

CHAPTER XXX

THE WATER COURSES

ONE of the most splendid works ever erected by men for making efficient use of the earth, is the great dam at Assouan, Egypt. It is built to hold back the flood waters of the River Nile for purposes of irrigation. Our reclamation service has created nothing finer than this great engineering project, which spreads over whole provinces the waters from the Abyssinian Mountains, giving the crops of the poor Egyptian fellahs or peasants both food and drink.

But do the fellahs get the benefit? Let us see. The water from the dam is furnished principally to Middle and Lower Egypt and the province of Fayum. In these regions since the water has been available for the crops the land has paid an increased taxation of about

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\$5,000,000 annually. The cost of the works up to the time mentioned was about \$52,500,000. It will be seen that the taxation collected because of the values created by the dam amount to about five per cent. interest on the investment.

And most people will say that the government has done well in the transaction—for it is collecting enough to pay the interest, and perhaps a sinking fund and the cost of operation. But let us look deeper. The land in the provinces affected has increased in value because of the irrigation, from \$977,500,000 to \$2,438,750,000; and the aggregate rent has grown from \$81,250,000 annually to \$188,750,000. All these figures are approximations only, but they are correct as proportions, and show clearly that the British management of Egypt has by the building of this dam liberated from the desert latent values in the dry deck room of the good ship *Earth* amounting to over a hundred millions a year, for which it gets back in taxation only five millions. As for the fellahs, they are no better

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off. They must still pay for the use of the deck room on their own old air-ship. They may be glad of the increase in the number of jobs, the general progress of the nation may bring them pleasures unknown before, or moral benefits—or it may not; but this is the point I am making: The only people who receive money profit from the Assouan dam are the owners of the lands—who may live in London or New York, or Constantinople or Cairo; may use these huge profits to add new attractions to harems, or buy titled husbands for eligible daughters, or repair ancestral castles, or indulge in motor-cars or yachts. The fellahs are no better off while working on the new irrigation blocks than they were when laboring on the old Nile flood-plain. All the fellahs get, anyhow, is a mere living.

The water of the Nile was drawn up from the ocean by the ownerless sun, blown by the free winds over the lands, and lowered to the valley by the everlasting hills. The water did not belong to the landlords of Egypt. The dam was built by the government (which in

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morals belongs to the fellahs as much as to an equal number of pashas) by the expenditure of money raised on the credit of the labor-power of the fellahs. The dam, then, can not belong to the landlords of Egypt. And when, by the use of the people's money, God's sun and wind and the hills whence cometh the help, not of landlords, but of men, a hundred millions annually are created by a government is it not theft of the most iniquitous sort if the landlords of Egypt are allowed to collect and keep the hundred millions? Think what that sum would do for the fellaheen, if it were turned into the public treasury, as in good morals it should be! It would lift them out of their ignorance by means of schools. It would construct public baths and theaters. It would install easy and cheap transportation facilities. It would finance their agriculture through rural peasants' banks. It would hire agricultural instructors, and serve cooperative marketing plans. It would send colleges to the Egyptians and the Egyptians to college.

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It would do all these things, not by taking aught from the landlords which belongs to them, but by stopping the robbery of the fellahen by the landlords—for every penny of the hundred millions belongs in the high court of ethics to the people, and not one penny of it to the landlords.

Better than all these benefits that would come to the people by forbidding the landlords to take what belongs to all, the policy of justice would take from the landlords the profits which are the incentive to their monopoly of lands. The profits of landlordism being abolished, that ancient institution would itself fall, and the irrigated lands under the Assouan dam would be free to the fellahs—whose poverty would, on the day they became free, come to an end.

The Assouan dam is the type of every great public work which invites the collective energy of the people on the good ship *Earth*. We passengers have so arranged things that the better we manage, the more it costs us for room on the decks from which all mankind

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were evolved, and to which they must return. Our own reclamation works have created huge values which are lapsing into private hands by payment of the mere cost of construction—though that cost ordinarily—as in the case of Assouan—represents but a fraction of the values created. Let Washington and Oregon, for instance, clear and reclaim their stump lands by the only agencies which seem adequate—the power of the government—and the people's money becomes at once the creator of values which oppress, rather than liberate, the workers.

So it is all over the world. We may bring the sea to the farms by canals, and make of the interior city a port, and the landowners reap the profits. We might build and operate free railways for the development of the *Earth* as a dwelling for her passengers, and those passengers who own the soil, under the laws in force over most of the world, would be able to capitalize every cent of the benefits in the values of their lands. Tom L. Johnson, of Cleveland, paved the way for three-cent

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fares on the Cleveland street railways in the place of five-cent fares—but the people who lease houses along the street railway lines are not a cent better off for the reduction—the landlords have taken all the reduction in rents.

