

Taxation

by

THEODORE H. MILLER

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Introduction by G. Emerson Markham

We've often nearly broke our backs
To raise the money for our taxes.
The government, from Federal to village,
Taxes us with all the enthusiasm with which the ancient
barbarians used to pillage.
So, we dig down in our pockets deeper and deeper
To pay the salaries of all our officials, from the President
to the local pound-keeper.
Instead of a five-cent cigar, what this country lacks
Is someone or something that can figure out an easier and
cheaper tax.

Or, if not a cheaper tax, at least one that is more equitable.
And that is what our guest of honor has in mind, ladies and
gentlemen. Mr. Theodore H. Miller, who is meeting with
us, is firm in the belief that a single tax, levied in the right
way, is the answer to many of our problems. Mr. Miller
was born and brought up on a farm, and he has been in con-
tact with farmers most of his life. His, then, is essentially
the farmers' viewpoint. This evening, he is going to point
out what he believes to be the advantages to be derived from
THE SINGLE TAX. It's a pleasure to present to our farm
fellowship Mr. Theodore H. Miller

We are going thru very strenuous times and farmers in
common with most other classes are having their troubles.
For the most part however they have one advantage over city
folks in that they usually are not without food or shelter, both
of which are lacking with many city workers when they lose
their jobs.

Economic disturbances are very general; at present they
are world wide. Scarcely a country has escaped and they
seem to spread their devastating effects over countries with
high tariffs and no tariffs at all; countries with cheap money
and others with dear; democracies and kingdoms; countries
under socialism, communism and dictatorships, countries
which use the most primitive hand tools and little else, while
the same depression is felt where industry is most complex
and filled up with machinery, and since these depressions ex-
tend backward to remote history, when there was almost no
labor saving machinery, it seems as tho it would be necessary
for us to look for other causes of depressions than money,
tariffs, machinery or forms of government.

When this country was first settled there was no unem-
ployment. A man and his family could make a fair living by
the use of such simple hand tools as existed at that time. To
be sure all the members of a family were usually obliged to
work all the hours of light in order to properly feed, clothe
and shelter themselves but no one willing to work was denied
that privilege.

Similarly, in '49 when gold was discovered in California
there was no unemployment in the gold fields. Each miner
worked for himself with simple hand tools. If a particularly
ambitious miner wished to have the advantage of team work,
it was necessary for him to offer in the way of wages or share
more than the miner could make by himself panning gold.
There were of course many such combinations because there
is always a distinct advantage in team work even under the
most primitive conditions, but the fact remains that wages
were high in California at that time simply because access to
the storehouse of nature was open and free to all who wished
to stake out a claim. When the claims were all staked out,
just as when all the land was staked out in the eastern sea-
board, wages began to fall, for the reason that there was no
longer any land or natural opportunities open freely to any-
one who cared to work them.

It must be borne in mind that all wealth is produced by the application of labor to natural resources. The production of such wealth is helped by capital which is accumulated labor in the form of tools, equipment, etc. If natural opportunities are open freely to those willing to work, capital in the form of machinery or tools can do no one any harm because all it can do is increase the production of wealth without being able to prevent anyone from making as much wealth thru labor as he could before without the use of capital. In other words, if willing labor can find free natural opportunities on which to expend itself, there can be no unemployment and no one need therefor be without the necessities of life, while by the use of such capital as they may wish to employ they can greatly increase their production of wealth.

Stop and think what a tremendous economic advantage there would be if everyone in our broad land were able to enjoy all the wealth he was willing to produce by the free opportunity to do so. Our markets would be almost limitless and we would not then have the spectacle of taxing one portion of the public in order to pay another portion for plowing under already growing crops and of paying out millions of dollars rental for land under the condition that it be not cultivated while at the same time another portion of this tax money is being spent in the building of irrigation works to make ready for cultivation still more unneeded land for speculative purposes.

