

the Government of this individually unearned increment, all the burdensome taxes and fines now levied on Capital and Labor may be and should be abrogated, leaving their net returns increased; further under this system the undeveloped resources of the country would be opened to them and the demand for their services would be limited only when the wants of a prosperous people were satiated. The steadily increasing expenses of Government would be amply met without friction from this steadily growing national fund; and with the attendant abolition of income taxes, taxes on improvements such as houses, factories, stores, barns, fences, orchards etc., in brief, the total abolition of all taxes now levied on produce and its exchange, all this should encourage the further production of wealth and make sure its equitable distribution.

Tomorrow! With Labor free to go where open opportunity entices it; with Capital free to go where demand calls it; with both free from artificial barriers and fines; with nations, like individuals, finding their best interests rewarded by mutually profitable service, all valid excuses for war would fail.

Political boundaries would tend to become mere jurisdictional areas, roughly delimiting differences in language, domestic habits and customs. Each nation could and would be proud of its own race and culture, but, with the evil restrictions now separating them abolished, with rivalry for the advancement of the arts and sciences established in their stead, the stage would be set for a World Parliament of free men. The vision of a millenium with mankind flowering in peace and plenty would appear nearer.

Let us see that America shall be the first to restore to her people their natural heritage in the land; the first to point out and lead the way to a higher and greater civilization; so that man everywhere shall find faith and courage and march confidently on!

—ANTONIO BASTIDA.

**W**EALTH in itself is a good, not an evil; but wealth concentrated in the hands of a few, corrupts on one side, and degrades on the other. No chain is stronger than its weakest link, and the ultimate condition of any people must be the condition of its lowest class. If the low are not brought up, the high must be brought down. In the long run, no nation can be freer than its most oppressed, richer than its poorest, wiser than its most ignorant. This is the fiat of the eternal justice that rules the world. It is what the Sphinx says to us as she sitteth in desert sand, while the winged bulls of Niveveh bear witness.

—HENRY GEORGE.

WHATEVER conduces to the equal and inalienable rights of men is good—let us preserve it. Whatever denies or interferes with those equal rights is bad—let us sweep it away.—HENRY GEORGE.

## Tax System on Land Values Will Encourage Improvements

RAY ROBSON in *Florida Grower*, Tampa, Fla.

**H**AVING been, ever since my first acquaintance with Florida, an earnest believer in its possibilities and prospects, it has been with great interest that I have observed the recent nation-wide awakening to its advantages and opportunities for residence or investment. Of equal interest is a consideration of the combination of circumstances which have brought about this awakening.

It has often been pointed out that the adoption of the constitutional amendment prohibiting the levying of income and inheritance taxes has had an obviously important effect in bringing about the so-called "Florida boom."

It seems, however, largely to have escaped attention that there still remains to be taken another step, in harmony with this and its logical complement, which will prove of still greater benefit to Florida and all its citizens.

If it is legitimate and proper to encourage people to come to Florida by agreeing to exempt their wealth, in the form of incomes and inheritances, from taxation, it is surely equally legitimate and proper to exempt also the wealth they use in improving and developing the property they may acquire.

"What then will be left to be taxed?" may be the question asked by those to whom the idea is a new one. But a second thought must convince any one that the land alone of Florida is valuable enough to provide a revenue amply sufficient for all forms of governmental expenditure. And the levying of taxes on land alone would have striking advantages from any point of view over the present plan of taxing all property.

The taxes levied on wealth created by human effort, whether in the form of money, credits, chattels of any kind, or buildings and other improvements, are a direct and definite addition to the cost of these articles, must be paid for by the consumer, and are an important part of the increased cost of living. Taxes levied on land values, however, cannot increase those values, as is well known to students of economics; it would be absurd to think of taxes on land as adding to its value because of increasing cost of production; for land has no cost production. It is not and cannot be produced. It simply exists as a gift of nature.