Let the floods be prevented by headwaters' control of streams, and the benefits to the swamp and overflow lands would more than equal the cost—but under our governmental systems in vogue all over the world they would not pay it. Let any improvement mentioned in these chapters be instituted, and the money of the people spent in public benefits will automatically find its way into the values of lands—to be paid over and over again to landlords who do nothing to help production, but much to halt it by their powers of appropriation. Is it not plain that before the world can go on with all the tremendous and needed works demanded by the welfare of all, some method must be adopted by which the values created by the expenditure of the people's moneys and energies may be secured to public and beneficent ends, rather than diverted to

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private and in most cases noxious ones? Progress waits the new system's birth.

There is a Hindu proverb quoted by Henry George which runs: "White parasols and elephants mad with pride are the flowers of a grant of land." The parasols become whiter and the elephants still madder with the pride of wealth when such a grant becomes the recipient of government favors.

And now we have come, by fifty ways, to the greatest question of all.

This great globular air-ship on which we are embarked on our voyage from birth to death, but to no possible shore leave or disembarkation, has been considered in these dissolving views of our relations to it and to each other, as the one thing of prime importance to the race. We are passengers on the good ship *Earth*, but we are also portions of the ship. Nothing is so important to us as our relations to it. The woman yet to become a mother is no more essential to the unborn than is the earth to human kind. How we shall live

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with reference to it is almost all there is to the material side of human life, individual and collective, present and prospective. The wick or dynamo is no more vital to the light than is the earth to us—and to every other animal and plant.

Just now we spoke of the Assouan dam, and the way its benefits have been seized upon by landlords. Sir Charles W. Macara, returning from a congress devoted to the question of the promotion of the growing of cotton was recently interviewed in the *Manchester Guardian*, and said of this same irrigation project: "It is of little benefit to the general community if most of the profits are swept, in the shape of rent, into the pockets of land speculators."

I wonder if Sir Charles Macara would have recognized in the every-day life of Great Britain, or if the reader will detect in that of his city, town, village or rural township the same universal presence, the same great evil which appears so strikingly in the case of the Assouan dam? It is more difficult to see the

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thing close to our own eyes, but once seen, this thing can never be forgotten. The man who is able to collect pay for the use of land always reaps where he has not sown, and eats his bread in the sweat of other men's brows. It makes no difference how honestly he may have come by the land, or by how much hard work, the case is the same. Land values are always derived from the labors and the presence of the community, and never from the efforts of the owner. I am not speaking of his improvements, his fences, his plowings, manurings, drainings or plantings—I mean the charge he is able to make for the use of the land as God made it.

Rent has always been the only permanent basis for a hereditary aristocracy or a leisure class. When the first man encloses the best bit of land, and says, "This is mine!" it begins to turn unearned wealth into the hands of non-workers and take the earned wealth out of the hands of workers. Through all history it has steadily worked to heave high the House of Have and to press low the House of Want.

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Its power to oppress the masses is now obscured by corporate organization of wealth, and befogged by the increase of tools and factories; but such things as railways, shipping trusts, manufacturing trusts and mining and lumbering trusts will be found based on land ownership so far, I believe, as they have much power to oppress.

When land falls into that absolute form of private ownership of which I speak, a wedge is at once inserted between the landowning and the landless classes, which every day's progress drives in farther, lifting the landowning classes higher and higher, and tending to press the landless lower and lower. It is an economic truth which is self-evident and undeniable, that as society is developed, and the use of land pushed nearer to the limit of the absolutely useless, that which is available for use, in city and country, becomes higher in price if bought and sold, and higher in rent if leased.

Farm land in the middle west of the United

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States may rent now for ten dollars per acre annually—some of it does. I remember when that same land rented for one-tenth of that sum. I have seen it leased for a quarter of the crop—now it can not be obtained for the half. Yet the land will not produce more now than then; the tenant has found out how to live upon a less proportion of the yield, and is forced to do the best he can on that.

Is a schoolhouse built? Is a church dedicated? Is a railway constructed? Is oil struck? Is coal found? Is a new crop developed? Do the people become less rude and more civilized in some remote region? In each and every case, in the case of any imaginable step in progress, it is the landlord who gets the money benefit. The case of the Assouan dam, instead of being a local condition, is universal, world-wide. It is time that the nations of the world gave attention to the development of some plan by which the deck room on the good ship *Earth* may be parceled out to those who must make local and exclusive use of it; without prejudicing or

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doing injustice either to those who may now be willing to be excluded, or to the unborn generations who can not be consulted, but who are born into the world with as good a right to its use as that possessed by the children of landowners.

The thing is not simple in application, but the principle is. This great *Zeppelin* belongs to all of us passengers alike. Let us think of it for a moment as a great floating hotel, in which some of us have the best and most spacious of rooms, some are stowaways in the hold, some have hammocks in the forecastle, some first cabins, some second cabins, some saloon staterooms. We all have equal natural rights in her—how shall our unequal occupancies be equalized? The answer would be given in five minutes by any good high-school student. He would say, "Let everybody pay rent for the room he uses, and divide the fund!"

