

Two Towns' Tax Experiments

FOR many years the town of Takoma Park, Md., bordering on the District of Columbia, had assessed land at two-thirds of its value for taxation, and improvements at one-third. Personal property is entirely exempt. Recently an advance in the right direction was made. Land assessments have been increased to three-fourths and improvement assessments reduced to one-fourth. In the meantime the town has grown from an ordinary suburban development to a little city of 8,000 people.

Another wideawake place on the Washington border is Capitol Heights, Va. There all local taxes are laid on land values alone and the town is prospering.

With two such object lessons close at hand one would think Representatives and Senators who insist on managing Washington's local affairs and who deny the city home rule would learn a few lessons in statesmanship. But such does not seem to be the case. For all they know about it Takoma Park and Capitol Heights may be in China. If written to by some constituents perhaps they might be persuaded to observe some interesting and successful taxing experiments being made almost under their noses.

Real Commercial Statecraft

IT is a fundamental mistake to think that as a country we should produce everything we consume regardless of cost, or that we will have any more industry or employment for labor, create any more wealth or be more prosperous by doing so. On the contrary, the country will have more employment for labor and an industrial output of greater value if it will produce the commodities which it can produce most advantageously, and obtain what other commodities it wants by giving these in trade. The real question is not that of finding employment for labor, but of the most productive employment, measured in dollars and cents. It is by producing the highest net values that the country obtains the largest returns for labor and capital, and it is a misdirection of energy to employ either labor or capital otherwise.

The industries which are most valuable to a country are not those which must be fostered or supported permanently by legislative aid in the home market, but those which are able to compete in all the markets of the world, and which thus have the largest possibilities of expansion. The recent growth of our exports in all quarters, and particularly of manufactured exports, is proof that these possibilities are important. It is, however, a condition of world trade that we shall receive the products of other countries in exchange. The purchasing power of every country is in its own products.

There is an exaggerated fear of competition with low wage countries. A low wage country cannot drive a high

wage country out of business in any general sense. As a rule wages are low where labor is comparatively unproductive, either because it is unskilled or inexperienced or because it is not provided with the best class of equipment. Density of population—labor supply—also is a factor, but a country with a dense population will be a larger consuming country and cannot export largely without also importing largely. Every country in the long run must import as much as it exports, unless it is getting the worst of the trade or making permanent investments abroad. The industries of high wage and low wage countries will be naturally adjusted to each other, so as to be complementary rather than competitive, just as there are employments for high wage and low wage labor in the same country. There is plenty of work for all the labor in the world, of all grades and rate of pay, and there is gain to every class in exchange with the other classes. Moreover, nothing can be more foolish than to apply high class labor to low class work of production which for any reason can be more economically done in some other place, even though that place is in another country.—GEORGE E. ROBERTS in *Monthly Bulletin* of the National City Bank of New York.

Ashley Mitchell

“LIBERALISM means the abolition of all privilege, and the attainment of equal political and economic liberty for all, irrespective of class.”

If we are seeking potted policies from our candidates, we could have nothing more definite, nor reasonable, than this declaration of Mr. Ashley Mitchell, taken from a recent newspaper article by him.

The statement adequately sums up Mr. Mitchell's outlook—no recognition of privilege, but liberty, political and economic, for all, no matter what their station in life. It would be hard to define a fairer policy than that in so few words; it would be equally hard to find a better exponent of the policy than Mr. Mitchell. Not content merely to propound sound ideas, he is a man who, despite the calls of business, has sufficient interest in the cause of social and political progress to fight for them on the platform. Penitence willing, he hopes soon to be able to do his share in Parliament in putting them into operation. Of his ability to take a share in the national administration there is no doubt. He is an able speaker, concise and always practical, and one who does not confuse issues.

He is an enthusiastic advocate of the taxation of land values, and has taken a leading part in the Yorkshire campaigns in connection with Land Values movement, having been chairman of the Yorkshire Land Values League since 1921 and treasurer of the International Union for Land Values Taxation.

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