

It certainly "is to laugh" at Kaufman's grotesque defense of George's "Labor Question" from the "contempt of the Marxian scholar." No one, much less George, needs any defense from such "scholars," for anyone who takes his title to scholarship from the perusal of Marx, is worthy of little intellectual respect. "Capital" may impress the ignorant Socialist proletariat by its length, its involved style and its array of tedious calculations; but it is safe to affirm that few of its admirers have ever read a tithe of its 2,200 pages. It is palpably one of the most tiresome of books—even in the "dismal" library of political economy—and, as I have previously explained, its conclusions, barring those in the last book on land, are out of accord with facts and tend to disrupt society by inciting class hatred.—R. B. BRINSMADE, St. Louis, Mo.

TAXES AND INCREASED EXPENSES

EDITOR THE SINGLE TAX REVIEW:

In an article for the REVIEW (July-Aug.) an esteemed contributor writes (p. 194):

"The only taxes that may not be so shifted are inheritance taxes, income taxes upon earned incomes, and the direct tax laid upon ground values occupied or used by the owners."

It is respectfully submitted that the qualification "occupied or used by the owners" is superfluous and misleading. The land value tax is not shifted to the tenant in any event.

From the same page I quote:

"...wherever there is an increase of local taxation laid upon the local assessments, up go the rents of houses and of stores; and the storekeepers in turn have got to charge more for the goods they handle to pay the increased rents, and the manufacturers have to get more for their product to pay this increased overhead charge which comes to them in taxes or in rents. There is a little village of about two thousand inhabitants up in New York State where they have just completed a fine new school building at a cost of about \$70,000 for

which bonds were sold....almost immediately the new tax rate was made known, and the landlords announced that rents would have to be increased because of the increased taxation."

It appears to me that the author is mistaken. I respectfully submit that "increase of local taxation laid upon local assessments" will not increase the rents of houses and stores. Increased taxes upon improvements will discourage builders of new houses and stores, but it will not empower owners of already erected houses and stores to increase rents charged to tenants. Owners at all times charge the fullest figure which tenants can afford to pay.

If taxes be reduced, rents do not decrease; if taxes be increased, the power of the landlord is not thereby increased. The power of the landlord is determined by demand for properties equal in desirability to his own; an increased tax does not increase that desirability; a reduced tax does not decrease his power. The rent charge for a long-finished house is not affected by the tax thereon in the slightest degree.

I take similar exception to the suggestion that "storekeepers in turn have got to charge more for the goods they handle to pay the increased rents, and the manufacturers have to get more for their products to pay this increased overhead charge which comes to them in taxes or in rents." According to your contributor these increases follow an "increase of local taxation." Surely not; suppose that the local taxation of Albany be greatly increased as compared with that of Troy, its near neighbor. The merchants of Albany would desire to add to prices, but they would be powerless to do so; otherwise their trade would flow to Troy. An increase of general taxation on labor products would cause a general increase in prices, but an increase of local taxation would not affect local prices.

Although the "landlords announced that rents would have to be increased because of increased taxation," that was not the real reason; doubtless they knew it was not. The real reason was the erection of the fine new school building which "is going to in-

crease land values in the community." The pinch which the workingmen of that little town are feeling is due to increasing land value, not to increasing taxes. When they shall have sense enough to appropriate that land value, and to abolish taxation of labor products, there will be no more pinch.
—SAMUEL MILLIKEN, Philadelphia.

AS TO OLD AGE PENSIONS

EDITOR SINGLE TAX REVIEW:

Since returning from Niagara Falls I have been thinking over the pension question. I note what you say about the subject in the last REVIEW, "We conceive that no better use can be made of the land values created by the people than is provided by a wise and judicious old age pension system." If all have an equal opportunity, why does not any surplus that might arise belong to all of the people instead of to those who have attained a certain age? We have a pension system now, one that you and I are trying to get rid of, a pension system that takes from those who produce and gives to those who do not. Why substitute another for it? What is there about a certain age that ought to give me a right to live on the labor of some one else, if I have had up to that time an opportunity equal to that of all others?

You have an admirable article in the (July-August) REVIEW by R. Snedicker, but in one of its paragraphs I find this to me dangerous doctrine—after proposing to pay each person over 65 years of age \$300 per year not "as mendicants or paupers, but because it justly belongs to them; pay it from a fund they for 50 years have helped to produce."

How else except as paupers and mendicants are you going to pay people money that they do not earn? But, says this writer they helped earn this for 50 years previous. Economic rent out of which this \$300 is to be paid, was not produced during the preceding 50 years, but in the current year, when their presence would only produce a third of that sum, then they are obtaining \$200 that rightfully belongs to

somebody else. This whole pension scheme is wrong in principle and if there is anything in the Single Tax theory, as you and I believe there is, it is indefensible. With equal opportunity, there is no need of a pension, except for those who are killed or maimed in service of others, and for those who are helpless and to whom society owes a care because they never had a chance to use the equal opportunity.

What I deplore is the tendency of all of us to attempt to solve all the future problems and work out our salvation to the uttermost end. What's the use of talking about pensions—except to fool some unthinking people into desired action—when we are so far from having any pensions to hand out? If our notion turns out to be the right one there never will be a situation that demands pensions of the kind we have been discussing. Dividing up the surplus when we have a surplus on a per capita basis is not a pension scheme, and that is all that I understand Henry George "suggested."

I don't know of any one thing in government so potent in the production of stand-patters and conservatives, as a pension system. No doubt if the government would promise to pay you and me each 500 per month for the rest of our natural lives, we would soon turn conservative and would be against any proposition that would in any way upset government and possibly interfere with our pension. Look over the pension schemes of government and of factory, and note the conserving effect of them. Now it is proposed to construct a pension plan so wide that no change would ever be possible.—E. W. DOTY, Cleveland, Ohio.

DENVER Single Taxers celebrated the birthday of Henry George by a dinner on Sept. 2 in the Adams Hotel. Among those who spoke were George E. Hosmer, John I. Tierney, Felix B. Tait, Mrs. W. A. Miller, Otto Thum, Mrs. Lucy I. Harrington, Armistead T. Waight, P. J. Devault, Murray Casey, Thomas Annear, John P. S. Voght, Otto Buck, Benjamin E. Harris and Ben J. Salmon.