

# The Single Tax Review

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## Current Comment

WE sometimes hear it said by a few timid souls in the Single Tax ranks that we should halt our agitation until the war is over. No more fatuous bit of advice could be imagined. It is indicative of two things, one of which is the academic state of mind into which the Single Taxers of the country have fallen, and the other the eagerness with which seemingly any event is seized upon as an excuse for inaction.

The faith of Single Taxers needs a new infusion of the spirit that comes from a knowledge of the application of their principles to every condition—especially the one with which the world is now confronted. In reality, our opportunity is here. The needs of the government to carry on the war successfully and make an end of it as soon as possible call for the removal of those handicaps which obstruct the normal course of industry and which at this time might easily prove fatal to the nation.

THAT Single Taxers should fail to recognize the truth of this statement while others do is scarcely creditable to us at this time. We feel, however, that this state of mind is merely temporary and has arisen out of the habit of innocuous propaganda and dilettante preachments with which many of our so-called leaders have surfeited us. It is largely by reason of this that Single Taxers are not everywhere in consultation with government and legislative officials at this time, for their advice as to what should be done is sorely needed.

From innumerable sources comes the testimony of an awakening. At the recent convention of the National Chamber of Commerce at Chicago, Mr. T. R. Smith addressed the convention as follows:

"Is our present theory of taxation basically sound? Can we follow to its logical conclusion the course we have adopted? Certain is this, that before the decision of the meeting is reached, these and kindred questions wrapped up in the great problem of raising money for the war will have been picked bone dry—and this by the ablest minds in the country."

This is quoted from the address of Mr. Smith as given in *The Nation's Business*, the official magazine of the National Chamber of Commerce.

SUCH utterances from high sources are many. Everywhere they are being spoken. Here is Benjamin F. Harris, president of the First National Bank of Champaign, Ill., who says:

"Anything that halts or hinders the utmost volume of production and business, even in the least, without a corresponding gain to the government, is fatal—now that

the nation's needs multiply beyond capacity. We need not so much more money as more production, more goods, more raw material, more labor power."

This is the thought that is now stirring the minds of such men as Messrs. Untermeyer, Schwab, Otto Kahn and a host of others. It is significant of a healthy awakening. Whether they are prepared to logically apply these doctrines, or if they are aware of the goal to which they point, need not trouble us for the moment.

CAPITAL has spoken through these men. Labor from its own viewpoint utters the same language in a different dialect. The *Typographical Journal* is the official organ of the Typographical Union of the United States. Here is a quotation from its pages:

"It is fast coming to a realization that the only hope for the workers is to remove the underlying causes of low wages and unemployment. And the greatest of these is the privilege of owning land or other natural resources and using the mere fact of ownership as a means of extorting tribute. Never will the world be in such need of the products of labor as after the war. Food, clothing, better and more houses, will be sorely needed."

HERE we have the utterances of Capital and Labor. It is sometimes forgotten that there is another factor in production, without which Labor and Capital could produce nothing. That factor of course is Land. May we not hear now from those who control this third factor, or their spokesmen? We have picked up the *New York Times* of May 7, and scan the headline of a conspicuous advertisement. It reads, "Buy Land—Land is Safe." We would call the attention of Messrs. Smith and Harris to this headline and all that underlies it. It is well worth their attention.

It is a shrewd tip to the wealthy slacker to get under cover.

The financial burden of government is growing heavier and yet heavier, and the limit is not in sight; and with it all, despite the temporary devices of loans and banking credits, the rate of taxation is rising higher. But for the landlords has been found a haven of fiscal safety and pecuniary profit. For them alone, our singularly devised fiscal system has provided a safe ambush—safe to evade any call to public service and yet free at any convenient moment to exact heavy toll from our national industry. Unmoved by a nation's eager rush to service and sacrifice, these interests proclaim unashamed their own immunity, and insult a laborious, patriotic people with the impudent slacker's slogan: "Buy Land—Land is Safe."

How long will it be safe to hold up for private profit labor's access to its natural and only opportunity for life and service, the land? Will our laws *never* make land-

holding responsible for land-using in its full economic measure?

