

THE DERANGEMENT IN THE DISTRIBUTION OF WEALTH. *J. Anglada. Published in "El Mundo Financiero" of Madrid, December 1, 1948.*

All social problems revolve about the tangle in the distribution of wealth which prevents the public from seeing the causes of the unjust apportionment, writes Senor Anglada in the first Georgist paper to reach us from Spain.

The task of clarifying this important point, he says, is incumbent upon political economy, inasmuch as it is the science dealing with the nature of wealth and the laws of the production and distribution thereof. Dr. Anglada points out that wealth is all goods produced by human labor for the satisfaction of our desires or necessities, and that capital is wealth intended for the production of more wealth. He also defines rent, wages and interest, and discusses land speculation as well as its effect on the margin of production, rent, wages and interest. He states that the laws of production are physical laws while the laws of distribution on the other hand, are moral laws.

The periodic industrial depressions and involuntary unemployment are, he notes, the principal causes of the poverty of workers. These troubles are found to be aggravated by administrations finding themselves constantly under the necessity of having recourse to taxes on labor and capital, that is, on production.

And, adds the author, "the greater misfortune, as a consequence of wars and revolutions, comes about through state intervention in everything, depressing even further, the business activity and free private initiative. If we do not succeed in effecting the radical remedy of perfect liberty soon, the essential basis of which is the tax on the value of land, we may be sure, as Henry George, was, of the complete collapse of the civilization we vaunt ourselves of."

The author describes how the rural Danish proprietors and cultivators succeeded in abolishing all tariffs and excise taxes, replacing them with a tax on the value of land, and indicates how this reform, although it is being effected gradually and scientifically, has borne rich fruit in the national economy. Even a problem like that of housing, which has not been solved in any country where production is taxed "greatly and land little," has, states the Spanish writer, been solved in Denmark. Partial reforms in Canada, New Zealand, Australia and South Africa are also shown to have produced results commensurate with the extent to which they have been applied.—C. MATTHEWS OSSIAS