

CARNEGIE'S NEW GOSPEL OF WEALTH.

(For the Review.)

By W. L. ROSS.

A short time before Dr. McGlynn was excommunicated, he spoke in Philadelphia before a large audience. In one of those brilliant passages of dignified and simple eloquence for which he was noted, he scathingly denounced the institution of negro slavery. The applause that followed was like a burst of thunder after a flash of lightning. He stood modestly looking downward until the applause died away. Then looking up and smiling, he said, "I knew you would applaud that sentiment, but if one of you had dared to stand upon this platform and say the same thing forty years ago there would have been angry men rushing toward you, to throw you off. You would have been fortunate indeed to have gotten off with no more than a shower of stale eggs of respectable antiquity."

At that time the saviors of society fairly writhed and hissed with the most bitter hatred of Henry George. No misrepresentation was dishonorable enough, no ridicule nor abuse cruel and venomous enough to satisfy them. But with prophetic vision, the brave and kind-hearted priest predicted that after a time those who were then opposing Henry George would become his friends and supporters.

Not only have President Roosevelt, Senator Elkins and a host of others, who but yesterday denied the existence of an unjust distribution of wealth, recently called attention to it, but we have one of the world's greatest princes of privilege jumping in at the head of the procession.

It is to the credit of Andrew Carnegie that he has abandoned some of the barbarous ideas formerly taught in his "Gospel of Wealth." In that essay he told us we should "accept and welcome" the condition which inevitably gives wealth to the few, as it insures the "survival of the fittest." His teachings were similar to those of George F. Baer, advance agent of divine rights. With all the assurance of Sir Oracle, Mr. Baer tells us that "God in His infinite wisdom has given the property interests of the country to Christian men," meaning in particular the coal lands of the anthracite region. "The land shall not be sold forever for the land is Mine," saith the Lord. "All nonsense, it's mine," says Baer.

Mr. Carnegie not only calls attention to the great inequality in the distribution of wealth. He admits that it exists because our laws give to individuals enormous land values created by the growth and progress of the community.

"Let us go to the root of the matter," says Mr. Carnegie, "and inquire how those fortunes are created, from whence and how they arise. * * * Imagine an honest and hard-working farmer who finds himself able to give to each of his two sons a farm. The sons find farms, one in the center of Manhattan Island, the other beyond the Harlem. The Harlem farm falls to the elder, the Manhattan to the younger. A few hundred dollars buys the farms, and the loving brothers set out for themselves. * * * The growth of New York City northward soon makes the children of the younger millionaires, while those of the elder remain simple farmers in comfortable circumstances, but still of the class who, fortunate in this beyond their cousins, have to perform some service to their fellows and thus earn a livelihood."

"Now," said Mr. Carnegie, "who or what made this difference in wealth?"

Not labor, nor skill, no, nor superior ability, sagacity, nor enterprise, nor greater public service. The community created the millionaire's wealth. While he slept it grew as fast as when he was awake. It would have arisen exactly as it did had he been on the Harlem and his brother on the Manhattan farm."

"The younger farmer, now a great property holder, dies and his children in due time pass away, each leaving millions. Since the farm has become part of a great city, immense buildings upon it produce annual rents of hundreds of thousands of dollars."

Our prince of finance then takes up the census. He shows that real estate increased nearly thirteen thousand million dollars in value from 1800 to 1900. Says Mr. Carnegie, "The obvious creator of this wealth is not the individual but the community, as we see in the case of the two brother farmers." Mr. Carnegie sees the increase of land values, but fails to distinguish between land and improvements.

He then traces this unearned increment further. He points out that the railroad, mining and manufacturing promoters should be well paid for their enterprise and ability. Still he shows they are getting the land values which belong to the community, by monopolizing the natural resources and rights of way.

With the exception that he fails to distinguish clearly between land and improvement values, this is excellent Single Tax philosophy. But when the remedy is offered, it is painful to see how Mr. Carnegie falls into error and confusion. He is like the man who said he believed in the Henry George theory but was opposed to putting it into practise. He says:

"When these children die, who have neither toiled nor spun, what canon of justice would be violated were the nation to step in and say that since the aggregation of their fellowmen called 'the community' created the decedents' wealth, it is entitled to a large portion of it as they pass away? The heirs have been allowed to enjoy it all, because, although in their case the wealth was a purely communal growth, yet in other cases wealth often comes largely from individual effort and ability, and hence it is better for the community to allow such ability to remain in charge of fortune making, because most likely to succeed, and in so doing develop our country's resources."

It is here assumed by Mr. Carnegie that to develop our country's resources and produce wealth to best advantage, it is necessary to let untold millions continue to go from those who produce this wealth to the pockets of those who do not produce it. This discovery is as startling as that of the foreign scientists who discovered that a grasshopper's ears are in its legs. They first put a "hopper" on a board, then gently tapped under the board and it hopped away. Then they cut its legs off. Again they put it on the board, gently tapping under, but it failed to hop away, thus proving that its ears were in its legs.

Certainly it is better to encourage that individual effort and ability which is most likely to succeed in developing our country's resources! But would we encourage fishing by making private property of the ocean? We do not encourage the development of our country's resources when we allow the captains of industry who run the steel trust to keep other men out of the steel business by fencing in \$5,000,000,000 worth of iron and coal land.

