

## FROM AN ENGLISH SINGLE TAXER.

EDITOR SINGLE TAX REVIEW.

In the January-February number of the REVIEW, pp., 58, 59, 60, Mr. Bolton Hall argues for taxing rental value of land rather than capital or selling value, and sets out a table which seems to show the absurdity of levying land value taxation upon an assessment of selling values of land. What we are coming to understand in this country is that as we push on with land value taxation we shall have to get the taxable amount of land value in any year by taking the selling value of the land in that year and adding to that the capitalized amount of the tax on land value in the preceding year, or, if we take the true annual value of land as our basis, we shall have to do what amounts to the same thing, deduce the true annual value of the land from the selling value (5% of it) and add the amount of the tax in the preceding year. After all, selling value of land is the one criterion which we can arrive at with accuracy.

To show the working of this method Mr. Bolton Hall's table may be amended thus—(rate of interest 5%, i. e., land sells at 20 year's purchase.)

	Hypothetical rental value	Per cent of tax on taxable amount	Amount of tax	Net return to owner(?=rental value)	Selling price	Taxable Amount
1st year.....	\$50	none	none	\$50	\$1000	\$1000
2nd " .....	50	3%	\$30	20	400	400+600
3rd " .....	50	4%	40	10	200	200+800
4th " .....	50	5%	50	0	0	\$1000

The actual selling price of land is in practice a much more ascertainable quantity than the theoretical "economic rent" (one has left out of account in this statement the effect of land value taxation in destroying the speculative element in land values and thus lowering the selling price of land much more than is suggested above.)—PERCY McDOUGALL, Manchester, Eng.

Do away with every tax on labor or its product. Then we will have prosperity.—Joseph Fels.

## HOW MANY SINGLE TAXERS AGREE WITH MR. GATES?

EDITOR SINGLE TAX REVIEW:

The fundamental principle of socialism is collective ownership of all of the means of production, both the land and the machinery. The fundamental principle of the Single Tax is common ownership of land. The Single Taxer believes that common ownership of land will produce a "regenerated capitalism?" Will it?

The Single Taxer says to the socialist; "You let me own all the land, and you take all the machinery, and in the course of time, I will own both the land, and the machinery. This proposition is susceptible of several variations. For instance; "Let the people own collectively all of the tools and machinery, while private individuals retain the ownership of the land, and in the course of time private individuals will own both the land and the machinery. In other words socialism constructed on the laws, that is by socializing the machinery, without socializing the land, would have a tendency to revert back to capitalism. Indeed it would not be socialism at all, but simply a sort of collective capitalism.

This proposition is susceptible of still

another variation. For instance, let the people own collectively all the land, and the private capitalist own all the machinery, and then, in the course of time, the people will own collectively both the land and the machinery. In other words, socialism in its fullness, "collective ownership of all of the means of production, both the land and the machinery," "To whomsoever the soil at any time belongs, to him belong the fruits thereof?" As the land goes, so goes all of the rest of the means of production.

The Single Tax route is the grand highway which socialism must travel in order

to attain its goal.—EDWARD GATES, Chicago, Ill.

natural opportunities are not monopolized, the rate is high.—A. FREELAND.

FROM A. FREELAND.

EDITOR SINGLE TAX REVIEW:

Mr. Bolton Hall's objection to the principle of confining the Single Tax to the selling price of land seems sound.

Even in the United Kingdom, where the land is commonly measured in terms of its annual rent, there is danger of abandonment of that correct policy for the more precarious one of taxation of selling price.

Mr. Hall's position in regard to the effect of Single Tax on interest also seems to be well taken.

Today scarcely any man is so poor that he cannot command the primary tools—axe, saw, hammer, spade, shovel, fork, rake, etc.—practically the only tools used by his great-grandfather.

Surely under Single Tax almost anyone could command the ordinary implements of husbandry and horses and other needed stock, vehicles, etc.; also some of the other improved tools, etc.

In the larger business enterprises wouldn't it be perfectly natural for labor to co-operate and thus command the entire product—those possessing and exercising executive ability receiving the larger returns due to capacity for management?

If these propositions are correct, wouldn't the time come when many would be able and willing to lend and few would care to borrow—as is somewhat the case in New Zealand?

Then wouldn't the commercial rate of interest fall—as in New Zealand?

Wouldn't the returns due to the use of capital, as distinguished from the returns to toolless labor, (what we might call economic rent) be merged in the wages or income of labor?

This would in no way affect the economic rent of land. That would still be regulated by the "law of rent," as formulated by Ricardo.

Henry George drew his inference of higher interest rate under Single Tax from the fact that in new countries, where

H. D. WAGNON.

(See portrait.)

Hamilton D. Wagon was born near Salem, Oregon, in 1854. His parents came from Indiana the year before. As his name indicates his ancestors were German, originally settling in Virginia. He is a man above the usual height, of powerful frame and benevolent countenance. When quite a young man he worked in saw mills and on the farms of Oregon and knows all the old families up and down the State.

He went to California about 1874 and tried mining and prospecting, settling in San Francisco about 1876. Here he became interested in two things, insurance as a means of earning a living, and the land question from coming in contact with Henry George, and in those two things he has been interested ever since.

The Wagon family consists of H. D., Sr., and wife, H. H., Jr., and Miss Mabel. Both his children are Single Taxers and he says that both his grandchildren shall enjoy its blessings. He came back to Oregon in 1892 and has traveled all over the State in connection with his business, and as a promotor of manufacturing and other enterprises. Coming in contact with the professional and commercial classes his work has been peculiarly effective, for he never hesitates to avow his principles, and in the course of business transactions to point out a happy incident or adorn a local instance with a Single Tax application.

Anywhere in Oregon that the people of a town see a tall strong man with a big black hat coming down the street and shaking hands with the citizens they say, "here comes Single Tax Wagon. There must have been a fire around here, or else there is a Single Tax meeting to be pulled off." He has repeatedly gone to a hotel register and