

Mr. Woodlock Thinks It Over

IN three fair and open minded articles, Mr. Thomas F. Woodlock discussed the Henry George philosophy in his regular column, "Thinking it Over," in the *Wall Street Journal*, New York. Mr. Woodlock opened his discussion in the issue of May 22 by recalling that he once debated with an ardent single taxer and was "carried out unconscious, but unconvinced." He then proceeds to put the question to Georgeists, admitting that he may not understand their position: What is the difference between property in land and other forms of property? How are we to separate the value due the owner and the value due the community?

The deluge of replies to these questions by Georgeists can be imagined, for in his next discussion of the philosophy (in the June 3 issue of the *Journal*), Mr. Woodlock states that he was "reasonably well aware of what he was doing when he invited the followers of Henry George to educate him on the fundamentals of the George gospel." He had also been warned by the editor of the *Wall Street Journal* that he was "sticking his chin out." But Mr. Woodlock was genuinely interested in being clarified on the subject; and out of the volume of material sent to him by Georgeists he was able to formulate the following syllogisms of the George doctrine:

"(1) *Major*: All men are born with equal rights to life; *Minor*: But life depends upon the use of land; *Conclusion*: Therefore, no individual has *complete* and *exclusive* rights to the use of land as against all others. (2) *Major*: Every man has complete and exclusive rights to the product of his own labor exercised upon the land, and to the value of that product; *Minor*: But that value may be and in fact is increased by community life; *Conclusion*: Therefore that increased value belongs of right to the community which creates it. (3) *Major*: The community has a right to take that which it creates; *Minor*: But it creates a value in the use of land; *Conclusion*: Therefore it has a right to take that value in taxes. (4) *Major*: No land in fact has value *in itself* which does not come from community-connection; *Minor*: But the community is entitled to that value; *Conclusion*: No individual has the right to any value in land as land in itself."

Mr. Woodlock concludes this discussion with a question to Georgeists: "Is this logic correct?" And in his third discussion (June 17) he reports that from the communications flood-

ing his desk he assumes that his syllogistic condensation of the George philosophy is correct.

But Mr. Woodlock has more questions to put to Georgeists: "What should we *begin to do tomorrow* in this country" to establish the Georgeist principles? "To make it quite concrete, what should we do about real estate in the City of New York when the legislature of the State assembles next January? And what should the City Council of New York do meantime?" How much rent now being collected through taxation is short of the goal, and with what measure of value are we to make up the difference? "Should we do it gradually by easy stages, or at one step?"

Besides these practical questions, Mr. Woodlock finally inquires of Georgeists whether the single tax as a solution to poverty is part of their "deposit of faith." To this he confesses skepticism.

In asking assistance of Georgeists, Mr. Woodlock (in his article of May 22) "particularly appeals to his friend J. R. M. of San Francisco"—none other than our own J. Rupert Mason, who did indeed come to Mr. Woodlock's assistance by replying to his article of June 17. After explaining how a productive population makes land valuable and why this rental value should be collected by government, Mr. Mason proceeds: "George never suggested that this way of raising the money necessary to support government would abolish poverty, but that it would abolish *undeserved* poverty. It would clearly promote equality of opportunity, and stop the present confiscation of earned incomes and interest on sound investments, under existing tax policies."

In reply to some of Mr. Woodlock's practical questions, Mr. Mason observes: "The necessary power to do this exists in both the Congress and the legislature of each State. . . . The constitutions of some States may have been amended to prevent the separation of land value from improvements, but they could each and all be re-amended any time the people demand it." Mr. Mason also explains the approximation to the Georgeist proposal in the California irrigation districts: "The Legislature of California in 1909 amended the Irrigation District Act to permit communities organized under that Statute to collect their necessary revenues from the rental value of all land within their boundaries, urban, rural, mineral, etc., and to exempt from taxation any and all buildings, planted orchards or other 'improvements' of whatsoever kind or description. There are today over 100 Districts getting their necessary revenues from this source, and none of them penalize the industrious citizen who builds on or otherwise improves the land he 'owns.' He pays no more taxes to the district than the person holding another piece of land idle and unimproved. These districts embrace about four million acres of the richest and most productive land in all California today, and the people in those districts are enthusiastic supporters of the system."

Our good friend, Mr. Harold Sudell of Philadelphia, with

the qualification of "a half-century of George discipleship and some little practical experience in taxation and assessment," also replied to Mr. Woodlock's June 17 "Thinking It Over." On the practical questions, Mr. Sudell contributes the following: "There should be a bill introduced into either your Legislature or Council, whichever has the power to act, abolishing all other than real estate taxes, exempting all improvements on or in land from taxation, and concentrating the whole burden of city taxation on site values. This can be done gradually, as was done in Pennsylvania cities of the Second Class (Pittsburgh and Scranton), where they now tax buildings at one-half the rate levied on land, or at once, as has been done in many cities of the British colonies, where the 'one tax system' as they call it, is used, the land values being taxed and buildings exempted. The writer prefers the 'all at once' method. The new system, wherever it has been used, has shown itself superior to the old one, and the quicker we get the benefit of it the better."

On the assessing of land values Mr. Sudell says: "It is not easy to do, and some objectors to the Single Tax claim it cannot be accurately done, and therefore the Single Tax is impossible. But these values can be separated well enough for all practical purposes, and much more accurately than is done today in most of our real estate assessment. The company with which the writer is associated has made many of these assessments in cities, towns and villages. Almost invariably, when our valuations are compared with those of the official assessors, we find they have over-valued the improvements and under-valued the land values. Another interesting fact is that the cost of assessing the improvements is about 75% of the whole cost."

Noting Mr. Woodlock's doubts as to the single tax curing poverty, Mr. Sudell observes: "Poverty is the absence or lack of wealth. All wealth, no matter what its form, comes from the application of labor to land. As the Single Tax will make it possible to use the natural resources of the earth freely, whenever and wherever needed, . . . there should be a tremendous increase in wealth production, and it is fair to infer that involuntary poverty, if not altogether abolished, will certainly be greatly reduced."

In reply to Mr. Woodlock's questions as to the correct procedure for the New York City Council and the New York State Legislature, it may be added that bills for the application of land value taxation and the exemption of improvements, known as the Belous-Quinn Graded Tax Bills, were introduced into the City Council in 1938, sponsored by the Graded Tax Committee and other civic groups. Amendments to the Constitution of the State of New York, to the same end, are incorporated in "A Code of Law for the Single Tax," published by Mr. Walter Fairchild's Legislative Committee. Steps are already being taken to introduce these amendments in the State Legislature, and we hope to see action on them in the near future.