

pated is allocated to abolish certain charges affecting the market services and the sale of food products.

The ancient Province of Tucuman (Argentine), has ordered a new valuation of all the land within its area, excluding all improvements. When completed, the valuation is to form the basis of a pure land tax to take the place of the present general property tax.

The above initiatives are further confirmation of the new economic prospective of South American governments. The glamour and authority of European economics have definitely departed. Left to their own good sense, responsible statesmen appreciate the absurdity and injustice of discriminating against the user, and in favor of the non-user of the soil. The Open Door to Opportunity, achieved by the removal of artificial fiscal obstacles, will, as it is attained in the southern continent, compel similar legislation in the North. It is idle to suppose that, in such circumstances, industry and commerce here will consent to go about shackled and hampered in their tasks.

Notes from Buenos Aires.

THE 2nd of September, the anniversary of Henry George's birth, was celebrated in Buenos Aires this year by a public meeting in Congress Plaza, organized by the Argentine Single Tax League. The Board of Directors of the League, accompanied by representatives of affiliated associations, were present. The audience was estimated at three thousand.

"LA PRENSA OF BUENOS AIRES

This most influential organ of Argentine public opinion, in recent editorial comment upon municipal and national taxation, makes the following declaration, which may be taken as representing fairly the dominant opinion in that country:

"But in one form or another, it is already definitely admitted that multiplicity in taxation methods is opposed to the aspirations of society for the freedom of the expression and results of labor and human activities from fiscal exactions and the simplification of the methods of tax collection liberating it as far as possible from fiscal pressure. In no other way can we leave the road open for the legitimate aspirations of the people, and the security of better justice and equity in its distribution...."

"The Single Tax, therefore, as we see, is not modern in its origin; but it is modern as a glorious revival of humanitarian thought—leading to the abolition of the privileges, taxation and inequalities that kill the spirit of enterprise and the energy for work amongst the people."

DECLARATION BY THE MAYOR OF BUENOS AIRES

The following declaration of Dr. Llambias, mayor of the city of Buenos Aires, which we extract from the September issue of *Rivista del Impuesto Unico*, official organ of the Argentine Single Tax League, is interesting in itself, but is made doubly significant by the Land Tax Bill recently

brought into the National Congress by members of the Government Party:

"I have given considerable study to this most interesting subject of the General Tax, having regard to its legal aspect and the new ideas which, like a breath from new horizons, are penetrating all civilized centres. This (a note to the City Council in which he gave his consent to some budget changes of detail) is of course not the place nor the occasion for opening up a discussion of the relative efficacy of the Single or multiple Tax doctrines. The State cannot, and must not, approach such questions with the passion of the leaders of taxation schools. But that does not mean that it must not bring to the matter the material available for study.

"The unity of a tax, which excludes a whole series of taxes that are veritable burdens, and which rests solely upon the value of land apart from improvements, offers undoubtedly seductive aspects. Thus, supposing the surface of this Capital to be worth three thousand million pesos (a peso = \$0.44), a tax of one per cent. would give 30,000,000 pesos, an enormous sum, which would of itself cover the expenses of municipal administration, it being understood that a single collection would be simpler and therefore more economical. And it would oblige extensive areas, at present unproductive, to enter into production, that is, to invite the assistance of capital and labor.

"Moreover, the taxpayer would pay very little more. Thus, for instance, a property costing 30,000 pesos and giving a rental of 150 pesos monthly, pays now to the General Tax 45 pesos annually; whereas, if the land value of same were 10,000 pesos, it would pay 100 pesos under a 1% tax, it being kept in mind that no other tax would have to be paid.

"But, in the first place, the municipality, by its charter, cannot impose a land tax, and in order that the municipality might attempt this new form of tax, it will have to ask for a reform of its charter. But, above all, the National Constitution provides that State charges must fall upon 'all the inhabitants,' and not upon land owners only.

"It is undoubtedly more equitable and attractive to put the burden upon him who can and not upon him who must. But these insuperable obstacles, for the moment, prevent all attempts to do so."

THE SINGLE TAX IN THE ARGENTINE CONGRESS

The speech of Dr. Carlos Rodriguez, introducing to the attention of Congress the Land Tax Bill signed by himself and four other leaders of the Radical or Government Party (a bill which we reproduce elsewhere in this issue), contains some bold and significant declarations:

"We believe," he says, "that the moment has arrived for initiating this fundamental tax reform, with clearness of vision, with energy, without precipitation, in order to facilitate the solution of our great problems of today: The more rapid settlement of our country; our agrarian problem, our incipient social and labor problem; and also in order that we may incorporate and give to ourselves the purest political institutions, so necessary to the greatest

collective power, and applicable to the conquest of national and intellectual progress, the sole patrimony of a great democracy...."

