

# The Problem of the Remedy

By ALEXANDER M. GOLDFINGER

**A**MONG economists and sociologists, Henry George is classed with "the reformers." Most of the objective reviews of his works emphasize the fervor and the ethical side of his presentation, and his evident desire to change the economic environment. As a result, both scientific reviewers and readers at large, in trying to estimate George's effect upon economic thought and present-day economy, argue pro or con on the merits of the "single tax." It is not surprising therefore that Henry George is associated almost exclusively with fiscal reform.

## Endless Confusion

When Henry George's philosophy is narrowed down to a discussion of the impact of "single tax" many perplexing questions arise. Will the collection of site-value of land alone be enough to defray costs of government? If the collected site-value exceeds the normal costs of government, should government spend the excess in providing music and art, etc., or should it refund the excess per capita? If the fund is *not* enough to run government, shall the difference be obtained by a per capita tax, a graduated income tax, or a sales tax?

Each protagonist in such discussions will be projecting into the debate his own opinion as to what the demands of government would be and what the site value would amount to. Many students of George feel confident that as a fiscal measure the collection by government of the site-value fund would be all sufficient, yet such a statement makes us vulnerable to attack by those who have made scientific studies of taxes and the incidence of taxes upon the economy.

I should like to ask each of you a question. If there was nothing more to George's reform than a fiscal change — a tax reform — how many of you would devote your precious time, energy and money to seeing that reform adopted? I know for a fact that I would not be interested.

When I hear someone respond to a mention of Henry George with "Oh, the single tax!" I usually ignore the tax reform inference and lead the discussion into economic channels by drawing attention to management-labor problems, collectivism, private enterprise or some other modern-day dilemma.

It is my firm conviction that even if George had never suggested the method by which the evils of private appropriation of rental value of land could be remedied, he would still merit serious study of this and succeeding generations.

It is true that he *was* a reformer. He wanted with all the integrity of his nature, to point out the inequality of opportunity which the present land-tenure system perpetuates — evidently that obvious fact was as hard to discern then as now. He wanted Americans to consider a change in the land-tenure system before

this country slipped into the ruinous plight of older countries. In this respect he was indeed a prophet. Witness the many and various attempts at "land reform" in old and improverished countries like India, China, Italy and Egypt. Not wishing to impose mere theory upon his readers, he went a step further and demonstrated how equality of opportunity could be accomplished. The collection of the site or rental value of land was his considered proposal, based on a tremendous amount of thoughtful reading and research.

Despite the importance of George's proposed solution, I still insist this is not the primary message he has for us. A leading industrialist was amazed recently when I suggested that even if all the revenue of site value collection could be destroyed or dumped in the Atlantic Ocean, great effects would be produced in insuring equality of opportunity. He had previously admitted that he was in favor of raising revenue for government by taxing land values and eliminating income and excise taxes. He was not even remotely interested in the land-tenure problem.

It seems to me that we render a disservice to the cause of economic reform by interminable discussion of collection of rental value as a fiscal tax reform. With the threat of collectivism so great, we, who know the advantages of private enterprise so well, and who know why it is endangered, can best serve our own enlightened self interest by emphasizing the land problem, *not* the single-tax fiscal reform.

**The above point of view was very interestingly enlarged upon by Mr. Goldfinger, dean of the New Jersey Henry George School, on March 13, at the Newark headquarters, when over a hundred friends were present.**