Modern fortune getting is not so much a question of ability as it is a question of grab, and privilege. Not the qualities we love, but the qualities we despise usually contribute most to fortune-getting as we know it to-day.

The reason we have so many inferior rich men and superior poor men is that in the race for wealth, little brains with big monopoly will outrun

big brains with no monopoly. Under present conditions brains are only one of the factors in fortune making. To-day we have not only unequal ability, but unequal opportunity, and unequal reward for service. With equal opportunity of access to the natural resources—with industry free from tribute to monopoly, ability would win in proportion to its merit. Instead of private ownership of land helping the production of wealth, just the reverse is true. It is a crushing and continuous burden as foolish and wasteful as it would be to kill a cow for the purpose of weaning the calf.

We must have private possession of land so that they who sow may reap; so that they who build may inhabit.

The Single Tax will combine the advantage of private possession of land with the justice of its common ownership.

What is more common than tenant farmers producing wealth from land that is owned by landlords who pocket the unearned increment? What is more common than the mining of coal and minerals on royalty instead of the land being owned by the operators? What is more common in large cities like London and New York than to see the most costly buildings erected on rented land?

The effect of taxing this ground rent into the common treasury would be to stimulate industry and kill land speculation. Removing taxes entirely from buildings and other labor products would stimulate industry tremendously. A heavy tax upon the value of land with no tax on improvements would force land into use. It would not only make it cheap, it would make vast areas free. To-day our progress is a struggle up hill with the wheels locked. The Single Tax would throw off the brakes.

Two and a half centuries ago, Manhattan Island sold for \$24. To-day the bulk of its hundreds of millions of ground rent flows to the pockets of twenty families. In other words, the business men of New York furnish the capital, and labor furnishes the work, forming a partnership for the production of wealth. A few idle pleasure-seekers called "society," demand fabulous millions for the use of this land before the wheels of industry can move. Yet labor and capital produce all these land values.

When our government was formed, three million people were here to use the land. More people came, but no more land came. The land of the United States is increasing in value over a thousand million dollars a year. That means that the earnings of productive capital and the wages of labor must relatively decrease as the entrance fee to the storehouse of nature increases.

While hardly more than one-tenth of our land is in use, it is forestalled by an army of speculators who hold up the train of progress. The passengers are robbed more legally and gracefully than are the victims of a band of train robbers. The plunder is more certain, more profitable and more respectable, but it is infinitely more subtle and disastrous in its effects.

When we sweep away all taxes on capital and labor and put them on the value of land, it will open up a new continent at our doors—a continent just as free as it was when Columbus landed—a continent not over-run with savages and wild beasts, but with all the advantages of modern civilization—with steam, electricity and a thousand times ten thousand labor-saving inventions which would not be a curse as they are to-day, but would lift the cross from the bent and weary back of crushed and starving labor.

Why cannot people see this? Is it because we have lived in darkness so long that like the fish of the cave we have lost our eyes?

Henry George has furnished the light, and the truth stands out as clear as the sun at noon time. But like owls and bats, we live in the jungle, for the sunlight makes us blind.

If the intelligent, warm-hearted and well-meaning people of this country

who are chained in industrial slavery, only realized what they are missing by not grasping the philosophy of Henry George, they would fly to its revelations as an uncaged eagle soars to the mountains. But the truth is winning its way. The progress Mr. Carnegie is making is only one of many shining examples. Though privilege may enact laws; though it may dominate courts; though it may rule the pulpit, the press and the college; though our statesmen may kneel before the galleries of public opinion as the Hindoo kneels to his god, and say, "I know you are ugly but I feel that you are great"—yet there must be, there *will* be final victory for the truth.

The day of the new era is already dawning. The prophecy made a quarter of a century ago is being fulfilled. "I tell you the glow of dawn is in the sky. Whether it come with the carol of larks or the roll of the war drums, it is coming—it will come!" "The ground is plowed; the seed is set; the good tree will grow."

"So little now, only the eye of faith can see it. So little now; so tender and so weak. But sometime the birds of heaven shall sing in its branches; sometime the weary shall find rest beneath its shade."

The little tree that saw its beginnings at the golden gate has grown and blossomed, and the wings of time have carried its seed to every part of the world.

THE COUNTRY OF THE FUTURE.

Somewhere in the time remote and far
 The boundaries of that country reach
 From Southern seas to Polar star,
 To all who are of human speech.
 What matter medleys strange of tongue
 Where smiles are language—where they tell
 Their story to a world grown young
 Of Love at last made audible.

How gloriously bounded then
 The Land that craves not War's renown—
 Eastward by love of yellow men,
 And northward by the love of brown.
 Bounded by love of all men East,
 And by the love of all men West,
 The arms of highest and the least
 Are shields about their breast.

No Hun or Vandal horde prevails
 O'er land where serfs are not, nor lords,
 Though here are playgrounds that were jails,
 And plowshares that were swords.
 Nor eye their boundary descries
 Who flung from them all vulgar fears,
 Nor are the slopes of Paradise
 Wider than their frontiers!

God waits upon that people—they
 Who find their soul what time they choose,
 And gain this glory on the day
 They their dominions lose.
 God waits them—from His templed cloud
 He seeks them with His patient eye—
 The people who, no longer proud,
 Build empires in the sky!

JOSEPH DANA MILLER,
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