

IS HENRY GEORGE'S PROPOSAL PRACTICABLE ?

One of our correspondents has written :

"Your letter of the 26th has just reached me and I am afraid I shall not be able to be present at your Social Gathering on the 1st February. May I take this opportunity of asking you if there is in existence any publication dealing with the very formidable argument against the practicability of Henry George's suggestions for the Single Tax ?

"I find that theoretically the arguments advanced in his works are unanswerable but that the adoption of them in the present complex and interlocking state of society is condemned out of hand in the minds of most practical people. I make the suggestion, therefore, in all humility, that even a brief treatise showing how it is proposed to apply them, would be eminently worth while. Indeed, it seems to me the only possible way in which the movement could hope for more and increasing advocates."

Reply :—

You say that while George's arguments are unanswerable, the adoption of them in the present complex and interlocking state of society is condemned out of hand, in the minds of most practical people. There may be two kinds of this type of people you have in mind. In the first place, those who contend that the value of land is not sufficient to provide the whole expenses of Government. It is an irrelevant objection. No one suggests that the value of land is sufficient to provide for the extravagant and wasteful adventures of a government or a State. For instance, all the expenditure on the Great War ; the blowing away of wealth and life and then the accumulation of vast public debts ! The Single-Tax philosophy simply says that the first thing to do is to get rid as far as possible of all taxes and burdens upon trade and industry. It is only when the value of land has been exhausted as a source of revenue that any government or municipality is entitled to place taxation upon labour or capital.

No one knows what the value of the land in Great Britain is, but we all do know, those of us who, like yourself, are convinced that Henry George's principles are unanswerable, that there is plenty of land value, plenty of economic rent that goes into the pockets of the landowners to-day ; that this rent or land value should go to the community and that the taxation of land value is the means thereto ; also that just as we concentrate taxes upon land values the taxes upon trade and industry should be repealed.

You ask for a pamphlet that deals with what you have named as the formidable arguments against the practicability of Henry George's suggestions. We do have a very good one, and it is entitled *Light on the Land Question*. I beg you to read it and to look specially at the final pages.

One has to remember in all this discussion about the sufficiency of land value, that a great amount of revenue is raised to-day for purely pro-poverty purposes. This expenditure is necessary to subsidize poverty. If better social conditions could be obtained ; if idle land could be thrown into use and wages raised, very much, if not all, of this expenditure would disappear. Therefore, much of the expenditure in to-day's budget would have to be deducted before striking a balance in trying to ascertain whether the value of land was sufficient.

The second kind of people who contend against the practicability of George's arguments are those who raise such questions as the difficulty of ascertaining the value of land ; the practical difficulty of levying and collecting the tax. But these difficulties have been proved to be non-existent by the experience of all those

countries that have already put land value taxation, in some measure, into force. There is now a vast official literature on the subject from British Dominions, from Denmark, from New York City and from many cities and countries. So far as this practical aspect of the policy is concerned, I would ask you to read the pamphlet *Land Value Taxation in Practice*, by Mr Firth, and look also at the appendix to the pamphlet *Sheffield City Council and Land Value Rating*, which contains a brief summary of land value taxation in operation in various countries.

Perhaps this is enough to read until we can discuss the matter further. I would like also to recommend to you a number of splendid papers that were presented at our International Conference in Edinburgh in 1929, which tell in full detail of the progress of our movement in the countries I have named.

A. W. M.