

THE SINGLE TAX. / By B.O. Boake

TO THE EDITOR OF THE DAILY TELEGRAPH.

Sir, — In Mr. Farrell's paper VI on this subject his concluding paragraph sketches out the purport of his promised remaining papers, for which I look forward with interest, as I trust he will come to the issue of the subject he is treating, viz., "The Philosophy of the Single Tax." Hitherto he has only advanced as far as the philosophy of land nationalization, which he holds to be one and the same, but which, however, is the sole obstacle in the way of the acceptance of the Georgian theory by economists of the socialist school, viz., that the single tax will not achieve the claimed result.

Supposing it was decided that to nationalize say the harbor ferry traffic was desirable, what would be the most rational manner to go about it? Government might certainly run opposition boats, but even so, this would only be done with the ultimate object of buying out the existing companies, and the most straightforward and economical course would be to treat first for the purchase at a fair price.

But if the single-tax theory is efficacious, as there is no practical difference between the nationalization of land and of any other form of property, then under this principle, an increasing tax upon the companies' properties would achieve the result. In other words, simply raising the rent of the wharves to an extent that would eventuate in leaving the companies without dividends would have the same effect as Government ownership.

Now, setting aside altogether all questions of equity, and confining ourselves to the economy of the thing. Does it seem likely that the shareholders of these companies, holding as they do monopolies recognized by Government, would calmly submit to this loss? Is it not certain that fares would be raised to meet the increased cost of working? Dividends might be forced down a little by that means; but that is not the object, which is nothing short of the absorption of the entire rental value of landed property by the State. Dividends might be forced down to the point of current interest, but below that they could not fall; the public must make up the deficiency. And so with land. The single tax does not attack individual ownership; monopoly can still exist; the fee simple remains intact and owners can therefore claim their own price notwithstanding any tax that may be imposed.

This phase of the question is not sufficiently met by flourishing in our faces the opinions of closet theorists, which are of but small account compared with existing practice, which allows that all taxation falls upon the wealth creator and that the capitalist has command of the position.

I deprecate also the constant intrusion of the fiscal question, which has a very doubtful bearing upon and only complicates the discussion of this very interesting subject. Land might be national property under either a protective or free trade system.

Finally, what does Mr. Farrell mean by the "insuperable" difficulties of nationalizing "the mighty ocean steamer and the railroad?"

It is merely a question of capital and the Government can purchase and run such industries as well as a private company. In proof of which we have the fact that the railways and tramways are national property and yet the land is not. — Yours, &c. B. O. BOAKE.