

any other tax. It is the only tax that falls upon the taxpayer in proportion to the pecuniary benefits he receives from the public. And it is only fair in this country of freedom that no one should be unjustly discriminated against.

At first thought one might quite naturally jump at the conclusion that the substituting of the land value tax for our present system would mean a great loss to the farmers, because they, comparatively speaking, own much land. But when we remember that this is a tax, not on land, but on land values, we see that the farmer would be a great gainer by such a substitution, because the tax would fall with the greatest weight, not upon the agricultural districts, where land values are comparatively small, but upon the towns and cities, where land values are high; whereas, under our present system, taxes upon personal property and improvements fall as heavily in the country as in the city. In the sparsely settled districts there would be hardly any taxes at all for the farmer to pay.

The fact that unused land would be taxed as heavily as though it were used, would lessen speculation in land. The better distribution of population, which this would bring about, would greatly help the farmer. The destruction of speculative land values would tend to diffuse population where it is too dense and to concentrate it where it is too sparse; to substitute for the tenement house, homes surrounded by gardens, and fully to settle agricultural districts before people were driven far from their neighbors to look for land. The people of the cities would thus get more of the pure air and sunshine of the country, and the people of the country would get more of the economic and social life of the city.

Wealth would not only be enormously increased; it would be more equally distributed. Wealth would be distributed in accordance with the degree in which industry, skill, knowledge, or prudence of each contributed to the common stock. The non-producer would no longer roll in luxury while the producer got but the barest necessities of animal existence.

Since land values tend to rise because of the increase in demand for land with increasing population and increased production, it becomes obvious that a tax levied against such increasing land values cannot impose a burden upon the land owner. His land has increased in value, not through his own efforts but because the other members of society have helped make the location desirable. But in our present system of taxation, where we levy taxes on improvements, we have a very different situation. Improvements require individual effort, individual sacrifices to produce them. They involve definite costs of production, and a tax levied against such products of human labor is, in reality, a tax imposed upon human effort.

Here are two simple principles, both of which are self-evident:—

1. That all men have equal rights to the use and enjoyment of the elements provided by nature.

2. That each man has an exclusive right to the use and enjoyment of what is produced by his own labor.

But these self-evident principles are not abided by in our present social and economic system. With our practice of speculation, millions of people are unjustly denied the use and enjoyment of the elements provided by nature. With our present system of taxation of producers' goods we tax the very efforts of men from the smallest farmer to the largest manufacturer. Thus we deny laborers the use and enjoyment of their products.

It is well known that in this fast industrial age our nation is constantly expanding its interests. To take care of these new interests the government must create new bureaus, boards, and commissions. But these new organs of government like the old, must have money if they are to do effective work. This means that more money must be raised from the tax-payers. Why not begin to shift the burden of taxation to where it should be placed? This should not cause any unnecessary confusion as it could be done gradually. We can see countless defects in our present indirect system and can feel sure that a change to the taxation of land values policy would be a step forward in our struggle for economic perfection—that state in which there shall be no unjust discrimination against anyone.

ROBERT COLLINS,
Class of 1930, Berea College.

Henry George, Economist

I CHALLENGE your opinion that "Thorstein Veblen—with the possible exception of Simon N. Patten—was the most individual, original and creative-minded economist America has produced."

There is nothing in all Professor Veblen's writings that will compare with the original and creative work of Henry George in his world-famous book, "Progress and Poverty."

In this epoch-making work George completely and forever demolished the Malthusian theory—that poverty is caused by the natural tendency of population to increase faster than the food supply.

He refuted and destroyed the accepted wage-fund doctrine of all the orthodox economists—the notion that the wages of labor were fixed by the amount of an imaginary fund of "capital" out of which wages were paid.

He proved conclusively that the persistence of poverty despite all the wonderful mechanical inventions and scientific discoveries applied to the production of wealth, was and is due to the ever-increasing percentage of the products of labor and capital taken by the owners of the land.

These three original and creative contributions to the science of political economy have not been equaled by any other writers on the subject.

WHIDDEN GRAHAM in *N. Y. Tribune*,