

but what else are they? The real Communists are a little more thorough, that is all.

JUST in what degree additional taxes upon incomes may further increase the burdens acting as a deterrent upon industry, and thus deepening the prevailing depression, is of course impossible to say. But even if the influence is little or more, and even though it be true that income taxes, because they are not capable of being passed on, do not increase cost, neither do they add inducements to enterprise, but, if effective in any way, act rather as discouragements. The defect of all these proposals, useful as temporary expedients though they may be, is that they are simply a postponement of the evil day. It is a process of piling up obligations for the future. The more we try to evade the true economic solution the greater the price we must pay. How much longer can we ignore its insistent call?

THE proposals for tax exemption of new buildings by Mr. Wm. J. Diles, of Palisade, at the Fort Lee Borough Council of New Jersey, called forth the following communication from Mark M. Dintenfass of Grantwood, which was published in the Fort Lee papers:

"The proposal of exemption of taxes on new buildings and new endeavors in our borough by some of the realtors and builders came to my attention through our local newspapers.

"A splendid idea, although not at all new! As a substantial taxpayer and for the good of our borough, I wish to further this question by personally bringing this important matter to the attention of your honorable body with the following comment:

"New building immediately makes the wheels of commerce move, gives new employment, opens up factories and increases payrolls which support the local tradesmen; brings new people into the community, which increases land values, benefiting the borough, the people in general and the real estate owners in particular. I am sure this is known to the honorable mayor and council. Personally, I know of no better way to build up a community than by untaxing new endeavors.

"We know that the exemption from taxes on new homes in New York City was a big success and a great benefit, and that the exemption of taxes for new buildings has been a benefit and a success wherever given a chance. We also know that a number of cities and towns in Pennsylvania have prospered because of the fact that not only were they exempt from taxes for a period, but even the ground was given free to encourage new efforts. I am therefore 100 per cent for an arrangement which will benefit men who help to build up our community. They should be free from taxes.

"I am certain that the people who have the interest of the borough's success at heart, will not only be for this proposal but will bend every effort to bring it to the attention of others.

"I therefore respectfully request your honorable body to give this matter your earnest consideration and take advantage of the opportunity that is now apparently knocking at our door."

The Budget Debates

THE first and vital thing to be said in discussing the Budget talks is tribute and honor to Chancellor Snowden, who has never wavered in the great moral principles laid down in the Budget speech: that the land-value tax is a restoration to the public of their own in symbol. Everyone except Georgeists and Socialists three months ago held that land owners represented the Creator and were fully entitled to all they could get out of those omitted from the Divine Plan. The Socialists (following the American substitution of "eminent domain" for the British common law of land rights) held that neither land owners nor anyone else were entitled to anything if the Government desired it. Hence, "Quadragesimo anno."

Today, age-long British law has been vindicated by a powerful Cabinet Minister in the office where infringement has been a constant policy.

Snowden, with his astonishingly dexterous and well-informed helpers, Sir Stafford Cripps, solicitor general, and Pethick Lawrence, financial secretary, has definitely established our doctrines, and so far as one may judge has conceded no serious economic principle except in one case which at most is doubtful and meant probable defeat if contested.

The question of exemption from land-value tax was, of course, discussed at great length. The policy of exempting "the agricultural value of agricultural land" and minerals has been only challenged in principle by Georgeists—there is no obstacle to a wiser House of Commons amending this in the future; for the present moment it tends to simplify and expedite the valuation which is to cover all valuable property. (Who can value minerals when and where the mining industry is not solvent?)

Other concessions made in debate are likely to be permanent and have deep social consequences. They refer to land controlled by charities, educational bodies, religious bodies; used for sport; and amenity land to which public access is permitted. (The big issue raised by Liberals of "double taxation" will be considered later.)

CHARITIES

It is agreed that land held by or for charities, which are controlled and supervised by the Charity Commission (a department of state), shall be exempt from the land-value tax exactly as income tax is refunded in all cases to such charities. This is frank recognition of the fact that such charities, subject to public accounting and control are performing state functions cheaply and well in a public sense. The conditions of income tax exemption are now well understood and defined by a series of judicial decisions.

EDUCATION

Here a similar position begins to appear. From the great and ancient Universities of Oxford and Cambridge to the private school of a few pupils with some social or personal popularity there is a vast network of educational bodies