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A LIVING WAGE

Rev. Herbert S. Bigelow Believes It Must More Than Keep His Body Alive

Cincinnati, O., April 26.—At the Vine Street Congregational church, the pastor, Herbert S. Bigelow, discussed the question, What is a living wage? He said in part:

"A living wage must be sufficient to keep a man alive. As a man is more than animal, a living wage must do more than keep his body alive. Man is a rational being and a living wage must give him a chance for intellectual development. But nature has decreed, and so has President Roosevelt, that a man shall marry and raise a family of children, the more the better, according to the president. So, then, a living wage must be sufficient to keep an entire family in material comfort, and provide the children with a reasonable education.

What is a reasonable education? As this is not Utopia we shall not insist that the workingman's wages ought to be sufficient to enable him to send his children to college. We shall raise no dispute with those who think the privilege of a higher education may justly be confined to the few, as at present. But we have a school system maintained by the people's money. Its aim is to put a good common school education within reach of every boy and girl in the republic. Therefore, a living wage ought to make it possible for every honest, sober and industrious workingman to enable his children to take full advantage of the opportunities offered by the public schools. He ought not to be compelled to rely upon the labor of his wife or children, but his earnings alone ought to be sufficient to send his children through the schools of the republic, and to maintain his family in comfort and self-respect.

"But this is not all. Besides educating his family, a living wage ought to be sufficient to enable a man, out of his savings, to buy a home of his own. Is it not a laudable ambition for the workingman, that he should one day dwell under his own vine and fig tree? A home gives a man a stake in the government. It makes him a better citizen. Even if it were not the right of the worker, still it would be the interest of the nation, that his wage should put a home within his reach. Less than 10 per cent of the people of New York own their own homes. The 10 per cent who own the homes of the 90 p. c. own 90 per cent of all the rest of the wealth. It is notorious that those 10 per cent who own 90 per cent of the homes and other property, escape the most of their tax burdens. The bulk of the taxes fall upon the 90 per cent. They contribute to the federal government in increased prices of everything they eat and wear. The taxes upon the homes they rent are paid out of their earnings.

"Now within the last few years the annual cost of our navy has increased over fifty millions. The army and navy together cost \$106,000,000 more a year than they did in 1892. The national government will spend next year \$170,000,000 on its army and fleet. This burden is borne chiefly by the 90 per cent of the people who own but 10 per cent of the wealth of the nation. The 90 per cent are taxed to defend the property of the other 10 per cent. The social fabric which rests upon such a condition is like a house built upon the sand. It does not take the wisdom of one of your 'practical statesmen' to fancy a state of affairs which would lead to greater security with less cost. If 90 per cent of the people owned their own homes, we could abolish our army and navy, use this one hundred and seventy millions for education, and be infinitely more formidable to foes from without or within, than we are now. A living wage should contribute to the permanence of society as well as to the life of the worker. We say therefore that it is for the good of the republic as well as for the individual worker that his wage should enable him to own a home of his own.

"Nor is this all. After educating his family and paying for a home, a man ought to be able to lay by enough to make him reasonably independent in time of sickness or old age. That was the idea of the prophet. His dream was not merely that a man should dwell under his own vine and

fig tree, but that none should make him afraid. In a word, that beyond having a home of his own, and opportunities for his family, and fuel and clothes and food sufficient for them, a man should have a bank account, so that a temporary sickness would not throw him into debt, and so that the thought of old age or loss of employment would not hang over him like a pall.

"This was Isaiah's notion of a living wage. In words that have rung with hope through all the centuries, Isaiah has proclaimed the day of labor's emancipation, and of the workers in that day he has declared:

"They shall build houses and inhabit them; they shall plant vineyards and eat the fruit of them. They shall not build and another inhabit; they shall not plant and another eat. They shall not labor in vain, nor bring forth for trouble."

