to come and speak in Canada I will come. (Applause.) I will speak from Halifax to Vancouver and will feed myself. The only cost they will be put to will be for my transportation. I make this offer in safety - it will not be accepted. The Grits are like our Democrats. They are afraid of their horses."

A voice: "No."

Mr. George - "They are afraid to stand by the great principle of free trade."

A Voice.- "It is not so."

Mr. George (evidently noticing an inclination to <sup>e</sup>res<sub>nt</sub>) - "Our Democrats, at least, had been. They had hold of the principle of free trade but they have not pushed it. They have adopted "revenue tariff" and half-hearted measures and because they were afraid of temporary defeat they have sacrificed ultimate and permanent success and the destruction of the monster of protection. Free trade! What does it mean? Not merely a reduction of duties. In a truly free trade country there would be no such a thing as a customs house or customs officer. (Applause.) No such thing as involuntary idleness; no such thing as an unemployed class. Free trade, carried to the

full, means the abolition of all restrictions on the production of wealth, and that means the destruction of monopoly in land which to-day lies at the bottom of <sup>the</sup> distress of the masses. (Applause.)

"How is the evil to be remedied? We single-taxers say it is an easy task - by the abolition of all taxes on the production of wealth. Where would you get your revenue? From the natural source - that source which economists call rent.

"Now, we who propose this say that the social evils spring not from the fact that there is not work to do, but that men are artificially debarred from the element which is necessary to all work and to life - land. Take the great class of slums, tramps and chronic beggars. What do they come from? There was no such thing north of the Mason and Dixon line, at least when these colonies first grew up. Work was plentiful and wages high, and Adam Smith said it was due to the abundance of land and the ease with which it could be got at. No man then would work for another for less than he could make for himself. Laborers would not be long in taking up land for themselves and making the full use of their opportunities. Land is still abundant in the United States, as it is in Canada. A man landing in the United States cannot go a few miles outside of New York without finding great tracts of unused land. As you go across the great country you find from end to end immense, unmeasured <sup>areas</sup> that are not put to any use but the great obstacle is that the laborer cannot go on or take possession of it without paying blackmail to the speculator. New York is crowded as is no other city in the world. Four-fifths of the people live in tenements or flats. What is the reason? There are

not half enough houses, and yet there is fully one-half of the land in New York City not built upon. Why is it not built upon? Because, before he who would build can get upon the land he must pay for it - not its actual value, but a speculative value based on what New York may be many years hence. So it is with the land throughout the country. Land held in that way is taxed lightly, if at all, but the man who would build is taxed as soon as the foundation is laid. No sooner does the speculator sell and the improver come along, than down comes the tax-gatherer and taxes the improver for making two blades of grass grow where one grew before - for making a garden out of a wilderness. The principle thus applied is not to add to the wealth of the country, but to levy blackmail against those who would add to the wealth of the country.

"The crop of great millionaires is growing as it never grew before, and with the monstrous millionaire must come monstrous poverty. They are co-relative. One is the expression of injustice on one side; the other is the expression of injustice on the other side.

"The American farmer as we saw him a few years ago was a man, who, with the help occasionally of a man, worked the farm which he owned."

A Voice - "He is doomed."

Mr. George - "Yes, he is doomed. The majority of what were a few years ago the typical American farmers is now the tenant farmer - rack-rented too, as badly as ever tenant farmer was in Ireland - or his farm is eaten up with mortgages and he is on the highway to become a tenant. The speed with which this is coming about has even

surprised me, though I saw it long ago. The last census proves it most conclusively. Within a few decades the old type of American farmer will be as extinct as he has been for years in England. The same thing must follow in Canada, I care not what its government. That is the reason there are great masses of people, looking for work and unable to get it; that is the reason the governments are corrupt, and are passing out of control of the people. Money is power - power to dictate to legislators, to the press, and power even to "tune" the pulpit. On the one side are men so rich that nothing is any consideration to them and on the other men so monstrously poor that an odd job or a few dollars on election day are more to them than anyone could imagine. In those conditions you have the reason of the corruption of our once proud democracy.

"This is the close of the most wonderful century the world has ever seen. A century of great advances. We have seen greater forces added to man's power to direct nature than ever before; and invention is not yet at its end, but the application of the forces has made the masses more degraded than savages, and has made ponderous wealth for a few.

