

**"Guns and Butter"****By J. Rupert Mason**

During Lincoln's presidency, in order to help meet Civil War costs, Congress enacted a law imposing a Federal tax on land values and, regrettably, also on improvements. This law was never put into full effect, but not because it was unconstitutional. The feudal bloc didn't want it applied, and got Congress to repeal it, so I am informed. It is interesting that Abraham Lincoln approved this Federal Tax on land values; and I hope public opinion comes to this action now, without a tax to hinder improvements.

Senator Gillette proposed a law to tax profits from the purchase and sale of land at extra high rates. It got nowhere, and just as well, in my view, because it attacked from the wrong end. Why wait until after the speculator in land had the loot in his pocket?

The way things are now, the rich are "investing" in title deeds to land (mineral, timber, urban, etc.) feeling sure they can escape Federal taxation as long as they hold the land idle. Any State taxes they pay are deducted from their income tax returns, which means, for those with high incomes, that Uncle Sam pays most of their State taxes. It affords a perfect "hedge against inflation" as the law now stands, and is causing a more serious shortage of the sources of supply for both "guns and butter" than any shortage of willing workers. If we draft citi-

zens to work at jobs chosen for them, but exempt the holders of land title from helping to pay war costs, as we are doing, where is the basic difference between our system and that system which we are told this war is being fought to abolish elsewhere?

San Francisco, Calif.