A moments consideration will suffice to convince anyone that there are many times more good land in the United States today that can be profitably used. The trouble seems to be that we have a system, in common with all the rest of the world, which permits land to be held out of use for speculative purposes. If we could so arrange our affairs that no one could hold any more land than he could reasonably use, there would be plenty of desirable land available for all who cared to work and make a living.

Farmers as a class are hard working people. They do not ask for money they have not earned but they do very reasonably ask pay for the crops they produce. If they were not obliged to put so much capital into the privilege of using a portion of the surface of the earth, to which we were all born heirs, and if they were not also taxed so heavily on their improvements, there could be no question about their making a gain on what they produce. In self protection they quite generally buy more land than they really need, in order to protect themselves against a raise in price and that very act is what raises the price still further. They very often borrow the money for this purpose and are therefor taxed in the form of interest at the bank; they are taxed for the land they use as well as for all their improvements and those burdens in addition to the taxes on the land not used very often spells the difference between making a living and working at a loss.

The one thing in connection with depressions which seems to be uniform all over the world is a denial of the right of the people to the use of the land which is their birthright. It is of course true that not all persons can advantageously use the land direct. The value of land however is brought about solely by the community, that is, it was made by no one and has no value except there be a demand and there is no demand unless there is population and its value therefor is in proportion to the population or demand.

Now then, if the community gives to land its value, then the value belongs to the community as a whole who made the value.

If the rental value of the land were collected by the community for the benefit of all, no one, whether he used the land directly or not, would be cheated out of his birthright; no one would have an advantage over another and no one willing to work would be denied the opportunity and if everyone had the opportunity to work there would be no need of charity, except to those who might be crippled or otherwise incapacitated.

A freedom from all other kinds of taxes and loans at banks for the purpose of purchasing land would relieve industry to such an extent that everyone could freely have the kind of living he was willing to work for without paying tribute to anyone.

In the distant past in Europe there were communities of closely built homes surrounded by a wall as a protection against their enemies. The live stock lived on the ground floor while the families lived on the floors above. They each owned their allotment in these walled towns but the country around the town was called "The Common" because it belonged to the inhabitants of the town—in common. The workers were free to cultivate the ground and could hold it as long as they did so but they could not hold it out of use in the hope of charging some other farmer for the privilege of using it. There was no unemployment and no poverty except that which was brought about at that time by the lack of labor saving machinery and tools and if our land now were similarly free there would be no poverty here and no depressions. This of course does not mean that farmers and others would not hold title to their land against all comers, but it does mean that if they failed to pay the land rent which would be assessed in accordance with the value of the land, and not its extent, they would be sold out by the sheriff just exactly as they are at present and with the same machinery. Such a system would not only throw open the opportunities of nature to all who wished to use them but would get rid of a host of tax collectors on hundreds of different things, most of which can be evaded by the wealthy, and would apportion the pleasures of life to all men in proportion to the service which they were willing to give.

A very famous American philosopher and economic writer has propounded these two questions:

1. "What would be the result in Heaven itself if those who get there first instituted private property in the surface of Heaven, and parceled it out in absolute ownership among themselves, as we parcel out the surface of the earth?"
2. Since we cannot conceive a Heaven in which the equal rights of God's children to their Father's bounty is denied, as we now deny them this earth, what is the duty enjoined on Christians by the daily prayer: "Thy kingdom come, Thy will be done on earth, as it is in Heaven?"

WHAT IS YOUR ANSWER?

Conclusion by G. Emerson Markham

All his life, Mr. Theodore H. Miller has been directly or indirectly associated with farms and farming. He has been connected with the manufacture of farm machinery and equipment, and he has also had close contact with several banking institutions. All of this has given him a wealth of experience, and he has approached the problems of taxation as a practical man, rather than a theorist. Mr. Miller will welcome your comments on what he has said. You can reach him in care of this station — WGY, Schenectady, N. Y.