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ARTICLE

“TAXES” AGAIN.

Treated from the Standpoint of Loyalty to the Party, of Tactics and of Figures and Facts.

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In previous issues it has been shown that scientific political economy rejects the claim, advanced as a central or basic truth, that the taxes are paid by the working class out of its wages; that, on the contrary, scientific political economy establishes, as a central or basic principle, that the taxes, levied by capitalism in support of its Government, are defrayed by the capitalist class out of that portion of the wealth which it fleeces the workers of, in other words, are paid out of surplus wealth. In short, that the question of taxation is a capitalist question, and not one that concerns the working class.

Incidentally, the tactical and other issues, raised by the discussion which the *Volkszeitung* opened by its attack of the 7th of last month on THE PEOPLE'S article of two days previous, have been alluded to. Three of these important issues will now be the subject of special consideration.

AS TO LOYALTY TO THE PARTY.

In its issue of the 13th instant, and in support of its unscientific theory that the working class pays the taxes out of its own wages, the *New Yorker Volkszeitung* draws up a long array of quotations culled essentially from Socialist local-political platform-declarations—made where? In New York? Anywhere in America? No! In Austria, in Germany, in Switzerland, etc., etc. In other words, driven from the field of theoretical discussion, the *New Yorker Volkszeitung* falls back for support on purely tactical utterances, made in foreign countries where, capitalist politics not yet having developed as here, “radical bourgeois” parties do not yet exist, and, consequently, where such tactical utterances are excusable.

Seeing, however, that the *New Yorker Volkszeitung* is published in THIS country, and THIS State of New York, at that, seeing that it is published by an Association built as a Publishing Committee of the Socialist Labor party of this city, and whose organic law bids it uphold not the principles only, but the tactics also, of the S.L.P., the whole nine-pin collection of quotations from foreign countries can be easily bowled heels-over-head into the nine-pin basket with the ball of just ONE quotation:

TAXATION.—As already stated, under the capitalistic system, labor, which produces all, receives one-quarter of its product. Out of the remaining three-quarters the capitalist class pays the taxes and therefore owns the Government. Any dispute between capitalistic factions as to the cost of their Government, or as to the mode of apportioning taxes between them, is therefore of no interest whatever to the wage working class.

Where was this utterance made, where is it taken from? It is taken from the platform of the S.L.P., adopted by a State Convention in Troy, N.Y., U.S. of A., July 4, 1895; published in THE PEOPLE of July 14, 1895; and otherwise distributed in the State. It is taken, not from Bohemia, Zurich, Pomerania or Timbooctoo, it is taken from the political utterance of the S.L.P. in the very State in which the *New Yorker Volkszeitung* is a publication.

Moreover, should any of the nine-pin quotations of the *New Yorker Volkszeitung* happen freakishly still to remain standing on the plea that the ball of the New York S.L.P. platform of '95, and re-endorsed right along, is a State and not a national utterance, that temerarious nine-pin will have to speedily join its fellows in the basket, fired thither by the following neat and compact ball:

The cost of Government is divided among the capitalists, who appropriate the surplus values created by the laboring class over and above its wages, and out of which the said cost must necessarily be defrayed. The erroneous opinion to the contrary is, however, so widespread, it is no carefully nurtured among the masses by their capitalistic despoilers, who naturally grudge to their political lackeys any portion of their spoils greater than is necessary for the maintenance of their robber system; in other words, the phrase "Economical government" is so hypocritically misapplied and so universally misunderstood, that the truth here stated cannot be made too plain.

This passage is from the S.L.P. municipal programme, ISSUED BY THE PARTY'S NATIONAL EXECUTIVE COMMITTEE in 1897.

It will be well for the *New Yorker Volkszeitung* to realize as soon as possible the

deep meaning of the sociologic principle that "the Proletariat of each country will have to settle accounts with the bourgeois of their own country," and, consequently, to realize that the special platform-political utterances of the Revolutionary Movement in this country will be determined by the exigencies of THIS and of no other country. It will be well for it to realize that "loyalty to the tactics of the S.L.P.," which its constitution prescribes to it, means loyalty to the tactics of the S.L.P. of THIS land. It will be well for its present editorial management to hasten to drop its oft-expressed sentiments of contempt for the American working class and people generally, and its superstition about its own racial matchless superiority in all that appertains to the Social Question;—a notion and a superstition that, harmful to the Movement at large, works a grave injustice to the militant German comrades in the land, who, though earnest and devoted and free from such repulsive nativistic notions, can not fail to be placed in a wrong light before their fellow wage slaves of other nationalities by the conduct of the *New Yorker Volkszeitung*. The sooner the *New Yorker Volkszeitung* ceases to strain its own constitution by holding to and squinting at foreign details of policies the better.

