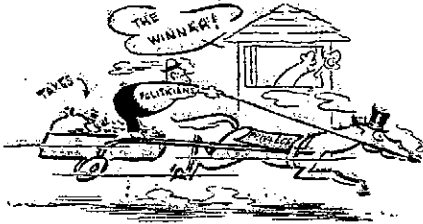


Empire State Legalizes Its Racketeering

THE DISEASE OF RATIONALIZATION is indigenous to the human mind. Yet there are certain ethical imperatives which are impervious to rationalization, and which even the human mind must recognize as basic when the camouflage of twisted words is torn away. Theft, the forceful taking of one's production, cannot be anything else even when it is legalized, nor can its character be altered by the traditionalized acquiescence of the defenseless robbed.

That we recognize the immorality of taxation is evidenced by the universal practice of evasion, even



when the threatened penalty is incarceration, and more so when successful evasion meets with the approbation and the envy of fellow sufferers. We lionize the uncaught smuggler; we cheerfully pay for advice on how to dodge an income tax. The tax collector, although duly elected, is looked upon as a bully and a parasite. In spite of all rationalization of it, the whole tax business retains its indelible stigma of immorality.

Two conditions explain the retention in our body politic of what we intuitively know to be a wrong. First, the excuse that taxes are the only means for providing necessary social services. Thus an immoral act is condoned because of a moral purpose; a sort of end-justifies-the-means reasoning. Yet, the patent fact remains that taxation is no measure of social services, that social services are the excuse for, not the determinant of, taxation. Everyone knows that in a free market these services could be bought for much less than our tax bill, that the obvious waste and pilferage involved in government is in no sense a service rendered for payment received. If there is any relation between taxes and social services, it is accidental and not causal.

The persistence of the taxes-for-social-services notion is due to the deliberate obscuring of the rent fund as the natural, and therefore moral, source of payment for services required by the community. And this brings us to the second condition for public acquiescence to the robbery of taxation: ignor-

ance. It is an ignorance made deeper by the astuteness of the rent-collecting class who profit by it. It is an ignorance the more difficult to penetrate because it is hardened by the pilferage which it makes possible. Public education, including the entire propaganda campaign conducted by our parasitical machinery feeding on taxation, is directed toward its perpetuation. The officials who thrive by taxes, and the predatory interests, whose loot is obtained by the taxation technique, combine for the immoral purpose of keeping the people in complete ignorance of the nature and the economic importance of rent. Ignorance has a market value.

New York State recently passed a law which points up the immorality of the whole tax business. Gambling is illegal in this State, presumably because gambling is sinful. Yet, while the law frowns upon a penny-ante poker game in one's home, the sovereign State of New York will legally share now in horse race gambling. Not as a participant, taking chances in the fortunes of the game, but as a racketeer, taking a "cut" for "protection." Even the bookmaker (who, by the way, is deprived of his occupation under the pari-mutuel betting law) could take a loss through an error in calculation; but not the State. It lays tribute on the game, providing neither horses, nor race tracks, nor jockeys—not even a tarnished prize cup. As usual, the tax gatherer renders no service whatsoever.

To be sure, the State provides for a Racing Commission to supervise, interfere with and regulate the entire gaming enterprise. Thus, gambling is being used to extend the system of political patronage which feeds upon taxation. No one will have the temerity to declare the Racing Commission a social service. To the sport of racing it can only be a species of annoying vermin.

But note that the State for its 5% take of the gross amount of betting has limited the number of race tracks that can be run within its borders: six

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in the area around New York City, three upstate. Only nine race track privileges will be granted; nine favored groups who, for value received, will be permitted to engage in the business. Again we have the unholy marriage of privilege and politics, and the bar sinister offspring, taxes.

The pari-mutuel betting law reeks with immorality. It demonstrates pointedly the fact that taxes are levied not for public services but for the perpetua-

tion of political and private privilege. Because it vitiates another law which prohibits betting, the hypocrisy of this tax law is manifest.

But an analysis of all tax laws, a study of their origin, their political and economic consequences, reveals that all taxation is just as immoral. No amount of rationalization can alter that fundamental fact.