

pitting class against class they challenged their countrymen to recall that their God was a God of justice (Mishpat) and that He would never tolerate such a violation of the principles of righteousness and justice in His people.

### Men of Faith

They played it as men of faith. Since the practice of buying and selling land had never come under suspicion as the cause of this current trend toward degradation, how else could they play it? It is to their everlasting credit that they did. Other people never thought of relating such matters to religion. What did their gods care about justice or injustice?

Missionaries have explored the earth and everywhere they have found men completely docile in the face of poverty. It was not their primary concern to set people thinking about justice or injustice but the Bible is full of ideas that point up the value of freedom and independence. The individual is recognized as the object of God's love and how can an all-powerful and loving God be indifferent to the unnecessary sufferings of his people?

Had the ancient Hebrew prophets understood the cause of their regression they might have added this specific knowledge to their faith, but how could they understand something that was to continue to baffle men for centuries? That they did not know the law is no reflection on them, and no disparagement of the processes of revelation with which they are presumed to have been endowed. Ancient people were ignorant of many laws that have been "revealed" to us. Had they known about the germ theory of disease they would not have allowed leprosy to frighten them into treating its victims so cruelly.

What disturbs us today is that

religious leaders are still playing this as men of faith. We have no excuse for trying to rely upon moral suasion alone in our effort to keep men in line. One would think the law had never been explained, or that a scientific procedure had never been worked out.

For us there is no excuse. If we do not understand the law and imagine that we can hold the line against selfishness by moral suasion alone, then we are in mortal danger. If we have been tricked into believing that there is no law and that a democratic form of government can play fast and loose with its taxing authority, arbitrarily taking money here and leaving it there, as if it were impossible to find any set of principles for guidance, then we can expect to become hopelessly entangled in our own web of sticky mistakes.

If we think we can disregard the law and that our churches can turn out such impeccable characters that good Christians everywhere will disregard the law and pay high wages when the going rate for labor has fallen everywhere, then we need some primer lessons in economics. No businessman, Christian or not, can pay twice as much to labor as his competitors and stay in business. The law is inexorable and when the government thinks it can step in and arbitrarily establish a minimum wage in utter disregard of the laws of rent and wages, then another crimp has been put into the free enterprise system.

### How Far Left of Center?

Most clergymen, who pride themselves on their social passion, have adopted positions left of center. We may sympathize with the intent, which is to relieve want and to give a sense of security in the face of the hard realities of the economic process, but we must say a word about how all this is related to the socializing process.

It is here that we come upon the scientific basis for a limited socialization of our economy. We do not believe in making a blanket condemnation of all that is socialistic. There are some values which have been socially created and these should be socially collected and socially distributed. All we have to do is to observe what values naturally attach themselves to land and then see that those values, and only those values, are appropriated by the state. As things are now we confuse the entire picture. The state allows landholders to keep socially created values for themselves and then it turns upon everyone and takes away in taxes billions of dollars worth of individually created values. Because we do not distinguish clearly between the two kinds of values we allow some people to enjoy very special privileges and we leave others so hard pressed that they cannot even find a place to stand.

We know we have left much unsaid and unexplained. What is the law of rent? That is another chapter. If we have made you suspect there is a law, that is all we can hope.

### So What?

What can clergymen do about all this? First, try to understand it. Then rejoice that for the first time in American history a system of Land Value Taxation is legal in Cities of the Third Class in Pennsylvania.

We are prepared to help with the education. If there is any interest shown we will conduct classes and point up the many equities involved in Land Value Taxation.

In Erie we are pressing hard for the adoption of the law. We need influential help in high places. Do what you think might bring about a higher degree of equity and justice in our society.

# The E L T A NEWS

ELTA

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A bi-weekly publication to promote understanding of the basic principles of taxation and to urge the adoption of LAND VALUE TAXATION in the city of Erie. This policy would permit landholders to improve their properties in any way and to any extent without having to pay any additional tax.

Values which attach themselves to land and which automatically reflect themselves in the price of land, or

in rent for the use of the land, are not created by the landholder. They are created by the combined activity of all members in a community. They should rightfully be used to defray the cost of government. As such funds are so used it is possible to remove taxes from all improvements and so encourage the building process, bring about much new construction and make more land readily available for use at more attractive prices.

Advocating  
That Erie

ASSOCIATION

Tax the Land

but not

the Buildings

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## SPECIAL REPORT TO CLERGYMEN AND RELIGIOUS LEADERS

WYLIE YOUNG

### Religious Leadership and Tax Policy



Rev. Wylie Young, Exec. Dir., ELTA; Retired Presbyterian Minister; B. Ellsworth, Ohio, 1898; AB, College of Wooster, Wooster, O. '21; Th B Princeton Theological Seminary, '27; Presbyterian Pastorates, Cranbury, N. J., Toledo, O., Buffalo, N. Y., Batavia, N. Y.; M. Willfred Packard, New York, 1924; Pres. Buffalo Ministerial Assoc., 1940; Moderator, Presbytery of Genesee, N. Y., 1947; Pres. Batavia Kiwanis, 1954; Moderator, Synod of New York, 1957-58; notice, but the fact remains that Rep. Economic Education League, Albany, N. Y.; and Graded Tax League, Pittsburgh '60-'63.

