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SWEET HERBS

In the good old days when the Old Bailey reeked with the foul odors of Newgate's unkempt prisoners and the vile emanations of the unwashed of London who came to see "justice" done, modern sanitation and ventilation were unknown. To guard the judge and jury, attorneys and spectators from the taint of this corruption, "The court was all bestrewn with herbs and sprinkled with vinegar, as a precaution against gaol air and gaol fever." Apparently, nothing was done to remove the cause of the offensive condition.

Too often, the powers-that-be have tried to ease our distress by strewing sweet herbs, hoping—yes, knowing—that the masses will not sense the injustice that lies rotting at the base of our economic structure and that smells to high heaven. Of all the multitude of proposals for social betterment, both in and out of administrative circles, not one has touched, ever so lightly, on the basic wrong that, so long as it persists, must render every other effort useless.

As we sank farther and farther into the depression, expediency became the watchword of the hour. No matter what the cause or nature of our trouble, no man or woman or child must be allowed to starve. Well, that's a good idea. If this very laudable purpose, however, is to be accomplished, not by increasing the total wealth through productive labor, but by dividing the products of the labor regularly employed, it will mean shorter rations for all. Much of the labor provided by the government in its effort to care for the unemployed, has been unproductive labor; and while the wages thus received stimulated production to a certain extent, it was not in proportion to the need. When we speak of the demand for goods, we usually refer to the demand in the market which depends upon the purchasing power of consumers, but we must not forget that behind this demand lies the actual need of humanity for the necessities of life, and the desire for its comforts and luxuries.

Two long lines are moving continually to and from the government pay windows—the taxpayers, paying in, and the government-employed and dole receivers, drawing out. How long can one

line support both? And what will happen when the day of reckoning comes? No matter how many billions of dollars are appropriated by Congress for relieving unemployment, nor how many bonds or bonuses are issued to those who have served their country, money and bonds, alike, will be worthless unless there is plenty of ham and eggs and cotton cloth and ear muffs and so on to make life comfortable and enjoyable. Nothing but productive labor can give us these things.

Through two wars, we fought our way to personal and political freedom; but, we did nothing to prevent the waste of our natural resources; nothing to hinder the accumulation of vast fortunes such as the world had never seen; nothing to stop the growth of corporations and political machines, whose power over legislatures and Congress has become greater than the will of the people; nothing to insure to every child an equal opportunity in our economic life.

Now, in the hour of our adversity, our people are dividing into groups and classes, each one struggling to obtain some advantage for itself, none seeing the economic picture as a whole. "We want shorter hours and higher wages," cry the labor unions—which, in itself, requires a second look since wages come out of production. "Give us the means of purchasing luxuries such as we never before enjoyed, and we will stimulate production," say the Townsendites. "Take Government out of business, it gets in our hair," wail the big business men.

And what good would it do to make any of these readjustments as long as privileges and monopolies are allowed to flourish? The basic privilege of all is land monopoly, and neither the President nor any of his henchmen—nor labor, itself, has even mentioned it as a possible cause of our economic maladjustment.

Our method of handling social problems suggests an old story. Some visitors, who were being shown over a pauper lunatic asylum, inquired of their guide what method was employed to discover when the inmates were sufficiently recovered to leave.

"Well," replied he, "you see, it's this way. We have a big trough of water and we turn on the tap. We leave it running and tells 'em to bail out the water with pails until they've emptied the trough."

"How does that prove it?" asked one of the visitors.

"Well," said the guide, "them as ain't idiots turn off the tap."

As long as we try to establish justice without abolishing the injustice of land monopoly, we do seem a little teched in the head. As for those who are reaping the benefits of privilege, they are very careful to endow our libraries and universities and art galleries with magnificent gifts, so that we, free-born in this grand and glorious Republic, will applaud their liberality and not smell out the corruption that works like a pestilence through the body politic.

Let us have a little more justice, and a little less ignoring of fundamental principles; a little more cleaning out of rank places, and a little less strewing of sweet herbs.

THE NINETY AND NINE

Downtown Shopping News, a Los Angeles trade paper, recently made the statement that Californians actually pay ninety different kinds of taxes. At once, the readers of the paper began to phone and write. They wanted to know. Of course, they knew about taxes on real and personal property and incomes and gasoline and cigarettes, and a few little things like that—but ninety taxes, my word! It was no bluff, however, and the next week, *Shopping News* published a list of exactly ninety taxes. This list did not include license fees or imposts, which would have made the list considerably longer. The list is formidable enough as it is, 'most everything we have any use for, from telephone messages and mechanical refrigerators to tooth paste and playing cards. It is further instructive in that it divides the list into its three natural divisions and shows the reader exactly which taxes go to County, City and District; which ones to the State, and which taxes belong to Uncle Sam—and that gentleman has not been at all backward when it came to laying on the taxes. The Federal government takes seventy of the taxes, the State receives eighteen, and City, County and District must be content with two.

