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MR. HOOVER'S CHALLENGE

If we could have an electrical transcription of the utterances that issued from the lips of staunch party Democrats when they read Mr. Hoover's articles in the *Saturday Evening Post*, no doubt they would sound very like the vituperative epithets hurled at each other by those rival editors, Pott, of the *Eatonswill Gazette*, and Slurk, of the *Independent*, as faithfully set down in the famous Pickwick Papers. Mr. Hoover's articles contain some well deserved criticism—criticism that should be given careful consideration no matter where it comes from.

There will be less occasion for excitement in either camp if the reader will keep in mind the nature of the articles. They are called "The Challenge to Liberty." Perhaps they would be better understood if they were named "The Challenge to the Democratic Party." They are merely a politician's attack on the administrative policies of the party in power—to which party Mr. Hoover does not happen to belong. We say "happen" advisedly, for Mr. Hoover was an unconscionably long time making up his mind which party he did want to belong to. The present day political parties don't offer much choice. However, Mr. Hoover's articles are not in any sense a treatise on the fundamental principles of political economy. They are not even a complete analysis of the present economic policies of the country, and should not be taken as such. Mr. Hoover is shooting at the enemy, not trying to commit suicide.

All that Mr. Hoover has said could have been said much more effectively in one article. The wordiness and interminable repetition is unfortunate. The main point is his accusation that the government has delegated too much power to the Executive and is unjustly attempting to regulate the private affairs of men, trying to control private business; that it is making the citizen a pawn of the state; that "its very spirit is government direction, management and dictation of social and economic life;" that coercive cooperation has been substituted for free-will cooperation. Mr. Hoover points out that this Regimentation, as he chooses to call it, may be

excusable as an emergency measure, but is incompatible with American traditions when viewed as a more or less permanent feature of our economic life.

Whether the Democrats relish it or not, this warning is timely and should not be ignored. That Mr. Hoover is, himself, the pawn of special privilege; that he can define liberty without knowing how to obtain it—or caring to know—that he wants the government, direction and dictation of social and economic life to rest in the hands of a small privileged class, has nothing to do with the case. We may assume that Mr. Hoover doesn't know what ought to be done, for the country was going down hill very rapidly during the four years that he was at the wheel and he hadn't, then, the ghost of an idea how to set the brakes.

What Mr. Hoover does *not* point out, is the fact that this government regulation of private business is not a new evil, but the augmentation of an old one. When he says that government must keep out of business, he means exactly what the other financiers mean by that deceptive cry. Privilege can be enjoyed only by a few—otherwise it wouldn't be a privilege. Unless it gives a man or a small group of men an advantage over their fellows, it is worthless. Only the government can grant or protect these privileges. Monopolies can develop and thrive only under government-granted privileges. Railroads, steamship companies, airlines, are receiving subsidies from the government; manufacturers are enjoying the benefits of patent rights granted by the government and tariff rates imposed by it; the owners of natural resources, the public service corporations and owners of valuable lands—all of these monopolies are enjoying whatever prosperity they have, simply because the government is meddling in private business—and Mr. Hoover and his friends are mighty glad to have it. It is only when governmental activities conflict with these privileges that such men cry out against it. If government ever did get out of private business, as it certainly ought to, they'd be sunk.

Whatever the value of government regulation

as a remedial measure, it should not become permanent. We want less government, not more, in private business. Tax Facts discussed, not long ago, the difference between business that is naturally monopolistic, and that which is naturally competitive. Mr. Hoover does not make this distinction, but calls government control of natural resources Socialism. True prosperity can come only with freedom—freedom to choose one's own job, wages, and hours of working. This freedom is possible only when all men have equal access to the earth itself, the great natural storehouse from which all wealth is drawn.

That does not mean that we must all be dirt farmers, for that freewill cooperation, of which Mr. Hoover speaks, and the specialization of labor will develop naturally under free conditions. If all the fertile land in the world were open to occupancy, some men would still prefer to be carpenters, tailors, merchants and so forth, trading the product of their labor for the food and raw materials produced by the farmer, stockman and orchardist. But the alternative to employ oneself in the production of the necessaries of life must exist or there can be no choice for the great mass of people between starvation wages and starvation.

If good productive land, easily accessible to centers of population, can be had for the asking, employers of labor will have to pay wages that will equal what men could produce working for themselves on this free land, or, naturally the men will scurry off to the wide open spaces. In other words, they have a choice between two good things. If all the good land is taken, if the only free land is poor and out of touch with the markets, a very low wage will be sufficient to keep a man working for another rather than go out into the wilderness to work for himself where he could produce no more with the same amount of labor. And that, by the way, is the law of wages rather crudely put.

Barring the drought stricken area of the Middle West, there is still plenty of good, fertile land in the United States, but how much of it that is adjacent to populated areas is open to homesteading? It is because the choice of the average man lies between starvation wages when he works for himself on free land and starvation wages working for an employer, that the labor unions and a certain class of employers have been able to raise wages and the standard of living for certain groups, but not for the country as a whole. Ask Mrs. Pinchot about the wages and living conditions—and working conditions—enjoyed by the girls and women in Pennsylvania sweatshops.