"And new elements are coming in. The Japanese war and the opening of China by railways mean the opening of our civilization to the millions of people who have been shut up in that great land. Let us be warned. We must put our house in readiness for the coming event.

"This principle of land tax is well adapted to this age. The principle of ownership in land was not recognized by our predecessors. The Saxons and Celts recognized the equal right of all men

to land, and even in the feudal system the equality of land was recognized in a measure. This single-tax idea is simply a proposition to go back, in a mode adapted to our times, to an old principle. The first movements towards the principle have already taken place in the Western states and in Western Canada. Hurt the farmers! Why, they are the very ones who would be benefited. They are the ones who are most heavily burdened under our present system. Such things as money in hand, gold watches, pleasure carriages, are paid more highly for by the farmers than by the rich men in cities. The farmer cannot get a new wagon or ~~paid~~<sup>not</sup> a barn, but the assessor sees it. The rich man may get what he pleases, the assessor cannot value it. A little picture in the rich man's house may be more valuable than a farmer's whole stock, but the assessor does not know it and cannot find out, nor can he tell anything about the rich man's other possessions. Hence the rich man escapes, and the farmer and poor man bear the burden.

"The one thing that increases in value as civilization goes on is rent - the value of land. Civilization has a tendency to decrease the value of everything else, because of the increased facilities for manufacture and production, but the same conditions increase the value of land. There you have the natural supply for a natural demand, and a supply that will at all times keep up with the demand. Here is a source from which we may produce revenue without restricting industry or checking production, and in adopting it we sweep away not only the cause of corruption, but the cause of the unequal distribution of wealth; the ~~cause~~ of the ever-widening



gulf between the two great classes of society. The system would leave no profit on the sale of land, therefore there would be no inducement to speculators to take up and hold land they could not use; therefore there would be land for all!" (Applause.)

Replying to Mr. Geo. Fr  d. Jelfs' long letter, Mr. George said: "I take it that Mr. Jelfs says in effect that all public income must be drawn from the product of labor and industry, and on that account he thinks there would be no difference produced by merely drawing our taxes from the value of the land instead of drawing them from the value of the land and improvements and various other sources. Now, he is perfectly right in saying that all public revenues must come from the exercise of labor - all public and private revenues - but there is yet a very great difference in the systems. A man and a millstone must both be supported by the earth - must at least rest upon the earth. But it makes a very great difference whether the millstone rests upon the earth and the man rests upon the millstone, or the man rests upon the earth and the millstone rests upon the man. (Laughter and applause.) All public revenues must be drawn from the produce of labor, but rent - what the mere landlord gets as mere landlord, of the produce of labor - comes from what labor must pay him before labor gets anything for itself. Mr. Jelfs seems to think that, even under the single-tax, tenants would have to pay rent. That is very true, in the sense of what we call economic rent; but the difference is that what they pay in economic rent now goes to the landlord, they getting no benefit therefrom, whereas under the single-tax it would be paid to the

the community of which they are a part and would lessen the taxes which the community now levies upon them as laborers." (Applause.) Mr. George dealt at some length with Mr. Jelfs' illustration of the man who lived away out of town on a small plot, drawing rents from his city property and escaping the burden of taxation. He made it clear that Mr. Jelfs' illustration grew out of a confusion of terms, he having confounded the speculating ground landlord with the building landlord, the former of whom under single-tax would have to go out of business, and the latter of whom would properly receive rent (interest) for the use of his improvements (buildings.)

Dr. Burns was the first to accept the general invitation to ask questions. He desired to know if there was any country in the United States attempting to work on the principle of the single-tax.

Mr. George replied - "No. There was an attempt in Maryland, but the land owners questioned the legality of the step and frustrated it. On this side of the water the honor belongs to your Dominion. Our form of government is not as available as yours."

A Voice - "That's a grand acknowledgment."

Mr. George - "I am always willing to acknowledge the truth." (Applause.)

Mr. H.F. Gardiner then put a question. If he understood Mr. Jelfs, that gentleman made a distinction between country and city land.

Mr. George - "I do not."

Mr. Gardiner - "But Mr. Jelfs evidently does. He speaks of land in the country which may be suitable to produce cabbages, and

the like, while that in the city may be rocky. I do not think you have sufficiently explained."

Mr. George - "I think it is clearly wrong. The statement that there is a difference between land in the city and land in the country will not hold. Land in the city might not have the capacity for producing cabbages, but it will have the facilities for producing much greater value than cabbages."