"Every wage-earner, business man, housewife," writes the editor, "should be familiar with that list, though, as far as we know, we are the first newspaper in California to publish it. When you read it you will be impressed with the ingenuity of members of former legislatures, both in Sacramento and Washington. They

were not pikers in figuring out how to get more and more money with which to balance the budget.

"But with all their ingenuity, the budgets, both state and national, are still much heavier than the taxes. Deficits, deficits, everywhere volley and thunder, until professional tax spenders are beginning to see the handwriting on the wall. It is history, you know, that we Americans can be imposed on just about so far. Then we lose our collective patience, kick over the traces, put government back on a sound, common-sense basis . . .

"In addition to the taxes listed below (we have neither space nor permission to print the list in *Tax Facts*), there are customs duties, assessments . . . and license fees. Don't forget the license fees. You cannot be born, get married, drive an automobile, build a house, sell a shoe-string, go fishing, own a dog . . . or die . . . without having a license to do so. For each license you must pay a fee, to help defray the ever-increasing cost of government." Then comes the list of ninety taxes.

The thought of one tax, and one only, seems to terrify some good folk. Perhaps, if they could read the list, and add to it the licenses and fees that are not included, the idea of one lor tax to cope with, might sound like blessed deliverance.

Dictatorship

Our way is hard, indeed, when our only choice lies between the old rule of entrenched privilege, to which Mr. Hoover would have us return, and the hardly less despotic government of bureaucracy, to which Mr. Roosevelt seems committed.

Judge Avery, speaking at a Lincoln Dinner in Los Angeles, quoted President Roosevelt's statement that in thirty-four months new instruments of public power have been built up. "He might have added with absolute accuracy," said Judge Avery, "that this extension of executive and bureaucratic power in these thirty-four months is such as has never occurred before in the history of the world in time of peace without violence." He further quoted the President as saying that "in the hands of the people's government this power is wholesome and proper, but in the hands of political puppets of an economic autocracy such power would provide shackles for the liberty of the people."

"Did you ever know," Judge Avery asked, "any possessor of arbitrary power who was not a zealot of righteous intention? The various great political leaders in the world today, Stali, Mussolini, Hitler and Roosevelt, would they not all answer the same question in the same way—that arbitrary unlimited personal power is safe

and wholesome as long as it rests in their own good hands, and that such power is dangerous only when it gets into the hands of their enemies?"

Dr. Woellner, speaking at the Alhambra Elks' Club, also on the occasion of Lincoln's Birthday, said: "When a people gets into difficulties, often it invites a dictator as a savior, but the latter, seeing the richness of office, too often remains as a conqueror. Mussolini has, to some extent, 'cleaned up' Italy—but he has sent the Italian youth into Abyssinia. Let America beware! President Roosevelt is not a dictator, but his policies inevitably open the door to dictatorship." Verily, the road to democracy is a hard road to travel.

VAGABONDS IN PARADISE

"City Police Patrols Halt 1,000 at State's Borders," reads headline in Los Angeles paper. Oh, Paradise! Apparently, California has always needed an angel with a flaming sword, or at least, an angel that could separate the sheep from the goats.

Into the leisurely and picturesque life of the early Californians, strode the vigorous and enterprising Americans. They were not too welcome, but they remained and helped themselves to whatever they wanted, including land, and sometimes, lovely señoritas. Bret Harte made this phase of our State's history the background of several stories, as he did in "Maruja." He was aware of the problems that confronted these simple folk and often touched upon themes that came later to have much significance.

Dinner at the hacienda, Spanish and Americans seated together. Conversation, as in our days, turns upon timely topics. "Far-seeing Pedro Gutierrez was gloomily impressed with a Mongolian invasion of California by the Chinese, in which the prevailing religion would be supplanted by heathen temples, and polygamy engrafted on the Constitution. Everybody agreed, however, that the vital question of the hour was the settlement of land titles—Americans who claimed under preemption and the native holders of Spanish grants were equally of the opinion. In the midst of this the musical voice of Maruja was heard asking, 'What is a tramp?'

"Raymond, on her right, was ready but not conclusive. A tramp, if he could sing, would be a troubadour; if he could pray, would be a pilgrim friar—in either case a natural object of womanly solicitude. But as he could do neither, he was simply a curse."

Evidently, the thousand or more itinerants who were turned back from our borders this month could neither sing nor pray, so automatically fell into the classification of a curse. With present economic conditions, it is not easy to

say what should be done for, or with, these men. It is not, alone, California's problem. It is a question for the whole country to study, and it is a situation of which all Americans should be ashamed. Probably, nothing very satisfactory can be done until the whole social problem begins to clear—if it ever does.

The decision of the United States Supreme Court in this matter sounds positively medieval. "Paupers, vagabonds and fugitives never have been subjects of rightful national intercourse, or of commercial regulations, except in the transportation of them to distant colonies to get rid of them, or for punishment of convicts.

"They have no rights of national intercourse; no one has a right to transport them, without authority of law, from where they are to any other place, and their only rights where they may be are such as the law gives to all men who have not altogether forfeited its protection.

