

actually invested in the construction of the road and in the purchase from individuals of the successive tracts of lands over which they have the right of way. The other half represents the value of the right of way itself, the right to use a long, narrow and continuous strip of land for the purpose of traffic. This is the value, the capitalization of which constitutes the so-called "watered stock." But that this stock has a real value is evidenced by the dividends paid on it, or the heavy loans which may be negotiated upon the property it is presumed to represent. This value has its origin in the exclusive private control of the right of way, and to maintain it, the public is compelled to pay excessive freight charges. Under the Single Tax the great highways would be regarded as public roads. The most conservative proposition advocated by Single Taxers in this regard is that these highways be maintained by the government as a public charge, and that the right to operate them be leased out to those private corporations which would give the best service and charge the least. Thus at least one-half of the expense of transportation would be abolished, and this would immediately be realized by the farmer in a better price for his product and a general fall in the price of the commodities which he bought. Thus he would get more dollars than before, and his dollars would buy more.

Now, then, let us consider the economic philosophy of the Single Tax.

Under our system all men outside of the clutches of the criminal law, are conceded to have an equal right to life, liberty and the pursuit of happiness. But the equal right to life carries with it as a necessary corollary the equal right to work. But the equal right to work implies an equal right of all workers to the result of their work. When, therefore, anyone is compelled to pay to the owner of land a portion of the product of his labor, what does he get in return? The land? God Almighty made it; the landowner does not provide the land. The person who collects rent for the use of land—apart for improvements—is being paid for no service which he has rendered as an individual. What he receives may be divided as follows:

A. Economic Rent:—The value or price of land under the Single Tax when all valuable land is in use, and when land which is not in use has no value.

B. Monopoly Rent:—The value of land when all land on which any rent can be paid has become private property, and this value is the difference between the productiveness of any particular land and the poorest land in use, which is the best land which can be had for nothing.

C. Speculative Monopoly Rent:—This is monopoly rent, plus the speculative amount which the prospective increased

demand for any particular land may add. It is the present price of land.

Now, it is clear that private property in land is a very expensive and clumsy attempt to maintain the rights of private and exclusive property in the products of labor, inasmuch as it compels the producer to pay many times more than economic rent—which is the fair rental value of land—and, in addition, it necessitates an elaborate system of the taxation of the products of labor, so that the producer, not only pays a double rent, but a double tax. The economy of the Single Tax not only justifies, but will compel its adoption. There is no escape from its simple formulas.

Because the amount of land is fixed and determined so that it can neither be increased nor diminished, the taxation of the special value which attaches to particular sites or locations, is not going to increase or diminish the quantity of land. But by taxing the value of land only, it will be unprofitable to hold land out of use, so that all available land will continuously be open to use and occupancy. The taxation of labor products, on the other hand, makes it more difficult to produce and keep them, and necessarily adds to their cost. Thus we find that the taxation of land values makes land cheaper, while the taxation of labor products makes them dearer. It is also a violation of the natural right of property to tax the products of labor, as such. When the producer has paid to the representatives of the community the value of the land which the community has given him the exclusive privilege of possessing, he has rendered his *quid pro quo*. If the state takes any more from him, it is taking his natural property without compensation. Whatever I have the right to own, I have the right to claim against the world; therefore, even the state is bound to respect the right of private property in the products of labor after ground rent has been paid. Taxes upon the products of labor, as such, are punitive and check production; they are in violation of the natural rights of property; they can not be fairly and equitably assessed or collected. Nearly all students of tax reform advocate the abolition of personal property taxes, and, for the same reason, improvements upon land should be exempt from taxation.

Legal terms are not made with exact reference to economic requirements. Real estate, in law, includes improvements. Personal property, in law, would include valuable franchises, or stocks and bonds, which represent interests in values which attach to land. But the owner of stocks and bonds is sufficiently taxed when the value of the privilege is taxed. Thus, if a street railroad, which is in possession of a franchise worth twice as much as the capital actually invested, is taxed the annual

value of the franchise, the stockholders are taxed thereby.

The Single Tax is more than a mere fiscal reform. It is the only practicable plan by which we can open to all men, upon equal terms, access to nature's great storehouse. The coming generations will not find stretching out before them the apparently boundless and inexhaustible west. That west is now bounded, fenced and pre-empted. But the Jeffersonian formulas can be applied in a new form. The same great sentiment which gave origin to the homestead and exemption laws; which put an end to chattel slavery; which seeks to preserve the forest and to cover the nation with highways and good roads, will re-appear in the demand of the sons of the pioneers, that they, also, be permitted to have an interest in the lands of America, and that this magnificent storehouse of nature, which is their natural heritage, shall not become the property of mere speculators and monopolists.

The Single Tax will give true and practical expression to those great democratic-republican sentiments that taxes should be so levied as to protect and encourage industry, diversify labor and develop the resources of God's storehouse. For by exempting labor products, improvements and business from the burden of taxation, a magnificent impetus will follow in all lines of industry. By striking down the obstacles that now hamper and check trade, the greatest possible division and diversification of labor will follow. And by shifting the entire burden, that now rests upon industry and trade, over upon the value of land, making it unprofitable to hold land except for use, a development of the natural resources will follow that will cover the planet with happy homes and a world of plenty.

Such, in brief, is the Single Tax. It is a sane and healthful proposition. All great thinkers have recommended it, though, perhaps, they have never realized its full import. It is the spirit of the Mosaic code, adapted to modern requirements; it is the formal application to the social body, as well as to the individual person, of the divine command, "Thou shalt not steal."

The Single Tax is a proposition which can be locally demonstrated. It is not necessary—like any attempt to tinker with the currency—to involve the whole nation in the experiment. If the people of the state of Colorado shall adopt the amendment to their constitution, lately submitted by their legislature, which permits local option in taxation, then any county in that state may demonstrate to the world the wisdom of the Single Tax. Whenever any county shall have adopted the Single Tax, it will begin to enjoy a steady and substantive prosperity. Speculators will not thrive there, but labor and capital