

## THE EVILS OF INDIRECT TAXATION

AS VIEWED BY WILLIAM LLOYD GARRISON

It has been the immemorial habit of free trade advocates to accept "a tariff for revenue only" as a legitimate method of government support. That this is a mistaken concession and one that in a large measure retards the progress of the free trade movement cannot be successfully disputed.

Primarily, all indirect taxes are dangerous in a democracy. A democratic form of government professes to be a government of the people; hence, nothing obscure in the management of governmental affairs should be tolerated. A knowledge of the ways and means by which self-government is supported should be as accessible to the humblest citizen of the republic as to the Secretary of the Treasury.

Indirect taxes have ever been an anti-democratic conception. They originated in despotisms where it was necessary to raise revenue in ways obscure to the tax payer. In all countries financial ministers have sought to procure the greatest return while escaping popular complaint, or to borrow a homely expression, "to pluck the goose with the least squawking."

### How the Tax Payer is Duped.

A famous English prime minister, speaking in the House of Lords during the Napoleonic days, stated the case in memorable phrase; "My Lords and Gentlemen, to levy a direct tax of 7 per cent is a dangerous experiment in a free country, and may invite revolt; but there is a method by which you can tax the last rag from the back and the last bite from the mouth without causing a murmur against high taxes, and that is to tax a great many articles of daily use and necessity so indirectly that people will pay them and not know it; their grumbling will then be of hard times, but they will not know that the hard times are caused by taxation."

A revenue tariff is a stumbling block in a democracy. That it contributes to hard times is only one of the counts against it. It is a vigorous promoter of strife and upon it military nations rely for their sinews of war. Without it there would be fewer international broils and less armed oppression at home. Indirect taxes are the life-blood of militarism.

Another forcible objection is that under its broad wing protective tariffs nestle. It is, therefore, especially favored by protectionists, who always include in their praise of revenue

tariffs the subtle proviso, "with incidental protection." This clause is a tail which invariably wags the dog. The public revenue received is dwarfed by the private revenue resulting. In fact our indirect taxes would be truly described as "Tariffs for Protection, with incidental revenue." But as by our theory of government, special privilege is banned, a tariff baldly proposed in the interests of favored parties would be universally denounced.

Under the specious plea, however, that protective tariffs are laid primarily for revenue purposes, an unjust bounty is extorted from the tax payer and bestowed upon the protected interests. The revenue and protective features of tariffs are consequently made indistinguishable, and few American consumers who are pillaged by the process, conceive how small a part of the extra cost of their necessities reaches the national treasury, and how large a part goes into private pockets. To uncover the deceit and stop the wrong the abolition of every indirect tax is demanded, an absolute abolition, not one of attempted separation of duties. A few distinctly revenue duties can be assessed upon articles not produced in the United States, but they are objectionable because of the cost of customs collections, of cognate expenses like the revenue service, and the temptation to smugglers. Artificial crimes encourage lawbreaking.

### Legalized Robbery

There is a much quoted decision of the United States Supreme Court, pronounced by Justice Miller to this effect: "To lay with one hand the power of the government on the property of the citizen, and with the other to bestow it upon favored individuals to aid private enterprise and build up private fortunes, is none the less robbery because it is done under the forms of law and is called taxation." If that is an accepted opinion of the highest tribunal of the nation, why is it that protective tariff laws are allowed to burden the statute books? They exactly cover the Judge's description. Is it not an outrage to legalize robbery? The custom persists because of the difficulty of separating revenue from protective taxes, incidental protection attaching itself as by a law of gravitation to almost every form of revenue tax.

The institution of the town meeting

has been accepted by students of free government as the unit of democracy, the ideal method enabling the people to understand and accomplish their own legislation. Before the citizens, called together in open assembly, the manifest needs of the community are carefully set forth, and the estimated cost is given. Each separate item is subjected to discussion and scrutiny, and the final amount of taxation settled on the spot by a consensus of opinion. Real democracy abhors secrecy as nature abhors a vacuum.

### Secrecy Inimical to Self Government

The farther taxation is removed from the control of the people, the greater the danger which confronts self-government. Granted that what is possible in a simple community governed by town meetings is less feasible when population concentrates in great cities where more complicated machinery has been adopted. Is it, therefore, beyond the scope of Yankee ingenuity to devise a method having the simplicity and justice of the town meeting! Such an assumption is an insult to native wit. But before an effective plan can be reached present obstructive tax laws must be wiped out. Foremost among these is the indirect tax, and of indirect taxes the "tariff for revenue only" is the prime offender.

While the delusion prevails that concealment is necessary to obtain the sums required for modern conceptions of expenditure, and that the people will balk at direct taxation, a better and more equitable source of revenue is hidden from view. Public consciousness is stirring, however, to the existence of a natural fund for the support of civil government, that residing in public utility and monopoly values created by and belonging to the community. But, as this involves another and a larger question, space forbids its consideration here. Suffice it to say that Great Britain, forced to extremities through aggressive wars and a gigantic naval system, is now driven to exploit this new but ample field of income.

When the people are wise enough to adopt a just and natural method of taxation, special privilege and international wars will approach a finish. Now, devious and delusory taxes for rapine are concealed under a beneficent name; then, the humblest worker in

the land will be able to understand how government procures its resources and exactly how they are spent. To-day it is the function of the professional statistician to cultivate obscurity and to befog the popular understanding. Outlaw "tariffs for revenue only" and the light will pour in.

