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THE NEW FRONTIER

Before we close the pages that are brown November, we must hear from school room, pulpit, radio, wherever speeches are made, the story of the Pilgrim Fathers—with a moral. That moral is that we must emulate them in point of courage and determination. If those hardy fathers could attack the wilderness with vigor and fortitude and come out at the end of the year with a turkey in the pot and a prayer on the lips, surely we can with all the advantages of progress and invention.

Isn't there something missing from the picture as painted by the average orator? President Roosevelt spoke with sincerity and feeling at Harrodsburg when he extolled the courage of the early settlers and explorers. After reviewing the local history appropriate to the occasion, he paid tribute to the memory of George Rogers Clark and also to the "men and women who made his expedition possible and who followed him with the permanency of home building."

President Roosevelt called attention, particularly, to the "very definite analogy between those days and ours." *Tax Facts* wishes to call attention, not to the likenesses but to the differences between the circumstances surrounding those pioneers and the situation which we are facing. These differences, of course, are many, and it is necessary to mention only the one of real importance. Until we understand what that difference is, we cannot adjust our economic life so as to restore the freedom those pioneers enjoyed.

Europe was already becoming crowded. Whether the emigrants to our shores came ostensibly for religious freedom, for adventure, or for mythical treasure, they were, in reality, a land hungry people. Here was a vast continent stretching westward, nobody knew how far. When the land along the Atlantic seaboard became crowded, the people began pouring over the mountains, following streams and Indian trails—anything to get out where there was more elbow room. Is it any wonder that servants in the Colonies had to be legally bound for a specified number of years? Men won't work for masters or employers at pitiful wages, or

under unpleasant conditions when there is free or very cheap land on which they can work for themselves. This is not a theory we are talking about, friends, it is what history records of every new country opened to settlement. President Roosevelt may have heard of it, but it hasn't sunk in yet.

That is where the analogy between the pioneers of 1734 and 1834 and 1934 breaks down. The area of Continental United States is just as large as it ever was, but practically all of the good land is privately owned; it is fenced in and the people fenced out. When the Pilgrims landed on a bleak and forbidding coast, they knelt down and thanked God. If any of you come to California on the sunniest, balmiest day of the year, you'll have to see some real estate agent and pay tribute to a lot owner before you can claim a spot on which to kneel and thank that same God. Something wrong somewhere.

In his Harrodsburg speech, President Roosevelt said: "I have called us who are here today 'pioneers of 1934.' I mean everything that the word pioneer implies. We, too, in these latter years throughout the length and breadth of our land have come to a realization of the pregnant fact that the accustomed order of our formerly established lives does not suffice to meet the perils and the problems which we are compelled to face. Again, mere survival calls for new pioneering on our part.

"Some portion of the blood of the colonists and the blood of the pioneers who worked their way, through the generations, across the mountains and across the plains and again across the mountains until they came to the Pacific, that blood is present in very large part in the veins of millions of our people. More than that, the example and the spirit of these earlier Americans is present in the mind and the heart of all our population."

This depression has done much to break the morale of our people, certainly, but we have not yet surrendered completely. We still cling to the history and tradition that is ours; we are still a land hungry people. We have, as Mr.

Roosevelt says, pushed across mountains and plains till we have come to the Pacific. How is this spirit of American independence going to express itself now?

"The events which we have celebrated," said Mr. Roosevelt, "were so vital in the extension of the new nation that it has been thought proper for Congress to commemorate them not only in the spirit of gratitude, but in the spirit of emulation as an example to guide us in the conquest of new frontiers of the spirit that are neither physical nor geographical.

"We are carrying on, we shall carry on, the purposes of these men and women of Harrodsburg. They were hewing out a commonwealth—and I like that word 'commonwealth.'

"We, too, are hewing out a commonwealth—a commonwealth of the States which we hope will give to its people more truly than any that has gone before, the fulfillment of security, of freedom, of opportunity and of happiness which America asks and is entitled to receive."

America asks and is entitled to receive the same access to the earth that was enjoyed by the pioneers. Why should we be denied their opportunities just because we were born a few years later? Is that fair?

"New frontiers of the spirit that are neither physical nor geographical"—those are the frontiers on which we must take our stand in order to win back the earth, itself. Our principal enemies are ignorance and greed. There are many who speak of our proposals as "theories" and "fantastic dreams." That is exactly what the wise men of Italy and Spain said about Columbus' ideas when he declared the earth to be round and proposed to reach the Orient by sailing westward. He didn't reach China, but his "theory" was perfectly sound, for all that. He was merely a little short on details about the size of the earth, the presence of intervening continents, and so forth, but to the wise men of his day, he was an impractical dreamer. Better be careful how we speak slightly of men's "theories." We may be making ourselves ridiculous.

Whether we call it a theory or not, the truth will remain that men cannot live without using the earth, and if they must pay someone else for the privilege, they must live that much poorer. If no one were allowed to hold more land than he could use, himself, there would be plenty available for everyone. Only with such a condition can we have "the fulfillment of security, of freedom, of opportunity and of happiness which America asks and is entitled to receive."

