

A Contemporary View

By Selim N. Tideman

THERE are many sources of evidence that land value taxation is gaining recognition in conservative circles as a serviceable reform within capitalist economy.

On those whose aim it is to promote this movement, it now becomes incumbent to examine the manner in which it is being presented. Does our customary line of argument fit into the conditions of the modern world? Are we taking into consideration the vast changes in our economy since *Progress and Poverty* was written?

When we advocate a "single tax" on land values to the exclusion of all other taxes, we are put under the necessity of advocating as a part of this reform the abolition of a great many government functions that cannot without an uncommon amount of imagination be expected to be supported by the limited amount of revenue made available by this tax alone. Let us not forget that any attempt to take from land value any more than its annual worth would be completely destructive to our purposes.

To make the argument for a "single tax" tenable it becomes necessary to associate with this argument not only (1) the abolition of many government bureaus and services, (2) reduction in public expenditures for education and for care of the incompetent and infirm, (3) reduction of expenditures for the security of person as well as of the nation—also repudiation of the national debt and pension and social security obligations. Whatever may be the individual opinion of any devotee of the value of these functions and obligations, it should not be necessary for him to give vent to it in order to promote the principle to which he is

principally devoted. Let him take other matters to another rostrum.

There are governmental functions that reflect themselves in land values, but there are others that do not. The cost of armies and navies, bombers that can circumnavigate the earth on one load of fuel, pensions and bond interest that must be paid before either landowner or tenant may share in the products of labor, do not add to and cannot be collected out of land values. Let us cease making broad complaints about the income tax. We are not in position to guarantee tax exemption to anybody but we propose a system under which real estate improvements, capital wealth and personal property would be, to the greatest possible extent, relieved of taxation, and the tax on the value of land would be increased until it approaches as closely as possible, within the limits of human judgment, the full annual value of the same. If, due to fortunate circumstances and systematic reduction in the cost of government a surplus results, it must be used to reduce other taxes.

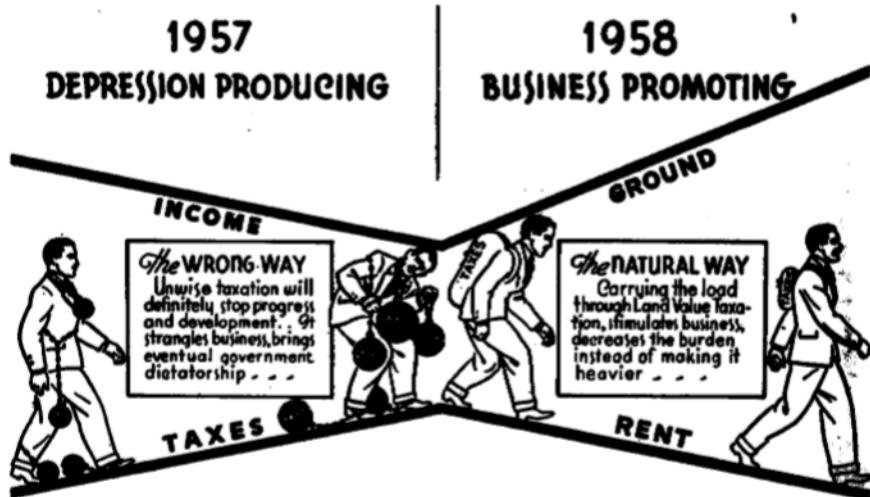
In the days when both laborer and executive had to live within walking distance or horse drawn transportation of their place of employment and their market place, projections could be made of the course of land values. People were being crowded together in our metropolitan centers. Today great industries frequently set up their plants far into the country and the coercive element that pushed up land values in those days is now greatly reduced. The foregoing is no reason for reducing our enthusiasm for the universal principle of equal rights of all men to the use of the earth, which

principle can only be implemented in our form of society by having our government collect the socially created land value in the form of taxes. This being done, it would become an economic imperative for present holders to release all unused or poorly used land for occupancy by others, who by using it productively would be able to pay the tax.

I am asking that we unburden ourselves of the responsibilities of condemning, particularly, the income tax. We have nothing to offer to take its place and it is not our responsibility to question the government expenditures that make it necessary.

Let us avoid statements that are not based on factual evidence and acceptable logic. How many times do you recall presenting the "single tax" to a well informed person who listens patronizingly but with a barely concealed smirk as he would to an adolescent? By simplifying our proposal, we would remove the subject from ridicule by professional economists, and compel them to give it respectful consideration, for or against.

Let us get on firm footing with this deal—land value taxation. To be sure, much of the emotional charm will be taken out of our teaching, but that sacrifice will be worth while.



—Drawings from a forthcoming book by William E. Clement

"The program proposed . . . is as radical as the proposal to abolish slavery was one hundred years ago in the South. [But] while it is radical, [it] can be made without disturbing our methods of taxation. At present our man-made law takes part of community-created ground rent for community expenses by levying a tax on land values. Most of government revenue is obtained by the tax on wealth of its citizens. To make the proposed change it is necessary to increase the amount of ground rent collected to its full amount and stop collecting taxes on the wealth of the citizens."

—from **GROUND RENT, NOT TAXES**
by John C. Lincoln