

Denmark — The Better Way?

By HARLAN TROTT

IN Denmark, of course, there are class distinctions just as everywhere else. Only the Danes have difficulty discovering where to apply them.

This augurs well for the popularity of the Scandinavian Airlines System's thrilling new Polar Route which makes Denmark and California overnight neighbors.

Any way you look at it, America's "breezy Westerners" are sure to get along just fine with these friendly Danes. There's nothing stand-offish about either and SAS will show the way.

It doesn't take visitors very long to detect the high and very even cultural level which the Danes have reached through their excellent school system, including the extremely practical folk school founded by the great Lutheran Bishop Grundtvig.

This and the quality of democracy out of which it has grown explains why university professors and bus drivers can converse with ease on any worthwhile subject, and usually do.

The only difference between them, according to Mogens Lind, is that bus drivers earn more than professors.

"Nobody looks down on a man who is a millionaire," one straight-faced Dane explained. "Besides, we know that the tax collector is not going to let him go on for very long, and anyway he is not happier than the rest of us."

Knud Tholstrup impressed me as a man no less happy than those who are blessed with more immunity from tax collectors. The "Direktor" of Kosangas lives in a beautiful new glass house on the road to Kronborg Castle. He drives a new Ford car, and is a major distributor of bottled fuel gas in Denmark and other Balt countries.

At the same time, Mr. Tholstrup refuses to default to the tax collector. As a member of Parliament he favors the tax reform program

of Denmark's small but influential Justice party.

Denmark after the war was a country without raw materials, a country badly robbed by the Nazis, a country where the Iron Curtain has cut off a great part of its shipping and trade in the Baltic. Even so, I am told the Danes have the highest living standard among the European nations involved in the last war.

Free trade and land value taxation are two inseparable planks in the Justice party's platform — policies which helped to prevent the disintegration of little Denmark after the defeat by Prussia and Austria in 1864 reduced Denmark to half the size of Maine.

"What we have lost without, we must win back within," Capt. Mylius Dalgas told his countrymen. He referred to the vast waste land in the Jutland Peninsula. In 40 years this bleak tract was transformed into farms, gardens, and forests.

This will interest Californians. The Danes did it with the same tax principles the people of the Central Valley used to make Modesto and Turlock perhaps the richest farming areas in the world. They did it by taxing the value of benefited land and not the buildings, orchards, irrigation ditches, and other improvements.

The Danes adopted a public revenue system that made it unprofitable to hold land idle. They encouraged farmers to own and use the land and intensify production so as to get the most out of the soil. Just like in the Central Valley of California, the Danes taxed people into business instead of out of business.

Denmark's land reform program worked so well that today 94 per cent of Denmark's 200,000 farmers own their own farms. The United States ranks second with 64 per cent.

About the time the United States Reclamation Law came into being, the Danes were adopting their so-called Koge Resolution. In essence it stated, "As the small-holders consider their form of husbandry to be the most advantageous for themselves and the community, their economy cannot be based on subsidies and contributions from the state or from other sections of the community. They seek no favor for themselves in the way of tax legislation, but on the contrary the earliest possible removal of all tariffs and taxes on consumption or earnings of capital and labor; and they demand instead that, for meeting the public needs, taxes be levied on the land value which is not due to any one person's individual work but arises from the growth and development of the community. Such charges will not weigh upon labor but, will make land cheaper and thereby make it easier for every man to have a home of his own."

For anyone confused by the economics of farm subsidies — people paying more taxes in order to pay more for butter—the Koge Resolution of 1902 offers food for thought. Denmark's example in trade and taxes implies that a people's wisdom is not necessarily measured by population or income.

The giants of this earth perhaps have something to learn from little Denmark.

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