Suppose it to be an office building, owned in common by its tenants. The drug-store in the corner on the street would pay a high rent

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to the common fund. The bank on the second floor would also pay at a high rate, as would the dry-goods store. The lawyers and doctors in the upper stories would pay upon the value of their offices, and the cubby-hole occupied by the struggling dentist near the roof would pay much less. Each would pay to all the value of the room from which he excluded all. Out of the fund would be paid insurance, up-keep, watchman, elevator boys, janitors, scrub-women, and all the taxes and expenses of the building, and the balance would be returned in equal dividends. No one would have any advantage over any other; the plan would be absolutely equitable, and so plainly so that it could not fail to be suggested by any intelligent business man to whom the problem of such common ownership with diverse and exclusive possession were propounded.

Now, in spite of all the complexities of society, and the hoary institutions hallowed by legend and ossified in the course of history—in spite of everything which can be urged against the statement, the earth is a great

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dwelling-place, owned in common, and occupied in diversity. The evils of the situation are plain, and the greatest step which can be taken to end them seems to me equally plain. The owners of land everywhere should pay to their co-owners who are excluded the annual rental value of the privilege enjoyed. Such a plan would furnish a fund in case of the *Earth*, as in the case of the ship or office building, which would pay all community charges, and the tenancies of all would be equalized. He who had most of the thing belonging to all would pay most. He who had little would pay little. He who had none would pay nothing. All would be equally benefited by the expenditure of the tax collected, all other taxes would be abolished, and absolute justice would be realized in the use of the earth. No one would, or could, afford to pay thus for the use of land unless he used it—and so monopoly of land would be destroyed. This is the political economy of the future. In no other way can the consciences

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of men be long satisfied in their tenancy of the decks of the good ship *Earth*.

Rent is the value which inheres in the exclusive possession of land. It is a natural and inevitable thing. It becomes oppressive only when it is retained in the wrong hands. It belongs in morals to all men because it is the expression in terms of value of the benefits the landowner receives through his exclusion of all men from a site which ethically belongs to all men. If he retains it as private property, he is given an unjust advantage over his fellows. Landowning, constituting as it does the royal road to wealth without work, attracts the seekers after privilege. Land becomes a commodity sought more for its unearned increment of value than for use. It grows in value through every element of progress—increase of population, increased efficiency of workers, improvement in government, progress in the arts and sciences, demand for land for purposes of speculation. Every extension of use to poorer and poorer land, adds to the

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value of the lands already in use—for the rent line is zero, and the land on which the Woolworth Building stands bears its incredible price because it is so many degrees above zero—which is land for which nobody will pay rent. As this zero falls, the values above zero are thereby lifted.

The transfer of this enormous and ever-increasing body of values to the possession of its real producers and owners, the collectivity, will produce the most revolutionary results. It is quite a different thing from the so-called "single-tax" of such dabblers in land-value taxation as Vancouver and many German and Australasian towns. In Vancouver the fiscal scheme of putting on land values the burden of present taxation only, seems to have produced a condition of prosperity. I have no doubt that it has; but I am equally certain that this prosperity will be short-lived, unless a social program is adopted that will absorb all the ground rents of the city. As long as land-value taxation is adopted as a mere fiscal scheme, with an economical administration

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exerting every effort to keep taxes down, it will always induce an era of prosperity which will finally prove self-limiting. The limit will be reached when land speculation springs up as it has apparently done in Vancouver, through the growth of rent above and beyond the limited tax.

But when the full-length principle is adopted, a social program must always be followed capable of absorbing all the ground rents. Under such a state of affairs, Vancouver will leave very little value in the hands of landowners—under ideal conditions, none. Every one owning lands will pay the full rental value of them to Vancouver every year. It may be asked, Why, then, will any one desire to own lands? For the same reason that men now desire to pay ground rents to individuals—for the purpose of using them, and for no other reason whatsoever. All hope of profit from mere ownership will by that time have vanished, and land-speculation will be at an end.

The first effect of such a system will be the elimination of all speculative value from

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lands, and a fall in values to what lands are actually worth, for use.

Something like what has taken place in Vancouver will occur everywhere. Lands for use, being easily acquired, will be improved at a tremendous rate. The manner in which Vancouver swept past Seattle, Victoria, Tacoma and her other rivals in matter of building, as soon as she adopted land-value taxation, will be duplicated everywhere, as the human energies now repressed by land monopoly are liberated. And this condition will be permanent, if the governments adopt budgets which will absorb all ground rent, and thus forever inhibit speculation in sites.

Land will grow in value, with increase in population—it will grow in value over much of the earth's surface with great rapidity. Every increase in human efficiency will make more valuable the sites on which this efficiency may be exercised. But this advance in land values will not result in land-booms as in the past, nor will it enrich individuals. It will express itself in the payment of more and

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more of the wealth produced into the coffers of the government.

As the years pass, and the rise in rents continues, our government will therefore become more and more socialistic. That is, the line properly dividing individual property and, hence, individual action from collective property and action will be constantly advanced toward collectivism. Even to-day, if such communities as England, Holland or New York were to transfer bodily to the public coffers all their enormous ground rents, such a proportion of the produced wealth would go to the common fund that the proper administration and use of it would socialize the state to an extent realized by very few either of the advocates of land-value taxation who call themselves individualists, or of those socialists who regard it as likely to produce only unimportant results in the evolution of a new social order.