

THE SINGLE TAX RECONSIDERED

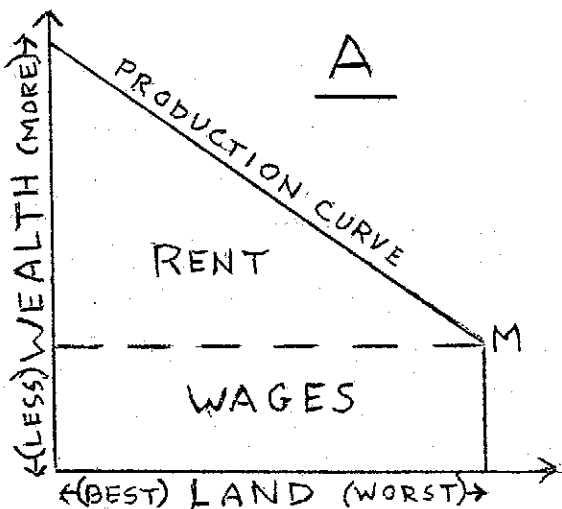
FRANK D. WALKER, a young California Georgist and Captain in the U.S. Air Force, has written a paper, "The Single Tax Reconsidered," in which he explores some aspects of Henry George's remedy. Close study of Progress and Poverty and a working out of the reasoning involved brings out points that are often overlooked.

For instance: "While many economists will agree that a tax on land values is preferable to other taxes which may be imposed, they will quickly point out that such a tax can meet only a small part of present public expenditures."

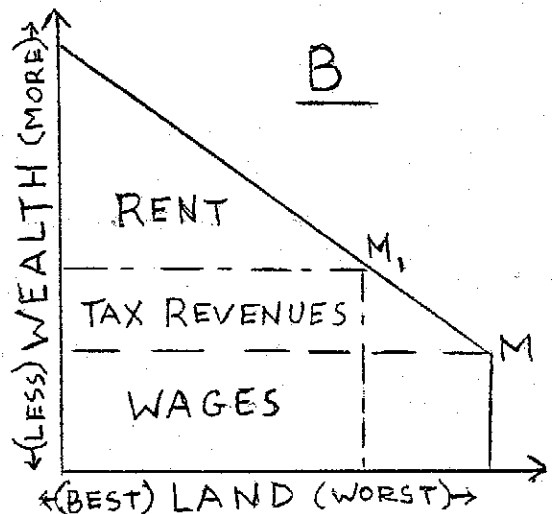
But Capt. Walker disagrees. The critics do not consider an important point: Taxes on labor and capital reduce production and also reduce land values. Elimination of these taxes increases land values. If these land values are not taxed, they will benefit the landowners. But if taken in taxes they will yield higher revenues to society. The encouragement of production will yield increasing returns in all sectors - wages and interest as well as rent.

Thus there is not only the possibility of a single tax on land values for all levels of government, but a revenue that will make greater public services possible, and even a per capita dividend.

Capt. Walker has distributed his paper to a number of Georgists and has had resulting correspondence with several, including Steven Cord, Mason Gaffney, Oscar B. Johannsen, Hubert C. Padelford, Richard Pensack, Tom Sherrard and Walter Rybeck. In the course of this correspondence he developed two charts, given below, to illustrate how, although "all taxes are ultimately at the expense of rent," if wrongly levied, they reduce production.



A. Shows wages at a common level on all lands, with rent rising on better lands, being zero at M, the margin. It is assumed that labor is working at the lowest point it will consent to.



B. Shows the effect of taxes on labor. This reduces rent but does not increase wages, and causes decreased production, represented by the area between M and M₁, the new margin.

Other points are also brought out in this interesting paper, and Capt. Walker combines a mathematical rigor with a high-minded ethical outlook. Copies of "The Single Tax Reconsidered" are available for \$1.00 a copy, from Harry Pollard, Box 655, Tujunga, Calif. 91042, USA.