As Mr. Roosevelt says, mere survival calls for new pioneering on our part, pioneering in the realm of economic thought—and action.

THE FACTORY PLAN

Plans for putting millions of unemployed to work in government operated factories is being discussed in Washington. The idea is to let these people produce goods for the destitute who must, otherwise, do without. This would do away with the cash dole and furnish labor for many of those now idle.

While *Tax Facts* is concerned with fundamental economic reforms, we recognize the necessity of making some temporary adjustments to relieve present suffering while waiting for the slower processes of nature. This plan, however, has rather Socialistic tendencies. *The Los Angeles Times* has a suggestion that is worth considering, for it would take care of the present need, and at the same time make it easier for Uncle Sam gradually to withdraw his help as business improved.

"A better scheme suggests itself in conjunction with the additional contemplated plan of assigning, through code authorities, each branch of existing industry quotas of men to be put to work. Here government assistance could be very helpful. Instead of the F.E.R.A. attempting to lease or build and operate factories, it should contract with existing factories for the production of goods wanted for distribution, on condition of their re-employing a specified number of men. The contracts should be for sale of goods at cost, which would be less than costs in government factories. This would assure experienced management, efficient production, employment direction by experts and do away with wastage. Unassisted, industry can not put any significant number of new hands to work, particularly if faced by competition of government factories, but with some help it probably can go much farther at much less cost than can the F.E.R.A.

"Re-employment of this sort would tend to be cumulative, and build up a consuming public which would keep the factories going and also produce a demand for more capital goods. If this was the result—and it is one to be normally expected—government help could gradually be discontinued. The other scheme would be very hard to stop, once started."

PUBLIC OPINION

James P. McDonnell, President Minnesota Taxpayers' Association, writes in *The Tax Digest*: "Taxpayers today realize that public opinion is the most effective force that will ultimately bring reforms in our taxation system. Scientific methods of taxation may be carefully worked out by experts, better plans may be designed than we have today, but it is not likely that these will be effectual in revamping our assessing, collecting and spending system until the demand for these reforms meets with favorable public reaction.

"We see, therefore, that no matter how desirable these things may be from the standpoint of justice and efficiency there must be back of them the full weight of public support."

Those who are sponsoring this little paper believe that taxation can be just and equitable, natural and scientific, only when the economic rent, or rental value of land, irrespective of improvements, is collected in lieu of all other taxes now imposed. This is the means to an end which we believe to be important and desirable. In the first place, it would make the holding of idle land unprofitable and so would give all men access to the earth. In the second place, it would provide funds for public services without burdening industry or home owners.

We have tried, in *Tax Facts*, to stress, particularly, the thought that all men, every child born on earth, has the same right to the use of the earth, because we believe that if people can once feel the truth of that statement, they will readily open their minds to all ideas and suggestions about the means of carrying it out. It is not necessary for us to plan any definite political action to make this readjustment in our tax laws. You people will be eager to do it for yourselves when you see the need of it and the nature of our present trouble.

HOME CONSTRUCTION

With all of its elaborate plans for aiding home-owners, the government has failed to take the land question into consideration. If all of the saving to home owners and home builders through lowered costs of construction and better methods of financing is absorbed by rising prices of building lots and mounting rents of apartments and business quarters, where is the gain—except to present land owners?

It is almost inconceivable that the men who planned the Federal Housing Administration and the Home Owners Loan Corporation, apparently, have not given a thought to the land problem. Certainly that problem should be disposed of before any other comes up for consideration, for it is the basic one. Whether we build grass huts or skyscrapers, they must stand on the ground. Naturally the control and "ownership" of that ground is of primary importance. Whether the government tries to encourage home building or the establishment of recreational centers, its moves will be constantly checked by the present holders of land.

"One of the New Deal's altruistic projects—purchase of millions of acres of submarginal land to give the working man cheap vacations—was threatened with failure today due to high prices asked for the land," says *The Los Angeles Times*, November 3rd.

"Directors of the plan to create recreational

centers on non-productive farm land close to industrial centers said they had been 'hamstrung' by price 'kiting.' Too much publicity, they said, is responsible.

"The project planned for the Pittsburgh area has been abandoned for this reason and officials said they have been unable to complete negotiation for a single project in the East."

Another picture of the situation as regards urban lands comes from Chicago. Mr. George C. Olcott has been doing some research work on this matter and furnishes some interesting information. Mr. Olcott says: "We have a 'Housing Project' now being organized in Chicago on which the Federal Government proposes to spend \$12,500,000. I have made a survey of the territory and have given my views to the press here in Chicago. I find that according to the Assessor's figures, the value of the improvements in that district is \$4,730,000, and that the value of the land is \$2,300,000 being a total of a little over \$7,000,000 not counting church property, hospitals and schools which are exempt from taxation here. If they were included it would bring the amount up to \$8,000,000 or \$9,000,000. In other words, before the project is started at all it will cost the government \$225 to \$275 a front foot for every parcel of land that they acquire. This reaches our best residence property and is a pretty high price to pay for lands in a so called 'blighted district.'"

