

The Policy of Land Value Taxationists and Single Taxers

IN a letter written shortly before his death, John Paul explained at length what he felt to be the political strength and the wisdom of the policy pursued by the Land Value Taxationists and the Single Taxers, sometimes referred to as the "step-by-step" policy. In support of it, he cited Chapter II, Book VIII, of "Progress and Poverty," concerning which he said Louis Post once remarked that many followers of Henry George seemed never to grasp its full import.

Lest the writer—who for long has regarded this policy as bewildering to great numbers of people, and therefore, ineffectual,—should merit inclusion in that group, he reviewed the chapter mentioned with considerable care. As a consequence, he was led to wonder if Post's comment was directed so much to those who share the writer's views, as to Single Taxers themselves.

George had previously reached the conclusion that the cure for the world's economic ills lay in making land common property, that all might share in its value. He here proposed, "as the simple yet sovereign remedy" to bring this about, "to appropriate rent by taxation," and said, "we may put the proposition into practical form by proposing—To abolish all taxation save that upon land values." Unless the writer is mistaken, it is this which George explicitly states is to be "the first step upon which the practical struggle must be made" to accomplish the final purpose.

The reason George used the expression "to appropriate rent," meaning thereby only some of the rent, instead of the expression "to appropriate all of the rent," would seem to have arisen from the fact that he knew there still would be rent uncollected, after enough of it had been taken to make possible the doing away with all other taxes. For him to have proclaimed, with a blare of italics, that the one and only remedy for our economic ills was "to appropriate rent by taxation," when, in almost the same paragraph, he reminds us that "we already take some of the rent in taxation," would have been ludicrous. Certainly, there would have been nothing revolutionary in a proposal to appropriate rent by taxation, in a country where this had always been done. What he did proclaim that was revolutionary, was that we must take *all* of the rent, and that the "first step" towards that end was "to abolish all taxation save that upon land values."

That George did not advocate taking all of the rent at once, was, as he explains, because he thought it wise—in contradistinction to Spencer's proposal to make the government the universal landlord and lease land to users,—to make use of our present taxation machinery, according to "an axiom of statesmanship, that great changes can best be brought about under old forms," and to tax rent sufficiently only to provide for present governmental

revenues, thus making it *possible* "to abolish all taxation save that upon land values." To collect *this much* was to be the *first step* in the *practical* struggle to get it all.

Other than mention of this as the first step, the only suggestion, or intimation, of the efficacy of a gradual, or step-by-step progress towards the final goal, appears in connection with consideration of this balance of uncollected rent, concerning which he has this to say: "Hence it will not be enough merely to place all taxes upon the value of land. It will be necessary, *where rent exceeds the present governmental revenues*, commensurately to increase the amount demanded in taxation, and to continue this increase as society progresses and rent advances." In other words, the *first* thing to be done is to tax rent to the amount of present governmental revenues, so that all other taxes can be abolished, and *thereafter*, where and as society progresses and rent advances, gradually to increase collections of rent until all of the rent is taken.

Since, after fifty years of experience of the step-by-step policy, we are witnessing a widespread movement to cut *down* taxes on land values—in some states legislation providing that it be done, or limiting increase above a certain rate, having been enacted,—might it not be wise to revise procedure according to what, in the writer's judgment, seems to be a perfectly reasonable interpretation of George's proposal; that is, to make the first step, the taxing of rent to the amount of customary governmental revenues, so that all taxation save that upon land values can be abolished?

This policy would, of necessity, direct attention to the concept of land as common property, and away from the concept of land as private property. It would direct attention away from taxes, which people instinctively regard as arbitrary and unjust, to rent, which, as payment for the use of what other people produce, is never regarded as improper or unfair. What confusion arises from the proposal to raise revenues by a Single Tax on land values, accompanied by the necessary explanation that such a tax is not a tax at all, but rent. As a professor of economics was heard to remark: "What difference does it make what you call it—you have to pay it just the same!" What hope of impressing people generally with the fundamental justice of rent collection, when even economists recognize no difference between a rent and a tax?

Is it not reasonable to suppose that George was aware of this prevailing ignorance, when he wrote in this chapter: "When the common right to land *is so far appreciated* that all taxes are abolished save those which fall upon rent, there is no danger of much more than is necessary to induce them to collect the public revenues being left to individual land holders?" The writer is not unaware that this passage carries a possible implication that appreciation of the idea is to be cultivated, by the gradual shifting taxes from man-made things to land values. But, would it not be more direct and forceful, to teach people the truth about property in land, and the meaning of rent,

to that, when fully informed, they would be eager to take the "first step" towards making land common property, by abolishing all taxation save that upon land values?

