

By **HENRY L. T. TIDEMAN**

Question. If rent of land be made the only source of public revenue, thus practically taking it all, should not that result in the loss of incentive among landowners for the efficient use of land?

Answer. Time is a continuing relationship. We plant in one season and reap in another. We inhabit after we build. All production and all possessions involve time. Therefore, the incentive for the best use of land is dependent upon safe tenure. To encourage that best use, men must feel assured that they may reap where they intend to sow and may have a place to keep their possessions. They will not erect buildings unless sure that they may keep them.

Though all production involves the continuing use of land, it does not require the ownership of it. Most production is carried on on rented land. In that part of production in which landholders operate upon their own holdings, rent is as much an unearned surplus as on the rented lands. Where men work upon rented lands, they now give up "all the rent" without losing incentive. If those working upon their own holdings were to be taxed only for their unearned surplus (rent) they would prosper equally with their tenant neighbors, who now are taxed by their landlords for all their surplus product.

To make rent the "only source of public revenue," it will be necessary to abolish all other taxation. The taxes to be abolished are real deterrents to the best use of land.

When we will have repealed the taxes now levied upon housing and which fall upon building materials, will we not be encouraged to make better use of housing lands?

By abolishing the taxes which fall upon our food and clothing supplies, thus reducing the cost of living, will we not increase the demand for things which can be profitably produced only from and upon the land?

Taxing land values in such manner as to take (as nearly as possible) all the available rent, by making land monopoly costly instead of profitable, would put pressure upon landholders to find land users, thus reducing its rent and price. The abolition of taxation of labor products would encourage the production of wealth, thus inducing the most profitable use of land.

Between these two forces — a push behind and a pull in front — the economic process should make everybody prosperous.