

TAX FACTS

Published in
the interest of

SOUND ECONOMICS
and

AMERICAN IDEALS

Vol. XIV

Los Angeles, California, December, 1935

No. 8

OUR CONSTITUTION

For convenience in making his puny calculations, man sets aside one day each year as the sailing date for the earth's trip around the sun, and marks his calendar accordingly. It is a time of retrospection and anticipation, of taking stock and balancing books, of regrets and resolutions. Nations, as well as individuals, may well pause and review the passing year and see if it is good.

May we make one suggestion. In analyzing the acts of our government and in considering proposals for future policies, it will be helpful if we will distinguish between important fundamental principles and mere legislation designed to carry out their intent and purpose at different times and in varying circumstances.

A recent suggestion that the Constitution be amended to make possible government planning, has met with a storm of protest from the reactionaries who believe that a constitution may be amended twenty-one times—the twenty-first being a subtraction, not an addition—but that twenty-one times is absolutely the limit.

Some of us are very glad that Mr. Hoover wasn't present when the thirteenth amendment was proposed; and if *he* wants to be thankful he's alive, he'd better be careful what he says about the nineteenth amendment—we women don't miss! No doubt the taprooms and town meetings of 1787-91 had their Hoovers who fervently maintained that the original seven articles of the Constitution would suffice for all our needs and problems till Kingdom come. But, there were radicals among the good folk, who bored into the ranks of Mr. Hoover's respectable forefathers and out-talked them—ten amendments' worth.

Don't forget that even at birth, the Constitution had formidable opponents. Some of the State conventions would have rejected the Constitution had its supporters not agreed that after the organization of the new Government, amendments should be added in the nature of a bill of rights to guard against tyrannical action on the part of the central authority. The first ten amendments to the Constitution were afterward agreed to in accordance with this understanding

and were declared in force December 15, 1791. The full intent and purpose of our Constitution is stated in the Preamble—

"We, the people of the United States, in order to form a more perfect union, establish justice, insure domestic tranquillity, provide for the common defence, promote the general welfare, and secure the blessings of liberty to ourselves and our posterity, do ordain and establish this Constitution for the United States of America."

Surely, such a clear and concise statement as that requires neither explanation nor defence. The articles and their amendments which follow were conceived for the sole purpose of achieving the goal set in the Preamble as the ultimate aim of our government. So far as we know, no question ever has been raised concerning the Preamble, but the moment we say that the articles and amendments are as fixed as Gibraltar, as unchangeable as natural law, we make ourselves ridiculous, confess ourselves too stupid for self-government.

It was necessary that the articles and amendments passed during horse and buggy days should be of a character suitable to the times. Our assessors and registrars of voters are not now concerned with that part of Article I, Sec. II which states explicitly that in determining the basis of representation and direct taxation, five slaves shall count as three freemen.

If our Constitution is to accomplish its original purpose, it must be flexible—a living, growing document that improves with the maturer thought and increasing knowledge of an advancing people. We cannot establish justice nor insure domestic tranquillity until we know more about the science of political economy and the art of government; until we have learned to place the general good before our own selfish ends; until we have learned that true democracy means equal opportunities for all, and special privileges for none. When we have progressed a little farther in this direction, we may find that more than one additional amendment is necessary to carry out the high purpose of the Pre-

amble—but not, however, to effect the doubtful aims of a confused statesman.

To say that every word of the Constitution as it stands today must be preserved, inviolate, is a little like saying that all good church folk must obey to the letter every one of the numerous commandments laid down in the book of Deuteronomy. The majority of them are not applicable to present conditions. A man with a Ford tractor doesn't need to be told that he "shall not plow with an ox and an ass together." In the light of modern science, we are inclined to question the hygienic principles—to say nothing of the doubtful morality—involved in the commandment, "Ye shall not eat of anything that dieth of itself; thou shalt give it unto the stranger that is in thy gates, that he may eat it; or thou mayest sell it unto an alien; for thou art an holy people unto the Lord thy God."

These specific commands, delivered for the guidance of a certain social group at a given period of history, do not fill our needs, and we disregard them, but the basic principles of ten of these edicts in Deuteronomy are just as true, just as necessary, today as they were in Judea hundreds of years ago. The fact that we don't obey them does not detract from their truth nor from their significance.

It is the ability to see and to grasp important fundamental principles that is essential in determining whether a proposed amendment shall be added to our Constitution or not. Our economic set-up needs readjustment, badly; if another amendment or two will "promote the general welfare," by all means let us have them. Let us be equally sure that no false prophets arise to counsel a laissez-faire policy that will keep us in the doldrums forever.

Let us step out into the new year with a determination to be a little more systematic, a little more fundamental in our study of social problems. We have the rich natural resources, the man-power, the machinery, the governmental structure, a Constitution that is entirely adequate without further amendments; there are reasons, but no excuses, for our failure to establish and maintain a true democracy such as this old world has never seen. Let's do it—and in the words of Tiny Tim, "God bless us every one!"

