

**UN-TAX Labor and Industry—Tax Privilege**

By HENRY GEORGE

**WE** WOULD LEAVE the whole of the value produced by individual exertion to the individual. We would respect the rights of property not to any limited extent, but fully. We would leave to him who produces wealth, to him to whom the title of the producer passed, all that wealth; no matter what be its form, it belongs to the individual. We would take for the uses of the community the value of land for the same reason. It belongs to the community because the growth of the community produces it.

What would be the direct result? [of taking the annual ground-rent or land-value]. Take this city [San Francisco], this state or the whole country; abolish all taxes on the production of wealth; let every man be free to plow, to sow, to build; in any way add to the production of wealth: Go ahead, go ahead; produce, accumulate all you please; add to the common stock in any way you choose; you shall have it all; we will not fine or tax you one penny.

What would be the result of abolishing all these taxes that now depress industry; that now fall on labor; that now lessen the profits of those who are adding to the general wealth? Evidently to stimulate production; to increase wealth; to bring new life into every vocation of industry. And mark the results.

On the other side what would be the effect when abolishing all these taxes that now fall on labor or the products of labor, if we were to resort for public revenue to a tax upon land-values; a tax that would fall on the owner of a vacant lot just as heavily as upon a man who has improved a lot by putting up a house; that would fall on the speculator who is holding 160 acres of agricultural land idle, waiting for a tenant or a purchaser, as heavily as it would fall upon the farmer who had made the 160 acres bloom?

Why, the result would be everywhere that the dog-in-the-manger would be checked; for the result everywhere would be that the men who are holding natural opportunities, not for use but simply for profit, by demanding a price of those who must use them, would have either to use their land or give way to somebody who would.

Everywhere . . . opportunities would be opened to labor; there would come into the labor market that demand for the profits of

labor that never can be satisfied—the demands of labor itself. We should cease to hear of the labor question. The notion of a man ready to work, anxious to work, and yet not able to find work, would be a story of the misty past.

We want more wealth. Why don't we get it? Is any factor of production short? What are the factors of production? Labor, capital and land; but to put them in the order of their importance, land, labor and capital.

We want more wealth. What is the result? Is it in labor; is there not enough labor? No. Is there any scarcity of capital? No. . . . If the limitation is not in labor and not in capital, it must be in land.

We are as much the children of the soil as are the flowers or the trees. . . . We do not propose a tax on land; we propose a tax upon land-values, or what in the terminology of political economy is termed [ground] rent. . . . A tax that will take up what John Stuart Mill called the unearned increment.\*

A true respect for the rights of property would abolish all our custom houses, and a true respect for the rights of property would put a heel on the communistic doctrine that a man ought to be taxed because he is rich.

The laws of nature do not differ in different places. Go where you choose over this round world and they are everywhere the same. Neither can the social laws differ. There must be in social affairs laws which have the same universality, the same immutability, as the physical laws.

All of our social difficulties, all those social questions that hang like a dark cloud over every civilized country, may be traced to our disrespect for rights—our want of respect, of what the great French convention called "the sacred rights of property." It is only as we truly respect the rights of property, that civilization advances and grows. We do not respect them sufficiently. That which belongs to a man ought to be his against all the world; that which I got by purchase, whether as a gift from him who produced it, or who had the title from the producer, ought to be mine against all the world.\*\*

At the bottom of the subject of taxation lies a religious question and sentiment. If the universe be God's work, its laws are His laws, and when we find the laws made by men working hardships we know that we have gone astray, and we must get back to His will.

Try our remedy by any test. The test of Justice, the test of expediency. Try it by any dictum of political economy; by any maxim of good morals, by any maxim of good government. It will stand any test. What I ask you to do is not to take what I or any other man may say, but to think for yourselves.\*

(\*) Speech, San Francisco, Feb. 4, 1890. George's 'Standard', 8½ cols.

(\*\*) Speech, St. Louis, Jan. 26, 1890. Ibid. 4 cols.