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PERSONAL PROPERTY TAXATION.

Benjamin Doblin.

It is a vulgar error, common even with some professors of political economy, that good government increases the value of all property. This is but a half truth. Good government increases the value of land, and of land alone, and tends rather to decrease the value of other property. If it were true that personal property is enhanced

in value by reason of good government, the absence of good government ought to depress its value; yet, during the war, when Government was not in a position to give security to personal property, or at any rate as good security as it gave when not at war, personal property from the farm and the factory was higher in value, as compared with land, which fell in value in proportion to the inability of Government to protect it.

The very worst that could happen would be the failure of government to protect property in any degree, in which event land values would shrink to the value of land in the Congo, while personal property would move to a place of security and rise in value where not protected. Corn in Africa is worth more than corn in any of our municipalities; land in Africa, however, can be purchased by the mile for less than the price of United States acreage. When Africa becomes settled, and the inhabitants are secured by good government in the making and trading of things, land alone will be enhanced in value; when diffused intelligence and improvement in the methods of agriculture result in decreasing the cost of production, the greater part of the advantage is almost immediately absorbed in land values.

In cities and villages, it is said, police regulations and courts and officials are mainly for the protection of personal property. It is concluded from this that personal property should bear the burden of taxation. But, after all, taxes must be paid in personal property. There is nothing else that government will take. The question in dispute is, which is the most expedient way in which to take it? Since the benefits of government are more largely enjoyed in cities and villages, personal property in cities and villages, if the theory were true that governmental protection adds value to personal property, ought to be of a higher value than personal property on the farm; but is the value of corn, clocks, potatoes or chairs any higher in cities and villages than on farms? Is it not rather the land which is more valuable? New York City has the best organized machinery of any place in the United States for the protection of property; yet farmers and mechanics from all over the Union find it to their advantage to make their purchases there. But a lot 18x50 feet in New York City is worth two country farms. Why? Because the protection of government is so perfect that personal property from everywhere gravitates to the city, and the competition among the owners reduces its value to the lowest possible point; while the competition of the same people for land on which to traffic in their personal property sends its value up to an inordinately high figure.

But a most important fact, generally overlooked, is that you cannot devise a tax on personal property that can be collected. It has been tried repeatedly. The rack and the thumbscrews have even been used, but, as history records, with little success. New York City pays on comparatively less personal property than the majority of agricultural counties; if a stringent personal property tax law were enacted it would pay less. When wealth can not successfully be hidden, it runs away, and, as a result, real estate values fall.

That every act of good government but tends to increase the value of land while decreasing the value of personal property is evident upon the most superficial reflection. Let us suppose that the authorities of an agricultural county should decide to build and operate gas and water works, agreeing to supply the residents of such county without charge; that they should also build macadamized roads, organize a paid and specially skilled fire department, establish free schools, the best in the State—would all that increase the value of corn, bricks, or lumber? Would it not rather increase the value of land?

Every improvement and every advance in civilization and the consequent accumulation of wealth at points where improvement and civilization are greatest, are almost perfectly reflected in the land values of that particular point. Therefore, it is at those points that personal property can be most certainly collected by government, without danger of evasion or fraud, provided the tax is assessed upon the values of land instead of the values of the personal property. In the cities and villages, where personal property is present in greatest quantities, there also are land values highest. On Fifth avenue and in Wall street in New York City are gathered the wealthiest men and the largest amounts of personal property. There also is where the highest value attaches to land.

If the farmer would equalize taxation, he must exempt personal property and improvements. The wealthy farmer will be found in most cases to owe his wealth to the more valuable land from which he derives it. If he resides in a village, the land on which he erects his more pretentious house is more valuable than the surrounding land; and the greater his expenditure for personal gratification the more will he stimulate business, and the more business is stimulated the greater will be the demand for a site on which to conduct its operations. As an inevitable result land values would rise and the cost of supplies decrease.

The only way in which the rich man can dodge his proper and just proportion of the burdens of government, under the land value tax, is by owning no valuable land nor any interest in valuable land, and refraining from spending or using his wealth. Such a man would soon have no wealth.

Benjamin Doblin was born in 1864 in New York City, and has ever since resided there. He was educated in the public schools, and has been in business with A. B. Engleman—another single tax [illegible].

Until 1883 Mr. Doblin was a Republican protectionist, but he was then converted by "Progress and Poverty," and entering the United Labor party in [illegible] he became a member of the Single Tax Cleveland and Thurman Committee in 1888. He is now provisional secretary of the County Home Rule Taxation League, chairman of the

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