

*Pol Econ vs Individual Economy*

Vol.III #19.

11163

THE SINGLE-TAX COURIER.

HENRY GEORGE

BEFORE THE SOCIETY FOR ETHICAL CULTURE.

In Philadelphia, Sunday, April 15, on "Single - Tax on  
Land Values.

*Paul Schuler*

LADIES AND GENTLEMEN: I come here this morning to talk to you about what we call single-tax, and the difficulty oppresses me. So simple it is, and so far reaching, that there is always difficulty in adequately presenting to those who have not thought much about the full length, breadth, and scope of our philosophy. The single-tax! What do we mean by it? It is a very simple thing. It is that, in our efforts to obtain a better revenue, we should levy no tax whatever upon production or the result of production, that we should put no tax upon any man for bringing wealth into existence, or moving it from place to place, or accumulating it for use as he chooses to; but, of course, that he shall use it to do no injury or interfere with no equal rights of any others. We would abolish all these tariff taxes; all these licenses; all these taxes upon building improvements and manufacturers; all these taxes that attempt to fine men on account of what they have. No matter how rich a man may become, we put no tax whatever upon him on that account. We would raise all that is required for public revenues by a tax levied upon land values, irrespective of improvements, that is to say, on every lot or piece of ground that had a value; but, mind you, it is only some lots, only some pieces of ground that have value. Upon all having value we would impose a tax, placed upon that value utterly irrespective of the improvements in or upon them.

Indeed, we would take no account whatever of the building whether

it be large or small; we would take no account of any wealth in or on that building; we would base taxation upon the value that would remain were the buildings and improvements swept away.

Now, let me explain one word that probably I am accustomed to use in a more definite way than it is ordinarily used, so you may be under no misapprehension. We are commonly accustomed to use the term wealth as meaning something that has an exchange value, but that is not an exact and scientific use of the term; for there are many things that constitute part of the individual wealth, that have no part in the wealth of the community. For instance, we say, and we say truly, that here between the Delaware and the Schuylkill, there is much more wealth than there was when William Penn signed the treaty. We say, and we say truly, that the wealth of the United States is rapidly increasing; we say, and we say truly, that which increases wealth is good and that which decreases wealth is evil; for wealth is an addition to the power of human beings, and all human beings, in the aggregate, obtain more of the satisfaction that comes from the nature of those things which satisfy the human senses and gratify the human desires.

Under slavery times, in the estimated wealth of an individual, we might truly include his slaves and count their selling value as so much addition to the aggregate of wealth; but, manifestly, the value of slaves can add nothing to the wealth of the community of which the slaves, as well as the master, are a part. Today, if we were to legislate slavery again, if some of our people were made chattel slaves for others, there would be an addition to the wealth of the masters, but it would not be an addition to the wealth of the state and the wealth of the community. What the masters gain, the slaves lose.



So it is with mortgages; so it is with promissory notes; so it is with obligations of indebtedness. They do constitute a part of the wealth of the individual holder; that is to say, they represent in their hands a power of commanding the services of other individuals; but they are no part of the wealth of the community. They are not wealth in the economic sense. Mortgages might be abolished, debts cancelled, and yet the wealth of the community would be in no wise affected.

When we say that there is more wealth in this community than there was at the time William Penn made the treaty, we do not mean there are more mortgages, more obligations of indebtedness; we mean that there are more houses, more manufacturing, more goods, more of all those things that are produced by labor and that have the quality of gratifying the human senses and satisfying the human desires. Now, wealth in the true sense, wealth in the economic sense, we would put no tax on at all; we would simply tax the value which attaches to land; not to buildings; not to improvements; not to anything that the individual has done in or on the land; but to that value, which attaches to land, irrespective of improvements; that land value, we would tax. Now, mark again, we would not tax land, we do not propose to put a tax on land, we propose to tax land values. Now, to one who has not considered it, that may seem a rather fine distinction - a distinction without a difference - but it is not, it is a most important distinction. To tax land means to tax land according to the area, or some other mode of measurement, but to tax land values is not to tax all land; it is only to tax land which has a value.

