

The Farmer and the Single Tax



By Henry George

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(This is Chapter XX of "Social Problems," entitled "The American Farmer." It was written in 1883, and is as true now as then. The footnotes to the chapter are omitted.)

IT is frequently asserted that no proposition for the recognition of common rights to land can become a practical question in the United States because of the opposition of the farmers who own their own farms, and who constitute the great body of our population, wielding, when they choose to exert it, a dominating political power.

That new ideas make their way more slowly among an agricultural population than among the population of cities and towns is true—though, I think, in less degree true of the United States than of any other country. But beyond this, it seems to me that those who look upon the small farmers of the United States as forming an impregnable bulwark to private property in land very much miscalculate.

Even admitting, which I do not, that farmers could be relied upon to oppose measures fraught with great general benefits if seemingly opposed to their smaller personal interests, it is not true that such measures as I have suggested are opposed to the interests of the great body of farmers. On the contrary, these measures would be as clearly to their advantage as to the advantage of wage-workers. The average farmer may at first start at

the idea of virtually making land common property, but given time for discussion and reflection, and those who are already trying to persuade him that to put all taxation upon the value of land would be to put all taxation upon him, have as little chance of success as the slaveholders had of persuading their negroes that the Northern armies were bent on kidnaping and selling them in Cuba. The average farmer can read, write and cipher—and on matters connected with his own interests ciphers pretty closely. He is not out of the great currents of thought, though they may affect him more slowly, and he is anything but a contented peasant, ignorantly satisfied with things as they are, and impervious to ideas of change. Already dissatisfied, he is becoming more so. His hard and barren life seems harder and more barren as contrasted with the excitement and luxury of cities, of which he constantly reads even if he does not frequently see, and the great fortunes accumulated by men who do nothing to add to the stock of wealth arouse his sense of injustice. He is at least beginning to feel that he bears more than his fair share of the burdens of society, and gets less than his fair share of its benefits; and though the time for his awakening has not yet come, his thought, with the decadence of old political issues, is more and more turning to economic and social questions.

It is clear that the change in taxation which I propose as the means whereby equal rights to the soil may be asserted and maintained, would be to the advantage of farmers who are working land belonging to others, of those whose farms are virtually owned by mortgages, and of those who are seeking farms. And not only to the farmers whose opposition is relied upon—those who own their own farms—form, as I shall hereafter show, but a decreasing minority of the agricultural vote, and a

small and even more rapidly decreasing minority of the aggregate vote; but the change would be so manifestly to the advantage of the smaller farmers who constitute the great body, that when they come to understand it they will favor instead of opposing it. The farmer who cultivates his own small farm with his own hands is a landowner, it is true, but he is in a greater degree a laborer, and in his ownership of stock, improvements, tools, etc., a capitalist. It is from his labor, aided by this capital, rather than from any advantage represented by the value of his land, that he derives his living. His main interest is that of a producer, not that of a landowner.

There lived in Dublin some years ago, a gentleman named Murphy—"Cozy" Murphy they called him, for short, and because he was a very comfortable sort of a Murphy. Cozy Murphy owned land in Tipperary; but as he had an agent in Tipperary to collect his rents and evict his tenants when they did not pay, he himself lived in Dublin, as being the more comfortable place. And he concluded at length that the most comfortable place in Dublin, in fact, the most comfortable place in the whole world, was—in bed. So he went to bed and stayed there for nearly eight years; not because he was at all ill, but because he liked it. He ate his dinners, and drank his wine, and smoked his cigars, and read, and played cards, and received visitors, and verified his agent's accounts, and drew checks—all in bed. After eight years' lying in bed, he grew tired of it, got up, dressed himself and for some years went around like other people, and then died. But his family was just as well off as though he had never gone to bed—in fact, they were better off; for while his income was not a whit diminished by his going to bed, his expenses were.

This was a typical landowner—a landowner pure and

simple. Now let the working farmer consider what would become of himself and family if he and his boys were to go to bed and stay there, and he will realize how much his interests as a laborer exceed his interests as a landowner.