In the Antipodes

The basic right of every citizen of New Zealand is the right to an equal share in the rent of the land. This can be accomplished by spending the rent fund on public services and amenities, to which all are equally entitled.

Labor and capital will no longer be taxed for such services, having already paid for them in land rent.—*The Commonwealth*, New Zealand.

PROPERTY

While the President and the business men wrestle with the problem, trying to decide what is public and what is private business, the rest of us will find much light shed on this matter in "Public and Private Property," by John Z. White. This is a remarkable book, containing a number of salient points that have been missed by both business men and statesmen. We offer a few suggestions from the opening chapter.

"Property is a legal term. It includes whatever lawfully may be owned. Products of industry are property. Legal privileges also are property, such as a right-of-way, a copyright, a patent, an estate in land, or other grant of authority or power from the state. Thus we have two kinds of property, wholly different in nature and origin:—products of industry and products of law."

Failure to distinguish between these two kinds of property has caused much confusion in our laws and in our economic literature. "Like Proudhon," Mr. White says, "communists see certain evils growing out of property relations and condemn private property holding in general. On the other hand, conservatives discover many advantages in these relations and indiscriminately support such holdings."

After calling our attention to the high esteem in which property was held by the members of the constitutional convention of 1787, and the part it played when they were trying to determine a basis of representation, Mr. White says, "In spite of the undoubtedly great importance of property, thus indicated, history seems to suggest that permanent social advance is usually preceded by destruction of some form of privileged property. Such destruction is illustrated by the abolition of feudal tenures at the time of the French Revolution. Also by the outlawing of property in human beings during the American civil war. . . ."

"Since inequity and disorder grow out of law, the remedy must be found in law. Laws enacted by Roman barbarians before the time of the Caesars, coming down to us via England with feudal precedent and aristocratic interpretation, might well have ended with the American Revolution. Instead, they were reestablished on new soil, where they tend to economic chaos, sans equity or justice. . . ."

"If, then, a large population shall establish and maintain a system of defective laws, confusion will necessarily ensue and give advantage to some individuals. Such advantage may be given directly, as was often the case under the feudal system, or it may indirectly be involved methods of property administration inherited from feudalism.

"In the degree that such legal advantage ob-

cains, either directly or indirectly, aristocracy is recognized. 'Aristocracy' here means a greater or less control of public power by private parties. In our day such power usually appears as private property. Holdings of this character, quite naturally, cause their possessors to be looked upon as 'important' persons. On the other hand a system of laws that gives no one advantage, but treats everyone according to the dictates of natural justice, is a democracy. 'Democracy' here means public control of public power and avoidance of sumptuary and special privilege laws that invade private rights."

The President has lost much vantage-ground by being unable or unwilling to define the nature of that business which properly belongs to the state and that which belongs to the individual. Neither have his opponents done this, but they have precedent on their side. It would clear the atmosphere considerably and justify whatever moves the President makes that can be justified, if he would determine, as Mr. White has done, the character of true democracy.

DO YOU SEE THE POINT?

The story is told of a beggar who accosted a gentleman and asked for assistance.

"I do not like giving money to beggars," said the gentleman, "but, if you like, I will give you work."

"That's what I want," said the tramp.

"All right. Can you dig?"

"Yes, I can dig."

"Then come along."

The gentleman bought the man a pickaxe and spade, and, taking the tramp to a vacant piece of land, said: "I want to build a house here, and you can go on digging the foundation."

The man went to work, and at the end of the day he got his money. But he had not been at work long the next day when a man came up to him and said: "What in thunder are you doing here?"

"Can't you see?" he replied. "I am digging the foundation for a house."

"But who told you to do it?" was the next question.

"Mr. So-and-So," was the reply.

"Come out of that," was the answer. "That land does not belong to him. Clear out, or I'll have you taken up."

"What?" said the tramp. "The land does not belong to him?"

"No, of course not. Clear out, I tell you."

"Then I guess I'll make it hot for him for making such a fool of me."

The tramp went to the gentleman's house and began to make a row.

"Look here, my man," said his employer, "I know that land does not belong to me. But you want work, don't you?"

"Yes."

"Well, I want to build a house. I have the capital and you have the labour, but this man comes along and prevents me getting the house and you and many other workmen getting work. If you want to quarrel, he is the one you ought to quarrel with."

And the tramp saw the point. Do you?

Reprinted from *Commonweal*, London, England.

Closed Gates

As a nation, we have come only recently to the place where we no longer have a supply of low-priced or free lands, rich, virgin lands, awaiting the labor of the settler to produce abundantly. But the fact that we have come to this point has been of immense significance. That, plus the loss of export markets, has shut off an avenue of escape for the unemployed, who in other depressions had this outlet for their energies.

