

Guaranteed Income

by JOSEPH CARLO

THE edict of nature is clear and unmistakable—nature rewards man only when he exerts his mental and physical powers in the pursuit of his objectives. Individuals, by current and past economic arrangements, have circumvented this edict, but the vast majority of men must exert themselves in the production of wealth or mankind will “go under.”

When human exertion ceases production ceases, and nature provides for no other result. Feudalism collapsed when the peasants left the manors, thus showing the cause and effect relationship of human exertion and the production of wealth.

Now other forms of land ownership have allowed the “lords of the soil” to exist in the past and in our own day, so that a minority of mankind can still circumvent the decree of nature. Public assistance allows others to exist without toil. But the majority must continue to produce or the whole system will cease to function.

Various nostrums are offered or used to distribute wealth more equitably; negative income taxes, low income housing (production taken by force from producers in the form of taxes), family assistance plans and the concomitant “guaranteed income,” among others. All of these are clearly give-aways with no exertion expected in return, except for work incentives proposed in some family assistance proposals, and thus, for the most part, nature’s clear precept is ignored.

It is only necessary to become aware that such palliatives as guaranteed incomes are feeble attempts to remove the superficial effects of an underlying cause, to recognize that a search for this cause should be the first step towards a solution to the problem of the unequal distribution of wealth.

This will lead to an investigation of the classical triad of the recipients of wealth, namely, land, labor, and capital. Rewards for human exertion will be clearly seen to be applicable to the efforts of labor and the use of capital, but since land sites were not brought into being by human exertion, no income from this source to landowners will be deemed justifiable. Land policy will thus become the central field of inquiry in the examination of the unequal distribution of wealth and, as all Georgists know, when thought is corrected, and the remedy, land value taxation, is understood, right action will follow.

When the cause of poverty has been made manifest, no recourse to guaranteed incomes will be necessary, and the edict of nature will be universally recognized.