"We maintain that there is something radically wrong with our social order, if it is not possible for every able-bodied man, who is in his right mind, and who is sober and faithful, to command for his labor a living wage, such as we have described. If a man cannot work he ought to be fed. To those who are maimed in body or feeble in mind, society ought in all charity, nay, as a matter of justice, to secure a wholesome living. To those who will not work, if there be such, society owes nothing. Moreover, if a man is negligent, or indolent or intemperate, it is right that society should let him reap the fruits of his own folly. There is no better way for him to learn. But if a man is normal in mind and body, and if he is willing to work, if he is sober and provident, and if he is unable to get for his labor a living wage, then we have a right to conclude that the fault is with society and not with him, and then it becomes our duty to inquire, 'What have we done to keep this man from getting a living wage, or what may we do to make it possible for him to live as every American citizen ought to live?'

"There are literally millions of men in these United States who, by the laws and institutions of our society, are deprived of a living wage. Their lives are made miserable by want or fear of want. They can never hope to own the roof over their heads. They are obliged to take their children out of school and put them in the factory. Their earnings, combined with the earnings of their children, do not permit them to have fresh air, and wholesome surroundings, nor even enough food and clothing for the comfort of those they love. They are exposed, by their poverty, to unnatural temptations. Their conditions almost inevitably lead to a low tone of moral life, from which many sink into vice and crime.

"Can we hold God responsible for these things? Is nature at fault?"

"Men were once deceived by that kind of defense, but we know better now. The fault lies with society. A better society is possible. If men are not able to earn a living wage it is because human laws interfere with them. Realizing this, how can we escape our duty to study the science of political economy and learn how to make men free? Shall we plead with Cain that we are not our brother's keeper? Can we expect the good God to answer our prayer for blessings when we are not willing to hear our brother's prayer for justice?"

Single Tax in Boston

The president of the Massachusetts single tax league, C. B. Fillebrown, recently addressed a company of Boston landlords on the nature of ground rent, and more particularly the volume of such rent existing in the city of Boston at present. As a basis of calculation he secured the records of 120 sales of real estate and 751 rentals of estates; from which pretty broad groundwork he reached the conclusion that Boston land values (or capitalized ground rental values) aggregate \$842,600,000, 5 per cent of which would give about \$42,000,000 as the gross ground rent of the city.

Accepting this calculation as approximately correct, then it would follow that the people of the city pay \$42,000,000 annually for the use of the land. Of this sum going to the land owners, about \$3,480,000 is given

back to the public in taxes as now levied, and the rest is retained. Additional to this present tax on land, there is annually collected in taxes on buildings and personal property the sum of about \$9,486,000, making a total present tax on land, buildings and personal property of about \$18,000,000, or considerably less than five-tenths of the estimated yearly yield of land values alone to the landlords of the city. Mr. Fillebrown advocates the centralization of taxes upon ground rent, which would mean, in the case of Boston, that the landlords be required to give up to the public—on the basis of present public expenditure—less than five-tenths of their ground rent instead of the two-tenths (\$3,480,000) now taken. As ground rent is a value created by the community as a whole, and not by the land owners, he bases his demand on grounds of simple justice; but presumes to be dealing gently with the landlords in still leaving to them over one-half their ground rent and in exempting their buildings and personal property from further taxation. We are not told that the company of landlords present were so far impressed as to be willing to accede to this proposal.

There is much to be said in favor of this disposal of the tax question, or the appropriation to the state of so much of the annual yield of land values (ground apart from improvements) as is needed to meet public expenses. As Henry George has required a whole book to present these favorable considerations, we shall not undertake even to summarize them. Granting their general soundness, the question still remains, Can the land owner ever be brought voluntarily to consent to the arrangement? and should it be forced upon him without his consent—supposing that were possible?

Both of these questions must be answered in the negative; and the impossibility, in this country, where the land owner forms so large a part of the electorate, of forcing the arrangement upon him is recognized by the land taxers themselves. Their task is now to convince the landlords of the desirability of the changes from their standpoint, which is an up-hill undertaking. That it can ever succeed is to be doubted. It is idle to urge as full compensation the relief to the land owner from other taxes. In some cases he might gain from exemption on buildings, other improvements and personal property, what he would lose in increased land taxes; but in most cases probably he would not; and the state, in taxing land values alone, has put itself in the way of appropriating the whole unearned increment, which is the one thing in real estate investment that attracts and enriches.

