

The Menace of Privilege*

By John J. Murphy.

UNDER the dome of the reading room of the Chicago Public Library is inscribed in archaic Greek an aphorism which, translated, reads: "The things which the friends of the kingly power do not permit to be said are written in books." "The Menace of Privilege" is such a book as, evidently, the old philosopher had in mind. Although concerning itself solely with the American Republic, it deals with abuses arising from, what may well be designated, the kingly power. Institutions, even under republican forms, may become as despotic as tyrants and an oligarchy by its impersonality and division of responsibility may be more intolerable than a king. The only recourse of the oppressed, the sole resource of impeded progress, is an appeal to the supreme controlling factor of the social world—public opinion—and such an appeal the "Menace of Privilege" is.

Many of the results of special privilege which the elder George foretold a quarter of a century ago in "Progress and Poverty", the younger George, in the book before us, shows to have arrived. Seven-eighths of the work is devoted to unrolling the panorama of social conditions as set forth in the press and publications of the day. Little space is wasted on mere rhetoric or denunciation. The facts speak all the louder for the absence of any attempt to bias the reader's judgment by mere invective. This method of presentation has had two conspicuous exponents—Henry D. Lloyd's "Wealth Against Commonwealth" and Ida M. Tarbell's "History of the Standard Oil Company"—works with which Mr. George's book may be fairly ranked. It is, however, much more general in its application than either of these searching investigations into the Greatest Commercial Conspiracy of all time.

No fair minded reader can detect a line of envious criticism. Envy is not an American sin and this work is characteristically American, in the best sense of the term that has been lately stretched to the breaking point. The belief in the reality of equality of opportunity is too deep rooted in the American mind for any considerable number of the people to grudge success to one of their number, as long as they do not see too clearly that it is gained at their expense. Great winnings at games of chance by lucky gamblers usually produce in the minds of even the unlucky a feeling of pleasure, for, in their ignorance, the latter do not see that the winnings are paid out of their losses, the "bank" simply acting as agent. But let the idea obtain that such successes are achieved by the use of clogged dice and marked cards, and even the lives of the winners are no longer safe from their infuriated victims. The impression seems to be gaining ground that the great fortunes of the day have been attained by analogous methods, and when that opinion comes to be shared by the masses, the possession of such fortunes will be neither secure nor enviable. The danger is that when the crisis comes, proper discrimination may not be made between the fruit of honest industry and the spoils of predatory monopoly.

The volume of news which the industry of the daily press pours on our breakfast tables is so great—scandal succeeds scandal with such stupefying rapidity—that only exceptional minds can retain any clear recollection of the details. The indignation

aroused by one episode is swallowed up by the horror of the next revelation and therefore it is well to have set before us, in reasoned and permanent form, a record such as this, of the experiences through which we are passing, with an attempt to show whither we are tending.

"The Menace of Privilege" sets out to demonstrate

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that the boasted equality of citizens within the Republic is rapidly disappearing and it must be conceded that the author proves his case. We may well question, however, the statement that "one per cent of the families of the United States own more of the general wealth than the other ninety-nine per cent,"—a statement quoted from the late Dr. Spahr. The accuracy or inaccuracy of this statement depends upon our view of what constitutes wealth. The capitalization of the great trusts is not wealth even if they are, for the moment, able to pay interest on their bonds and stock. Wealth consists only of actual material things which have been created to satisfy human needs by labor working on land or the raw material derived from land. Titles to land values, whether actual or speculative, bonds and stocks which owe their value to artificial conditions created by monopolies or protective tariffs or patent rights can not be included in any proper estimate of *existing* wealth, and if the legislation-made special privilege on which these values rest were abolished, this fictitious wealth would disappear without thereby causing the destruction of a single dollar's worth of real wealth. A simple way of realizing this fact is to imagine the consequence of the repeal of the internal revenue tax on whiskey. If the present stock of whiskey in the hands of the dealers be estimated at \$200,000,000, of which four-fifths is tax, the value of the visible supply would fall at once to \$40,000,000, by the abolition of the tax. Would there be any less whiskey or would it be less able to fulfill such purposes, good or bad, as it now serves? Obviously not. The billion and a half capitalization of the United States Steel Company is based on land, plant, fixtures, etc., which do not exceed 300 millions of present value and even this estimate is made on the cost of reproduction without deducting anything for the enormous enhancement in the cost of producing machinery which our present protective tariff imposes, nor for the purely speculative nature of some of the land values. Under circumstances of unhampered production and transportation, it may well be believed that \$100,000,000 would replace every useful equipment and possession which this great consolidation owns. The world lives from hand to mouth and is never a year ahead of its needs. A general harvest failure of a single year would bring us face to face with famine. Not even a small proportion of what usually passes as wealth, such as stocks, bonds or land titles, could be turned into real wealth at any given time. Therefore it may be urged that no such proportion of real wealth does exist in a few hands as even our author is willing to concede.

