

Tax Limited," (which is Single Tax only by devious reasoning), in spending so much effort toward securing initiative and referendum laws, in devising sly measures for shifting the tax burden—"sly" because the obvious idea was to avert the accusation that such measures might tend toward the breaking up of land monopoly—these men were unconsciously influenced by George's political mistake rather than by George's uncompromising philosophy. So much so that some so-called stalwart Single Taxers—they would themselves lay claim to being so-called—have been advocates of such incongruities as income taxes and inheritance taxes, NRA and government ownership. The process of seeking respectability has become so complete as to remove all taint of being reformers.

But more vicious than the vitiating of the singleness of his proposal by this concession was his weakening of the morale of his most accomplished disciples by making politicians of them. It is an axiom that politicians prefer office to principle. A statesman (in theory at least) will go down with his policies, but a politician will abandon an entire platform if need be to retain his position. The thought that Single Taxers in office, elected on a platform that is diametrically opposed to the Single Tax, or appointed to office by those elected on such platform, might do more for the advancement of the philosophy than can the independent reformer is quite erroneous. It is, in fact, dishonest to expect them to do so. The party in power is there because it has promised the people to do certain things; to do other things, like enacting the Single Tax, which it did not promise, is to violate a sacred trust. Every member of the party, no matter how insignificant the post he holds, is in duty bound to carry out its political promises; he is a traitor to this trust who advocates anything else. Most likely every Georgist who has held office has harbored the hope that he might sometime induce his party to write the Single Tax into its platform. A sort of "boring from within" plan. This is an obvious impossibility, since both of the dominant parties in this country are controlled by privilege through the vital nerve centers of their campaign funds. Besides, it is ridiculous to expect a political party to adopt a principle for which there is no public clamor. When, therefore, the Single Taxer achieves public office and discovers that his advocacy of this fundamental reform is at variance with the policies of his party, and may militate against his continuing on the public payroll, he finds it more politic to subdue his reforming proclivities. This is not dishonesty of purpose; it is that pardonable human frailty—*Officitis*. The office overcomes the man. That is why the very able disciples of Henry George who followed his suggestion of joining the Cleveland Democracy accomplished nothing toward the advancement of the Single Tax, not even to the extent of increasing a knowledge of the philosophy. As office holders they became Democrats first and Single Taxers

thereafter. This is not said in a spirit of rancor or even criticism, for this metamorphosis of the reformer to respectability is, in a politician, as easy as it is inevitable. As a matter of fact the prominent Georgists who became Democratic office holders did damage to the advancement of the cause; for their silence in high places, and their circumspection in all places, caused their less fortunate and adulating co-believers to also subdue their demand for a liberated earth to the mere whisper for a shift in taxes, so that the ordinary citizen, who may have listened to these erstwhile preachers in pre-office days, ceased to take interest in this great truth now diluted. Jehovah must always be omnipotent; when his high priests explain and modify Him he is no longer Jehovah.

Time, the great healer, is gradually undoing the damage done to his cause by George's tactical error. Because of its fundamental truth and its greatness of purpose his philosophy has survived; also because throughout the years a few bold ones persisted in preaching it in all the purity of its promise. Had these few honest souls been aided by those whose Single Tax beliefs were submerged by their political affiliations—and these were, on the whole, of greater abilities—perhaps the great truth would by this time have achieved wide public acceptance. But time has removed most of those who claimed the mantle of George. The hope of the movement is in a new generation who will pursue their own methods and tactics, uninfluenced by the errors of the past. To them the disputes between the purists and the respectables will be unknown. They will get their knowledge from the inspired pages of "Progress and Poverty"—where the truth is revealed in all its purity—and not from the modifiers, whose words are even now almost forgotten. And sometime, somewhere, from among these disciples will arise a Moses who, thoroughly unrespectable and immune to the disease of *Officitis*, will demand in a voice loud enough to be heard complete freedom from slavery; whose genius for leadership will make possible the era of human progress promised by Henry George. And he will probably be crucified.

FRANK CHODOROV.

Land Value and Its Taxation

By HENRY L. T. TIDEMAN

THE challenge of Frank Stephens, based I presume on the basis of his enclavial experience, on the impossibility of making effective effort to take ground rent into the public treasuries, calls for an answer.

