

National Magazine / Volume XLVI: April 1917-September 1917

May 1, 1917 issue [starts about p. 156]

### **Taxation as a Natural Science\***

by Alex. Mackendrick

\*"The Principles of Natural Taxation." \$1.50. 276pp. By C. B. Fillebrown. Published by A. C. McClurg & Co. Chicago:

IT has been wisely said that man's business on earth is not to make laws, but to discover them. This, if we consider it well, is at bottom all that the greatest and wisest among men have done. Moses, Socrates, Copernicus, Newton, Darwin why need we extend the list have done nothing more than discover and lay bare an eternal first principle, one of those laws of God, parallel to which runs the road of human well-being. Each in his turn has "descried some point of the eternal power hid yester eve," and to that extent each has been a revealer, a pathfinder, a savior of society. Each has helped to widen the gulf that separates the human spirit from that of the beasts that perish. Each in his own way has lifted the veil that hides the nexus between cause and effect, between the forces whose sweep includes the universe, and those shifting and temporary manifestations of them that greet our senses. What, indeed, with reverence be it asked, are the teachings of Jesus but uncoverings of the laws of Nature, and the setting-forth of these in contrast with the laws written in statute books? "Ye have heard that it hath been said by them of old time," he reminds His disciples, "but I say unto you" and there follows an unfoldment of one of those psychological or spiritual laws in obedience to which man attains his highest blessedness, but which hitherto, tho endowed with eyes and ears and reasoning faculties, men have neither seen, heard, nor understood. Rightly interpreted, the burden of all wise teaching and the lesson that flows from all human experience is "learn Nature's laws and conform your actions thereto; cease the making of artificial laws except such as bind you in obedience to the eternal verities."

That this lesson may fitly be carried into that field of activity where human arbitrariness seems most to hold sway, may come as a surprising suggestion to many convention-ridden minds. That the comings and goings of that much detested figure, the collector of taxes, may be made amenable to the control of a natural law and thus become at once a cause and sign of social health and well-being, has hardly yet entered into the collective understanding of the human race. That it may be possible, even here where the vagaries and eccentricities of human action seem least accountable, to discover a principle to traverse which is to dissipate force, while to cooperate with which is to magnify it surely gives promise of a revelation of great significance. The raising of public revenue is a problem that has worried the minds of rulers and governments since the beginning of history. Every empirical method that human ingenuity has been able to devise has been adopted and in its turn abandoned. Kings and emperors in primitive times filled their government coffers by the simple method of appropriating the earnings of their subjects by physical force. At a later stage the process of tax farming, or selling for a fixed price the privilege of collecting all that could be laid hands upon, superseded the cruder methods of a less-evolved society. In more modern and enlightened times, however, and in obedience to that scientific spirit which men cannot forever disregard, attempts have been made to establish so-

called "principles" with their appropriate axioms, as bases or datum-lines from which to determine each citizen's payment for the benefits of government. But in every taxation system that has yet been put in operation, the alleged principles bear the mark of the experimenter's workshop and show no indication of having been molded upon the laws by which Nature holds human beings together in the relation of mutual ministrants to each other's happiness. The generally accepted "principle," for example, of ability to pay, may be sought for in vain among Nature's scale of charges. For it costs the man of wealth no greater effort to do himself a service than need be expended by the poor man. That a certain measure of enjoyment may be purchased at the cost of so much effort and no more, is a law as inviolable as that of the equivalence of forces in mechanics. No taxation system has yet conformed itself to this law of Nature which regulates man's terrestrial activities, that payment must be proportional to the benefit sought for.

It has been reserved for this generation to catch sight of the leading given by Nature in the matter of public revenue. Gradually as society grows, there comes into existence, as tho by a pre-ordained natural adaptation, a fund sufficient to defray the expenses of government and to provide the facilities for that larger life which is the heritage of man as a social being. It may be that our rebellious kickings against the unscientific systems of the past may not have been altogether in vain, if it can be shown that we have thereby been led towards an understanding of the way of Nature the way that is constant, self-enacting and absolutely just. The luminous and suggestive words, "Natural Taxation" were first adopted, we believe, by the late Thomas G. Shearman as the title of his book, published in 1895. Like all great and fundamental truths, the doctrine so clearly expounded by Mr. Shearman did not take immediate hold of the public mind. This was probably inevitable. Before the full acceptance is possible of a simple principle based upon natural law, it is necessary to throw off those excrescences of error, the growth of which has been promoted by the attitude of revolt against the untruths of the past. This process of shedding outworn theories compounded of inflamed tho noble sentiments and erroneous reasonings, has been going on during the past twenty years. But with the lapse of time these divagations of judgment are gradually dropping into their appropriate places in the sociologist's museum of human errors, and, it is to be hoped, will trouble us no more. Meantime, the elemental truth towards which human instinct has been stretching as the plant does to the light, is penetrating the understandings of men. Mother Nature points the way and her children must follow.