M. L. WILSON,
Assistant Secretary of Agriculture.

Tax Delinquency

Rural real-estate tax delinquency on the 1932 levies in 15 California counties involved nearly 2,581,000 acres out of a total area of 22,966,000 acres. The 1932 figure represents an increase of 460 percent over the acreage delinquent on the 1928 levies. During the same period the amount of taxes delinquent increased 339 percent. Much of this delinquency is of a chronic character. Not only did delinquent acreage increase but delinquency per acre also increased. In the 1932 tax year the period of delinquency, for all properties than involved, averaged 2.1 years.

United States Department of Agriculture.

The Needle's Eye

When it is said that any one can get rich if he tries, does it mean that opportunities for adding to the world's wealth are abundant and that by utilizing them any one can become rich to the extent of his usefulness? Or does it mean that without adding to the world's wealth he can if he tries secure to himself a share of what others add to it? There is the test. If it is said to mean the former, it isn't true. If the latter, it isn't honest. Neither is the latter true; for though some may prosper by mere appropriation all cannot. What the prosperous gain their victims lose.

LOUIS F. POST, "Ethics of Democracy."

TAX FACTS

Published Monthly
By The Tax Relief Association of California
333 N. Madison Avenue, Los Angeles, California
Phone: OLYMPIA 7852

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Subscription per year 50 cents

VOL. XIV LOS ANGELES, CAL., DECEMBER, 1935 No. 8

ACTIVITY

This real estate game reminds us of Robert Louis Stevenson's unique and interesting story, "The Bottle Imp." The bottle that figures in that curious tale was brought upon the earth by the devil thousands of years ago, and was extremely expensive. An imp lived in it, and whoever had the bottle, had the imp at his command. Love, fame, money, were his at the word uttered, but the bottle could not be sold at all unless sold for less than the purchaser paid for it, and if he died with the bottle in his possession, he was a lost soul. This caused no particular trouble when the bottle was new and the price high, but as time passed and the selling price shrank, this proviso became considerable of a drawback.

With our land policy, we have reversed this stipulation. In order to make money in real estate, land must always be sold for *more* than is paid for it. In the years that have passed since Manhattan Island changed hands for a string of beads, realty values have risen enormously. If they had increased steadily and consistently with no backsets, the figures would have reached astronomical proportions by this time. It remains a fact, however, that a given parcel of land can produce only so much wealth, even on Wall Street. When the price is pushed up and up until it overtakes the earning power, nobody wants it. This happens all over the country at practically the same time. Business begins to draw in its horns. Susie and Bill move in with mother and dad. More parcels of land are thrown on a market where there are fewer takers. What must happen to rents and selling prices is obvious. Down they slide until they approximate the actual value of the land and business can again function at a profit. Then we start over.

This fall in land prices is not, of course, planned, desired, or even expected by either professionals or amateurs. Stop for a moment and take a good look at the basic idea behind "real estate activity." If land is to be bought and sold by individuals for profit, it must be sold *each time* for more than was paid for it. What does that mean to and for children yet unborn? Much-a-do is being made, not without reason, over the enormous national debt being piled up

for our children's children to pay. It is picayune compared to the price they will have to pay for land in order to live at all.

If the selling price of land kept on rising, as realtors and others wish it would, it would be hail and farewell for any little babies that had the temerity to venture into this world. They would simply have to get off the earth, for parents could not afford the space to set up a crib. If the price doesn't keep mounting indefinitely, but is periodically checkmated by eternal laws, a small group that gets into the game early will make comfortable fortunes—the rest will be left holding the bag.

Mr. Charles C. Cohan, real estate editor of the *Los Angeles Times*, said in last Sunday's issue, "It naturally is to be supposed that the more potential buyers there are, the higher will go the prices, but many of them have been holding off in the hope of landing great realty bargains. And thus waiting, they've seen prices advancing to higher levels." The true rental value of land is influenced, not by buyers, but by users, and every living being is a user of land. For this very reason, it is criminal for us to maintain a land policy that forces one man to pay another for the opportunity to use that which he cannot live without.

We do not suppose for a moment that Mr. Cohan nor his fellow realtors have ever thought of it in this light. There is something rather humorous in the naive way he says, "Largely influencing the uptrend (in real estate) is the fact that a great new stream of money from outside points—new money—is pouring into the channels of realty investment here." Those words strongly suggest Jack Hamlin.

If California land has any real value, it is because wealth can be produced on it—by the application of labor, and we are at our wits' end to know what to do with the labor that is pouring into our state. Why don't we use our land and produce our own wealth? If the land has no value, why should the Easterners buy it? The truth of the matter is, of course, we don't labor on our land and produce our own wealth because we don't like to work if we can, by any possibility get out of it—a characteristic common to all mankind. The possibility of escaping work becomes a reality if we can persuade our fellow men to pay us for their share of the earth. Some of the Eastern buyers will build homes. (We might have done that ourselves. There is a housing shortage and plenty of carpenters out of work.) Many of these Easterners are buying land merely as an investment and will, in their turn, sell to still later comers.

The idea of land monopoly came into the world many generations ago, and if it wasn't brought here by the devil, like Stevenson's bottle imp, we can't imagine who did bring it.