

# How Is It To Be Done?

By THOMAS F. WOODLOCK

(In the June issue of *The Freeman* we published an article by Mr. Woodlock under the title of "The Right of Property in Land," and an answer thereto, "Fundamentals of the Land Question," by Mr. Will Lissner.

Mr. Woodlock's current article, which, like the earlier one, is reprinted by permission from the *Wall Street Journal*, is answered elsewhere in this issue of *The Freeman* by Professor Harry Gunnison Brown in "A Reply to Mr. Woodlock."

Further discussion of the points raised by Mr. Woodlock will appear in the September *Freeman*, in articles by Mr. A. C. Matteson, Jr., and Mr. J. Rupert Mason.—The Editors.)

From the letters and printed matter so generously poured on the desk of this writer by disciples of Henry George, for which he can make no more than a general but genuinely grateful acknowledgment, he is under the impression that the four syllogisms, in which, a few days ago, he endeavored to condense the essence of the George gospel, are substantially correct. The final conclusion was that land values as distinct from values of structures erected thereupon and labor expended in their construction and operation belonged to the community, that is, that unimproved land in the hands of an individual person was not property in the sense that all products of human labor are property. As this writer's present purpose in discussing the subject is his own education—including that of such readers as are like himself in need of education and wish to get it in the easiest way—he will assume the above principle to be true, and move on to the next stage—namely an answer to the question what we ought to do about it.

Broadly speaking, land in the (so-called and perhaps erstwhile) civilized world, is now in private ownership to about the same extent as is other property. This is directly contrary to the above-mentioned principle. What this writer would like to know is the series of steps

which the believers in the gospel have in mind to transfer land ownership from the individual to the community, where the gospel asserts that it of right belongs. A hasty "fingering" of the material at his hand leaves him under the impression that, when this is done, the George school sees poverty abolished once and for all. Passing the question as to poverty, what should we begin to do tomorrow in this country to effect the above-mentioned transfer? To make it quite concrete what should we do about real estate in the city of New York, when the legislature of the State assembles next January? And what should the City Council of New York do meantime?

Presumably whatever is done would be done mainly by taxation, and taxation which would have for its object the capture by the community of the value of the land in the form of its rental value, for the best measure of the value of fixed property is the income that it can be made to yield. If this is correct, the question is one of real estate taxes. All real estate in New York City is already taxed except that which is used for certain religious, educational and other philanthropic purposes. Most of it is improved; some of it is not. In the case of the former class of property some of the total tax paid represents taxation on the improvement; in the latter case the tax is on only the land itself. It would seem that the community is already recapturing at least a portion of the rental value of the land in both cases. How much is the amount so realized by the community at present short of that full rental value? Before that question can be answered some measure of value must be found. Upon what principle should that measure be based? Is there any principle other than what the nineteenth century called the "higgling of the market?" And assuming that that process produced

an answer and that answer disclosed a large gap between the tax collection and the rental value, how should we go about closing that gap by taxation? Should we do it gradually by easy stages, or at one step? And what would be the nature and extent of the disturbance to existing conditions in either case?

This writer assumes that answers to all these questions are available in the gospel itself or in commentaries of the "fathers" (no sneer implied!) on that gospel, but as he is trying to make others do the work for him, being, as he freely admits, himself obliged to be thrifty to the point of meanness in the expenditures of his own definitely exiguous stocks of time and energy. On that ground he is frankly a beggar for assistance, perhaps even an intellectual panhandler! But he knows the generous spirit of the gospel's missionaries and shamelessly extends his tin cup. Some sixty years ago there was an "Anti-Poverty league" in these parts in connection with the George gospel. As already mentioned above, some at least of the literature fingered left this writer under the impression that the followers of the gospel believe that the reform it proposes with respect to the land will of itself abolish poverty. Up to this point the present writer has approached his study—if it can be called a study—of the whole thing with a really open mind and a simple desire for knowledge, but here he confesses to a good deal of skepticism. This for two reasons; one is that here we enter the sphere of prophecy, and the other is that he doubts that the problem of wiping out poverty is susceptible of quite so simple a solution. To avoid any misconception he will admit that he is equally skeptic concerning each and every other anti-poverty panacea that has ever come his way. Is this claim really part of the George "deposit of faith?"