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The purpose of the foregoing is to introduce to readers of the NATIONAL MAGAZINE the recently published work on "The Principles of Natural Taxation," by Mr. C. B. Fillebrown, whose name is already familiar to students of tax problems. The book opens with an interesting preface and an exhaustive introduction, followed by copious quotations from "the authorities" on the subject, and closing with the "sidelights" provided by the series of expository and critical pamphlets published by the author during the last few years. The book is gratefully dedicated to the professors of political economy. The obvious purpose of the work, as indicated in the introduction, is to exhibit the process thru which the cruder thought-forms in which the idea of natural taxation had first clothed itself have been gradually transformed into the more attractive dress in which it now claims the attention of economists and society-reconstructors. It is needless to recall the various planks in the platforms of the revolters against the existing taxation systems; the denunciations of private ownership of land, the assertion of "natural rights" to an equal use of

the earth, and the denial of many of the accepted axioms of the orthodox political economists. It may be that these have been but "the needful preludes of the truth." In any case and whatever purpose in the final evolution of things has been served by those temporary manifestations of that stubborn idealism which persists in the search for a better economic system, it is with the theory now presented to us that we have to deal, and not with the errors thru which men have stumbled in their efforts to reach the truth. It would be equally unphilosophic to judge of the truth of Christianity by the cruelties of the Inquisition or the persecutions by the churches in medieval times, as to estimate the value of the claim now set forth for a scientific system of taxation by recalling the errors in expression and the exhibitions of class animosities in the earlier efforts at economic reform.

Natural taxation presents itself as the scientific equivalent of the imperfect popular term hitherto known to us as the Single Tax. It is the same with a difference, but the difference is similar to that between the grub and the insect, the chrysalis and the butterfly. It is the single tax divested of the crude thought-vestures in which it had been wrapped by injudicious friends, and standing forth as an idea that continues its appeal to the highest scientific reason and the soundest common sense; which satisfies the inherent human instinct for justice and fair play; and which leaves the imagination at liberty to discern, if it can, the ultimate results in an enlargement of human freedom and power of self-expression. That the principles underlying Nature's system of taxation are clearly expounded, a careful reading of Mr. Fillebrown's book will show. The meaning of the expression "natural taxation" is, indeed, indicated in the words themselves. Nature has rigorously determined that each man and woman must pay the full value of all the governmental and social privileges enjoyed within the pale of a civilized community. This sum he pays annually to the owner of the particular spot of Mother Earth upon which he elects to settle. The payment is called rent, but it is in reality a tax exactly proportioned to the value of the services society may be expected to confer upon the occupier of that particular area of land. In the words of Mr. Shearman, "It is not merely a tax which justice allows; it is one which justice demands. It is not merely one which ought to be collected; it is one which infallibly will be and is collected. It is not merely one which the state ought to see collected; it is one which, in the long run, the state cannot prevent from being collected. The state can change the particular landlord; it cannot abolish rent." The possibility of this rent which the occupier so willingly pays and which the land-owner so inevitably receives, is conditioned upon the fact that society has provided a public service roads, sanitation, protection, postal facilities, schools, etc., enjoyment of which is exactly proportioned to the rent attaching to the space one may occupy. And Nature, who never leaves her arrangements half completed, has appointed her own tax-gatherers and named them landlords. It is only to follow the plain leadings of Nature, if we ask those tax collectors to apply the sums so collected (minus a remuneration proportionate to the commissions usually paid such functionaries) to maintaining those public services.

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Such, very briefly stated, is natural taxation, the principles of which are luminously set forth in the book under review. It is a notable contribution to the literature of the subject, and written as it is in a spirit of reasonableness and freedom from class-bias or asperity of any kind, it is to be hoped it will be as widely read as it certainly deserves.