Permanent unemployment of large numbers of workers stares us in the face, not because we have invented labor-saving machinery, but because the land, to which every child, living and yet to be

born, has an equal right, has passed into the hands of individuals who have the *legal* right to charge all and any comers for its use. Economic freedom is not possible under such conditions. The present policies of Mr. Roosevelt, who would have government regulate wages and prices, will not do it; neither will the policies of Mr. Hoover, who would have government keep out of business except when it grants special privileges to himself and his friends.

In his article, "Is Democracy Doomed," Will Durant says: "In America, free land was an additional factor in the development of democracy; for men who owned the soil they worked on, who grew their own food, wove their own clothing and shot their own Indians were fitted to do their own thinking and to vote their own votes; indeed, it was these men, and their hardy women, who gave to some Americans that independence of mind and self-reliance of character which still linger in out-of-the-way places which have no direct wire to Washington."

In his first article, Mr. Hoover has given a very fair and comprehensive definition of liberty, but does not indicate in any way how it may be obtained. Perhaps the average man would better understand the idea of liberty expressed by Micawber. It is not so artistically phrased, but is more to the point. While still in the service of the scoundrel, Uriah Heap, Mr. Micawber referred to an earlier period of his career as a time when, "I could look my fellow-man in the face, and punch his head if he offended me."

All the high-sounding Fourth of July speeches mean nothing as long as men are afraid to voice their opinions or openly resent insults and impositions for fear they will lose their jobs. When jobs are so scarce they are at a premium, you'll take what your boss gives you and keep still. How does Mr. Hoover reconcile that situation with our American traditions and ideals?

Mr. Hoover would have us think that we, as a nation, are gradually shifting from "the American concept of human rights." We haven't shifted our ideas of human rights, we have merely "shifted" the valuable natural resources of our vast country into private hands and thus deprived the great mass of people of the opportunity for self-support. Our right to the earth still exists. The earth still exists. There is nothing the matter with our Constitution or general plan of government organization. There is no necessity of "over-throwing" the government or resorting to Socialism or Communism. A very simple adjustment in our tax laws would put the rental value of land into the public treasury instead of into private pockets. That would make the holding of land out of use unprofitable. Putting land to use means employing labor, creating jobs, giving a man a choice between working for himself and working for another—the surest way

we know of to put a man in a condition of economic freedom where he can look his fellow man in the face and punch his head if he offends him. *That's liberty!*

THROUGH THE LOOKING-GLASS

The government set out to restore prosperity to the American farmer by raising the prices of farm products. The most obvious way to do this seemed to be to limit production. Not only was the farmer to benefit from increased prices, but he was to receive a consolation prize for the acres that were allowed to lie idle. This fund would be collected by means of a processing tax, which, like other taxes on labor products, would be passed on to the consumer. In this doubtful scheme, the Administration had some prize-winning cooperation from Mother Nature—at least in the Middle West.

Many people have been unfavorably impressed with two thoughts regarding this plan. In the first place, they realize that it is absurd to suppose that we can make ourselves rich by destroying wealth. In the second place, it is well nigh criminal to destroy food when there are so many hungry people in the country, or to destroy cotton when people need it for clothing. On the same principle, we should consider the richest community the one in which the greatest number of houses are destroyed by fire—in fact we ought to deliberately set fire to at least one-fourth of the residences in Los Angeles. Think what a stimulus that would be to the building trade! Think of the lumber and other building materials that would be sold; of the carpenters, contractors, bricklayers, plumbers, plasterers and so on that would be put to work; the factory products that would be required to replace the furnishings that went up in smoke. This could all be financed by clapping a tax on the people whose homes were not burned down.

This method of solving a problem is very like the functioning of mind and matter in that mysterious realm which Alice found on the farther side of the looking glass. Everything was reversed. If you wanted to reach the door of a house, you walked away from it, not toward it. And if that isn't exactly what some of the administration have been doing in trying to arrive at a solution of these economic problems, we never looked in a mirror.

On the one hand, we have, or did have before the drouth, a goodly quantity of farm products. No doubt that quantity could have been increased if we had so desired. On the other hand, we have a large number of poorly paid and unemployed people who need these farm products, but haven't the money to buy them. "So," say the gentlemen at Washington, "we'll limit the production of corn and wheat and hogs and so forth. That will raise prices and allow the

farmers to buy more factory goods which will start the wheels of industry turning and so prosperity will be restored. Oh, yes. We'll compensate the farmer for reduced acreage, by levying a processing tax which will be turned over to him."

Wouldn't it have been better to turn this tax, or any fund, over to the people who wanted to buy the farmers' goods, the unemployed and poorly paid? They could have used the money to buy corn and hogs, the farmer would be all right because that would give him a market for his produce, and the other folks would be all right because they would have the food. The whole scheme is, of course, a clumsy way of handling the situation, we are merely suggesting that this might be a better way of applying it.

RECOVERY PLANS

It is all right to try one plan of economic recovery and if it doesn't work, try another. All very well to keep on trying until we find one that does work. We'll find the right one much more quickly if the economists and administrators take to heart such suggestions as this one of the *Manchester Porcupine*.

