

## The Philosophy of Freedom

An Open Forum for Single Taxers

### THE DODGE-WAKEFIELD DEBATE

(Mr. Dodge, haying the affirmative, contends that the single tax is based on an unsound foundation. Mr. Wakefield denies this.—Ed. Ind.)

### THE SINGLE TAX BASED ON AN UNSOUND FOUNDATION.

In view of the very numerous following which the single tax has and the many prominent men who subscribe to its doctrines, it would almost seem presumptuous that anyone should at this late date dare to question the soundness of the economic basis on which that philosophy is grounded. Nevertheless a close scrutiny will reveal the fact that not only is it based on unsound premises, but that it is of most questionable justice, and instead of the manifold blessings that are supposed to follow in its wake, greater evils in all probability would result therefrom.

That land monopoly is an unmitigated evil no right-thinking person who has at all studied the subject can honestly deny. The landlord, therefore as far as he may claim any rights on the premises, deserves no consideration and the only question is, would such a tax be just to all parties, and what effect would it have on society as a whole?

Single taxism is based on the assumption that land values, as embodied in the rent, which the landlord can exact from his tenant, are an unearned increment, created by the mere presence and needs of the community, and are, therefore, justly communal property. That the landlord, however, in virtue of his monopoly of the land is enabled to divert them into his own pocket. That the chief evil resultant therefrom is the impoverishment of the landless masses, who must use his land, since no one can exist without it, to such an extent that they can only make a bare living for themselves and those dependent upon them. Hence the single taxers propose, and they claim they are justified therein, to tax away this so-called unearned increment, and appropriate it for communal use.

The inconsistency of this position must be apparent when we consider that if the rent which the landlord exacts from his tenant is really communal property, then that tenant, as such merely, cannot be wronged thereby, but only so far as he is a member of that community, and his individual loss cannot be so very great. It leaves entirely unexplained the resultant poverty therefrom, unless the wholly untenable position is taken, that his mere presence and need creates more wealth than his actual labor produces. Moreover, this would leave the whole community, the landlord excepted, in the same fix. We must, therefore, come to the conclusion that it is the tenant's substance which the landlord absorbs. But, if so, what right has the community to appropriate that for its own use? There is a hitch there somewhere. Let us see on which horn of the dilemma the single taxers are impaled.

Self evidently from the land all wealth must spring, but land is a passive factor, it yields no wealth suitable to satisfy man's needs unless he by his labor extracts it therefrom. The reproductive forces, inherent in the land, may be called nature's store-room, from which man must laboriously draw the raw materials, to be fashioned by him into the finished product, ready for his consumption. Since all wealth must have this stamp of labor upon it, it follows that an unearned increment of wealth has no existence in fact, and thus its main prop is knocked from under the single tax. The rent which the landlord pockets, though nominally paid as a rule in money, in reality represents labor's product, or else no one would want it.

If this, therefore, is really communal property, then the tenant, if productively employed, must, by so doing, be stealing it from the community. Or else how does he come by it? Just consider: Here is a philosophy which tells us in substance that so far from labor having been robbed of its just deserts all through the ages, it has been the original robber right along; that the laborer has no right to produce wealth on land made valuable by the community, not by anything that the community has done to improve that land, but by its mere needs and presence, unless he hands over to that community an equivalent of what a landlord can exact from his tenant.

That the landlord is a robber and an unmitigated nuisance at the best, is held by all progressive thinkers, but Henry George certainly has found a legitimate use for him in so far as that landlord is persistently relieving the producer of his ill-gotten gain, and thus drawing the world's attention to these iniquitous doings of productive

labor, which but for him might never have discovered it.

Here is the fatal blow in the single tax philosophy, which no amount of casuistry can explain away, and conclusively substantiates the claim that it is based on false premises. Why, if put in practice, it would at one fell swoop officially nullify the fundamental principle of the Declaration of Independence, that man has a right to life, liberty, and the pursuit of happiness, for how can he have such right if he can be justly debarred from the use of the land, without which existence is impossible, unless he pays tribute to the community for that privilege?

This, then, is my ground for opposing the single tax. It rests the right of taxation, not on services rendered by the community to the individual taxed, but on that individual's imperative needs. By what ingenious sophistry Henry George disguises that fact, what discrimination and consequent injustice it would involve, what mischief would result therefrom, and lastly, what part money, that root of all evil, plays therein, to confuse even the author of Progress and Poverty, cannot all be explained in one paper.