The single taxers are fighting from high motives, on strong economic grounds, and with a persistence that excites admiration. But so deeply is private land ownership imbedded in the industrial establishment of the country, and so widespread is it among the people, that practical considerations alone, apart from a question of right and justice, must bring into the land tax campaign the matter more or less full compensation to land owners, if it is ever to make great headway.—Springfield Republican.

Teddy's Change of Views

Mr. Roosevelt is a young man still, but when he was much younger than he is now he was a free trader of such vigorous hue that, on one occasion, he announced that he would "die for free trade." Practically, he has since learned nothing concerning the tariff, but he had accepted the post hoc propter hoc sort of philosophy to which protectionists have resorted in these days of the degeneracy of their doctrine, and he is, therefore, ready to say, with home market clubs and other like disinterested authorities, that because we are now prosperous we are so because of the tariff law. This is utter folly, of course, but the president does not know it, because since the day when he was a crusading knight of free trade he has learned that the doctrine of extreme protection is essential to the life of his party.—Harper's Weekly.

JUGGLED FIGURES

New York Clearing House Report Fearfully and Wonderfully Made to Fool Country Bankers

Editor Independent: The constant effort of the eastern financial interests, by deception and pretense, to inspire confidence, is manifest in the report of the New York clearing house for the week ending April 18.

Loans and discounts are reported to have been increased \$2,427,800 and deposits \$2,459,400. The increase of deposits was immediately (except \$31,600) absorbed by the increase of loans.

The bankers' surplus is reported at \$6,007,650. This is an increase over last week of \$2,666,350. The press reporters (no doubt taking the statement from "bull" stock gamblers) call this a favorable report. Last week the bankers' surplus was reported at \$3,741,300 of which \$1,030,400 was government money deposited during the week. This week there was deposited with the national banks belonging to the clearing house \$2,260,475 while the increase of surplus is reported at \$2,666,350 or only \$205,875 in excess of the increase of United States deposits. During the two weeks, the government contributed to the bankers' surplus by deposit loans \$3,290,775.

It is not possible to have accurate knowledge of just what is going on among these clearing house banks, and between them and the United States treasury department. It is not intended by them or the department that the public should know. It is not a violent inference to suppose that what is desired is, that not enough of the real situation shall be known to cause the country banks to withhold from these New York banks the deposit loans that the banks making the deposits are unwisely permitted to count as reserves. Under the order of Secretary Shaw, made several months ago, the national banks are relieved from the duty, imposed upon them by law, to hold a reserve against the United States deposit loans made by his department.

The report for the week ending April 18 states that there was, during the week as stated above, an increase of deposits of \$2,459,400 and that the United States deposits were increased \$2,260,475. The statement of the report that the increase of reserve required was \$614,850—this being 25 per cent of the \$2,459,400—the government deposits were not included in the calculation of deposits by which the required reserve is ascertained.

The total United States deposits held by these clearing house banks at the end of the week is reported to have been \$15,221,250. If the deposits had been included in the calculation to determine the reserve required, there would not have been a dollar of surplus in the aggregate in the clearing house banks. In other words, when the banks made the calculation to determine the required reserve, they exclude (by permission of Secretary Shaw) the government deposits; but when they make the calculation to determine the bankers' surplus they include government deposits. If the whole of the United States deposits held by the New York clearing house banks on the 18th had been withdrawn, under this method of calculation, there would have been no change in the reserve required, but the whole of the bankers' surplus would have disappeared, and these banks in the aggregate would have been shown to be short in their actual reserves held \$9,313,700. There can be no other reasonable conclusion than that the order of Secretary Shaw permitting the national banks to thus violate the law, was intended to enable the New York banks to make this deceptive and misleading showing, and to make it possible for these banks to loan what otherwise they would be compelled to hold in cash as a reserve. To call such a condition as this "favorable" is both ignorant and wicked.

The whole device is in the aid of stock gamblers. If it should be that any considerable part of the \$905,207,300 of loans and discounts held by these banks are secured by deposits of stocks, it would explain the appar-