It requires no grasp of abstractions for the working farmer to see that to abolish all taxation, save upon the value of land would be really to his interest, no matter how it might affect larger landholders. Let the working farmer consider how the weight of indirect taxation falls upon him without his having power to shift it off upon anyone else; how it adds to the price of nearly everything he has to buy, without adding to the price of what he has to sell; how it compels him to contribute to the support of government in far greater proportion to what he possesses than it does those who are much richer, and he will see that by the substitution of direct for indirect taxation, he would be largely the gainer. Let him consider further, and he will see that he would be still more largely the gainer if direct taxation were confined to the value of land. The land of the working farmer is improved land, and usually the value of improvements, and of the stock used in cultivating it, bears a very high proportion to the value of the bare land. Now, as all valuable land is not improved as is that of the working farmer, as there is much more of valuable land than of improved land, to substitute for the taxation now levied upon improvements and stock, a tax upon the naked value of land, irrespective of improvements, would be manifestly to the advantage of the owners of improved land, and especially of small owners, the value of whose improvements bears a much greater ratio to the value of their land than is the case with larger owners; and who, as one of the effects of treating improvements as a proper

subject of taxation, are taxed far more heavily, even upon the value of their land, than are larger owners.

The working farmer has only to look about him to realize this. Near by his farm of eighty or one hundred and sixty acres he will find tracts of five hundred or a thousand, or, in some places, tens of thousands of acres, of equally valuable land, on which the improvements, stock, tools and household effects are much less in proportion than on his own small farm, or which may be totally unimproved and unused. In the villages he will find acre, half-acre and quarter-acre lots, unimproved or slightly improved, which are more valuable than his whole farm. If he looks further, he will see tracts of mineral land, or land with other superior natural advantages, having immense value, yet on which the taxable improvements amount to little or nothing; while, when he looks to the great cities, he will find vacant lots, twenty-five by one hundred feet, worth more than a whole section of agricultural land such as his; and as he goes toward their centers he will find most magnificent buildings less valuable than the ground on which they stand, and block after block where the land would sell for more per front foot than his whole farm. Manifestly to put all taxes on the value of land would be to lessen relatively and absolutely the taxes the working farmer has to pay.

So far from the effect of placing all taxes upon the value of the land being to the advantage of the towns at the expense of the agricultural districts, the very reverse of this is obviously true. The great increase of land values is in the cities, and with the present tendencies of growth this must continue to be the case. To place all taxes on the value of land would be to reduce the taxation of agricultural districts relatively to the taxation of towns

and cities. And this would be only just; for it is not alone the presence of their own populations which gives value to the land of towns and cities but the presence of the more scattered agricultural population, for whom they constitute industrial, commercial and financial centers.

While at first blush it may seem to the farmer that to abolish all taxes upon other things than the value of land would be to exempt the richer inhabitants of cities from taxation, and unduly to tax him, discussion and reflection will certainly show him that the reverse is the case. Personal property is not, never has been, and never can be, fairly taxed. The rich man always escapes more easily than the man who has but little; the city more easily than the country. Taxes which add to prices bear upon the inhabitants of sparsely settled districts with as much weight, and in many cases with much more weight, than upon the inhabitants of great cities. Taxes upon improvements manifestly fall more heavily upon the working farmer, a great part of the value of whose farm consists of the value of improvements, than upon the owners of valuable unimproved land, or upon those whose land, as that of cities, bears a higher relation in value to the improvements.

The truth is that the working farmer would be an immense gainer by the change. Where he would have to pay more taxes on the value of his land, he would be released from the taxes now levied on his stock and improvements, and from all the indirect taxes that now weigh so heavily upon him. And as the effect of taxing unimproved land as heavily as though it were improved would be to compel mere holders to sell, and to destroy mere speculative values, the farmer in sparsely settled districts would have little or no taxes to pay. It would

not be until equally good land all about him was in use, and he had all the advantages of a well-settled neighborhood, that his taxes would be more than nominal.

What the farmer who owns his own farm would lose would be the selling value of his land, but its usefulness to him would be as great as before—greater than before, in fact, as he would get larger returns from his labor upon it; and as the selling value of other land would be similarly affected, this loss would not make it harder for him to get another farm if he wished to move, while it would be easier for him to settle his children or to get more land if he could advantageously cultivate more. The loss would be nominal; the gain would be real. It is better for the small farmer, and especially for the small farmer with a growing family, that labor should be high than that land should be high. Paradoxical as it may appear, small landowners do not profit by the rise in the value of land. On the contrary they are extinguished. But before speaking of this let me show how much misapprehension there is in the assumption that the small independent farmers constitute, and will continue to constitute, the majority of the American people.