As it is possible, moreover, that I may be entirely mistaken, that there is a flaw in the indictment, I will close this article right here. Hoping, if it is so, that my opponent will point it out.

A. DODGE.

Chicago, Ill.

### A REPLY TO DODGE'S ARTICLE.

Only clear thinking can lead to clear and consistent expression. Tried by this test, Mr. Dodge's article fails to meet the demands of a logical, coherent argument. Denouncing landlordism, he denies existence of unearned increment, yet unearned increment (receipt of value without giving value) is the essence and offense of landlordism.

Using but part of the factors involved in the problem he attempts to solve, Mr. Dodge's conclusions abound in non-sequiturs and cul-de-sacs. If there is no unearned increment whence come the multi-millionaire fortunes made in mining lands, city lots, lumber forests, rights of way, etc.? Were they earned by labor, though to do so would require wages of tens of thousands of dollars per day?

The fanciful idea that the tenant is injured only to the slight extent of his interest as a member of the community loses its little force when his loss is multiplied by the number of persons in the community and the result multiplied by the years of landlordism's existence, and this second result multiplied by the sum of all taxes paid during the time, all of which must be done to reach the truth.

Unable to reach the conclusion, that it is the tenant's substance that landlords absorb, Mr. Dodge fails to say whose substance, or if any substance, is absorbed, yet he denounces the landlordism that seems to absorb nothing. This is confusion of thought. His vague idea is that if it was the tenant's substance absorbed, then the unearned increment which does not exist should belong to the tenant exclusively and not to the landlord or to the community, though the landlord's rights to it must equal the tenant's right and neither can have any greater right than any other member of the community. This brilliant idea seems to have "died a-borning."

Mr. D. likens land to nature's store-room from which all wealth must be drawn by labor, which is correct, though strangely enough he sees no wrong in giving landlords the right to lock this store-room until labor agrees to give half its earnings for access to this raw material. Then, with startling inconsistency, he denies the right of the community to exclude labor from access to the unearned increment which he says does not exist and denies that demand for land caused by the presence and needs of the community (competition for use of land) creates land values.

First with savage cruelty he "knocks the prop" from under the single tax and "lets it fall" a mangled corpse, after which, with fiendish glee, he impales it on a one-horned dilemma and shakes the gory corpse aloft until it is all very dead except the ideas of justice in it and a few hard facts which refuse to be killed.

It is difficult to deal seriously with one who denies the existence of unearned increment and that population and civilization creates land values, facts attested by economists of all schools and confirmed by all observation and history. A few years ago the New York city papers told in big scare heads of the sale of a lot on the corner of Broadway and Wall street at the rate of seventy-six millions of dollars per acre, exclusive of improve-

ments, and not long ago a lot in Kansas City was exchanged on even terms for seventeen thousand acres of well improved and fertile farm lands. Was there no unearned increment, nor value caused by condensed population and business, in these examples? Did Rockefeller earn the six hundred millions he has taken from the people for the use of oil and mineral lands and rights of way, or Baer create anthracite coal by his labor?

From the tenor of his argument I take Mr. Dodge to be a socialist, hence not versed in political economy, for no good political economist can ever be a socialist. It is on the land question that socialists always "fall down and stand on themselves." That labor pays all rent and taxes in wealth produced by labor all single taxers contend, labor being all useful exertion of hand or brain.

That labor should have access to land upon equitable terms and should have for its own use, untaxed by landlord or state, nation, municipality, its entire product, is the fundamental idea of the single tax. Because "labor," as such, produces wealth we would give it the wealth it produces, and because the community, as such, does produce land and other monopoly values, and labor does not, we would take such socially produced values for social (public) purposes, thereby relieving "labor" of the burden of any and all taxation upon his wealth product. To do the latter without first doing the former is clearly impossible.

Mr. Dodge entirely dodges the question of taxation, and the single tax is first of all an equitable system of obtaining public revenues, land reform being an incident and result of this tax reform. If, as I suppose, Mr. Dodge is a socialist, he should not dodge the question of taxation, for under socialism taxes would be greatly increased, owing to the greatly increased number of officials rendered necessary and the losses of many unsuccessful government enterprises.

Mr. Dodge seems to imply that labor should have access to land free of rent or tax—that he would abolish rent altogether. As rent is a physical fact of nature, founded in a law of nature, we are curious to know by what process he would eliminate it from nature's laws. How would he equalize the use value of the fertile bottom and the stony ridge, the village lot and one on lower Broadway, the poor farm and the coal, gold, copper, or other mine? Even socialism will find Mother Nature very "set in her ways."