Almost any religious leader today would be inclined to the opinion that an effort to change the base of the real estate tax from buildings and improvements to land value would scarcely place any compulsions upon him or his conscience as a religious leader. But in this conclusion he would be almost unimaginably wrong.

It seems to have escaped general notice, but the fact remains that most of the fierce and desperate poverty of the world springs from the policy of taxing land low or

not at all. It is an irrefutable fact that where poverty is most intense land is never taxed. Why not check it out?

Strangely enough almost all discussions pertaining to the critical issues of our times omit any and all reference to land as a basic factor in the problems involved. This is a wicked oversight.

This lack of specific understanding of the nature of land in our economy is at the bottom of the poverty and unemployment which still plagues us as a people. Our cities all suffer from obsolescence and decay. Slums still act as

breeding grounds for crime. A proper understanding of our "land problem" would serve to correct these conditions.

### Land Tax Equated with Freedom

When we say that a tax on land value would eliminate many evils we are also referring to a force that would restore human dignity, enhance freedom and re-establish the vanishing power and prestige of Democracy and the free enterprise system.

There are many who view with suspicion any effort to repair the free enterprise system. Lack of knowledge of the true significance of land and of the very certain effects that a tax on land value would produce is causing many educated and sensitive people to suspect that the machinery of democracy should be used to curb and limit free enterprise in the interest of general welfare.

Far from it! Freedom is a many splendored thing. It really does deserve all the accolades that have been heaped upon it. When a social order is not properly set up to insure "equality in liberty" abuses are rampant. The freedom of some to take unfair advantage of others becomes a threat to freedom itself. That is how it has been. In an effort to correct the abuses of ill distributed power we have all but destroyed the roots of freedom itself.

### Land Problem Solved

It was Ruskin who said, "Sooner or later every civilization comes face to face with its liquor problem and its land problem." For us, solutions in both areas are long overdue. Unfortunately the land problem was never actually solved for any nation until about eighty years ago. Many astute thinkers had been closing in on the problem, but it remained for Henry George, one of the world's most original thinkers, to clinch the argument in one of the greatest books ever written, *Progress and Poverty*.

Everywhere the book went it won its devotees. Intellectuals and social idealists lined up together in agreement. But the money barons of the time became alarmed for fear that they might have to work for those extra millions, and not be able to 'get richer in their sleep' by speculating in unimproved land. George not only analysed the economic processes and pointed out why poverty seems to dog the footsteps of our civilization, but he recommended a specific solution and pointed out how our free society could remain free and enjoy an abundance of this world's goods for all of its industrious members.

### Solution Rejected

But his solution proved so obnoxious to the power cliques of that day that all the subtle influences available to men of wealth and power were employed to smother the theory under a blanket of silence. It is known in the circles of those who believe in Land Value Taxation as "The Conspiracy of Silence".

This was indeed a sad state of affairs. With the rejection of an economic philosophy that might have led to real freedom and pure individualism we were obliged to repair the body politic with nostrums that have seen the liberties that we once enjoyed eroding away, and in our effort to correct socio-economic conditions we have spawned a whole new set of evils for which there seem to be no obvious cures.

### Key to Understanding

Our puzzlement over these issues will never be resolved until we understand why we got into trouble in the first place. This we will never do until we understand the peculiar effect that "The Law of Rent" has upon our social lives.

If you were to hear a speaker refer to "The Law of Rent", would you have a clear idea of what he was talking about? Could you either define it or explain how it works? When we declare that the law of rent is the most significant, known and well defined of all economic

laws, and that failure to control it for the benefit of the race has produced more poverty, bred more crime, stirred up more hatred and caused more wars than any other external factor affecting man's behaviour, would you have a clear idea of what it was that we were talking about?

If there is such a law (and we can prove that easily), and if it has been so effective in bedeviling the lives of men, would you not consider it your duty to find out all you could about it?

### Evil Effects of the Uncontrolled Law

A person who has never learned how the law of rent functions is in no position to appreciate how much of an effect it has upon our own economy. In America land was to be had in great abundance. Because it was there, to be had without price, we have not felt the pressures of the law so much as have other countries. But now, things are getting more critical. The person who is familiar with the law can see all sorts of pressures developing. The price of land everywhere is too high. The cost of improving land is prohibitive and the tax on the improvements constitute a ridiculous penalty against initiative. Unemployment is chronic, for the simple reason that land is not easily accessible. Cities sprawl over vast areas. Vacant lots are everywhere and badly improved properties are left to decay. Downtown areas are virtual slums and the perimeter of the downtown section is being held out of use because owners of the land are hoping to sell at fabulous prices. All this can be corrected by taxing land and taking the taxes off the improvements.