### VALUES BASED ON INCOME

To make this point clearer, let us remember that land values are based upon actual or prospective income that can be derived from the land. If one piece of land will sell for \$15,000 and another for \$30,000 the reason is that it is expected that the income from the second tract after deducting a sufficient amount to cover interest on money invested in building, insurance, upkeep, etc., will be twice as great as the corresponding net income of the first tract. This

net income, in the case of the \$15,000 tract, will be about \$900, at the average rate, six per cent. and the taxes at two per cent. about the average, \$300. If now the tax on land is doubled and amounts to \$600, the net income will be only \$600, and the selling price therefore one-third less, or \$10,000. If the tax is again increased, to \$900, the net income will be reduced to \$300 and the selling price will be only \$3,000. It is clear that in the case of land values the tax is not added to the price, as with all other forms of wealth, but results in reducing the selling price.

Whether such a change in the basis of taxation would be beneficial can hardly be doubted. The heavy taxation necessary in a rapidly growing community means at present a heavy burden on all kinds of productive effort. To tax land values only would result in checking to some extent the abnormal increase in land values.

Two other considerations should also receive attention.

### TWO OTHER CONSIDERATIONS

Land is the only form of property that is enhanced in value by governmental expenditure. Neither personal property, credits, or buildings are in any way affected. Why then should not land values be the only values to pay for these expenditures?

Further, land speculation is the one evil feature in the development of any commonwealth. The speculator does nothing to aid development. He simply appropriates to himself as much as possible of the increased values which arise as the result of the developments and improvements made by others. Land value taxation will tend to check this appropriation of wealth by a non-producer, and instead take it for the use of the commonwealth, to benefit those whose efforts bring it into existence.

There is still another consideration. Speculation is already hampering the Florida producer. Land is being forced up in price till much of it is too valuable to use for dairying or general agriculture. To check this tendency, nothing can be more effective than a substantial increase in land value taxation to make speculation less profitable, and a decrease in or the entire abolition of taxes on all other property, which will make the production of wealth more profitable.

### WOULD BENEFIT FRUIT GROWER

The citrus grower is an especial sufferer under the present system of taxation. When land covered by a well kept citrus grove is worth \$1,000 or more per acre, the taxes are no small item to be deducted from the value of a crop which often shows but small margin of profit. If land values only are taxed, the trees, being an improvement, would be exempt, and the land assessed at its location value, the same as if unimproved. And, while favoring the producer as against the mere speculator, such a reform in taxation would also give a decided advantage to the Florida producer in competition with the producers of California and other states.

In fact, while many of the most thorough students of the tax question believe that the taxing of land values only is the ideal system under any circumstances, there are many reasons why such a system would prove of greater benefit to Florida than to almost any other state or nation.

## A Great Libertarian

THE news from England of the death of our old friend, Dr. Montague R. Levenson, occasions surprise not for the fact itself, but that he had so long survived the common fate of man. Ninety-five years is a long time to spend in this vale of tears, especially when one is engaged in a life-long struggle with invincible stupidity, where Nature backs inertia. And yet it is within the truth to argue that the toughness of mental fibre induced by such struggle may be conducive to longevity. Dr. Levenson always knew what he thought on any subject which had occupied his mind and had little toleration for that kind of compromise which proceeds from sycophancy or cowardice. His mental processes bore some resemblance to those of William Lloyd Garrison the Second. If a cause seemed to him right after careful study, it *was* right and he was for it.

He formulated the best brief libertarian axiom which it has been our good fortune to see and strove to have it incorporated in the constitutions of some Western States at the time when they were holding their constitutional conventions. It read as follows:

"Whenever the direct and probable consequences of any action affect only those of full age and sound mind and freely consenting thereto, such act shall be deemed to be outside the domain of law."

Landlordism, protection and vaccination were to him the diabolical trinity which bedeviled a planet otherwise capable of ministering to the well-being of the human race.

His memory will long survive, among those who knew him, as one of the doughtiest champions of the noblest ideals yet visioned by the human mind—the possibility of a reign of Justice. He passed away at Bournemouth, England, September 28th, 1925.

THOSE few thousand white—blue-eyed and blond—Riff farmers, now defending their natural economic and just political rights to the soil of their country, must feel singularly honored when gazing upward, to note the presence—"in the name of a white god"—of those straight shooting American aviators, who wish to steal, maim and destroy the property and lives of these white people.

France did not ask this assistance, nor did the United States offer it. So the motives or ideals of these "freelance" aviators are their own choice and responsibility.

—WALDO J. WERNICKE in *San Francisco News*.