

limitation of the sphere of public bodies to the administration of purely public matters.

Our people must be made to realize that the land of our country is our common estate. Part of this land is public property; as our roads, our parks and forest preserves, and the land that has not yet been allocated to private holding and that which has been resumed from private holding. These lands are properly subject to public administration in the common interest. But that portion of our land that has been given over to private holding and administration, though no longer a part of our public property, still remains a part of our common estate.

When government gives title to some people of parts of the common estate it cannot and does not divest the remainder of the people of their interest in it as part of the common estate. And our law recognizes this fact. Every landholder holds his land subject to law and subject to taxation. I seem to remember having read a quotation from a decision of one of our courts to the effect that "The rent of the land is a reserved condition of every deed." I may not have this quotation verbally correct, but I have its meaning.

When government fails to collect the rent of land from its landholders, the taxation of private property becomes necessary. The taxation of private property is tribute taxation. It is of the order that might be established by conquest. It places the industrious portion of the community in the position of paying tribute to Government in order to leave as a graft to its landholders the rent that they collect as administrators of the part of the common estate to which they hold title. This is the absurd position in which we are placed by our present unscientific mess of multiple taxation.

It divides society which should be a unit into two opposing groups: one living upon unearned incomes resulting from the guarantees of government supported largely by tribute levied upon our industrious people, and another growing ever more bewildered and helpless by reason of the burden of the tribute-taxation and the denial of access to the common estate, our land, except upon terms dictated by the first group; whose landholdings increase in value as the result of every effort of the industrious portion of society to deliver itself from poverty by its industry.

The Single Tax advocate proposes that all tribute-taxation be discontinued, and that instead of this, every landholder called upon to pay a tax in proportion to the value of that part of the common estate that he holds; that is, upon the value of the land to which he holds title. Such a tax would be in effect "the rent that is a reserved condition of every deed"

If this were done, land speculation would cease, land monopoly would be automatically abolished; every one who wanted land for use could hold as much as he could profitably use, but no one would hold a piece of land except for use. We would no longer be afflicted with the condition in which millions of potentially industrious

people suffer want, deprivation and uncertainty in the presence of millions of valuable acres that might support them, and which do not because of the price for its use that stands a barrier between them and those acres. The tribute-taxation that now is levied, and which acts as a limitation upon their success abolished, most of them could become really prosperous.

The abolition of tribute-taxation together with the imposition of a proper taxation of land values is the most important and beneficent duty that our public administration can perform. If it will do this, then we can look forward to a day when every man will be a "self"-governing being and this eternally obnoxious policing, regulation and control that is ever associated with what we call government can and will be reduced to laws actually necessary to preserve order in a prosperous society, instead of laws tending to buttress the privileges of aristocracy founded upon unearned income and devoted to the control of the power of government in order to preserve and extend their privilege.

Activity in Missouri

THE Missouri Single Tax League in regular session assembled at the Barr Branch Library on October 6, 1932, unanimously adopted the following resolution proposed by Willis Malone and addressed to the Mayor and Board of Aldermen of St. Louis:

"Whereas the City of St. Louis, Mo., finds it necessary to raise funds for the relief of destitution; and

Whereas, although said City of St. Louis has already resorted to "extra-legal" (not to say *illegal*) means of raising such funds, it now finds itself under the necessity of raising additional revenue over a prolonged period for relief purposes; and

Whereas, the legal rights of the people of St. Louis and the public generally in the Municipal Free Bridge are being jeopardized by the course pursued by St. Louis City officials in their attempts to find sources of revenue from which to draw said relief funds, now therefore,

Be it resolved:

1. That the unemployed and distressed people of St. Louis need help and must be provided for;

2. That we heartily approve a bond issue in the amount of \$4,600,000, or more if necessary, to provide adequate relief, but we do NOT approve the proposed method of raising the funds for the payment of the obligation, for the following reasons:

a. That the taxes already levied, and those which it is proposed to levy or to continue over a prolonged period, fall wholly on the products of labor and on the business interests of the city, which in every instance creates and aggravates a tendency to curtail the use of such products, thereby causing increased idleness and unemployment; a consequent reduction in purchasing power, less business for every business man in the city, and increasing cost of

consumption on those who are employed and who alone must pay such taxes;

b. That the taxes already levied, and those which it is proposed to levy or continue over a long period, have shown by experience to operate in a manner opposite to the results hoped for;

Wherefore, The Missouri Single Tax League offers as a substitute method of raising the needed revenue, the following:

The records of the Tax Department of the City Government show the assessed valuation of the real estate to be approximately \$1,400,000,000. This, of course, includes both buildings and land. Assuming the land, much of which is unused, as only one-half the total real estate value, gives a land value of \$700,000,000.