Now, land originally had no value. When William Penn came here, the notion of value attaching to land itself, was something the red Indians had never comprehended. In the beginning, articles of wealth always have a value, from their very beginning, because they require labor for their production. This book, this table, this house, the clothes we wear - they are things that have value from their very origination. They are things in human history which always have had a value; but land was here before we came. Land is not brought into being by human exertion. All the <sup>h</sup>~~h~~ things that are properly styled wealth, are those which have had a value from the beginning; for, as Adam Smith says, "Labor is the original purchase price that must be paid for them." For land there was no original purchase price. Land - that is the gift of nature, that we find here, and in the beginning of society, we see that no value whatever attached to it; but as civilization goes on, as man migrates into human society, as one peice of land becomes more valuable, will yeld more to the application of labor than another piece of land, then land values arise.

In any society in which we live, the tendency we may see, eye, the constant tendency, is to decrease all value of the things produced by labor. The price of manufacturing goods has gone down; the price of agricultural products, and the price of goods bought abroad, because the constant tendency of the improvements in the arts is to lower the cost of production.

We all know that the value of land goes up wherever a city arises; wherever a railraad is built - wherever any great improvements are made - that is the value we would tax; it is from that source that we would take all those great revenues which are required for social uses

in our advanced civilization.

Now, as to our method, it is as simple as our proposition. The single-tax can be reached by the process of abolition. All we have to do is to abolish one tax after another - to abolish the taxes which we levy on commerce; to abolish the taxes by which we vainly try to tax wealth in the hands of the possessor - to tax personal property; to tax bequestes; to tax men for doing certain things that involve no injury to others; then to come to our tax on real estate, to abolish all that part of the tax on real estate that bears on the improvements of the farm, upon the building of the house, upon anything to increase the power of human labor or the advantages which it brings, and we have left what? Why, simply the single-tax - the tax upon land, irrespective of improvements.

Now, I think no one can consider this matter without seeing that, in the first place, it is the simplest mode of taxation; that it would involve fewer officials; that it would do away with offices; that it would end the tendency that runs through our whole system of taxation - the tendency to fraud, forgery and corruption - that instead of the great horde of tax gatherers and tax collectors, we could collect our public revenues with one-tenth, aye, I think one-twentieth, or perhaps even less than that, of the expenses, troubles and difficulties we are now at; and that we could collect them thoroughly. Land cannot be hid; it lies out of doors, and no matter how you build upon it, you cannot cover it up. Everyone knows that it is there, and the tax upon it may be assessed with a certainty which cannot be obtained anywhere else. On every lot, which was covered by a building, we could put a little tin sign on that building - put up small signs all over the

country - "This piece of land is of such and such dimension, has such and such area, is assessed at so much." There it is for everybody to see. Public opinion would be broadened, and in that way clearness and certainty could be obtained that could not be obtained in any other way.

Then, consider again the increase of wealth. The more wealth there is in the country, the better it ought to be for all the people of the country; the more there is to satisfy their sense and gratify their desire. We say, and we say truly, that is a prosperous country which is increasing in wealth; that is a declining country, which is declining in wealth. Is it not simple, then, that we should not tax the production or accumulation of wealth? Nothing is more certain than that to tax wealth is to diminish wealth. Take any form of wealth; tax buildings, and there are fewer and poorer buildings; tax dry goods, and dry goods are harder to get; and there would be less of them; tax machinery, you will have less machinery. But you can tax land values all you please, to the very last foot, and there will be none the less land. You may take every penny of land values in taxation, land will not be a whit less useful; you may take the land values in taxation, land will not be harder to get by those who want to use it. On the contrary, take land values in taxation, and land will be easier to get by those who want to use it; for nothing is more obvious here. Go from the Atlantic to the Pacific, from the lakes to the gulf, nothing is more obvious than that. All over the country, there is land not in use that men would like to make useful, but it is held out of use by a demand for higher prices, by speculation in land. Take land values



by taxation for the uses of the city and the incentive to speculation will be gone; it would pay no one then to hold land in the expectation of its increased value; to hold land unused in order to get a payment from the man who sometime would use it and must use it. That incentive would be utterly gone. Take land values in taxation and no one would want to hold land unless he wanted to use it, there would be abundant opportunities. Well, consider social conditions, Consider this long hard winter; how many hundres, thousands and millions were out of employment. Men, able to work, willing to work, anxious to work, and yet finding no opportunity to work. How could that be where land, the source of all employment, was everywhere open to man? Why, by any tests - the test of good public opinion, the test of morals, the test of political economy - it will stand everywhere. Simple as it is it would strike to the very foundation of our society. Simple as it is, it would produce effects which would ramify through our whole social condition.