Agriculture is the primitive occupation; the farmer is the American pioneer; and even in those cases, comparatively unimportant, where settlement is begun in the search for the precious metals, it does not become permanent until agriculture in some of its branches takes root. But as population increases and industrial development goes on, the relative importance of agriculture diminishes. That the non-agricultural population of the United States is steadily and rapidly gaining on the agricultural population is, of course, obvious. According to the census report the urban population of the United States was in 1790 but 3.3 per cent of the whole popula-

tion, while in 1880 it had risen to 22.5 per cent. Agriculture is yet the largest occupation, but in the aggregate other occupations much exceed it. According to the census, which, unsatisfactory as it is, is yet the only authority we have, the number of persons engaged in agriculture in 1880 was 7,670,493 out of 17,392,099 returned as engaged in gainful occupations of all kinds. Or, if we take the number of adult males as a better comparison of political power, we may find, with a little figuring, that the returns show 6,491,116 males of sixteen years and over engaged in agriculture, against 7,422,639 engaged in other occupations. According to these figures the agricultural vote is already in a clear minority in the United States, while the preponderance of the non-agricultural vote, already great, is steadily and rapidly increasing.

But while the agricultural population of the United States is thus already in a minority, the men who own their own farms are already in a minority in the agricultural population. According to the census, the number of farms and plantations in the United States in 1880 was 4,008,907. The number of tenant farmers, paying money rents or share rents, is given by one of the census bulletins at 1,024,601. This would leave but 2,984,306 nominal owners of farms, out of the 7,679,493 persons employed in agriculture. The real owners of their farms must be greatly less even than this. The most common form of agricultural tendency in the United States is not that of money or share rent, but of mortgage. What proportion of American farms occupied by their nominal owners are under mortgage we can only guess. But there can be little doubt that the number of mortgaged farms must largely exceed the number of rented farms, and it may not be too high an estimate to put the number of

mortgaged farms at one-half the number of unrented ones. However this may be, it is certain that the farmers who really own their farms are but a minority of farmers, and a small minority of those engaged in agriculture.

Further than this all the tendencies of the time are to the extinction of the typical American farmer—the man who cultivates his own acres with his own hands. This movement has only recently begun, but it is going on, and must go on, under present conditions, with increasing rapidity. The remarkable increase in the large farms and diminution in the small ones, shown by the analysis of the census figures which will be found in the Appendix, is but evidence of the fact—too notorious to need the proof of figures—that the tendency to concentration, which in so many other branches of industry has substituted the factory for self-employing workmen, has reached agriculture. One invention after another has already given the large farmer a crushing advantage over the small farmer, and invention is still going on. And it is not merely in the making of his crops, but in their transportation and marketing, and in the purchase of his supplies, that the large producer in agriculture gains an advantage over the small one. To talk, as some do, about the bonanza farms breaking up in a little while into small homesteads, is as foolish as to talk of the great shoe factory giving way again to journeymen shoemakers with their lap stones and awls. The bonanza farm and the great wire-fenced stock ranch have come to stay while present conditions last. If they show themselves first on new land, it is because there is on new land the greatest freedom of development, but the tendency exists wherever modern industrial influences are felt, and is showing itself in the British Isles as well as in our older states.

This tendency means the extirpation of the typical American farmer, who with his own hands and the aid of his boys cultivates his own small farm. When a Brooklyn lawyer or Boston banker can take a run in a palace car out to the New Northwest, buy some sections of land, contract for having it broken up, seeded, reaped and threshed, leave on it a superintendent, and make a profit on his first year's crop of from six to ten thousand dollars a section, what chance has the emigrant farmer of the old type who comes toiling along in the wagon which contains his wife and children, and the few traps that with his team constitute his entire capital? When English and American capitalists can run miles of barbed-wire fence, and stock the great enclosure with large herds of cattle, which can be tended, carried to market, and sold at the minimum of expense and maximum of profit, what chance has the man who would start stock-raising with a few cows?

From the typical American farmer of the era now beginning to pass away, two types are differentiating—the capitalist farmer and the farm laborer. The farmer does not work with his own hands, but with the hands of other men. He passes but a portion of his time, in some cases hardly any of it, upon the land he cultivates. His home is in a large town or great city, and he is, perhaps, a banker and speculator as well as a farmer. The latter is a proletarian, a nomad—part of the year a laborer and part of the year a tramp, migrating from farm to farm and from place to place, without family or home or any of the influences and responsibilities that develop manly character. If our treatment of land continues as now, some of our small independent farmers will tend toward one of these extremes, and many more will tend toward the other. But besides the tendency to production on a

large scale which is operating to extirpate the small independent farmer, there is, in the rise of land values, another powerful tendency operating in the same direction.

