

The People.

VOL. VIII, NO. 52

NEW YORK, SUNDAY, MARCH 26, 1899

PRICE 2 CENTS

CORRESPONDENCE

As to "Taxes."

By DANIEL DE LEON

To THE PEOPLE.—In your issue of March 5, Uncle Sam endeavors to convince Brother Jonathan that "All their jabber of Labor being crushed by taxes was pure bunco." Now the *Volkszeitung* of Tuesday last, 7th instant, prints, to the contrary, an entire article to show that "besides the workers being crushed by their exploiters at the process of production, they in ADDITION are crushed by the cruel damnable capitalistic system of taxation." Which, then, of the two party organs expresses the official view of the party and of Socialist economics in the matter? If you would, kindly oblige me by demonstrating by what authority you do claim your opinion to be both the official opinion of the American S.L.P. and of universal Marxian economics.

YOUNG SOCIALIST.

New York, March 8.

[In the first place, you are in error as to the two party organs disagreeing. The New York *Volkszeitung* is not a party organ. The German party organ is the New York *Vorwaerts*. Although the *Vorwaerts* is to a great extent made up of matter that appears in the *Volkszeitung*, the *Volkszeitung* article of the 7th instant, that you refer to, was wisely rejected by the *Vorwaerts*. The S.L.P. party organs in the land are absolutely at one both on the theory of taxation and on the tactical manner of treating it.

And now, as to the subject itself. A theory is not right or wrong "upon authority." It is right or wrong according as the arguments in its support are sound or unsound. You are switched off on a wrong track when you come grasping for authority. The Uncle Sam & Brother Jonathan of March 5 presented arguments on which the conclusion is based. Did you understand them? If so, do you accept or reject them? If the latter, upon what grounds? That method of treatment would bring on a more intelligent discussion than simply the asking for "authority." That man's affiliation is not worth having that would bow down before "authority," whatever that authority may be. We must guard against the two extremes—equally

baneful: the extreme of blind submission to authority, and the extreme of rebellion against unanswerable arguments for the mere sake of rebellion.

The article in THE PEOPLE proceeded from the unquestionable law of wages. The law establishes that the share that Labor gets of the wealth itself produces is determined by the law of value of merchandise; Labor, under capitalism, being itself a merchandise. This being thus, it follows that taxes, while certainly paid out of the product of Labor, are paid, not by the working class, but by the capitalist class; that is to say, taxes are paid out of that portion of the product of labor that the capitalist class fleeces the workingmen of anyhow or, in shorter terms, taxes are paid out of surplus values or surplus wealth. Like the law of values, this law of taxation is a central truth, subject in its external manifestations to perturbing causes, that, however, do not overthrow the central principle. Indeed, this law of taxation, that taxes come essentially from surplus wealth, i.e., from stolen property in the pockets of the capitalist class, is but a corollary of the law of wages. All this was explained in THE PEOPLE'S article.

In view of these arguments, the *Volkszeitung* article is fundamentally defective. Not a line appears there to indicate the central truth as to the source of taxation; on the contrary; says the *Volkszeitung*:

"He who has to pay them (the taxes) is, according to our system of taxation, ever and ever again the masses of the working people."

This sentence preaches a doctrine that is essentially false, as shown above.

We would recommend to you to analyze the two positions yourself; you will then find that THE PEOPLE'S is right, the other false;—or the law of values, and with it the law of wages, must first be thrown overboard. But if by all means you need the reassurance of "authority," here it is:

Look up the chapter on "Taxation" (Steuern) in Kautsky's *Erfurter Programm*. You will there find it shown from paragraph to paragraph that, by means of taxes and ever increasing taxes, the Government reduces the amount of surplus wealth, i.e., stealings in the pockets of the capitalist class. The chapter closes with these words:

The State becomes ever dearer, its burdens ever heavier. The capitalists and large landed proprietors, as a matter of course, seek wherever they hold the weapon

of government, to roll off the burden as much as possible upon the shoulders of the other classes. But from these there is ever less and less to fetch; thus, despite all the tricks of Messrs. Exploiters, their own surplus values are bound to be pared off ever more in the interest of the State.

That much for the theoretic part of the question. Now for the tactical manner of treating it.

Looked into from this side, the *Volkszeitung's* article is not only tactless but mischievous, and these qualities readily transpire without the need of comparisons. To first maintain that the working class pays the taxes, to elaborate that point in two-thirds of an article a column long, and then in the closing passages to give the warning to the workmen not to vote for any of the capitalist parties, even if these raise the issue of lower taxes, but to vote for the S.L.P. because it alone aims at the main issue, as the *Volkszeitung* does; to first emphasize the heaviness of the burden and right away refuse to join those who promise relief is a reproduction of that old-time, clumsy, tactless and pretentiously dogmatic method of the party's propaganda which earned for it the appellation of pig-headed; which caused it to be charged with holding the absurd position of refusing half a loaf if it could not get the whole of it; and, worst of all, that confused the workers, rendered progress hard, if not impossible, and goes to confirm the charge we recently brought against the *Volkszeitung* that its tactics explained and were responsible for the slowness of progress from the quarter of the German element in this neighborhood.

To maintain that the heavy taxes "laid upon the country" by the last Congress DO COME FROM THE SHARE THAT THE WORKING CLASS WOULD OTHERWISE ENJOY, is simply to work into the hands of that element of the capitalist class that regularly goes with the same false economics, only knowingly so, before the workers in order to steal the Labor vote so as to save itself from the taxes that oppress it; all talk of the "main issue" is bound to evaporate under such circumstances.

Whatever share of the burden of taxation falls upon the workers is too slight to deserve mention in the face of the heavy, crushing burden of the exploitation that the capitalist system inflicts upon them. To spend much time upon that, especially to devote a preponderance of space to the subject is like filling two-thirds of a one-column article, that treats of a man who is bleeding at his vitals, with a disquisition on the quantity of blood sucked up from his body by a mosquito that perched on his

nose. Such conduct is puerile; it is misleading; and, according to the importance of the subject, becomes criminally so.—ED. THE PEOPLE.]

Transcribed and edited by Robert Bills for the official Web site of the Socialist Labor Party of America.

Uploaded February 2004