

Gasoline Taxes

I THINK the new gasoline taxes most dangerous, bringing a great revenue and with the factitious justice of taxing only the users of automobiles. It ought to be shown up; a plea pro and con would attract attention, with well known names signed to them.

The gasoline tax has already raised the "gas bootlegger" as well as the horde of spies and tax collectors.

It penalizes travel and also the users of gas for farm tractors, for heating, light and power.

It is a subsidy to the coal owners, and to the railroads, alleviating their most serious competition.

It falls most heavily on the poor who cannot afford to buy in quantity or to carry the gas through States. It presses most heavily where the roads are worst.

It is passed on to the consumer, with a profit.

Cheap gas vastly raises rural land values—this is a plan to avoid their paying for the benefit.

The amount of the tax has no limit except, as far as can be seen, "what the traffic will bear."

Which of the canons of taxation does it not violate?

Desperate Florida has a 5c a gallon tax, say 25% ad retail valorem. Think of the comic sociology that approves of goods legally made "worth" a third more on one side of an imaginary line or of a creek than on the other!

—BOLTON HALL.

Subway Problem Is Now Clear

THE air is very much cleared as the result of P. R. T's action in declining to renew the Broad Street subway lease upon the present terms.

It is now established that as a business venture the subway is a money loser, not a money maker.

Somebody has to pay those losses. There are only two parties who can be called upon to do so. One of them is the car rider. The other is the taxpayer.

If the car rider pays, it means a higher rate of fare on the subway, or a general fare increase upon the entire city transit system.

To this Mitten Management has announced its opposition. It is bad business. It is unfair to the car rider.

The taxpayers voted to build the subway. Its construction has immensely increased the value of property along its route, and the increase has only just begun. Real estate interests and business men are the chief beneficiaries.

There is no reason why these beneficiaries should get away with fortunes at the expense either of the general taxpayer or of the car rider. They are required by every equitable consideration to share their benefits, and this they can do by paying taxes to the city commensurate with the advantages the city has conferred upon them by the construction of the subway.

—Philadelphia Daily News.

Address of C. LeBaron Goeller

HENRY GEORGE CONGRESS, SEPT. 10, 1928

I HAVE selected a text from the gospel by Henry George found in his book "Progress and Poverty," Chap. I, and the tenth paragraph:

"Some get an infinitely better and casier living now than before the introduction of labor saving machinery, but others find it hard to get a living at all."

The margin of production has always been of interest to me because it is so closely associated with the law of wages, and the law of wages is the central point of interest in the Single Tax system.

As we all know, "Wages depend upon the margin of production, or upon the produce that labor can obtain at the highest point of natural productiveness open to it without the payment of rent." Also that all wages depend finally upon the lowest wages, in exactly the same way that every floor of a building depends ultimately upon the lowest course of the footing of the foundation—and someone has maliciously called the very poorest people "the mud sills of society."

Now, since the raising of wages is the ultimate object of the Single Tax philosophy, as Henry George intimated in "Progress and Poverty," in Book III, Chapter III, —the changing of "Progress and Poverty" into "Progress and Prosperity" the whereabouts of this margin, and the raising of it so that there will be no involuntary poverty becomes of exceptional importance.

The margin of production has international relations and the high point several centuries ago was in newly discovered America which became the Mecca of the less fortunate people of European countries. In Colonial days the margin of production was simply "a little further west." If a man didn't like his present job, or opportunity closed against him he pulled up stakes and went west where he could get free land. The American realm was so vast that for three centuries wages were at a maximum reckoned as they should be as a proportion of the produce. The man at the margin paid no rent to any one—all that he produced was his wages. Thus when my grandfather Goeller came to America about the year 1825 and established a bakery on Broome Street in New York City, he said that this country was "a land flowing with milk and honey." But just before he died in 1869 he said that it was no longer a land of "milk and honey"—some were finding it hard to get a living even then. Thus, roughly speaking, we might say that the margin of production was at its height in '49, when gold was washed from placer claims in California. After those claims were worked out and mines had to be operated, the margin fell, and with it fell wages.

Prior to the middle of the nineteenth century wages were high in proportion to actual produce, and in '49 in California wages were nearly 100 per cent. of the produce,