Mr. F. MacKeehan, Q.C., arose with the remark: "Land is almost unsaleable here." and had got no further when Mr. George put in, "Will you allow me to ask if you find any difficulty in giving it away."

Mr. MacKeehan - "No, land is cheap, We are laboring under the delusion that a rise in land values would be an indication of better times. Is that the way you would look at it?"

Mr. George - "To the purchaser, yes; to the user, no."

Mr. MacKeehan - "We don't think so."

Mr. George - "I am afraid your 'we' are the people who have been betting on the rise." (Laughter.)

Proceeding, Mr. George said that from all he could see and learn there had been a rise in Canada. In Toronto, for instance, he noticed such signs as "This lot to lease for 21 years." The city was reaching the time when land was too valuable to sell it. In the same city he learnt that one man had property worth \$5. an acre on the outskirts. When the boom came he sold it out to clerks, printers and such men in small lots at big figures. The purchasers, tired of paying the instalments, had waited on the former owner and asked him to accept what they had already paid. His answer was,

"After you have made a few more payments I will consider it."

Mr. MacKelean put his question again, and Mr. George replied "If your land values were economic an increase would indicate prosperity. If they were speculative, the increase need not be an evidence of prosperity."

Ald. F.W. Watkins asked two questions on the local option proposition recently before the city council. The first was: If Hamilton adopted single-tax and Toronto and other cities did not, would Hamilton be at a disadvantage?

Mr. George replied that Hamilton would be at a decided advantage. If Hamilton adopted the scheme it would soon become the most important city in the country, unless the others followed its example.

The second question was. Would monetary concerns pay their share of the taxes under the single-tax system?

To this Mr. George replied - "As to banks and rich corporations, don't bother about them. Why do you want to tax them? Why tax money? You need money. Why tax their buildings? You like fine buildings to beautify your city. The single-tax will take all that would be right for the use of the land."

Dr. Burnes asked: "Would men put up fine buildings if they had no title in fee simple?"

"Yes," replied Mr. George. "They do so to-day, They put up magnificent buildings on land, the only title to which is that they shall have the privilege of paying an enormous rent for it and secure possession of it for a certain length of time. Security of possession is an absolute necessity to the use of land. We will give

greater security of possession under the single-tax system than now.

Mr. J. Bidwell Mills at this stage arose from his seat in the gallery, and in contradiction to Mr. MacKelean, whom he had not seen, informed Mr. George that in Hamilton land that was worth \$200 an acre 50 years ago is to-day worth \$50,000, and land that was worth \$200 an acre ten years ago is now worth \$10,000.

A gentleman downstairs then asked how single-tax would be applied to land in the center of Hamilton, Mr. George replying that the more central the land the more valuable, and the more it would pay to the community, regardless of the buildings on it. Under the present system a building in the center of the city pays no more than one of equal value in a poor locality in the suburbs - an injustice that would be done away with by the single-tax.

Mr. Gardiner asked if the tendency of the single-tax would be to lead people to put up fourteen-story buildings in order to escape land rent.

Mr. George thought not. Of course, under the prosperity the system would bring there would be a tendency, to larger and finer buildings in centers of population. Municipalities could easily legislate against buildings above six or seven stories if found advisable.

Dr. Burns asked how the system would affect, say a poor widow, who had only the rents she received to live upon.

Mr. George replied: - "In the days of the struggle against slavery a similar question was asked, 'How would the poor widow who has only the labor of one slave live if the slave be emancipated?'

The poor slave was left out of the consideration. In a few isolated cases a poor widow might be deprived of her living, but for every poor widow hurt there would be a hundred thousand poorer people benefited."

Mr. Gardner - "If you have the single-tax you would not be able to continue the excise? You would not have taxes on whisky and tobacco?"

Mr. George - "I would not."

Mr. Gardiner - Then what would become of Dr. Burns and such people? Would it not increase consumption?"

Amid the laughter that followed Mr. George replied that he thought there would not be more whisky consumed. There would be better whisky and better tobacco, but he believed, being less poverty there would be much less liquor consumed.

Dr. Burns had another question and when he sat down half a dozen people were on their feet. It was evident that Mr. George would have been detained until midnight had he attempted to answer all that would be asked and he was forced to stop - he had been on his feet two hours and a half.

A vote of thanks was tendered him on motion of Mr. H.F. Gardiner, seconded by Dr. Burns and the well-pleased assembly broke up.

April 13, 1895.