"The urgent need of today is reform based on a recognition of the elementary facts that all wealth is produced by labor applied to land, and that the private ownership of the source is the fundamental cause of the unjust distribution of the product."

IN IOWA

Last month, the State of Iowa abolished the general property tax levy in favor of a sales tax—to catch that fabulous animal, the non-taxpayer, no doubt. The Iowa Board of Assessment and Review believes that sufficient revenue for state purposes will be provided by the retail sales tax, the net corporation income tax and the 2 per cent personal income tax.

SPECULATION

One of the many great evils arising from land speculation is this: a million dollars could be invested in land speculation and not one job made, not one man put to work. But if a million dollars is invested in anything else, like buildings, business or anything—I care not what—thousands of jobs would be made, and thousands of idle men would be put to work. Land speculation is a monstrous evil, a curse to humanity, and it is our duty to destroy it. And it can be destroyed by taxation, for "the power to tax is the power to destroy."—*F. W. Maguire, Pittsburgh, Pa.*

Old man Tipton Posey, up in the holler, says times are gittin' so bad a fellow almost has t' lie an' cheat an' steal t' make an honest livin'.

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BY YOUR LEAVE

Prof. McClintock of Chicago University, used to say: "Hypocrisy is a bad thing in itself, but it is a good sign. It shows that the thing it is trying to hide is unpopular." We may say of our recent Primary election, Socialism is a bad thing in itself, but the fact that an avowed Socialist could poll so many votes over an old line politician like the incumbent, is a good sign. It is a sign that the old type of politician, the old campaign meaningless twaddle, is no longer popular.

We spoke to several voters just after the election, clerks, the man who came to mend the furnace—fair representatives of the great mass of voters. They all had about the same thing to say. "I'm not a Socialist, but I'm sick and tired of these rotten politicians. I want to see a change, a governor who will make some attempt to better the situation, someone who will do something."

Mr. Sinclair is not yet elected, but his chances seem to be very good. The old standpatters, like *The Los Angeles Times*, poor thing, would have us believe that in such an event, California will blow up or sink into the Pacific Ocean or something. We can't make out the real basis of their terror, whether they are afraid the Epic Plan will work, or afraid it won't. When it is so difficult for us to get at the facts and fully comprehend what is taking place here in California under our very noses, we can understand how impossible it is to know just what is transpiring in far-away Russia.

This much is evident: the voters are beginning to understand the language of the press. They are beginning to realize that freedom of the press simply means the license publishers and editors enjoy to express their own opinions without interference from the government, barring certain seditious matter. It does not mean that they are free from the control of advertisers or special interests. The saving grace about the whole arrangement is, if you don't like what the newspapers say, you are privileged to start one of your own. Meanwhile, all publications devoted to the interests of the privileged class will continue to color their news items and their editorials to serve their own ends.

The great free press of America has been doing this sort of thing year in and year out, and the dear people swallowed it all, hook, line and sinker. Is this recent election a sign that the fish are "getting wise" to the bait? They've been hooked often enough, goodness knows.

For hundreds of years the populace of Russia could get no proper hearing for its grievances. A day came, however, when the Czar ordered his Cossacks to disperse the mob—and what happened? These valiant horsemen rode quietly up to the assembled multitude with: "By your leave."

Ah, by your leave, gentlemen! Civilizations may rise and fall, but the general trend of humanity has always been upward—and it always will be. The people of this country have enjoyed remarkable advantages of education and political freedom. Surely, it will not be necessary for them to repeat the clumsy methods of other nations in their attempts to gain economic freedom.

A Los Angeles attorney says: "The campaign for the election of Gov. Merriam is in truth a mighty movement to preserve sanity and common sense in the administration of the State government. . . . He has the great advantage, too, by reason of his extended knowledge of governmental affairs, to be able to construct progressive measures on the secure foundation of past experience. Such architecture in government gives assurance of beneficial improvement."

Gov. Merriam represents the type of governor that has blessed California for some time. Yes, indeed, some people have been benefited by his style of architecture. But think what it means for any governor to acknowledge that economic conditions in his state warrant a bond issue of \$24,000,000 to feed the hungry! No use blaming the situation on the condition of the rest of the world. California is a very large state. It stretches up and down the coast to an extent that includes a variety of climatic conditions. Its geography, which embraces mountains, desert, shore and plains, gives it great advantages in the production of wealth which ranges from alfalfa to gold mines. (For further particulars, see the Chamber of Commerce!) Why on earth should a state as rich as this one is in natural opportunities have any hungry folks? It has its quota of unemployed and poverty-stricken mortals simply because these natural opportunities are controlled by a privileged few. If all the rest of the world sank beneath the waters of the seven seas, California has the natural resources to support a small, but exceedingly prosperous nation. If, however, these resources continued in the possession of a small privileged class, she would go right on supporting millionaires and paupers, with stole riches and bond issues.

Socialism is not the answer. Neither is Merriamism—and the populace seems to be tiring of Merriamism. By your leave, gentlemen!