

How Much?

By BRUNO J. TWORSEY

After giving a good deal of thought to the question of collecting all land rent, and to eliminating all taxes on the products of labor, some students of the Henry George philosophy begin to wonder if land rent, alone, would be enough for all government needs. Some of them take pains to calculate the total amount being taken, now, by landholders in the United States, and on such rough figures base discussion as to whether we may have to supplement land rent with other sources of revenue.

Perhaps, these students, in giving such figures, attempt to be realistic rather than visionary. But, isn't it true that we who are inspired to give effort to this great reform, do so with the belief that living can be tremendously more full than now? To us, it does not mean, merely, regaining a right to the wealth which we, now, produce and do not get. It means, also, retrieving the freedom to work and produce so much of the good things of life as inspiration in liberty is capable of.

Let us ask, then: How much rent will there be when land is used by all who want it? And who can answer? One must know how much more man is capable of accomplishing in a really free world.

This great possibility of the human mind must give inspiration to everyone desirous of bringing about a better world.

But, first of all, we grasp firmly the meaning of the law of rent. With that we stand securely on the ground while soaring upward in our estimate of what we could do if given the chance. We can do that, now, in computing the amount of rent there would be, and behave as realistically as is possible under the circumstances.

Robert Clancy's column, "A Word with You" will be back next month.

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October 10th—4:00 P. M.

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VIEWS OF THE NEWS

By SYDNEY MAYERS

As we entered Canada on our recent vacation, Canadian customs-men made certain we brought nothing with us to sell or give away. Sighed our seat-mate sadly: "Ain't it funny? They don't care what you take away, but when you want to bring good things in, they won't let you!" (And we'll bet he never read *Protection or Free Trade*.)

A number of Olympic athletes from Russian-ruled countries have politely declined to return to their native lands. It is odd that decadent capitalist nations like the United States should erect bars to keep eager immigrants out, while the Soviet paradise must lower an "iron curtain" to keep their happy people in.

Even at 70 cents a package, cigarettes are so short of meeting the demand in Britain that inevitably a black market in smokes is flourishing. Panicky master-planners are now considering increasing tobacco imports, on the curious ground that "there is danger of an adverse effect on industrial production from lack of cigarettes."

Since taxation has a vitally important bearing on social relationships, declared a speaker at the International Conference of Mental Hygiene, psychiatrists and psychologists should take an active part in influencing writers of tax laws. Science seems to support the opinion that our tax-legislators "ought to have their heads examined."

The Agriculture Department has courteously informed the taxpayers of America that the potato parity support program has operated over the past five years at a net loss of \$170,169,000, for which millions we have not received a single spud. Of course, we are privileged to buy them—at the increased prices "parity" compels.

A Pago-Pago dispatch reveals most natives of American Samoa are indifferent to offers of full citizenship, since it would mean higher taxes and widespread grabbing by moneyed speculators of land now held under a patriarchal tenure system. Bright people, these Samoans!

British Foreign Secretary Bevin makes a revealing confession: "I do not know that Marx educated anyone; what he did to me was confuse me." Those who have wondered whence spring the Labour Party's strange economic antics need wonder no more; Mr. Bevin has Told All.

Thanks to L. L. Greenwald, we learn that the good citizens of Wisconsin, to beat the staggering taxes on margarine, have taken to a practice called "oleolegging"—bringing it in by mail from nearby Illinois. Even residents of "America's Dairyland" prefer a 40-cent substitute to 90-cent butter—if they can get it.

Unable to enforce "adequate" income tax collections, the Italian government has bolstered its income via a profitable tobacco monopoly, buying 20 million packages of cigarettes for 11 cents each, then selling them for 65 cents, a nice round 600 per cent increase. The intriguing gimmick is that the two clever American lads who sold Italy the cigarettes had bought them for six cents a package!

To "curb inflation," governmental controls on consumer credit have been restored, cutting out of the market anyone who cannot afford large down payments and installments—and incidentally causing retail business to decline, thus discouraging production. Of course, the huge amounts of cash thrown around in nightclubs, racetracks and such have nothing to do with inflation—or do they?

While we were enjoying Canada's brisk mountain air, we asked our genial host why he had bought an enormous tract of land, when all he needed was a small plot on the lake for his summer home. Quoth he: "You come back in five years and see how this area has developed; the busy resorts are only 25 miles away." (See? You don't even have to read *Progress and Poverty* to know how land values are born.)

Contributor Harry Lundin sends the story of Philadelphia's threat to take dire action against a young man for failure to pay \$5.55 in wage taxes. The tax-debtor ignored the warning—he was occupied at the time awaiting execution for homicide.

Econo-quiz

By HENRY L. TIDEMAN

A merchant has a piece of land on which he erects a modern store building which he stocks with merchandise. Thousands of people are attracted. His land value increases along with that of his neighbors. Is this not a case in which the consequent increase of the tax on his land value becomes a tax on the result of his labor? How can we answer such a question?

The catch in this question lies in the expressions "he erects," "he stocks" and "his land value." Nice symbolic expressions, but very poor fact. The people who produced the materials for and who worked upon that building erected it. Without them there would be no building nor anything in it. The entire community took part in these operations, and of course they were paid for all they furnished as the merchant was paid for every dollar he spent. Both gained by the transaction.

The customers who now frequent his store trade less at the places they formerly patronized, so there rents and land values will decline. Real estate brokers will say "land values have shifted."

Let us suppose that the improvement has a labor saving quality which increases the total rent of the community. Would that increase of rent be accomplished or maintained except as men continued their daily labor? Who would be producing the increased rent? Must it not belong to them? And if the entire rent were taken for the community would not the merchant share in the benefits along with the others? Let us suppose the improvement is one which attracts population to the city and that the new supply of workers should produce still more rent, greatly increasing the value of his location. Again the answer is a question: Who produces the increased rent, day by day, at labor? The people who do the work.

Surely the enterprising inventor may deserve applause; but he is entitled only to what his labor produces and his capital yields from day to day, the same as anyone else. If he gets more, he takes it from the labors of others.

[Noah Alper, who inspired (and named) the "Econo-quiz" suggests that future questions be solicited from our readers, and Henry Tideman is agreeable to this. You are therefore invited to submit economic questions for consideration in this column.—Ed.]

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