

## One Tax That Cannot Be Shifted

By HENRY GEORGE, in the "Standard" November 1891

Most people believe that ALL taxes can be passed along to the consumer, but here is one that "stays put."

SINCE ALL I HAVE EVER WRITTEN on the subject of taxation is based on the proposition that a tax on land values cannot fall on production and increase prices, and since there is no error that I have been at so much pains to correct as that the tax we propose would fall on land users and through them on consumers, it is hardly necessary for me to deny that my views are correctly represented by the (Detroit Evening) *News*. But it may be worth while to point out the error into which at least more than one of the professed advocates of the single tax have fallen. Nothing is to be gained by having the single tax advocated for *wrong reasons*. Men brought over by erroneous arguments can never be relied on in a cause that must rest on truth. The unsound supporter is, in fact, more dangerous than an opponent.

Unless he sees that taxes on land values or economic rent, which is what we mean by the single tax, must be borne by the owners of the valuable land from which it is collected, and that it cannot fall on users of land as users, and cannot add to the cost of production or increase prices, no one can possibly appreciate either the moral side of our argument or the full weight of the fiscal side. To him the declaration on which I dwell in my recent letter to the Pope (*The Condition of Labor*) that what we propose "we propose, not as a cunning device of human ingenuity but as a conforming of human regulations to the will of God," and that the single tax "is the way intended by God for raising public revenues," is a wild assumption, and the reform to which we look for the *emancipation of labor* becomes nothing more than a more economical way of collecting taxes on labor.

The assumption that the single tax would be a tax on use and add to prices necessarily leads to a small view of its results. It is only when the essential difference between a tax on land values

and a tax on labor products is seen, that it can be seen that nature instead of being a hard mistress to some is indeed a bounteous mother to all, and that so far from there being any natural necessity for that bitter struggle for life in which some men must tread others under foot, there is in reality enough and more than enough for all if we would but act *justly* toward each other.

The fundamental reason why taxes on land values cannot fall on users or add to prices will always be clear to any one who will remember that taxes on land values or economic rent ARE NOT TAXES ON LAND. They are taxes, not on *land* or on the *use* of land, but on the possession of a special *privilege*, the holding of specially valuable land, the possession of which gives the owner, not the user, the power of appropriating a surplus over and above the ordinary earnings of capital and rewards of labor. While this may at times be taken by a person who is at once both an owner and a user of land, it always goes to him *as owner* and never as user, and can be separated by selling or renting the land. What a tax on land values takes is, in short, what the user of land must pay to the owner of land in rent or purchase price for the privilege of using valuable land. It can thus never fall on the user of land, never increase the cost of production, and never add to prices.

It is this that gives to the single tax its economic and moral perfection. We do not claim that it would tax men equally, either in the sense that it would call on men for equal sums, or for equal proportions of their earnings or their expenditures. We claim for it something infinitely higher—that it would tax men *justly*. It would not call on them to pay in accordance with their production, nor in accordance with their consumption, nor in accordance with their savings or their possessions; it would not call on them to pay for the *use* of land, the bounty of the Creator, nor yet for those advantages of the growth of society and the development of civilization that are equally open to all. But it would call on them to pay for valuable special privileges which the growth and improvement of society attach to the particular lands of which they are accorded possession to the exclusion of others.—Extracts from an article, "Incidence of the Single Tax."

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