

AGAINST TAXATION FOR CLASSES.

[Speech delivered by J. Sterling Morton before the National Live Stock Association at Chicago, Ills., on Dec. 4, 1901.]

Gentlemen of the National Live Stock Association :

Poets have described and artists have depicted, times without number, the beauties of the only perfect human home ever known to this world. In all the literature and art of Christendom, for centuries, the biblical Garden of Eden has been portrayed as the one abode entirely satisfying in its tranquil and enchanting loveliness. Foliage, flower and fruit abounded in rich and gorgeous profusion, and neither storms nor clouds ever darkened this winterless and delightful home. Poets and painters have vied with each other in sketching it and have exhausted, in their efforts, the opulence of exaggerative description. Our first parents have been envied as to their lot, and criticised for thousands of years because of that disobedience which brought the fall, or uplifting, of the race from well-fed, physical indolence and perfect mental stagnation, to a strenuous struggle for bodily life and a perpetual tension of intellectual activities.

But the one great beauty of that original homestead on this earth which has escaped alike the attention of artists and poets, strikes the mind of the economist as more to be sought after, nobler and more heaven-like, than all other characteristics and qualities, and that is its absolute Taxlessness. That first inhabited and pre-empted quarter section of the globe appeals to the judgment and reason of modern men who are forced every day to think of the burdens of taxation which governments impose upon subjects and citizens alike in the beginning of the twentieth century. No assessor ever valued the acreage in the Garden of Eden for the purposes of taxation. No distress warrant was ever issued because of the non-payment of personal taxes in that most serene and tranquil home. Taxation is then the one great sequential curse of the disobedience of Adam and Eve. This curse intensifies itself as the generations of men come and go. This curse is so ubiquitous, so universal, that it reaches every human being and extorts its claim. There never was and there never will be a tax levied under any form of government or law which, in and of itself, is a blessing. A system of organized society exacting no compensation for the protection of life, liberty and property, would be an ideal government. Whenever human research and ingenuity can develop absolute Taxlessness so that neither citizen nor subject need contribute a single penny for the service which government renders in the pro-

tection of life, liberty and property, Paradise will have been regained, Heaven descended upon earth! But within present limitations of human investigation and deductions it is impossible to conceive of a civilized people in the enjoyment of stable and efficiently administered government who are utterly without taxes.

First Power Granted.

The founders of the government of the United States understood perfectly well that this republic, like all other forms of government, would be born penniless, a composite pauper, and that only by taxation of its citizens would it ever acquire revenues sufficient for its own administration. Therefore the first power granted by the people to Congress, which is simply their agent, in that instrument from which each of the three great departments of government derives all its authority, is in these words, exactly copied from the original and official parchment in every particular:

"The Congress shall have power to lay and collect Taxes, Duties, Imposts and Excises; to pay the Debts and provide for the common Defense and general Welfare of the United States; but all Duties and Excises shall be uniform throughout the United States."

"Thus it is seen that Congress is given power to lay taxes in order to get money with which to pay the debts and provide for the common defence and general welfare of the United States.

That was the opinion and purpose of every member of the Federal convention that framed the Constitution in the summer of 1787; of Alexander Hamilton, who was first called upon, as secretary of the treasury, officially to interpret it; of Daniel Webster, often called the "Great Expounder" of the Constitution; of John Marshall, the great Chief Justice of the Supreme Court; of Story, the first copious and most distinguished commentator upon the text; of George Bancroft and George T. Curtis, the learned and elaborate historians of the text; and, in short, of everybody else who has earned any right in any way to have an opinion on any such matter of political interpretation."

The power to tax is plainly therefore vested in governments solely for public purposes. To support the government by revenues taken from the people by fair and equal taxation is the sole object for which this power may be rightfully exercised. Taxation cannot therefore be equitably or properly laid for the purpose of encouraging one industry or trade, and to the detriment and destruction of another industry or trade.

Cooley says that—

"A tax laid for the double purpose of regulation and revenue must be ground-

ed in both the police and taxing power; but the grant of a power to tax would not authorize the imposition of a burden in its nature and purpose prohibitory."

For the protection afforded the citizen by the government taxes are demanded. They are simply compensation for a service rendered. The power to tax is vested in the legislative department of the government. It was put there by the people of the states which were to become the United States, upon the adoption of the Constitution. The power to levy taxes is a grant from the people of the several states to the Federal government of the United States. This is recognized universally and it is made especially prominent by the provision that all bills for raising revenue or appropriating revenues must originate in the popular branch of Congress, the House of Representatives. But while the power to levy taxes is entirely within the legislature, the question as to whether it has overstepped its power to levy taxes must always be finally determined by the courts. There is however one undisputed and universally admitted limitation to this taxing power. The very first and the inexorable requirement as to lawful taxation is that it shall be laid exclusively for a public purpose. The Congress of the United States may determine, temporarily, what a public purpose is. But Congress is not infallible in its decisions, nor at all conclusive, because always subject to revision by the judiciary.

The Grout Bill.

Is the tax upon butterine and oleomargarine, proposed by the Grout bill, exclusively for a public purpose? Is it not a cunning device for using the power to tax for the purpose of destroying one industry in order to encourage and build up another industry? In the first section of the bill there is an attempt to delegate the power to regulate commerce between the states by making "all articles known as oleomargarine, butterine, imitation butter or imitation cheese, or any substance in the semblance of butter or cheese * * * and not made exclusively of pure and unadulterated milk and cream, transported into any state or territory, and remaining there for use, consumption, sale or storage therein, shall upon the arrival within the limits of such state or territory, be subject to the operation and effect of the laws of such state or territory enacted and to the exercise of its police powers to the same extent and in the same manner as though such articles or substances had been produced in such state or territory, and shall not be exempt therefrom by reason of being introduced therein in original packages or otherwise."

Would not this provision enable any state to interrupt and absolutely destroy the re-shipment of these commodities