Considered by the supreme test, the test of ethics, what does it show? ~~Ethics~~! what are ethics? They are the science ~~of~~ art, if you please, of right-doing, or justice. What is justice? It is equality of right - not equality of station, not equality of fortune - but equality of right. Now, consider when you think of the supreme importance of this, that no matter how this world came, justice is the supreme law of the world. Can you wonder at the social condition of the world you see today? Look at it; labor, arts and science have come as they never came before, under our own eyes. We have, as it were, seen the seals of knowledge opened; invention after invention, discovery

after discovery have multiplied by the hundred fold and the thousand fold. How has it come, in these sweet and graceful forms, presenting good gifts to men? Age, indeed, if we look only at those who are free today to the advantage of civilization, not the masses.

Go into any of our great cities, see how thousands of human beings - in this new land - in this great country, are continually degraded into a condition that the savage could not afford to exchange with. Age, stunted and starved; manhood, with all its high and noble aims, degraded to low uses; compelled in this age of the world to accept hard toil for the sake of a poor, pitiful, scanty living as a very boon. Today the very foundation of the republic is rotting beneath us. With your good government clubs, with your civil service reform, with all your efforts to bring purity into our politics, the tyrant is arising.

The political corruption in this city and state, you know; the political corruption of New York is a by-word; San Francisco is no better; Chicago treading in the same path. All over the country power is passing out of hands of the people as it passed over and over again in the history of the world. Would you know how Greek tyrants came? Would know how Roman emperors arose? Would you know how the population of independent husbandmen became a population of proletarians, ready to give their votes to any corruptionist who might want to use power, for the sake of food and shelter and a little entertainment? Look at our American politics today! We are running, clear to every thoughtful man, the same way. How should we help it? Your little reforms! They count for nothing; you must go to the bottom. Virtuous government, Republican government, is utterly impossible in a condition of things



where a few men are so full of possessions that a public cause matters nothing to them, where the masses are so highly oppressed, so degraded, so poverty-stricken that to them there is no matter of higher consideration on election day than how they can make a few dollars. This is at the very foot. Look! There is enough today to arouse the sympathies of any man.

No face in this audience is known to me; but, this I know; that there is no man or woman in this audience who does not have to shut himself or herself out from the kindly impulses of humanity. If you were to give way to every one who came to you, suffering from distress and poverty, it would utterly impoverish you without doing any good. Charity! Are you going to cure the evils of society with charity? Here and there, perhaps, you relieve a little suffering, but against the little good you do lies the evil that is done. Charity! given to men who would gladly work! It degrades, it crucifies all the higher, finer feelings of a man.

It is not in the nature of things that one man ought to beg another to give him what the creator, as I believe, or nature, if you prefer the term, put in his power to gain for himself. Make no mistake; you cannot kill the admiration for wealth; you cannot kill the disgrace, the shame of poverty. Wealth is good in itself. Wealth, in the natural order of things, ought to be the evidence of good work done. And poverty - is it not true in the nature of things, as the old doctrine said, that "He who would not work, neither should he eat?" Dare we apply that principle today? Why? Poverty does not necessarily mean idleness today. If a man cannot support himself, that is no evidence of his laziness. Why? Because at the very base of society lies

an injustice.