Mr. D. says landlordism is a curse and an unmitigated pest, yet his plan of letting labor use land rent free would only be substituting one landlord for another. The effects would not be changed by calling one a laborer and the other a land-owner. A land-owner need not have a tenant to secure rent or unearned increment, though he usually does have one when he has absorbed enough to be above work.

The object and purpose of the single tax is to secure to all men their natural equality before the law—to secure that justice which freedom implies and that freedom which justice must ever produce. To do this it considers man both socially and individually, taking for social uses all social functions (public utilities) and social values, or rent, and thus securing to each and every individual equal and equitable access to the bounties of nature and the products of his industry untaxed by the state or nation and untold by any monopoly.

Has Mr. D. a nobler ideal or a better plan of reaching it? Why denounce a good plan without stating a better one? W. H. T. WAKEFIELD  
Mound City, Kas.

The railroads of Nebraska pay about one-sixth of the taxes. Farmers pay considerably more than half the taxes. About 17 per cent of all males, over ten years of age, in Nebraska are engaged in "trade and transportation." Over 55 per cent are engaged in agriculture. The railroads now have Judge Sedgwick representing them on the supreme bench. Why should they also have Judge Barnes?

### Colorado Old Guard

Editor Independent: Although the task is a difficult one for an old "hayseed granger," yet I shall, in my rustic way, attempt to comply with your recent request for old "war horses" to give a biographical sketch, stating date of birth, former political affiliations, etc.

I first saw the light in New Jersey in 1827. In young manhood was a democrat for the same reason the darkey gave for being black: "because father was." Later, up to 1863, was a democrat from principle, giving my last democratic vote for S. A. Douglas. In 1863 entered an Indiana regiment to assist in settling a little controversy between the north and south.

Returning in 1865, I, later, moved to Iowa. Found no political home until the republican party attempted in-

fanticide by killing the "rag baby" (greenback) and that "baby" their own progeny. I then became one of the many who united to save the life of said "baby" and became its foster parents, and strove to save it from the murderous hands of the party that gave it birth. I organized and assisted in organizing the first greenback clubs in southwestern Iowa. Later, listening to the siren voice of other parties that promised to give us what we asked, we fused with them; that is, we became the tail end of those parties until we were, as a party, switched out of existence. From that time until the Omaha convention I affiliated with the anti-monopoly and independent parties, as the same reform party was called in the different states in which I resided.

My political course can better be judged by stating that since 1880, the only presidential candidates for whom I have voted were Peter Cooper, James E. Weaver twice, and William Jennings Bryan twice. If any one can show a straighter reform record for forty-three years I want his name.

As a populist have made school house campaign speeches; have, since 1892, been a worker in county, representative and state committees and county, district and state conventions, and although 76 years of age am ready to do all in my power for the success of the cause. One of the best means of success is foreshadowed in the action of the recent Denver conference, which I most heartily indorse. Fusion has weakened us. Anti-fusion is the only tonic that can give us strength. On this subject would say more, but having given what you asked for and having, as I think, exceeded the prescribed 300 words, I will desist.

E. E. T. HAZEN.

Holyoke, Colo.

### The Steel Trust Graft

That the steel trust has a chance to oppress and rob in consequence of the tariff is fully set forth in a letter, written by Schwab to Frick, under date of May 5, 1899, which has recently been published. Mr. Schwab says:

"As to the future, even on low prices, I am most sanguine. I know positively that England cannot produce pig-iron at the actual cost for less than \$11.50 per ton, even allowing no profit on raw materials, and cannot put pig-iron into a rail with their most efficient works for less than \$7.50 per ton. This would make rails at net cost to them at \$19. We can sell at this price and ship abroad so as to net us \$16 at works for foreign business, nearly as good as home business has been. What is true of rails is equally true of other steel products. As a result of this we are going to control the steel business of the world. You know we can make rails for less than \$12 per ton, leaving a nice margin on foreign business. Besides this, foreign costs are going to increase year by year because they have not the raw material, while ours is going to decrease."

When one reflects that the trust has held rails at \$28 a ton continuously since its formation, it can be easily seen that the tariff is a shelter for it whether it is for any of the others or not.

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The farmers' national congress met at Niagara Falls, September 22. Addresses were delivered by Governor Odell, Mayor J. D. Purse of Savannah, Ga., Secretary Cortelyou and O. P. Austin. The body declared against the ship subsidy and is opposed to Cuban reciprocity.

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