

Mr. Neubig states that a land value tax would be an abandonment of the ability to pay principle. Yes! this absurd "principle" should be abandoned. It is philosophically, logically, ethically and economically wrong. Mr. Neubig cites the case of two individuals, getting the same income, one from land and the other from wages. The first would be taxed, the second not. These two indi-

viduals are *not* equal. One earns his income from personal effort which produces satisfactions. The one who gets income only from site rents receives a perpetual tribute from the rest of the community without any effort to produce satisfactions in exchange. That is not equality—one is a worker, the other a parasite. The "ability to pay" principle is the philosophy of the burglar. It seeks to justify the taking of money by force, stealth or deceit merely because it is seen to be available. It is the duty of government to seek to eliminate and discourage stealing and not to practice stealing or to legalise it.

The question of whether a land tax could generate enough revenue to completely replace the income tax and other taxes is irrelevant at this stage. The argument is rather that any land tax increase, particularly if used to replace other taxes, will result in increased prosperity for the community as a whole, and particularly for the most disadvantaged and poverty-stricken.

The land tax proposal is not merely a matter of increase or decrease of revenue, but of a change in the type of taxation. It is taxation based on the value of benefits and privileges being received. Such a change cannot be achieved all at once but gradually. However, as soon as there is a small but continuing change, there is an immediate increase in prosperity. People cease to over-invest in privilege and invest more in productive enterprise. Profit will be from earned and not unearned income.

Sid Gilchrist, N.S.W. in
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