This, at the rate of \$2.74 per hundred, amounts to \$19,180,000 per year. Now to raise money to pay the above stated obligations, why not make the tax on land value only, exclusively of all improvements and all other taxable property, \$3 per hundred of assessed valuation. This would raise an amount of \$21,000,000. Deduct the present amount of receipts from the amount received through tax and you have \$1,820,000 each year, which, in five years or five annual payments, will more than meet the required sum.

In view of the fact that land monopoly is the fundamental cause of depression and poverty-stricken conditions, it is only just, as well as expedient, that such monopolists pay the damage they cause; yet this slight increase in the tax rate (and for only five years) will be almost negligible in amount to such land owners.

(Note:—A 25 foot lot at \$40 a foot today, which at the \$2.74 rate pays \$27.40, would, at the proposed three per cent rate, pay \$30; a difference of only \$2.60. This, in five years amounts to only \$13, while one person, living in St. Louis and employed in East St. Louis, crosses the "Free" Bridge a round trip approximately 300 days a year, pays \$60, which in five years amounts to \$300. Justice and expediency both demand the adoption of this proposed substitute.)

As taxpayers and patriotic citizens we ask that this proposition be placed before the Board of Aldermen and that favorable action be taken thereon. We further ask that our representatives be given the privilege of addressing your honorable body in this connection.

On superficial examination, it may appear that there are legal or constitutional impediments in the way of this proposal, but they are more apparent than real, as we will be glad to show." By WILLIS MALONE AND G. J. KNAPP,

Committee.

IT is as though an immense wedge were being forced, not underneath society, but through society. Those who are above the point of separation are elevated, but those who are below are crushed down.

—PROGRESS AND POVERTY.

A Friendly Editorial

NEXT to the restoration of normal conditions of prosperity to agriculture, industry and business, the gravest issue before the American people right now is the readjustment of the tax systems in nation and States. As a matter of fact taxes that are too burdensome and are not equitably distributed constitute a major factor in the distress that still afflicts the farmers, the industrialists, the business men and others. The formulation of a system of taxation as well as a method of administration that will not hinder or embarrass business is one of the first and most important duties that confront the nation.

Tax reform, of course, goes to the very bottom of governmental functioning. It demands a drastic reduction in the costs of national, State and municipal governments. In the States and municipalities the burden of government has been borne by real estate. Taxes on both rural and city property have reached the point where they can not be borne. In some places buildings are being torn down because the owners can not pay the tax levies out of the revenue received.

This fact will furnish a strong argument for the tax experts who are gathered in Memphis for a three-days' discussion of tax problems. In the background of this gathering is the theory of Henry George expounded so ably, if not so successfully so far as adoption is concerned, in his "Progress and Poverty" and other works. The basis of the Single Tax theory is equal rights to natural resources. It does not discard private ownership, but it holds this ownership to be more of a trusteeship for the general welfare.

The fact that taxation under the Henry George idea would be assessed upon land values rather than upon the value of the improvements thereon can be brought forward now in connection with the revolt against the onerous real estate taxes. Were it not for the fact that a new scheme of taxation, the sales tax, has come forward within recent days it is not improbable that the Single Tax idea might gain a lot of support under the present emergency. But governmental administrators are turning to the almost imperceptible levies made upon purchases of various sorts as being the least injurious and most effective method of raising revenue.

However, those residents of Memphis and surrounding territory who are interested in tax problems will gain a lot of valuable information and instruction by attending the present tax conference and listening to the addresses of those who have expert knowledge on the subject. The old system of making real estate bear almost the whole burden of government is proving to be a failure under the stress of dislocated industry and business.

The situation must be met and it will be well if the citizen study the problem in its complete aspect so that they may direct their representatives in Congress and in the State Legislatures to a wise and effective solution.—Memphis *Commercial Appeal*.

Remove All Taxes from Capital and Labor

Editorial in *Liberty*, Oct. 29, 1932

TO free capital and labor from taxes—is it a wild Utopian dream? Believers in the Single Tax maintain that it can be done.

It is throttling taxes that makes recovery from the depression most difficult. Every effort to promote business has to face taxes unparalleled in nature.

Just imagine the results of the announcement that business would no longer be taxed; that the huge financial load that business is now shouldering would be entirely removed.

The depression would be over in a month.

Every business man would breathe a great sigh of relief. He would increase his investments, his promotion activities, and would add to his force of employees and greatly augment his business.

And if labor also were freed from this incubus—yes, the average