AS TO TACTICS.

The second special issue here to be considered is the tactical one. To illustrate the point we shall imagine on the stump, in the heat of a campaign, a Socialist Labor party speaker, who has been incubated by the *New Yorker Volkszeitung*," delivering a speech. In the speech, given below, the passages in quotation marks are taken, literally, from the *New Yorker Volkszeitung's* scandalous article of last March 7:

Workingmen—YOU pay the taxes. You pay them out of your scanty wages. You are ground down with terrible force by the Government through taxation. Do you know what additional burden this rascally 55th Congress has laid upon you? "In round figures, it has decreed \$1,500,000,000" of taxes. Just think of it! Fifteen-hundred-millions of dollars of taxes! Do you know what that means? "It means that, computing the population at 75 million, there falls a fresh burden of fresh taxation of \$20 PER ANNUM on every head." You may not yet appreciate what all this means. I said "\$20 taxes per annum per head" but "MIND YOU, NOT UPON THE FAMILY OR THE HEADS OF FAMILIES ALONE, BUT UPON EVERY HEAD—MAN, WOMAN AND CHILD. THE FAMILY, CONSISTING ON AN AVERAGE OF FIVE MEMBERS, WILL HAVE TO BEAR A YEARLY BURDEN OF TAXATION AMOUNTING AT LEAST TO \$100!!" (Here he pauses, to let the point sink well into the minds of his workingmen hearers.) Do you see the point? But let me bring it still nearer home to you. The average wages of the

workingmen in the land is \$300 a year; some may get \$400; very few \$500. A tax of \$100 a year, to be borne by every workingman's family, means a cutting off from the family's breadwinner of at least $\frac{1}{5}$ of his earnings; in other instances, of as much as $\frac{1}{4}$ of his earnings; and in most instances it means the reduction of his earnings by $\frac{1}{3}$!!! Think of such a crushing burden of taxation laid upon you, workingmen! Think of such robbery! (A voice from the crowd here calls out: "Wasn't it a Republican Congress and President that did that?" An other voice: "The Democratic party is telling us all that, and it promises to remove that terrible burden!" The incubee of the *New Yorker Volkszeitung* looks pityingly in the direction from which the voices came and proceeds:) Ah, ye "American workingmen, so prone to jump side-ways"! Will you never learn? Know you not yet that "no party, whatever its name, no combination of factions of parties, whatever the platform on which they may organize, will give redress so long as it is not willing to destroy the foundation of the capitalist system; there is only one party ready to do so, the S.L.P., to vote for any other is a waste of time and effort." (A voice from the crowd: "Is there any chance of your S.L.P. carrying the country this election?") No; I don't think there is; but it will some day; \$100 a year taxes out of your meager yearly wages is a terrible, a crushing burden; but never mind that; even if the Democrats promise to remove the taxes, and, if elected, did remove them, remember that they will not overthrow the capitalist system. Vote the S.L.P. ticket!

It needs no effort of the imagination to imagine the magic effect upon workingmen of such a speech, which would certainly be delivered by a *New Yorker Volkszeitung* incubee. The large majority of the workingmen who heard him would break away in clumps of fours and fives, remarking to one another:

What boobies those Socialist are! Think of that man, knowing so well that that rascally Republican Congress has laid upon us a crushing yearly burden of taxation that is equivalent to a 33 per cent. wage reduction, yet suggesting that we do not vote for the Democratic party, which tells us the identical thing and promises relief, and has a mighty good chance of winning, and his telling us to vote for the Socialist Labor party, which he admits can't yet carry the country! These Socialists are very well meaning people, but they are visionaries. Guess we shall vote for the Democrats and try to throw off our scanty wages that crushing burden of \$100 yearly taxes!

Such indeed were at a time the tactless false arguments of the S.L.P. agitators, inspired by some men who, though calling themselves Socialists, had never acquired of the great Question anymore than catch-phrases, never thoroughly digested its teachings, and were wholly and hopelessly aliens to the political atmosphere of our country. No wonder that while they directed the destinies of the Party it was a stranded ship, and they rendered, and, to the extent that their

influence is still asserted, continue to render the word "Socialist" synonymous with "Mooncalf."

But those days are gone forever. We know not that there is in the party constitution chapter and section to justify the act, but we feel confident that if any such S.L.P. speaker took to-day the stump, the National Executive Committee would yank him off at the double-quick, and raise a fund to defray his expenses on a trip to and long vacation in Patagonia. Such a speaker would clean the S.L.P. out in no time.