The government taxes us all for these enormous funds that are used to finance such projects, and a large part of this money must be paid in tribute to the land owners before men can be given jobs and buildings constructed. When are we going to end this particular form of racketeering?

MAVERICKS

"The election has divided this country, like all Gaul, into three parts; the strongly partisan Democrats, who are delirious; the strongly partisan Republicans, who are glum; and the rest of us, who are puzzled. Is it not a warning to the victorious Democrats as well as to the defeated Republicans that the people are impatient for relief from the stupidity of poverty?"—*Deseret Evening News (Salt Lake City)*.

Americanism: Assuming that rich men get theirs by being less honest than you are; wishing you could think up some way to get rich.—*Los Angeles Times*.

Sales resistance is the triumph of mind over matter.—*Labor (Washington, D. C.)*

Socrates thought that if all our misfortunes were laid in one common heap, whence everyone must take an equal portion, most persons would be contented to take their own and depart.—*Plutarch*.

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AT THE POLLS

In a recent speech, the English novelist, Hugh Walpole, asserted that one of the pronounced characteristics of American youth is a strong tendency to break with the past. It must have been the spirit of American youth that skippity-hopped to the poles on November 6th. If the Democrats in California had put up a candidate for governor, perhaps the poor old elephant wouldn't have gotten any peanuts in this state, either. Our only choice lay between an old line Republican and a Socialist. That wasn't fair.

Commenting upon the general election, the *Chicago Daily News* said: "The reason for this Democratic sweep in the Congressional election may be found in the human instinct perceptible in all nations to turn to personal leadership in a time of distress, especially if that leadership promises action." Upton Sinclair promised action, action which strongly resembled a small boy taking a clock to pieces, to be sure, but the other side didn't even offer to wind the clock.

If the Republican party is to survive at all, it must heed the writing on the wall. Two days after the election, Governor Merriam said: "We realize we must build along different lines than ever have been followed before. We must change our attitude or else expect some other group to undertake a new program." In other words, to respect the rights and wishes of the general public, the forgotten man, has become a matter of selfpreservation for those who have, heretofore, found politics, pork barrels and the like, easy pickings.

The tremendous vote of approval given the New Deal is not so much a sign of confidence in the proposed measures of Mr. Roosevelt's administration, as it is a declaration that the old methods are definitely out. It is no longer a matter of hoodwinking the public with vague and meaningless campaign promises. The lords of privilege must give up voluntarily the powers that they have usurped unfairly, or their fortunes and rights will be snatched from them by violence—and possibly their heads.

Security? No country is secure, no part of it, no class in it, when millions of people are out of work, hungry, in want; when hundreds and thousands of men and boys, yes, and girls, too, are tramping the highways and riding the rods.

We might almost as well have a quantity of dynamite and gun powder lying around loose.

Upton Sinclair was defeated in this election, but Socialism in this country is not dead by any means. Mr. Sinclair, himself, said that this is only the beginning. The program of the Socialists sounds very plausible if one doesn't try to analyze it, but it is a philosophy of selfishness and vengeance. It appeals to the childish and primitive in men. It arouses and intensifies class feeling. Many men have obtained their wealth by honest and legitimate means without the aid of privilege, yet the Socialist would take their wealth from them and put a limit on what they could earn in the future. They are condemned because they are rich, not necessarily because they obtained their wealth dishonestly.

Dare we hope that one of the major parties will see the danger of Socialism that threatens us and start the wheels turning in the right direction? The land value tax, which this paper has been advocating for more than twelve years, is a preventative rather than a cure. Having fallen into such a sorry mess, all we can do now is recognize the land problem and keep it in mind, as each new recovery plan is made. For that is our starting point. To ignore it, is to nullify the rest. Many of our present complications would automatically disappear if we settled this basic problem.

We propose to base the economic structure on laws that are natural and just. We would abolish all special privileges for the same reason that cheating is not countenanced in the field of sports. We want everybody to play fair. Consequently, those who are acquiring wealth unjustly would have to stop it, but we would put no limit on the amount of wealth that a man could earn fairly and honestly. His own talents and abilities would fix his limits. If you can honestly earn two or three million dollars a year, by all means do so. We congratulate you. But you are not to do anything that will interfere with your neighbor's earning a like amount if he is able.

We are not, like the Socialist, anxious to penalize the rich. We merely want to stop the cheating that's going on. We would not tax a man's mansion nor his private yacht nor his stocks and bonds nor anything except the land he owned—and that according to its actual value and not according to his income.

We want every man to have an opportunity to earn an honest and an adequate living. If he prefers to live in a dump and boil his coffee in a tin can, that's his business. We want him to keep out of mischief, that's all.

Republicans and Democrats, alike, would do well to work toward this economic freedom, for the Socialists'll get yu' ef yu' don't watch out!