"The bill proposing this reform, which we present to this Honorable House, came at an opportune moment. For years the country has been struggling with a profound financial and economic crisis, whose radical and effective solution cannot be postponed. The crisis coincides with the debate of new social and economic doctrines, whose discussion proceeds with great warmth in all intellectual circles, in the public squares, and within the very precincts of this Honorable House."

IMMEDIATE VALUATION OF LAND OF BUENOS AIRES

With the manifest intention of being ready for the approval of the above Land Tax Bill by the National Congress, and in spite of his own doubts as to its constitutionality, as above expressed, the mayor of Buenos Aires has ordered the immediate valuation of all the land within the city limits. The order has been given for execution to the Municipal Department of Public Work. In view of the urgency of the case, the system of zone unit values has been adopted, as being the most expeditious.

We may mention here the lamentable fact that only a few of the States in the American Union distinguish, in their real estate valuations, the land from the improvements. Hence we have no authoritative computation of the natural resources of the country, at this time of grave economic strain and still graver social future, when no important economic factor should remain unknown or in doubt.

The Single Tax in Bolivia

TOWARD the end of 1915 three prominent members of the Bolivian Congress, Lavadenz, Muñoz Reyes and Elio, belonging to the Radical and Liberal parties, brought in a bill introducing a radical change in municipal taxation throughout the Republic, abolishing all taxes, rates and licences, except those affecting commercial and professional occupations, and the sale of liquors, and establishing a Single Tax on land values.

This bill was referred to the committee of Political and Municipal administration, composed of members of all the political parties.

The Committee eventually produced a report, signed by all the members, endorsing the proposals of the bill and presenting it in definite form for the approval of Congress.

We append herewith a translation of the report of the Committee and the draft of the bill as it came from their hands:

REPORT OF THE COMMITTEE OF POLITICAL AND MUNICIPAL ADMINISTRATION

OF THE BOLIVIAN NATIONAL CONGRESS

To the HON. CONGRESS:

"One of the most important bills submitted to the consideration of this House, is that which forms the subject

of this report and which is signed by Congressmen Lavadenz, Muñoz Reyes and Elio.

"The bill proposes, in substitution for the Urban Property Tax, which at present falls upon urban property in proportion to its greater or less improvement, a tax upon land, taking as a basis its net intrinsic value.

"The novelty of the subject in our legislation, the importance of the new idea in itself, which proposes to eradicate totally our old tax system, and put in its place a more logical and scientific system, are the reasons that decided this committee to give the bill their greatest attention. The present report is the result of our careful study.

"Hitherto economic science has made little progress amongst us; and if the records of our legislation are examined, it will be found that in this matter we have advanced little or not at all since the first days of the Republic. Customs duties on export and import have followed in succession, modelled on the same pattern: wherever a productive industry was planted, there appeared a law imposing a tax upon it, even before it had time to develop; and when this industry disappeared, from competition or other causes, the public treasury suffered losses which were hard to replace. As an example we may quote: quinine, silver, cocoa, etc.; and if anything today sustains the treasury, it is the production of tin, copper and other metals; and when once these fall in value or disappear, the consequence will be a veritable cataclysm in the national economy, such as has been seen in other instances.

"We are constantly deploring the lack of capital for developing the riches of our soil, and we complain that while we possess them in fabulous amounts, we cannot utilize them and remain, as we are, the poorest country in the world. But we fail to note that, just as soon as an industry, or any other enterprise whatsoever, is established, which proposes to give impulse to the development of these riches, the legislator comes forward and imposes a tax upon it, as if to punish the audacity of the man who brought his capital, his energy and his enterprise to the task of digging up and bring to light the treasures of our soil.

"This which occurs under the National regime, occurs also in the municipalities. A proprietor who attempts to beautify the town with a modern, handsome building, in which he employs large capital, either for his own comfort or for getting greater returns from the site, is at once loaded with a surcharge on the property tax, as if to penalize his spirit of enterprise. Meanwhile, many others, owners of extensive unimproved properties, absolutely unproductive, wait, with their arms crossed, for events to raise the value of their holdings, without having to contribute a single cent to the municipal treasury, thus receiving a species of reward for their inertia and lack of initiative.

"Today, under such a method of taxation, it is easier to live doing nothing, and not losing rest and tranquility by working and trying to make the land produce either agricultural products or buildings which add to its value, for the simple reason that, by doing nothing, one lives without taxation worries, while, in the event of working, one is harassed by taxes."