

ABOUT COMPETITION

By HENRY GEORGE

W. W. Head, secretary of the Shearers' Union, writes me from Wagga Wagga, New South Wales, saying:

*** Socialism of the Bellamy brand is spreading here, and the only thing we have to offer as an argument against their doctrine is an admission that the single tax will and must necessarily bring voluntary co-operation and less governmental machinery—less rule, or more law and less force—anarchy of a sort. Of course, there is no great fight between us, as Socialists admit the pooling of land-values is the first step toward reform; but they set as much value on the nationalization of banks and capital as that of the land, and want to start right away to nationalize those things which we believe are not in their nature monopolies, and which would not be monopolies if land-values were taken by the people. In short, they do not believe in competition and want to abolish it right away. If we stick to competition and regard it as almost a natural law, what about the waste involved in our present industrial system? Taxation of land-values will not prevent the employment of labor uselessly in advertising, etc., or will it? If so, how?

Answering Mr. Head's question in spirit, rather than in letter, I would say: Yes; it will. For while the useless expenditure of labor in advertising or any other branch of effort could not be prevented without interfering with natural rights and without stifling useful effort, I take Mr. Head to refer to that waste that goes on where three stores are started in a place where two would suffice, or where a hundred men are found in a business or profession in which sixty or seventy could do, and would be glad to do, all that is needed. This waste of effort, which is very striking all over the civilized world, the Socialists propose to prevent

by abolishing competition—that is to say, by abolishing the liberty of men to dispose their efforts as they please. They would have the state manage and control all production and exchange, so that so many men (and necessarily such and such men) should be assigned to this branch and place of effort, and so many men (that is to say, such and such men) should be assigned to that.

On the other hand we, who for want of a better term style ourselves Single Tax men, but whose fundamental idea would be better expressed by some such term as equal rights men, or individual rights men, or natural order men, propose to get rid of this difficulty in an easier and more thorough way. Instead of abolishing competition, we would abolish restrictions on competition; instead of imposing more restraints on individual liberty, we would remove all restraints upon the liberty of any one to do anything that did not interfere with the equal liberty of others. The reason for, and the efficacy of, our method will be seen when the cause of the waste of which our Australian friend is thinking is traced.

From what does overcrowding of businesses and professions proceed? Does it not proceed from that seeming glut in the labor market which causes the opportunity to labor to seem a boon, and reduces the wages of labor in the primary occupations to so low a point? And from what does this spring? Does it not manifestly spring from those restrictions which deprive men willing to labor of access to the natural opportunities of exerting labor? Is this not clear whenever we consider that the natural opportunities for the useful employment of labor offered by the globe on which we live are simply illimitable, and that so long as desire continues for things that the exertion of labor produces there must always be an unsatisfied need for the useful exertion of labor?

What the taxation of land values irrespective of improvements would do, would be to make land useless except to the user; to make the mere monopolization of land unprofitable and impossible. And thus it would open to laborers the primary necessity and opportunity for all labor. At the same time, by taking for the use of the community the great sums that now go to non-producers, it would do away with taxes that greatly lessen earnings in all branches of productive effort, and remove the restrictions they impose. With land thus opened to labor, and with the products of labor thus freed from taxes, the one-sided competition that now shows itself in the seeming overplus of demand for employment, would be met and relieved by the demand for labor and the products of labor. This relief in the market for the primary forms of labor would necessarily show itself in all others, that is to say, in all businesses and professions, both by withdrawing the competition of those not needed there, and for whom better opportunities would be opened where they were needed, and by the increased demand for commodities and services consequent on the increased purchasing power of better employed and better paid laborers. Men would cease to push into places and vocations where they were not needed, for the simple reason that places and vocations where they were needed would be open to them, and would pay them better. And the play of this free competition would have the effect of determining, through the free will of individuals, what number of men, and what men, should devote themselves to each of the multiform branches of industry, in order to secure for society at large the most economical use of productive forces, and the largest result in desired satisfactions. But it cannot be said that this would absolutely end useless effort, for the reason that, as to many things, what will be useful and what useless cannot be determined without experiment. All new inventions, discoveries, and adjustments, involve experiment and the liability to useless effort; but to stop this would be to put an end to progress. Thus, effort may be wasted in advertising, where a man thinks that the public will want a thing which the result proves that they do not. But to prevent this would be to prevent the public being apprised of things that they do really want.

And where the conditions of equal freedom are fulfilled, where all men are placed on an equal level with regard to natural opportunity, and with regard to the benefits of an advancing civilization, the freedom of individuals to do what they choose (provided, of course, that they do not infringe the equal freedom of others) will result in the greatest benefit to society at large.

Here is the difference, and it is fundamental and irreconcilable, between the Socialists and Single Taxers. They propose to cure the evils that have come of restriction by more restriction. We propose to cure the evils that have come of restriction by giving freedom. And a man cannot favor the Socialistic scheme and the Single Tax scheme at the same time, any more than he can go east and west at the same time. — From The Standard "Extra" No. 25, December 5, 1891.

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Dear Goeller:

We had a Single Tax party here recently with Mr. Blank as speaker. In general he had good ideas and all that, but I had a chance to see a land-value taxationist in action. The word wages was not mentioned. It makes me depressed, for although everything he said was true, it pulled the attention of the neophytes from the heart of the problem. I wish you could get out your book. It is needed badly. I do not see how this spread among business, and well to do people is going to carry the Single Tax against the masses whose influence is supreme and who are being led to depend more and more on government, the very power that creates their troubles and which will in the end enslave them. And how will the land-valuationists buck that tide? They cannot do it.

Fraternally yours,

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Congress shall make no law respecting an establishment of religion, or prohibiting the free exercise thereof; or abridging the freedom of speech or of the press; or the right of the people peaceably to assemble, and to petition the government for a redress of grievances. — Article 1, of the Amendments to the Federal Constitution.