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#### THE SINGLE TAX: IS IT PRACTICABLE?

THE CONSERVATIVE:

I have read with interest the articles which from time to time have appeared in your journal on the subject of the single tax. I had the pleasure of an acquaintance with Henry George, and have read his books, and most of his other papers, but while I admired his sincerity and philanthropy, his vigorous composition and clear conception of economic tendencies, for reasons which will appear hereafter, I was not satisfied that the remedy proposed by him would be an efficient cure for the evils of which he complained as resulting from those tendencies.

The theory of the single tax, as stated by Mr. George, is based upon the following historical and economic facts. In the beginning of the human race, land as distinct from the improvements placed thereon, had no value. With the growth of population and development of society it acquired a certain value derived from its location and character as related to the wants of the different members of a community; and the possession therefore of any part thereof by an individual, had some of the elements of monopoly. As society increased and wants multiplied, this monopoly value also constantly increased; and has been steadily increasing from an early period of human existence. This increase in value through growth in population is called the increased increment. The value of the land, separate from its improvements, Mr. George called the land value. In other words, it is the commercial value of the land, which, he

claims, has been entirely created by society, and which, in the ultimate analysis of right, should properly belong to society.

Again, under an economic law, first clearly stated by Richards early in the last century, contrary to the usual rule, the burden of taxation falls ultimately not upon the tenant but upon the landlords. The reason given, is as follows: The mass of laboring men are compelled to work for a mere subsistence. The landlord charges as rent the full product of the land above this subsistence. If therefore the tax is added to the rent, where the land is not all occupied, the tenant seeks another locality; if all the land is occupied, the increased rent so encroaches upon subsistence that the tenant cannot pay it. This explains the tendency of population to spread from the most favorable locations. As the value of the land increases in such locations, population spreads to other places where the conditions are more favorable. The same principle prevails when the proprietor occupies the land. The land value is the rental value. If a tax is levied upon the land, the portion of the product necessary to subsistence is not changed, and the tax therefore comes out of what would otherwise be the rent.

While the tax upon land ultimately is borne by the landlord, or where there is no tenant, by the owner, a tax upon personal property, the chief factor of which is labor, falls finally upon the consumer, which means upon the laboring classes, who constitute the mass of population. If, therefore, a personal property should be relieved from taxation, and a single tax sufficiently high to extinguish the commercial value of land separate from its improvements, should be levied, several consequences would result. First, labor would be relieved from taxation and receive a larger proportion of the common product of labor and capital. Second, indirectly, the actual property in land, would revert to society, and become the common heritage of the human race, for whom it was originally intended, and from which ultimately, its subsistence must be derived.

Omitting consideration of the purely hypothetical conclusions, that a single tax upon land would support the government, or that it would furnish more than a support therefor, or if there was a balance after supporting it, what application should be made thereof? I

come directly to the question. Is the proposed remedy practicable?

1. After some practical experience in connection with the subject, I know but one method of collecting taxes upon land. The assessors or other proper officers of the community or county, visit and fix the commercial value of every piece of land within their jurisdiction. The financial officers of the community or county, having made an estimate of the expenses of the government to which they are applicable, then settle the ratio of taxation to valuation. If this ratio is fixed so high as to wipe out the land value, or in other words, its commercial value, what basis have we for any future valuation? With the commercial value, has departed the basis for future taxation, and we are left subject to the arbitrary impositions of the assessors. The capacity and intelligence of these officers are certainly not superior to those of their fellow citizens, and as all government depends upon power to control the property of its subjects through taxation, the complicated interests, rights and liberties of society would be turned over to the arbitrary disposition of ignorance and incapacity, and too often, of dishonesty. This would be socialism in its most vicious and despotic form.

2. Present social conditions have been the result of an evolution which has been going on since the beginning of the human race; and the right of property in land has been recognized in all civilized society for many hundreds of years. Custom and habit are difficult obstacles to overcome. In this country probably a majority in value of the settled lands has changed hands by purchase during every generation and at least nine-tenths of them have changed during a century. To the purchaser they have represented and do represent, not unearned increment, but the actual earnings of labor. The social reformer, in the midst of his exalted purposes, may not be expected to consider the moral consequences of his measures, but we may rest assured that all owners of land would violently oppose such wholesale confiscation, and that they would have sufficient support from the lovers of good order and good morals to constitute with them a majority.

While the single tax as a remedy, is thus, self-destructive, it does not follow that the economic tendencies pointed out by Mr. George are false. A disease is one thing, the remedy for it is another.