

By H.T.A. McGAHAN (Matamata, New Zealand)

Old Hindenburg said that only that which is simple can succeed in war. I think it is true in politics. It seems to me that one step toward getting a hearing is to point out the unfairness of taxing beer. If we can make a person see that a tax on beer means that the beer-drinker pays more than his fair share and that on the other hand, the person who does not pay his fair share gets something for nothing. In fact there is no such thing as something for nothing, so he must get it at the expense of the drinker.

If we can convince people that there is a moral wrong in taxing beer, we've got our foot in the door. The next step would be to tackle commodity taxation. For this reason I think we should pay attention to the English Revolution of 1640-88. Our modern system of taxation dates from that time. After the Long Parliament abolished the obnoxious feudal dues they had to find the lost revenue from some other source. They imposed an excise on beer and other liquors, as a temporary measure. At the Restoration this was ratified. That fifty years in English history is worth whole libraries of what is passed off as political economy. Most historians who recognise just what happened regard the excise imposed in 1643 as the beginning of our modern system of taxation.

Frightful results have flown from it! The Restoration Parliament had before it two proposals: one, the lands benefitting from the abolition of the feudal incidents were to pay a tax; the other, a continuation of the excise. The latter was carried by only two voices. The excise was carried by the King's supporters who knew that a tax on commodities would, in a rising economy, place an ever-increasing revenue in the hands of the King and eventually make him independent of Parliament. That nearly happened. Had Charles II lived as long as Queen Victoria he would have succeeded where his father failed. True, Parliament eventually stopped that by voting taxes annually. Power thus passed from the King to the House of Commons. During the past 300 years power has passed from the House of Commons to the department heads of the civil service. In too many instances, Parliament simply became an instrument for registering what had already been decided by caucus.

What is needed is a renewal of the struggle for liberty where the English Revolution of 300 years ago left it. The only real advance we have made since then is in the unimproved value rating system. What is needed now is a transfer of power from the department heads to the people. We can do this through taxation reform, that is, gradually transferring all taxation to unimproved values; and secondly, and almost every bit as important, reform of the structure of government.

If we were to get a free hand tomorrow with which to introduce the single tax system we should have to do so through a Finance Bill, in the first part of which we would have to say from what source we proposed to get the revenue necessary to run the State, and in the second part, the schedules, what existing taxes we proposed to repeal. We should always be working on drafts of that Finance Bill.

Let us make our cause the restoration of liberty. "Make no small plans," said Daniel Burnham, "they have no power to stir men's blood."