AS TO FIGURES AND FACTS.

The third special issue goes to the very "facts," the figures and the "statistics" of that oft alluded-to *New Yorker Volkszeitung* of last March 7. In a previous issue we stated that the "facts" in the article were a reckless fabrication; and the figures, with which the fabrication was tricked out, a mere jugglery, worthy of the expertest "Tax Reform" juggler in figures; we also forecast a special article on the subject. The subject is important and rich enough for several special articles, not only upon the statistics of taxes in general, but of these 55th Congress taxes in particular, and these will be forthcoming in due time, when the Federal Treasury Reports for the fiscal year ending June, 1899, are published. Here, however, taking the reports of the Secretary of the Treasury and the war tax act we are enabled to give the following facts from official sources.

1. It is not true that the 55th Congress decreed taxes to the amount of \$1,500,000,000 PER ANNUM. The statement savors of some advance campaign document of the Democratic party. The taxes decreed by the 55th Congress, whatever the amount, are for TWO years, not for ONE as that scandalous March 7 article falsely claims. The amount for the two years (\$1,500,000,000) is a reckless exaggeration. But even if there were no exaggeration in that, the "yearly burden" would be, not \$1,500,000,000, but one-half that amount, to wit, \$750,000,000;
2. It is not true that the war tax contingent amounts to \$500,000,000 a year as that March 7 article falsely claims. The Report of the Commissioner of Internal Revenue, for the fiscal year ended June 30, 1898, p. 4, shows that "the receipts from ALL sources of internal revenues for the fiscal year ending June 30, 1899, will not be higher than \$270,000,000,—a maximum that is but little more than one-half the huge fabrication of the article of March 7;
3. It is not true that even these reduced figures fall equally upon "every man,

woman and child," and would, consequently, fall, multiplied by five, upon every workingman's family on the average, as the March 7 article falsely emphasizes. The war revenue law of 1898 places overwhelmingly the tax upon property-holders in such manner that it can not be shifted over to the workingman as consumer; and in some instances, where the tax could, theoretically, be thus shifted, as in the instance of the tax on beer, liquors, etc., it is a known fact that neither has the price of these increased nor the measure decreased to the consuming workingman. The tax is also levied on bankers, brokers, proprietors of theaters and circuses; on bonds, agreements to sell at boards of trade, bank checks, bills of exchange, bills of lading, certificate{s} of profits, charter profits, conveyances of land, mortgages, powers of attorney to convey real estate, protests of notes, warehouse receipts, sparkling wines, inheritances exceeding the sum of ten thousand dollars, etc., etc.,—all of these, articles of trade that do not concern the workingmen in the least, and can in no way be shifted over to him as consumer. And be it noted, that among these articles, the ones that yield the very highest tax revenues, are beers and liquors, which revenues competition, on the whole, prevents from burdening the workingman with.

Thus, "the \$100 PER ANNUM of taxes that the average workingman's family is to be crushed by," shrinks,

First, to one-half;

Second, to a figure infinitely lower than one-half; and

Third, closely pursued, the "crushing burden of \$100 per annum" shrinks to such paltry dimensions, and has to be computed by such petty and mean calculations as "slightly reduced packages of tobacco," etc., etc., will furnish, that it serves as a striking illustration of the justice of the view expressed in these columns, in the issue of last March 26;

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 as 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.

* * *

The cardinal principle concerning taxation, that the wage slave does not pay the

taxes out of his wages, is no more impaired by petty incidents than the cardinal principle of the Law of Values is impaired by the variations, often violent, in prices. The Apostle of Socialism, who knows his ground well and is skillful in the use of the powerful weapon that Socialism puts into his hands need never recoil before facts; he can safely quote them; but he is conscientious in the use of the weapon; in his hands it will never wound the Cause he represents. It must be left for a petty spirit of pedantry, for that spirit of prurient quarrelsomeness, that animates the petty-fogger, to insist upon trifles; it must be left to child-minds coupled with a vicious man's passions, in order to justify their claim, to exaggerate the facts without which the claim would fall,—as the *New Yorker Volkszeitung* has done and continues to do in its stupendous exaggeration of a "\$100-load of taxation per year imposed upon the workingman's family by the 55th Congress."

Disloyal to the Party, clumsy in its tactics, recklessly untruthful in its "facts," the editorial management of the *New Yorker Volkszeitung* is to-day a source of injury to the Labor Movement in this vicinity.

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