"The States may meet such persons upon their arrival in port and may put them under all proper restraints. They may prevent them from entering their territories, may carry them out or drive them off."

As the comedian said, "If you want to get into the Golden West, you have to bring your own gold. It's like a poker game. You have to show how much you've got before you can get in."

THE CHAIN STORE

Dr. Paul H. Nyström, professor of marketing at Columbia University, told a meeting of business men at the University of Southern California, that the imposition of the chain store tax will threaten California's reviving prosperity. "One thing is certain. If the chain stores are handicapped or driven out of existence, retail prices will rise. That, of course, may have been the underlying hope that led the independent retailers to think up ways and means of restricting the chains by means of heavy discriminatory taxes.

"Thousands of business men in other States will be watching the outcome here. A new principle of public regulation of private business is involved.

"According to the provisions of the act all chains having ten or more stores will be required to pay in addition to regular taxes a license fee of \$500 for each store. This happens to be more than the net profit of many chain stores. They will have to increase prices or close up."

If the public is asked to pay higher prices in order that independent merchants may remain in business, we may find it cheaper to close them out and put them on the dole and be done with it.

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FLESHPOTS AND TRUTH

Labor, Washington, D. C., misses an opportunity to point out the difficulty of raising living standards by increasing wages as long as the land question is ignored. In an editorial of the February 18th issue, the editor quotes from Edward A. Filene.

"With fine courage and unflagging optimism," writes the editor of *Labor*, "Edward A. Filene, wealthy Boston merchant, goes about the country pleading with the representatives of capitalism to repent and reform while they still have a chance to attain salvation. Here's his latest statement, given out at Madison, Wisconsin:

"It must be hammered into the minds of American bankers and industrialists that wages must go up before buying-power can increase and prosperity can return.

'America must create its own markets, because no new markets will be opened in Europe for the next 10 or 15 years. Raising wages in this country is the best way of creating our own markets. If wages were raised, consumers in this country would be able to absorb a productivity double that of the 1929 peak.

'I am a capitalist, and I believe in capitalism; but I believe in a reformed capitalism, not that of the present day. One hundred years from now, today's paradox of starvation in the midst of plenty will be inconceivable.'

"Unfortunately, the representatives of capitalism are so busy with the fleshpots of reviving prosperity that they have no time for economic truths."

One economic truth that *Labor* might pass on to Mr. Filene is this: it will do little good to reform capitalism, though there is certainly room for improvement in that field, as long as our land policy remains unchanged. Consumers in this country will not be able to absorb "a productivity double that of the 1929 peak" so long as rising rents and land values can absorb wages.

What happens every time an era of prosperity sets in? Wages rise, buying power increases, markets expand, production increases—and rents go up. The real estate market becomes "active." Lots are bought and sold as if they were the products of labor. Alas, a stimulated real estate market is not like a busy furniture factory. In-

crease the activity in a chair factory, and you will have more chairs. A busy rug factory will turn out more rugs. A stimulated building industry will erect more houses and offices. Increase the labor in any productive line, and you will have more products. But how about the real estate market? Realtors could rush around like swarming bees, scarcely taking time out to eat or sleep or pray, selling lots like hot cakes, but when they got through, there wouldn't be any more land than there was when they started—love's labor lost. It's pathetic.

Meanwhile, what happens to the wage earner? All of this hectic mobility starts life humming all along the line. For awhile, wages keep ahead of rising rents, and the wage earner believes that permanent prosperity is at hand. He dreams of the Astors, their vast fortune and their beautiful yachts. Look what real estate and rising land values have done for them! He, too, will be an Astor, on a small scale. The result is that myriads of miniature Astors spring up on thousands of vacant lots—and that is about all that does spring up, because a comparative few of these lots are put to productive use. Rising rents on homes and offices soon overtake the increased wages and salaries, and the day of reckoning is at hand. Mr. Filene gives us one hundred year to recover from this insanity. At least, he is optimistic.

In another editorial of the same issue, *Labor* speaks of the retirement of John Jacob Astor, 3rd, "who worked for a year for the International Mercantile Marine." Mr. Astor thought that working eight hours a day did not leave him sufficient time for his own affairs.

"No," says *Labor*, "the reason Mr. Astor gave up his job was because he knew that a none-too-scrupulous ancestor had grabbed a lot of land on Manhattan Island and therefore he, John Jacob, 3rd, could live off the labors of other men." Whether there can be anything "scrupulous" in such an unethical, piratical business as the buying and selling and leasing of land, is a moot question, but the size of the transaction has nothing to do with the merits of its essential character. When we sell or lease land, we sell or lease a thing that we did not produce, and we receive in exchange money or credit that represents the things some one else did produce. The Astors are well known. They are "front page," and it is natural to refer to them when illustrations are needed in the discussion of our land policy, but if the members of that family were the only ones we had to reckon with, that policy could soon be changed, but the country is full of potential Astors. Too many people are trying to live off the labor of others. That pauper of capital that constitutes monopoly should, Mr. Filene says, "repent and reform," but until we change our land policy, both capital and labor will continue to suffer.