At the looting of the Summer Palace at Peking by the allied forces in 1860, some valuable jewels were obtained by private soldiers. How long did they remain in such possession? If a Duke of Brunswick were to distribute his hoard of diamonds among the poor, how long would the poor continue to hold them? The peasants of Ireland and the costermongers of London have their donkeys, which are worth only a few shillings. But if by any combination of circumstances the donkey became as valuable as a blooded horse, no peasant or costermonger would be found driving a donkey. Where chickens are cheap, the common people eat them; where they are dear, they are to be found only on the tables of the rich. So it is with land. As it becomes valuable it must gravitate from the hands of those who work for a living into the possession of the rich.

What has caused the extreme concentration of land ownership in England is not so much the conversion of the feudal tenures into fee simple, the spoliation of the religious houses and the inclosure of the commons, as this effect of the rise in the value of land. The small estates, of which there were many in England two centuries and even a century ago, have become parts of large estates mainly by purchase. They gravitated to the possession of the rich, just as diamonds, or valuable paintings, or fine horses, gravitate to the possession of the rich.

So long as the masses are fools enough to permit private property in land, it is rightly esteemed the most secure possession. It cannot be burned, or destroyed by

any accident; it cannot be carried off; it tends constantly to increase in value with the growth of population and improvement in the arts. Its possession being a visible sign of secure wealth, and putting its owner, as competition becomes sharp, in the position of a lord or god to the human creatures who have no legal right to this planet, carries with it social consideration and deference. For these reasons land commands a higher price in proportion to the income it yields than anything else, and the man to whom immediate income is of more importance than a secure investment finds it cheaper to rent land than to buy it.

Thus, as the land grew in value in England, the small owners were not merely tempted or compelled by the vicissitudes of life to sell their land, but it became more profitable to them to sell it than to hold it, as they could hire land cheaper than they could hire capital. By selling and then renting, the English farmer, thus converted from a landowner into a tenant, acquired, for a time at least, the use of more land and more capital, and the ownership of land thus gravitated from the hands of those whose prime object is to get a living into the hands of those whose prime object is a secure investment.

This process must go on in the United States as land rises in value. We may observe it now. It is in the newer parts of our growing cities that we find people of moderate means living in their own houses. Where land is more valuable, we find such people living in rented houses. In such cities, block after block is built and sold, generally under mortgage, to families who thus endeavor to secure a home of their own. But I think it is the general experience, that as years pass by, and land acquires a greater value, these houses and lots pass from the nominal ownership of dwellers into the possession of

landlords, and are occupied by tenants. So, in the agricultural districts, it is where land has increased little if anything in value that we find homesteads which have long been in the possession of the same family of working farmers. A general officer of one of the great trunk railroad lines told me that his attention had been called to the supreme importance of the land question by the great westward immigration of farmers, which, as the result of extensive inquiries, he found due to the rise of land values. As land rises in value the working farmer finds it more and more difficult for his boys to get farms of their own, while the price for which he can sell, will give him a considerably larger tract of land where land is cheaper; or he is tempted or forced to mortgage, and the mortgage eats and eats until it eats him out, or until he concludes that the wisest thing he can do is to realize the difference between the mortgage and the selling value of his farm and emigrate West. And in many cases he commences again under the load of a mortgage; for as settlement is now going, very much of the land sold to settlers by railroad companies and speculators is sold upon mortgage. And what is the usual result may be inferred from such announcements as those placarded in the union depot at Council Bluffs, offering thousands of improved farms for sale on liberal terms as to payment. One man buys upon mortgage, fails in his payments, or gets disgusted, and moves on, and the farm he has improved is sold to another man upon mortgage. Generally speaking, the ultimate result is, that the mortgagee, not the mortgagor, becomes the full owner. Cultivation under mortgage is, in truth, the transitional form between cultivation by the small owner and cultivation by the large owner or by the tenant.

The fact is, that the typical American farmer, the

cultivator of a small farm of which he is the owner, is the product of conditions under which labor is dear and land is cheap. As these conditions change, labor becoming cheap and land becoming dear, he must pass away as he has passed away in England.

It has already become impossible in our older states for a man starting with nothing to become by his labor the owner of a farm. As the public domain disappears, this will become impossible all over the United States. And as in the accidents and mutations of life the small owners are shaken from their holdings, or find it impossible to compete with the grand culture of capitalistic farming, they will not be able to recover, and must swell the mass of tenants and laborers. Thus the concentration of land ownership is proceeding, and must proceed, if private property in land be continued. So far from it being to the interest of the working farmer to defend private property in land, its continued recognition means that his children, if not himself, shall lose all right whatever in their native soil; shall sink from the condition of freemen to that of serfs.

