

Land in History

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(Condensed from a talk before a Unitarian Church meeting)

I pose these questions: 1, How does it happen that we have the system of taxation in effect in our country today? 2, Do I think it is a good or fair system? 3, Do I think there is a better system?

My topic is land in history. Problems of taxation and land use have been troubling throughout history in all civilizations.

What do communities do to make it possible for people to have access to land? In some of the more primitive cultures, land is free and available to all. But as soon as you have a developing civilization, you have some arrangement that guarantees a degree of permanence. In other words, you have a land tenure system. There are two main types of land tenure systems - hierarchical and non-hierarchical. Hierarchical means arranged in tiers.

Feudalism is the best known hierarchical land tenure system. The serf occupied the lowest tier. He did not own his land but paid rent for the use of it in product or service rendered to the lord. An overlord was in a higher tier. At the top were the King and the Church.

A non-hierarchical land tenure system was developed among the ancient Israelites; they considered that God owned all the land and individuals held temporary leases, with all parcels of land returned to the previous landholders every 50 years - the Jubilee.

In most of Latin America there are non-hierarchical land tenure systems, but land is concentrated in the hands of a very few owners. We have a non-hierarchical system in North America, but not as concentrated. The other main type of non-hierarchical land tenure is that of communist countries where almost all land is owned by the state.

As feudalism declined and nations became consolidated, rulers relied less on rent and resorted to taxes on personal property, income taxes, poll taxes. In the 17th to 19th centuries, thousands of people fled Europe to the New World - America - where they could obtain land either free or at low cost. But the old patterns of taxation are recurring in new form. Taxes on wealth, productivity and creativity are increasing all the time, while the payments of rent as taxes to support governments are decreasing. The returns to land go mainly to large landholders and speculators instead of supporting the government as rents did in feudal times.

Now to answer Question 2: No, I don't think we have a good or fair system. I believe that God or nature provided a great world and that every individual should pay for the privilege of using a share of this land. I don't believe we should tax initiative, creativity or labor.

As for Question 3: Yes, I believe we could have a better system of taxation. All government - local, state and federal - could be supported by taking as taxes the rents accruing to land. I am a Single Taxer, following the ideas of the American economist and philosopher, Henry George, that we need only a Single Tax on Land.

I do not suggest establishing a single tax in one fell swoop, but I suggest that we move gradually in that direction. So I would advocate higher taxes on land and lower taxes on improvements. There are examples of communities applying this system in our country, cities in Pennsylvania, Australia, New Zealand and elsewhere, with beneficial results. Homeowners gain and improvement and production are encouraged.