

SHOULD WE ABOLISH TAXES?  
(Faut-il supprimer les impôts?)  
A discussion by Daniel Rops, E. Schueller, A. Coste-Floret, G. Tessier, C. J. Gignoux, R. Sédillot, C. Brissat and E. Bourgeois. Librairie Plon, Paris, 1957

Reviewed by EDGAR TRIER

THE publication of this book grew out of (1) the disinclination of the public to be exploited by exorbitant taxes, (2) the Suez affair, which showed the French people that a cut in their Middle East oil supplies could paralyze her whole economy, and (3) the interest of a successful French industrialist who wants to be more than a successful businessman.

Mr. E. Schueller, a progressive French industrialist, explains his ideas to introduce a special tax to replace all, or at least most of, the existing taxes. He proposes a tax on energy—this to be levied on coal, electricity and oil, when used for production, and later on atomic energy. He denies that this tax is a revival of the single tax on land values advocated by Henry George, for where the single tax has only one object, land—his tax is applied to three different objects.

Mr. Schueller shows that his tax would simplify the life of taxpayers. It would put an end to bothersome and cumbersome declarations and at the same time make it possible for the government to dismiss tens of thousands of employees. He thinks that if the price of the different types of energy were increased 150 percent the resulting return would be sufficient to replace all other taxes. He would put a higher tax on oil than on the other sources of energy, because most of the oil has to be imported into France. Naturally those industries which use a greater amount of energy than others would be at a certain disadvantage,

but certain rebates could be envisaged for these cases. Mr. Schueller points out that the source of wealth in former times was land, later gold, and now energy—in one form or another. He therefore hopes his tax will make people more conscious of the value of energy and will be a way of educating them in the use of this precious item in the best possible way.

Daniel Rops, who introduces Mr. Schueller, reminds those who think the idea of the tax on energy cannot be carried out, that the utopias of today are the realizations of tomorrow. In the discussion, Mr. Gignoux refers to Adam Smith in attacking the tax of Mr. Schueller, and states that his tax is not levied equally on all citizens.

As Georgists we may comment as follows: Schueller's tax would certainly simplify the lives of the taxpayers and would liberate tens of thousands of federal, state and city employees to do more important work than check tax declarations. But Henry George is against all taxes on production, and the tax on energy is certainly a tax on production *par excellence*, and will in the long run stifle production instead of stimulating it. Also, the idea of putting a higher tax on imported oil is contrary to George's idea of free trade.

Henry George is mentioned in this book (page 152) by a Mr. Corréard, who disapproves the tax on energy and compares it to the single tax on land values, which he states was first proposed by the Physiocrats and later by the American "Socialist," Henry George. This shows how little Henry George's ideas are understood in France. Though the ideas of Mr. Schueller will not change an impossible tax situation in France, they at least mark the beginning of a stimulating discussion which may one day bring the desired results.