If we are here as creatures of a God of spiritual intelligence, who has brought us into the world, who is no respecter of persons, to whom we all are as equal children; or if we came into the world, nobody knows how, here we are. Any test of religious sentiment, or any philosophy must bring this, that we are here with equal rights to the use of the world. Today those equal rights are denied. The great majority of the people in this city, the great majority of the people of the United States, have today, under our social adjustment, no right to stand, no right to work in the land that they were taught to call their own, unless they buy that right of some of the owners. There is the bottom of this monstrous inequality in the distribution of wealth that we see arising. There is the reason, the only reason, why we are growing accustomed to hear the cry for charity, not only for those who have fallen by the wayside, but even for strong men, willing men, able men. Whose business is it to give men opportunities to work? Whose business is it to furnish men employment? Not the state, not the capitalist; all around us, in this fair land, are lying everywhere the opportunities for work. We have closed them up, have shut them off. There is the foundation of all our social difficulties, and the remedy is simple. It is to secure to men - not to some men, but to all men; not to men in existence now but to the very child who next comes into life - the equal right to enjoy sacredly all that labor produces; the equal right to labor, and the equal right to use his powers in the satisfaction of his wants. How can we do that? With perfect ease. There never was, there never can be a righting, an adjusting - not in accordance with natural laws - that there is not some way of doing.

You cannot secure today, to all men, equal rights to the use of land by the rude devices that would suffice in an earlier age. We have here a more elaborate civilization. All of you do not want to use land in the same degree and in the same way that any man must use the land. Do not think, as a good many people think, even very intelligent and very learned men, that land is a place on which to grow cabbages, and raise potatoes, and cultivate sheep and goats; that the farmer is the only land user. Upon what do we stand this Sunday morning in this upper floor? Land! Though we carry it up story after story, land must support us wherever we be. If we go over the sea, it is still land that bears us. If we rise in a balloon, it is still land. With what are we clothed? Is it not the products of land? What are all our productions? Are they not a change in form or in place of matter drawn from the land? Why, what is our very flesh and blood - this very flesh and blood that I call my own? Does it not come from the land? Does it not return to the land? What am I, in my physical being, but the child of the soil, just as truly as are the flowers and the trees. Man is but a land animal. Land, to me, is the whole external universe; it is only as we can use land that we can enjoy <sup>the</sup> sun, that we can breathe the air, that we can utilize any of the powers of nature. To secure to all men an equal right to the use of land, all that is necessary is to allow everyone to use the land as he pleases, securing the rights of those who have prior possessions. When that land acquires a practical value, when labor is willing to pay the price for the land he uses, it then is just to call upon the holder of that especially valuable land for goods or productions of the common ground. In that way there could



be no monopoly to the opportunities to labor.

That is the way of the single-tax. In that simple way, we could open to all their simple rights - that is the meaning, that is the aim, of the single - tax. Consider it. When you see how deep it goes, how far-reaching are its effects, you will no longer think, as I fancy some of you are inclined to think, that we single-tax men are the men of one idea; that we, proud in our own proposition, look with contempt upon those who are engaged in what we deem smaller things, who are trying to make improvements in tenement houses, who are trying to introduce neighborhood guilds, and all that sort of thing.

We do not deny that there are many desirable improvements. What we say is this, that ours is the all-important one; the one to strike at first. When we do this, all other improvements become easier; until we do this, no possible reform can avail. We consider the politics of New York a fraud; they, however, say that those of Philadelphia are worse.

Suppose all of the good citizens in New York were to join together to produce or to bring about a perfect system of municipal government, so that not a penny would be stolen; so that all the jobs and all the offices would be done away with. What would be the result? You would have good streets and clean streets; you would have a most beautiful city. The tax collector would call for less. For what he takes, he must give a great deal more. What would be the result? Would there be any benefit to the dwellers in the tenement houses? Would there be any advantage to the vast majority of the people of New York who get a hard living from day to day, and who are almost universally buried by collections gotten up by their friends? What would be

the advantage in this better government? The land values would rise, the wrongs would increase.

What did the great elevated railroads do, that cheapen the traffic from one end of the island to another and make it easier for men to go any distance? They simply raised the value of lands. You open a park, and wherever your park is opened, real estate, or, as we call it, realty, goes up enormously in value. Let your improvement be what it may, establish a school, build a library, do anything for the liberty, wealth and enjoyment of the people of the locality. What is the result? Land goes up in value, and the people who have no right to the use of land must pay for it. Do what you please; since this fundamental principle remains, nothing whatever can be done for the masses, nothing whatever to bring a purer government, nothing whatever to lessen the gulf between the rich and the poor. Justice will not be tampered with; justice will not be played with; she will have no half services in this principle; we must do right if we would save the republic, if we would save our civilization. Mark you! it is clear in all the history of the world.

May 10, 1894

&

May 17, 1894.