In all conscience it is bad enough, and the robbers are no less the victims than the robbed. "If a man work not, neither shall he eat" is not merely a counsel of perfection. It is a statement of natural law. The day laborer's black bread and onions have a savor unknown to the fifteen course dinner of the millionaire. Work and enjoyment are co-relatives and the man who shuns the irksomeness of physical labor knows not the keenness of enjoyment that his poorer

brother finds in the satisfaction of mere bodily needs. Indeed, one of the pathetic and secular errors of the world is the belief that it is good for a man to attain a position where he need not work for a living. Good it is to be relieved from the ever growing dread of unmerited destitution, of hopeless pauperism, which blasts the souls of multitudes and which would ruin the lives of many more if they had imagination enough to realize how near the brink of the abyss they really stand; freedom of opportunity alone can bring this relief. Mr. George has given a name to our monopolists which is likely to stick and to hurt—"Princes of Privilege"—for people who calmly accept a fact will often balk at a name. He shows the foundations on which privilege rests; the product of the system in the shape of a leisure class resorting to every conceivable and inconceivable device to mitigate the count of useless lives; the other product of the system, the wretched poor who totter all their miserable lives on the verge of destitution; the building up of monopolies, the prostitution of the courts and the executive and legislative branches of the government, the corruption of politics; the press, the pulpit and the university and finally the perversion of the very nature of our government, turning it from Republican to Imperial.

It was inevitable that both the law and the church should become demoralized by association with the predatory powers. The glittering baubles of place and pomp have ever retained their hypnotic influence on lawyer and churchman. The current philosophy of the legal schools is that man's right to property is not the natural consequence of production but the offspring of law. Hence property is based not on morality but expediency. Such teaching can offer no barrier to the onrush of impending communism and it will serve the mob as loyally as it now serves the masters. As the law itself is but the crystallization of public opinion, whenever public opinion shall change as to the justice, or expediency even, of regarding as rightful property what now passes by that name the upholders of this philosophy will have no consistent ground of objection.

The power of the pulpit declined as soon as the mass of men questioned its supernatural authority, and unfortunately or fortunately this is a growing tendency. No church based on merely humanitarian lines can sway men against their passions or what they, even short-sightedly, deem their interests. Moses had to invoke the thunders of Sinai to bring the Israelites to adopt mere sanitary regulations. The fact that a man, in prescribed costume, inveighs from a pulpit against human follies will give no weight to his utterances. If he is not really in the minds of his hearers the Lord's anointed, his words are empty and his diatribes mere impertinences. The triumph of the Cross by its identification with the Imperial power of Constantine was really the recrudescence of paganism. The christianity of the Catacombs was not the religion of the Basilica.

A closing chapter is devoted to the Remedy which may be summed up in a single word, Justice—Equal opportunity to all, special privilege to none. This is a book which may well give pause to the sort of optimist who has been defined as a man who thinks that everything that happens is for the best, provided it does not happen to him. We have drifted far from the teachings of Jefferson and Franklin, and the worst of it is that so many people admit the fact but say that the drifting was inevitable or progress could not

have been made. The fundamental philosophy of many to-day is that democracy is only possible under primitive conditions and that civilization and a high degree of social well-being require Dryden's ideal government—"An Angel from Heaven and a Despotism"—and if we can not get that, at least some *uebermensch* who will take care of us. All of which is egregiously untrue. Whenever progress shows grossly unequal development it will be found that unequal economic conditions prevailed. Taken in the mass, men are much more nearly equal in efficiency than the difference in their possessions would indicate, and one generation usually corrects any slight disparity there may have been in another.

In a word, the conditions which Mr. George's book discloses give as little ground for despair as for complacency. With all its sins upon its head the United States still affords the nearest approach to universal opportunity of any nation which the world has known. But if our opportunity is great so shall be our responsibility to future generations if we build not wisely. We are laying here the basis of the greatest human structure of which history has any record. What light of cosmic wisdom may gild its pinnacle imagination is not bold enough to prophesy. But if the foundations be not laid square and true, the very magnitude of the superstructure will accelerate its annihilation. #