



The 1961 taxes on farm land and buildings, payable in 1962, is reported at \$1.3 billions—an increase of 6.3 per cent over 1960. The Agriculture Department's Economic Research Service estimates that levies of 1962 will rise to \$1.4 billions, bringing the tax to \$1.38 per acre, as against \$1.30 in 1961, and about \$1.06 in 1957-59.

The research service finds taxes equaling 6 per cent of total production expenses in 1960—a percentage which has been rising since 1941. This suggests that it would be interesting to know the estimated value of all farm buildings. For if the buildings are worth one-third of the total valuation—exempting them, and having only a land value tax, would reduce such farm taxes by one-third. If this caused additional taxes to be levied on urban and suburban land because they have more location value than farm land, it might be helpful in removing the burden of crop price supports and crop storage from the backs of city dwellers.

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It is claimed that if land value taxation is applied, income may exceed expenses. If this is so, will there be danger that this surplus can be used to further centralization of government? If not, then to enlist the support of political opportunists, why not advocate the distribution of sur-

pluses as dividends to political leaders? One advantage of this proposal is that it would stop the trend of more and more taxpayers becoming tax-consumers—a trend our "do gooders" are promoting, thereby threatening a free economy.

Another advantage might be that political leaders, as *dividend seekers*, would strive more vigorously to seek higher dividends through *increased production*—rather than *increased taxation* that paralyzes production. Also, they would weigh advantages of supplying public services through private industry wherever it might prove to be more efficient.

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The beneficial qualities of free enterprise are largely obscured by the presence of economic feudalism copealed in capitalistic societies—such as the taxation of wealth which raises prices and induces scarcities. Two centuries ago South America and the United States could be considered as being on an equal footing. Today South America looks to the U.S. for aid. The Marx fallacy that capital exploits labor is clearly exposed by this comparison, and the opposite contention held by Henry George is unequivocally proven. Attempts to make two diametrically opposed systems exist together can only result in depression, unemployment and conflict. It is time to rid capitalism of the restrictive practices which discourage enterprise and production.

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Richard Van Horn had sighted the welcome lights of home from the plane and tightened his seat belt for a landing at Idlewild Airport the evening of November 30th. * * * When the names of the passengers were read his was last on the list of those we would never see again—and how we shall miss his ruddy smile and his cheerful, courteous willingness to cooperate in any way possible at the Henry George School where he has long been a faculty member. His last article in HGN was in the July issue. He was returning from a business trip. We hope his wife Lillian will find the faith and strength that alone can sustain her in this crushing loss.