A like implication might be attributed to the passage: "Now, inasmuch as the taxation of rent, or land values, must necessarily be increased *just as* we abolish other taxes," were it not for the rest of the sentence and the entire context—"we may put the proposition into practical form by proposing—(in italics) To abolish all taxation save that upon land values."

Henry George was not primarily interested in a fiscal system. He was interested in justice. And it seems to the writer that Land Value Taxationists and Single Taxers, in attempting to follow the step-by-step method of accomplishing the results all his followers have hoped for, have retarded, rather than advanced, the cause of justice. They have had a fair opportunity to demonstrate the efficacy of that method. Now, therefore, when organized effort is being expended in the opposite direction, might it not be wise to give united support to another, and, it may be hoped, a more efficient method,—one that will teach people the difference between a rent and a tax, and the true meaning of land as common property? Might it not be wise to acknowledge the futility of continued striving merely to introduce a change in the incidences of taxation, which fifty years of earnest effort has failed to bring forth, and for the future, to devote time and energy to the establishment of justice?

W. R. B. WILCOX.

James A. Robinson Passes

OUR readers will learn with deep sorrow of the death of James A. Robinson, at Los Angeles on June 30. Long an active Single Taxer, though he abhorred the name, and a firm believer in party action, he made many friends and some enemies. But none doubted his great ability. His work as organizer of the Commonwealth Land Party led to the making of many strong friendships here and abroad.

He was a tremendous power in debate. Few will forget the authority he wielded at the Chicago Convention which resulted in the nomination of Robert C. Macauley for president. Here he met the bewildered friends of the "Committee of 48" and overwhelmed them with his powers of argument, his extraordinary gifts of oratory, merging from quick wit and playful humor to superbly eloquent appeal. We think he was the most eloquent speaker we ever listened to. He did not always use this power fairly. He was not above drawing from the great armory at his disposal weapons to overwhelm his opponents where a little tact might have won them over. This is always a temptation to your born orator and is always difficult to resist.

"Jim" Robinson, as his intimates knew him, was past seventy. He was born in New York City and lived for a

long time in Philadelphia. He was a Spanish war veteran. In 1922 he went to California where he has since lived. He leaves a wife and a son grown to manhood, and a brother who is an actor in New York.

His work left a decided impress on the movement. His virile, uncompromising attitude, the great ability with which he expounded our doctrines, make his death a distinct loss to the movement he served so devotedly and unselfishly. He had little faith in the presentation of our doctrines as a tax question. No one had a more fundamental knowledge of our principles and it was the moral aspect of Henry George's proposals that interested him most.

The movement will miss him greatly.

California News

ON June 27, California carried the worst hodge-podge amendment on taxation imaginable. It repeals all preceding constitutional provisions dealing with taxation—the worst features of which were better than the general tone of this "jazz." It was the work of "experts." It provides that the State shall not raise any revenue by taxation of "real estate" in excess of twenty-five per cent of the total revenue required. That is, since there are only two possible sources of revenue—land values and industry—the State is going to filch from industry seventy-five per cent of the State revenue. It gives the legislature power to "soak up" revenue from pretty nearly every conceivable form of enterprise, including the infamous "sales tax." The question must naturally arise in any enlightened mind, "what will become of land values when industry is strangled?"

Yet there is one—just one—spark of wisdom in this tax amendment. It is idiotic in association with the other provisions of the amendment, or perhaps it emphasizes the imbecility of the balance. At any rate it is entirely out of harmony with all the rest of the amendment. Here it is:

"The legislature shall have power to . . . classify any and all kinds of personal property for the purposes of assessment and taxation in a manner and at a rate or rates in proportion to value different from any other property in this State subject to taxation and MAY EXEMPT ENTIRELY FROM TAXATION ANY OR ALL FORMS, TYPES OR CLASSES OF PERSONAL PROPERTY."

I am trying to start a bon-fire and have that capitalized portion enacted into law. (The caps are mine.) Now if the people of this State, in their desperation, will adopt such an amendment, what might they not do, if we could eliminate the "experts."—L. J. QUINBY.

BALANCING the budget is no trick at all to a well balanced mind. But when we hand the job over to unbalanced ones what should we expect?