

# The New York Times

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FRIDAY, DECEMBER 24, 1943.

## Land Tax for Prosperity

### Construction Revival Benefits Believed Solution for Demobilization

TO THE EDITOR OF THE NEW YORK TIMES:

Plans for insuring our demobilized men against the difficulties which will come with peace are offered every day, but will we not do well to give thought to how these benefits are to be provided and paid for?

Without throwing cold water on proposals which seek to repay a part of the debt which we owe to those who sacrifice so much, we must in fairness ask ourselves if many of the programs proposed would not impose the cost of these measures directly on the boys themselves. Most of the schemes offered contemplate mustering-out payments, doles, pensions, or call them what you will, paid from public funds. Whence must come these moneys? Whether raised by taxes or by borrowings the bill must be met by our taxpayers, and that means primarily by those of the younger generation, for this crushing burden will be with us long after the older generation is gone.

There are some who see the way out by taxing the corporations and the men of wealth, but can the problem be so lightly dismissed? Industry is already so onerously taxed that when the readjustment to a peacetime world comes, with the ending of defense, there is very real danger that our economic life will be taxed literally to death. Who then suffers the most? Will it not be the returning veteran, forced to seek employment in a world of shrinking industry? There is a dangerous fallacy in much of our thinking when we imagine that burdens imposed on those who give employment bring no injury on those who seek employment.

#### Created Work No Salvation

To hope to solve the question by "made" work, engineered by Government is futile, as past experience demonstrated. We only roll up a

greater debt which must some day be paid. "Boondoggling" will only give the beneficiaries back a small part of what they pay, either now or later, for much will be absorbed in costly bureaucratic administration.

The sound way to meet this imperative issue is by doing our utmost here at home to re-establish our industrial life so that ample employment will be waiting, on a sound economic basis, without resort to fallacious schemes or humiliating, character-sapping doles. By buttressing the rights and freedoms, including the freedom to earn a decent livelihood, for which these boys are giving their lives, we shall make it possible for them to live lives of self-respect and self-reliance.

How this can be done is simple. The obvious way is to lighten the burden on industrial life; give it every incentive to go ahead and to expand, thus providing opportunity and increased rewards to productive labor of every class, whether of brain or brawn. The simplest way to achieve this purpose is substantially that proposed by Henry George: impose taxation so that it falls, not on enterprise, progress and employment but on stagnation and the holding out of use of the basic resources upon which life and labor depend. Tax the land itself and its natural attributes and not the employment-giving use of land.

#### Would Transfer Taxation

To enlarge on this proposal in all its ramifications has no place here, but one simple step would do much. Transfer all urban taxation from building to land values. This will give enormous incentive to the rebuilding of our cities, the provision of decent housing, the eradication of the slums, and it will increase materially opportunity for employment. It may seem as if only those in construction trades would benefit, but building is a basic industry and the effects will reach back into every corner of the land and bring benefits to all. Everything which goes into building must be cut, quarried, mined, fabricated and transported, and a revival of building will do much to insure a general prosperity. And for reasons which cannot be enlarged upon here, it will bring not only added employment but higher true wages and reduction in living costs.

This is all a big subject only touched upon here, but there is ample literature available to those who will study it. Whatever course we pursue, we must be fair and honest, and we cannot afford to trick those who sacrifice so much by giving them supposed benefits for which they must themselves pay.

GILBERT M. TUCKER.

Albany, N. Y., Dec. 21, 1943.