

WHAT BECAME OF OUR BIRTHRIGHT?

A Natural Order for Peace and Prosperity

By GASTON HAXO

WHEN THE MASTER of the universe created the earth, He made sure that it contained an inexhaustible supply of the elements necessary to maintain, for all time, the life of all the living things which would, in time, dwell upon it.

Animals and plants needed air, sun heat and sunlight, water and food. The earliest men who, at the time, were not much above the level of the animals, had similar needs, which they obtained, as did the animals, from the only source—the earth. Fortunately for man, he had been blessed with a power which no animal possessed, viz., the power of reason; and it is by the use and development of this power, through untold millennia, that this primitive man-like creature became the civilized man of today.

This brief glance into the dim past is merely to bring out a highly significant economic fact, not generally recognized, due perhaps to the complexity of life in a modern world. This fact is that in spite of his intellectual and material progress, man remains, and always shall remain, what he was created; a land animal, whose physical needs, whether they be necessities or luxuries, can only be obtained by the application of his mental and physical labor to the earth, which is the source of all wealth, the field of all labor and the opportunity of all employment. No matter how remote from the land any person's occupation may seem in today's interrelated economy, such occupation is nevertheless a necessary part of the overall productive process to extract from the earth the wealth necessary for life and its enjoyment.

Thus it is clear that land being a necessity of human existence, the most basic of all human rights, the right to life, implies the right to the use of the earth, hence, free access to land is the birthright of all men. This truth is the heart and soul of our Declaration of Independence which states that: "all men are created equal, that they are endowed by their Creator with certain unalienable

rights, that among these are Life, Liberty and the pursuit of Happiness."

Where do we stand today with regard to our birthright?

There is not a civilized country today where man's right of free access to land is recognized. In the United States, except for the territory still held in the public domain, all the land and natural resources have become private property and carry a price tag, not very high for land situated in sparsely populated areas, but a million dollars or more per acre in large cities.

How is it, one might ask, that land, which is the free gift of God to all, must now be bought, and at such fabulous prices? That is because of our disregard of the Natural Law and the Natural Order, under which land would never acquire a selling value. When men gather together as a community, a premium value attaches to land as a result of the presence of population, the advantages of community living, and public services such as: Streets, roads, schools, police and fire protection, water and sewer systems etc. This socially created value, called "economic rent" by economists, constitutes the natural revenue to defray public expenses, and it should be taxed annually into the public treasury. Instead, we allow the landowners to retain most of this value, in effect, providing them with an unearned income which, capitalized at the current interest rate, becomes the selling price of land and fosters land speculation with its many attendant evils.

The tribute thus levied by the land monopolists upon the people, amounts to billions of dollars a year and increases steadily with the growth of population. In addition, failure to collect the economic rent for the community, makes it neces-

sary to tax buildings and all other labor products, increasing the cost of living and placing a staggering burden on the people. Unless we reform our tax laws with understanding of the socially created value of land, the concentration of wealth and economic power in the hands of the land monopolists, all those who live by their labor will ultimately be reduced to a state of economic slavery. This is the process by which all the great civilizations of the past have declined and died. The same fate may be in store for us unless we amend our tax laws to conform to the Natural Laws which are the Laws of God.

We hear about maintaining law and order, but no society can have order if its laws violate the Natural Law and the Natural Order, which means equal rights and justice for all. The Natural Order prevailed in the world until civilized man appeared and disturbed it. Civilization meant government and government meant lawmakers who passed laws to benefit the few and exploit the many; and the few got richer and richer but the many remained poor; the rich man's brand of "law and order" made sure of that.

Today we attempt to abolish poverty by doing things for the poor but that is not what the poor need. What they need is the opportunity to do things for themselves; they need free land, the Natural Order, the way God intended it to be.

The earth which God created for all can never be the property of anyone, but all have equal rights to its use, since no one can live without it. The individual is entitled to the exclusive possession of as much land as he requires for his home and his legitimate business, subject to payment to society of the annual rental value of his landholdings, such being the value of the advantages and services which he receives from society and without which land would have no value. Having compensated society for what society has done for him, the individual will be free to use his land and enjoy the fruits of his labor

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free of the unjust burden of taxation.

But, it will be asked, can the rent of land be enough to support government? The answer is yes, a government whose functions would be limited to protecting the rights of the individual and doing for the people what they cannot do for themselves. Such a government could easily be maintained by the rent of land and most of the governing could be done at the local level. Should additional revenue be necessary, it should be obtained by direct taxation and not from taxes on labor or labor products to be shifted to the consumers.

This is the only way to establish the Natural Order with permanent peace and prosperity for all in a democratic society. It can be done by gradually shifting the tax burden from improvements and other labor products to land and natural resources until the whole economic rent is collected annually. Then the price tag shall come off the land and the land shall be free; and so shall we all.

Land Value Taxation—the economic reform proposed by Henry George in 1879 in his book "Progress and Poverty"—has never been fully applied anywhere, but in several coun-

tries the principle has been adopted to a limited extent and has proved to be economically sound and beneficial.

Throughout Australia and New Zealand, land values have been taxed heavily and improvements lightly or not at all. The City Assessor's Department of Brisbane, Capital of Queensland, reports: "This taxation method has brought idle land into use. It has not created congestion. We have no slum areas. It has been advantageous to homeowners, industry and the public welfare."