How often the question has been asked: How can you levy taxation upon land values when the Single Tax will have destroyed land values? And how often it has been answered! But, once again this question arises from, and is itself involved in a too free use of words. If anyone believes that the taxation of land values will "destroy" the selling price of land, he should take time

out to study the matter. The word "destroy" has a definite meaning. It does not belong in the question. The Single Tax will not destroy the selling price of land capable of producing ground rent. The only lands the selling price of which will be destroyed will be the body of lands that will constitute the new margin of cultivation when land speculation is made unprofitable.

That the taxation of land values by the Single Tax method will reduce the selling value of lands is not in dispute. That the Single Tax will destroy land values except as they are fictitious, is nonsense.

Let us look at the detail of the extreme application of the Single Tax. Assuming that the current rate of interest on investments is six per cent, and taking the instance of a piece of land the ground rent of which is \$1,060. Let us assume that the tax levy requires a tax of \$1,000 to be paid.

We have

Ground Rent - - - - -	\$1,060
Tax - - - - -	\$1,000

Net ground rent remaining - - - - -	\$ 60
Value of land paying \$60 net to its holder is	\$1,000
Tax rate, then is (1,000/1,000) - - - - -	100%

Such a lot in Chicago at the present time and under the present taxing system will pay:

Ground Rent - - - - -	\$1,060
Tax - - - - -	\$ 265

Net ground rent remaining - - - - -	\$ 795
Value of land paying \$795 net to its holder is	\$13,250
Chicago's tax rate at present is - - - - -	2%

Now, as a practical matter, do the assessing officials dig into private affairs to discover the ground rent received by this landholder? Of course not. They make an appraisal, as best they can, of the selling value of the land, and put it on their books. That is all that will be necessary under the most extreme application of the Single Tax.

The nicety of perfection not attainable in the construction of machinery, in art and in the control of physical forces, in all of which activities we think in terms of our ability to control the details of process and structure, should not be expected to result from even the wisest adjustment of human institutions to the need of men who wish to be free.

Even under the influence of the Single Tax, small leaks of economic rent into the purses of landholders and their lessees will occur. What of it? Under a condition that prevents land speculation and monopoly, and when most folks will be landholders, and all others free to become so, small inequalities will be of such little consequence that they may best be left as matters of conscience.

Now for a few moments on the subject of interest. The controlling law here is that "men seek to satisfy

their desires with the least possible exertion." All borrowing is voluntary, as is lending.

In production, time is an element. It cannot be avoided. When present possession of products useful to production gives advantage over future possession, if that advantage is sufficiently great, a borrower enters the market. Both the borrower and the lender operate under the law of least exertion. Sometimes the borrower "rents" a building or other product, directly from its owner, sometimes indirectly through a banker.

As the result of my useful work, I have possession of a thousand dollars. This means to me, and it is a fact, that all of the varieties of products in the market, \$1,000 worth of them belongs to me. I lend my \$1,000 to a borrower. I may believe, and the borrower also, that I am lending him the \$1,000. I am not. I am permitting him to use products belonging to me that are still in the market because I have not claimed them.

When men go through the forms of borrowing to secure the use or possession of land, a different problem arises, but it has no relation to the subject of interest. And it is in this field of study where confusion on the subject of interest arises.

The Only Permanent Cure For Unemployment

By J. C. LINCOLN

EVERY community, by its presence and activity, creates a fund which is the natural source from which its expenses should be drawn. This fund is ground rent. For instance, there is a little candy store on Euclid Avenue, in Cleveland that rents, I am told, for \$2,000 per year, per foot. It is very clear that this \$2,000 per year, per foot, is a community product which is appropriated by the owner of the fee to the property. It is further clear that this \$2,000 per year, per foot, produced by the community and appropriated by the fee owner, defrauds the community by just this amount. Our present land laws make it legal for fee owners to defraud the community by appropriating the community-created ground rent to the extent of twelve or thirteen billion dollars per year in the United States. This fund is ample to take care of reasonable governmental expense.

A little thought will make it clear that the selling value of land is the ground rent, actual or expected, capitalized and the amount of this ground rent in such a city as New York is partially appreciated when it is realized that the privilege granted to the fee owner to appropriate the community-created ground rent is, in places worth \$400,000 per foot front. It is clear that the provisions of our law which make it legal for fee owners to appropriate such enormous sums of money, which they do not earn, but which are created by the activities of the community, are unethical, unscientific and should be changed. One hundred years ago it was *legal* to hold slaves, but