### Land Not Always Bought and Sold

We do not have time to elaborate upon the process here. We do want to point out however that there have been certain kinds of civilizations that never experienced the effects of the law of rent. There have been many societies where the

members could see no particular advantage in claiming ownership of land. The Nomads of Arabia were such people. One thinks of American Indians and Eskimos or most of the tribes of Africa. We know one missionary who was able to secure sole ownership of a piece of land only with the greatest of difficulty, because the idea was totally foreign to the African Chief with whom he was obliged to deal.

We have no trouble with the concept at all. It is a part of our tradition. Because it is, ours is referred to as an "Aristocratic" form of society.

The name itself is suggested by its most characteristic result. It tends to produce an "aristocracy", which gathers its peculiar power by virtue of its rights of ownership of land. In such a society "The Law of Rent" goes to work with a vengeance.

### The Law and Social Retrogression

Such societies invariably become predatory and the processes of ultimate decadence are continuous and persistent from the beginning. Our civilization is running true to the usual form. One thing and one thing only can arrest the process. We will have to deal intelligently with "The Law of Rent".

A fact of the greatest possible significance has escaped the notice of the most distinguished scholars of the Bible and of antiquity. Because they did not understand how the law of rent works they never understood the mechanics by which the processes of decadence take hold of a civilization. You can search the writings of the most distinguished historians without finding any clear-cut explanation for the decline of a civilization. Spengler observed "The Decline of the West" but he had no plausible explanation for the phenomenon. If he had understood the law of rent his book could have been infinitely more effective and he would have been able to point up a remedy instead of giving way to intellectual

despair. Nations do not need to decline.

### Nomadic Life and the Law

Many years ago there was a group of people who did not share this "aristocratic" way of life. They were nomads, and since they traveled with their flocks and herds from place to place they did not find it advantageous to own land. In their society "the law of rent" never had a chance to grind out its death and despair. No member of that society had any more of this world's goods than any other. It was sparse living and there was very little to be had at best. But, since they were all equal in this particular they suffered from no warping of the sense of justice. If you want to see perfect justice go to the sheiks of the desert is the advice of the anthropologist.

It is well to remember that the nomads of yesteryear were our spiritual ancestors whether we be Protestant, Catholic or Jewish. For no one knows how many years they had been sociologically conditioned to experience justice and fair play in their everyday lives. Justice was a normal and natural reality. In developing their ideas about God it was easy to think of Him in terms of justice. Their nomadic existence provided the soil in which the great beliefs of ethical monotheism first took root.

### Sanctions of Religion

These were the people who gave the world a social conscience to begin with. Most of the peoples of the world have fallen into the practice of employing religion as a sanction for injustice. Baal worship was, and still is, the worship of the "owner". The Baal of a city was the owner of the city and he was projected as the object of worship. When you can convince the people that it is God's will that you should be the owner of everything in sight, then brother, you "have it made". This has been a common practice of strong and willful men from time immemorial. It was only yesterday that we interred the doctrine of the Divine Right of Kings.

### Dawn of Ethical Monotheism

There is a significant fact that ought to burn itself into the minds of all who would try and understand what really goes on in this world. The Hebrew people were the only people in the history of the world to really develop the concept that our lives are in the care and keeping of a good God. Others may have glimpsed the shadow of such a truth but none ever succeeded in giving the idea form. The gods of other people were many and always capricious. Confusion was the rule of all philosophy. But the Hebrew prophets were amazingly articulate in carving out a philosophy which ultimately won universal acclaim and changed the course of history.

### How Ethical Monotheism Arose

How did they do it? There are a few pat answers to such a question. Some religionists would say, "It was obviously the result of a special revelation." Others would say, "We must not forget that they were a people especially chosen."

Sometimes it is only the harsh reality of actual experience that can pry open our eyes and make us face up to great truths. Upon taking up life in Canaan they adopted the policy of buying and selling land. This brought the law of rent into play and all sorts of evils began to plague them. It is our firm conviction that the discerning Hebrew prophets were jolted into making those observations because of the contrast between the "before Canaan" and "after Canaan" experience.

One can watch the prophets as they reacted to the injustices and the inequities which seemed to have fastened themselves on their way of life. These modes of behavior were an affront to their spirits. They cried out bitterly against the lust for land, exemplified in the practice of adding field to field.

They saw a strange and terrible change coming over their countrymen and in an effort to put a stop to the processes which seemed to be