How much longer will Congress shirk its obvious, elementary duty of ending the fiscal immunities—amounting to an enormous annual premium—accorded to idle or inadequately used land? Public opinion would welcome a Federal Land Tax as a first step toward sanity in national finance.

Further, can Congress, even though the matter be outside of its normal sphere of purely federal service, be held entirely blameless today, if it tolerates any State legislation which penalizes production and exchange, while favoring the non-productive or inefficient use of land? Such legislation, universally in force in all our States and in practically every municipality, constitutes a very heavy dead weight on our national efficiency.

THE attention of the eminent leaders in national industry whose words we have quoted may be invited to the precedent of the Australian Federal Land Tax, details of which were printed in our last number. In this issue we publish an important contribution from Mr. A. G. Huie, of Sydney, on Land Value Taxation as the source of local government revenues in the State of New South Wales. Australia is beginning to realize that no democracy can afford to make the non-use of land a safe investment. Perhaps, some day, in the midst of the loud clamor for more production, it may occur to some responsible statesman that it might be wise not to encourage non-production, that a title to American land really ought to carry with it some obligation to the American nation. When that simple, rational conception becomes incorporated into our fiscal system, we shall see the beginning of the end of the scandalous anomaly of land being "safe" from its just service to the nation.

THE report of the Board of Assessors of the City of Detroit for 1917 shows a total real estate valuation of \$886,000,000. This is about three times the valuation of ten years ago. The population has about doubled in the same time, being estimated now at 900,000. It is interesting to note that, unlike most other cities, the tax rate for Detroit for 1917 was much lower than in any recent year, being only \$1.38 on \$100 of valuation. The total city tax levy was \$16,000,000.

The highest assessed land values per foot front were \$15,000 for business property and \$600 for residence.

PLANK 6 in the platform of the Maine Non-partisan League is as follows:

All taxes to be assessed on actual land values exclusive of farm improvements. All land held out of use to be taxed at its full rental value.

WHAT is not for the common good is good for nothing.

## Socialism and the Single Tax

WE have been asked to state editorially the difference between Socialism and Single Tax. In one sense nothing can be easier, in another nothing more difficult. For to point out the difference is to indicate that Socialism is its direct antithesis. For Single Tax recognizes society as it is—uses social and governmental instruments at hand, rebuilds from the foundations, and holds that the laws of distribution need not be interfered with, but merely freed of the handicaps and obstructions which impede their normal operation.

Socialism, on the other hand, proposes to replace the laws of distribution resulting from each individual seeking to gratify his own desires in his own way, with new laws in which the needs of the individual shall be governmentally ascertained, and production directed into channels and in ways prescribed by the State.

The Single Tax philosophy, because it recognizes that there are laws of distribution, may, without invidious distinction, be called the *natural* method of social reform, while Socialism, because it challenges these laws, or argues that they are non-existent, or lays no special stress upon them, may be called, on the other hand, the *artificial* method.

The Single Tax philosophy does not deny that the State has its functions—it would not too rigidly limit them, even. But it contends that in the economic field, as in every other, man is an individual before the time when, with other individuals, he helps to constitute the State, co-operating with the State, but never wholly merged into it.

Yet the Single Tax recognizes, too, that society is co-operation, that co-operation is civilization. But it assumes that this is a natural law—that men do not co-operate because there is a State, but because there is a society. And men do so in obedience to a normal individual impulse which, when they congregate together, becomes a social urge.

There are two great economic individual impulses which become the social urge when men organize economically, and long before they organize politically, and when acting wholly independent of political organization. One serves the interests of the producer, the other those of the consumer. They have been called the centrifugal and centripetal forces of the economic world. Pulling in opposite directions, they really constitute the true equilibrium. They are the union of two apparent discords which results in true harmony.

All this may seem a trifle vague and indeterminate. But it will appear so only to those who consider production and distribution superficially. And Socialists are given to consider them in that way.

What is monopoly? It is the result of interference with natural economic laws. To what are low wages and inequitable distribution of wealth to be attributed? To precisely the same cause. If we have competition we