

SINGLE-TAX IN A NUTSHELL

THE LABOR PROBLEM SOLVED

By HENRY GEORGE

The LABOR PROBLEM is, How shall all men who are willing to work always find opportunity to work, and thus produce what will immediately satisfy their wants, or what will do so through its exchange for the products of other men's labor?

The Single-Tax, by opening natural opportunities, and at the same time relieving industry from burdens, solves the labor problem.

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Taxes on the products of labor tend to restrict production. This is obvious to anyone who will think. Put a heavy tax on hats, and a smaller number will be bought; tax houses, and the building of houses will be checked; and so on with every other product of labor. The tendency of such taxes is to diminish consumption and check exchange, and thus to hinder and make ineffective the natural demand for products of labor to satisfy human wants. Therefore no taxes should be imposed on improvements or commodities.

A tax on land values (i.e. ground rent) does not restrict production or lessen the reward of the users of land, but, by making it unprofitable to hold land out of use, it opens natural opportunities for labor, stimulates production, and facilitates exchange. The effect of such a tax would be to lighten the burden of working farmers, since it would exempt their stock and improvements from taxation and relieve them from the heavy tax now levied by the tariff on all they use or consume; and it would open to them new opportunities to better their condition by giving them access to land now held out of use by speculators, while the stimulus it would give to mining and manufactures would assure the farmer a steady and increasing market for all he could produce. All others engaged in producing wealth would similarly be benefited by a system that would promote production and facilitate exchange. Therefore all taxes should be levied on land values.