#### MILITARISM AIDED BY INDIRECT TAXATION

None of the millions poured out for militarism come from direct taxes, but on the contrary, from indirect, that is, from tariff duties, sales of public bonds, taxes on vices, as the use of liquor, etc. If this war expenditure came from direct taxation as in many European governments, the case would be different. The masses give the matter little attention because the burden comes from indirect sources. They have little or no knowledge of the enormous cost of military services.

—G. W. Moss in the London Speaker.

At the significant political dinner given at New York, June 2, under the auspices of the tariff committee of the Reform Club, Hon. John DeWitt Warner, President of the American Free Trade League, paid his respects to the contention of "tariff for revenue only" as follows:

"Protection is a respectable form of brigandage, and tariff for revenue only is a tariff so adjusted as to give incidental protection to our manufacturers by duties so balanced against their greed that the government shares with them the taxes their fellow-citizens pay. In fixing such a tariff there is the same temptation to lie, the same motive for bribery, the same premium on trickery, as in the case of a tariff solely for protection."

"Very few are sensible of being made poorer by the purchase of slave territory, or the cost of the Mexican war. The diabolical method our country has, of plundering the people by indirect taxation, under the polite name of 'Protection,' prevents this. And I want you to allow me to declare, as my very humble, but honest opinion, that no one political movement for the overthrow of slavery would be half so effective, as the repeal of all protective tariff laws, under which the abominations in our government are carried on. Only let the people know *what they pay in taxation, and for what they pay it*, and you would see revolution, sooner than you will see another new moon."

—Parker Pillsbury, 1854.

#### FREEDOM NATURE'S LAW.

##### Restrictions Urged by Blind Cupidity and Ignorant National Zeal.

In no department of human activity are the intentions of the Almighty more plainly indicated, than in this of the interchange of the products of labor. To each part of the habitable globe have been assigned its special gifts for the use and delectation of man; to every nation its peculiar skill, its appropriate opportunities. As the world was created for labor, so it was created for exchange. Across the ocean, bridged at last by the indomitable pertinacity of art, the granaries of the new world call, in their inexhaustible fecundity, for the iron and steel, the implements and engines of the old. The shepherd-kings of the limitless plains of Australia, the Indian ryot, the now happily emancipated negro of Georgia and Carolina, feed and are fed by the factories and looms of Manchester and Bradford. Pall Mall is made glad with the product of the vineyards of France and Spain; and the Italian peasant goes clad in the labors of the Leicester artisan. The golden chain revolves, the silver buckets rise and fall; and one to the other passes on, as it fills and overflows, the stream that pours from Nature's cornucopia.

##### England's Just Boast.

Such is the law ordained by the Power that presides over the destinies of the world; and not all the interferences of man with His beneficent purpose can avail altogether to check and frustrate their happy operations. Yet have the blind cupidity, the ignorant apprehensions of national zeal dislocated, so far as was possible, the wheels and cogs of the great machine, hampered its working and limited its uses. And if there be anything of which this great nation may justly boast, it is that she has been the first to tear down the barriers and dams of a perverted ingenuity, and to admit in unrestricted plenitude to every channel of her verdant meadows the limpid and fertilizing stream of trade.

Verily she has had her reward! Search the records of history, and you will seek in vain for a prosperity so immense, so continuous, so progressive, as that which has blessed this country in the last half century of her annals. . . . He would be a rash man who should venture to forecast and to determine the remote results of such a policy; or should shrink from the consequences of liberty on the ground

that he cannot anticipate their character . . . The time (is) approaching when the nations of the world, laying aside their political animosities, will be knitted together in the peaceful rivalry of trade; when these barriers of nationality which belong to the infancy of the race will melt and dissolve in the sunshine of science and art; when the roar of the cannon will yield to the softer murmur of the loom, and the apron of the artisan, the blouse of the peasant be more honorable than the scarlet of the soldier; when cosmopolitan armies of trade will replace the militia of death; when that which God has joined together will no longer be sundered by the ignorance, the folly, the wickedness of man; when the labor and the invention of one will become the heritage of all; and the peoples of the earth meet no longer on the field of battle, but by their chosen delegates, as in the vision of our greatest poet, in the "Parliament of Man, the Federation of the World."

—"The Modern Symposium."

There are said to be 50 stores along the Canadian-American frontier between Calais, Me., and Cornwall, Ontario. These stores evade custom-houses and defraud the Canadian and American governments of lawful income. It is said that New Brunswick sardine fish are sent over to Eastport, without reporting to the Canadian custom-houses. —Lewiston (Me.) Journal.

It may be glorious to write

Thoughts that shall glad the two or three

High souls like those far stars that come in sight

Once in a century;

But better far it is to speak

One simple word, which now and then

Shall waken their free nature in the weak

And friendless sons of men;

To write some earnest verse or line,

Which, seeking not the praise of art, Shall make a clearer faith and manhood shine

In the untutored heart.

He who doth this, in verse or prose,

May be forgotten in his day, But surely shall be crowned at last with those

Who live and speak for aye.

—Lowell.