

EDITORIALS

The Farmer's Tax Burdens

NEITHER the spokesmen for the discontented American farmers; nor the politicians, newspaper editors, bankers and economists who have been suggesting remedies for unfavorable conditions in agriculture, have paid much attention to the relation between the steady increase in taxes and the small net return for the labor and capital devoted to producing wealth from the soil. The millions of farmers who justly complain that by unceasing industry they are able to get only a bare subsistence, while many of them are heavily in debt, are told how much science and invention have done for them in creating labor-saving machinery and implements, the inference being that the lot of the farmer has thereby been greatly improved. In some regions and in certain kinds of farming, this is doubtless true, but the refutation of the claim that the farmers in general are fairly prosperous is found in the thousands of abandoned farms, and the drift into the cities and industrial towns during the past year alone of nearly a million former residents of the rural districts. People do not readily abandon their homes, and lands on which they have expended so much effort, if they are fairly rewarded for their toil.

One of the important factors in making agriculture unprofitable has been the marked increase in the burden of taxation paid directly or indirectly by the farmers. In the matter of direct taxes the United States Department of Agriculture reports that the average total of state, county and local taxes paid by the farmers increased from 1914 to 1922 by 126 per cent. In addition to these direct taxes the increase of indirect taxation has been even greater, whether in the shape of city taxes on industry and commerce shifted to the goods the farmers buy; state taxes on railways that are paid in large part by the farmers; taxes on capital that tend to keep up interest rates, and the national tariff law that keeps the price of most commodities on an artificially high level. All these taxes subtract just so much from the average farmer's income, and explain why such a very large percentage of the American farmers are in debt. More taxes mean more borrowed money, more interest charges, lessened ability to buy fertilizers, implements and other means for increased production. Farm Land Banks and Credit Associations are well-meant attempts to relieve conditions largely due to oppressive taxes. If local, state and national governments would stop taking so much of the farmer's money in taxes, there would be much less of this talk of the Congress "doing something for the farmer."

"EVERYWHERE, in all times, among all peoples, the possession of land is the base of aristocracy, the foundation of great fortunes, the source of power."—HENRY GEORGE.

Mr. Ford, Please Note

THE Muscle Shoals Realty Corporation has been organized with offices at 152 West 42nd street, this city.

We call Mr. Ford's attention to this enterprise. It proposes to enable other people to get rich without working—by profiting in what Mr. Ford will do if his offer be accepted by the coming Congress for the development of Muscle Shoals. While Mr. Ford is working, while he harnesses this 1,000,000 horse power which will provide work for 1,000,000 men, this Corporation will reap the value of this enormous access of productive power which he will bring to this region. This Corporation will not themselves build, they will not themselves work—they will, however, sell lots in the vicinity, and they point out that "money invested in land is absolutely safe."

Not absolutely. We give warning right now to prospective purchasers that the people have the right, and may at any time assert their ownership in this common fund, the economic rent of land, and that when the time comes to take it for public purposes there is no provision, either in law or ethics, to prevent them.

But again we call Mr. Ford's attention to this. He is rich enough, and we think big enough, to help forestall this attempt of others to reap where he will sow.

These real estate corporations have a keener apprehension of economic laws than the people, seemingly. The people have to be educated. We can even compare the work of education now being carried on by these real estate corporations with the same kind of educational work being carried on by some of our Single Tax lecturers in the name of the Single Tax. Indeed the former "mince no bones." They come out very frankly, more frankly than our paid propagandists. They do not pussyfoot. They are candid as may be. Note the following:

"The basis of realty is industry. Hence industry means population. Population makes real estate values. The greater the population the greater the value of real estate. That is why ground in the city is more valuable than in the country."

They say, "The rent of land is the creation of the people and the people's industry—come and take it." But this invitation is extended not to the people who make it, but to the few individuals who can afford to speculate in these people-created values. The only deceit practiced by these gentry is the use of the terms "land" and "real estate" as interchangeable. Outside of this they state their economics correctly. They lay all their cards on the table. They disclose every play in the game. Unlike some of our own people they seek to conceal nothing.

And so we ask Mr. Ford—What are you going to do about it?

"THE reserved right of the people to the rental value of land must be construed as a condition to every deed.

JUSTICE MILLER, *United States Supreme Court.*