

"The Way Out"

5149

4
That is the meaning
of John Marshall's
axioms

Just a little more

Thus have we
blundered our way
into the tangled
forest of modern
economic & industrial
chaos.

Perhaps the ruins
and wreckage
may help us retrace
our steps as did
the plow of the wise
man of fabled fame

9
Two values in
economics

Labor values
(Commodities
services)
Land values
(Rent)

Show difference
in Nature of these
2 values

Operation Nat Law
LAW OF RENT

Other differences

Law Supply & Demand
Rent 50.⁰⁶ Lat 500

Taxation on the principle
 of benefits received
 (of which Land Value taxation)
 is the only important one
 is based on the fact that
 ownership of land is a privilege
 that represents the power
 to enjoy the benefits that
 community confers.

That land value is community
 value

That land value is made only
 by the presence and activity
 of the community.

That it is not made by the
 individual.

Show how every improvement
 and communal activity
 creates and raises
 land value

Land Value is the only value
 that the community
 makes and increases

There is another difference
in the Nature of
(Land) and (Commodities)
(Wealth
Labor products)

As seen in their
Reaction to taxation

All Wealth is produced
by Labor and Capital
Labor & Cap - Active factors
Land - Passive factor
Land only grants permission
(Canals with-holds permission)

As a result of this
characteristic in land
its fixed quantity, its
tendency to increase in
value, even if not used,
it has been the object of
purchase and ownership
by the few and powerful
until now
10 % own all the land

64
Govt report 10% get 60%
of all wealth
leaving 40% to be distributed
among 90%

Concentration of wealth
increasing
Prof Means

Taxation of Wealth destroys W.
" of Land Value creates W.

Taxation of Commodities
creates unemployment
" of Land Value creates
employment

Taxation of Land Value
will put an end to all
business depressions
and
will bring about and
permanently maintain
prosperity for all

Furthermore there are
two kinds of income
Earned and Unearned
{ Earned is for services rendered
or for wealth produced
{ Unearned is taken out
of the gen'l stock of wealth
and
No wealth is person
given in return

It would be a rash person
that would claim that
treating these two forms of
wealth or income alike
has any claim to morals
or justice.

Natural Law is usually
a safe guide in matters of
this kind.

In Nature income or wealth
is the result of labor or
production.

Labor therefore is the justification
for income and wealth.
No other wealth is justified.

wages, or only upon interest,
is necessarily unequal.
It is this idea that our
systems of taxation vainly
attempt to carry out -
That everyone should pay
taxes in proportion to his
means, or in proportion
to his income.

Adam Smith lived and
wrote almost 200 years
ago - - -

We now know that,
arise from the insuperable
practical difficulties in
the way of taxing every one
according to his means,
justice cannot be attained
through the application of
the ability to pay theory.
Take, for instance
Two men of equal means or income
one with large family, the other none
- Under Direct - Under Indirect

Indirect taxation cannot
be defended by any claims
of Justice or Morality.

Tariff and taxes on commodities
generally are indirect taxes.

There are two classes of
Direct taxation.
Ability to pay — Benefits rec'd.

Adam Smith in his canon
of taxation says

"The subjects of every state
ought to contribute toward
the support of the government
as nearly as possible, in proportion
to their respective abilities,
that is, in proportion to the
Revenue which they respectively
enjoy under the protection of
the state." Smith further says
that every tax which falls
only upon rent, or only upon

Tax commodities
high - disappear

Poultney Bigelow

Windows - Spain - Holland

That's the effect of
taxation on
labor products -
commodities, services

18th Cent Economist
Indirect taxes.
most feathers with
least squawking

dishonest and ~~lead~~
~~to~~ intended to
deceive. They
lead to dishonesty

The people of the World and Taxation

What are the people of
the world?

Gregarious animals
with Needs & Wants to satisfy

Must produce things to
satisfy their needs & wants

The things they produce
are called Wealth

Production of Wealth

Labor needs Land

Land " Labor

Labor active factor

Land passive "

Thus we see a difference
in the Nature of

Land and of Labor

(2)

There are other differences
Law of Supply + Demand
(Speculation)

Another difference
Commodities Consumed
or tend to decay
Land indestructible

We have seen that
Labor produces everything
Land merely permits production
Another difference therefore
Wages paid for production
Rent " " privilege

Our topic being
Taxation, let us
see another difference
Tax. Commodities - Unemployment
" Land - Greater Employment

Does it seem strange
that there should be
these differences in the
Nature of Land and of
Labor products?

It would not seem so
if we consider that
Commodities are the
products of individuals
while Land is the
Creation of God!

Then why, it may be
asked, is there a
Value to Land,
why does Rent appear
in the affairs of men,
and in the process
of production?

(4)

This is a world of Law
Natural Law

Land Value - Rent
A Natural Law

Rent - the fund
Created by Nature
to defray communal
expenses

Rent has been permitted
to go into the possession
of individuals

While the products of
labor have been burdened
by Taxation

The results - Unemployment
etc - and the Social Evils
that are the concomitants
of Economic Misadjustment

Individual Ailments
Result of violation
of Natural Law

Poverty, Crime, Vice,
Unemployment, Hard
Times, Wars and all
the Social Evils are
result of violation
of Natural Law.

It has been said that
"The power to tax is
the power to destroy."
That is true. I
just a little more of this
kind of Taxation and
there soon will be
nothing more left to
tax. Civilization
is threatened.

Taxes

Direct or Indirect
Straight or Crooked
cannot be shifted - are shifted

Indirect
shifted - raise prices
Conceal fact from tax
payers - obstruct
production - crush
industry - establish
monopolies - tend to
Corruption in Govt

burden on collector

Direct (2)
Ability to pay
Benefits received

Ability to pay
(mainly Income Taxes)
Not in accordance with
just government
process not followed
in any other field of
human effort

Area ~~ap 1800~~ 1800

Tax Rate 4.11

Value of highest parcel 60x125 or thereabouts \$200 per ft

Value of lowest parcel same as or 49 ft

Population 4700

Total Assessed Value of ~~the~~ Borough \$8,500,000

~~the~~ 8160000 assessed
\$ 11,397 35210 25 x 100
\$ 3056 50

\$5,742,575

~~Franklin~~
Rendell J. L. L. L. L.
off 450,000

The Philosophy of
Henry George

Every philosophy has
a Basis

The Philos of HG based
on Natural Law

Cause and Effect

Astronomy Physics
Biology & Chemistry

Medical Science
Ugly Masks - Wierd Incantations

But In Economics
and the Social Sciences
still Ugly Masks and W.D.

Overproduction - Monkeys

One Tax

Not a Tax

Two values

Labor Value

Commodity and
Service Prices

Land Value

Rent

Factors governing

Commodity and Service
Prices

Rent

These values different
in Nature and react
differently

To Supply and Demand

To Taxation

ST. and unemployment

Other Civilizations

The Single Tax

The Results

Taxation
Govt must have money
Right & wrong
Govt - wrong way
John Marshall
Power to tax is power
to destroy

A little more and
nothing left

We tax commodities,
labor products.

Industry Thrift
All are a burden on industry
Tax on commodities

tends to unemployment
Imperial Govt - up + down
Tax on Land Value

tends to employment

that justification
enough to abolish
all taxes and
collect Rent of
Land But

Land Value not
made by individuals
Community Value
Belong to Community
Not Taxed
Fund established
by Nature