

# DAILY PEOPLE

VOL. 10, NO. 287.

NEW YORK, WEDNESDAY, APRIL 13, 1910.

ONE CENT.

EDITORIAL

## ANSWERING MR. BERGER.

By DANIEL DE LEON

**W**E hold no brief from the Republican, or the Democratic party. Even if such were offered to us, it would be declined. At variance though we are with the Socialist party on what it calls Socialism and the methods to attain the same, the national organ of the Socialist Labor Party may not forget that the International Congress, of which the S.L.P. is a constituency, recognizes the S.P. as a member of the "Socialist Family." The idea of our stepping into the shoes of any Republican or Democrat in their conflicts with the S.P. is, of course, excluded. This notwithstanding we feel free to answer Victor L. Berger a question he put to his Republican and Democratic adversaries through the columns of the *Milwaukee Journal* of April 1, at the time of the recent municipal elections in that city.

After enumerating a number of plants which the city should start—street car lines, city slaughter houses, lighting plants—and stating that the Republicans and Democrats were fearfully excited lest these Social Democratic improvements raise the taxes, Mr. Berger asks:

"Has the city ownership of these things in other cities raised the taxes?"

And he answers:

"Not once."

So say we too—but we add: "The answer is only half an answer from the representative of a party, that, together with the demand for these municipalizations, promises higher wages."

Probably the taxes have not been raised in any of the cities, American or European, in which such plants have been municipalized. Certainly, even if taxes should be found to have gone up in any of those cities, the cause of the increased tax will be found somewhere else. We may go further: more than likely, a careful scrutiny of the budget would reveal the fact that, but for the municipalizations,

taxes would be higher; in other words, that the actual effect of the municipalizations upon taxes is rather a reduction of the tax rate.

Why?

Because wages were not raised. Because the workers continued, afterwards as before, wage slaves, bought and sold in the Labor Market under the conditions that all other chattels are sold. Because their price was, afterwards as before, determined by supply and demand. In the measure that wages were to rise the tax rate would put on a different complexion.

What the top-capitalist really objects to, when he raises objections to municipalization, is not an increase of taxes. He knows better. What he objects to is a decrease of income. If the plant upon whose profits the capitalist lives is municipalized, then the profits, which he formerly pocketed all alone, would be shared by the other capitalists. They being the taxpayers, would pocket their share of the municipal profits, in the shape of reduced taxes; and, of all his own former profits, there would be left nothing but the slight difference between the former higher and the later lower tax rate.

In the last analysis, municipalization is a middle class, or petty-bourgeois move. Only the petty bourgeois can profit thereby, because only he gains without losing aught—he owns no industry to be municipalized, and he is relieved by a lowered tax rate.

As an ultimate consequence, municipalization hits the proletariat on both sides of the head:—

From the top-capitalist, whose plant has been municipalized, and the consequent loss of whose income, as explained above, is recouped only by the small portion of reduced taxation that falls to his share,—from him the proletariat receives on one side of its head a whack that comes obedient to the law of the capitalist's existence, to wit, the endeavor to recoup himself as much as possible for actual loss. And that can be done only by reducing wages, whereby to press the tax rate lower still.

From the middle class, or petty bourgeois, to whom, as explained above, municipalization brings the unalloyed benefit of lower taxes, and, therefore, comes in the nature of an increased income,—from him the proletariat receives on the

other side of its head another whack, a whack that is dealt obedient to the law of bourgeois existence. As the taste of blood with the beast of prey awakens an appetite for more blood, the taste of a raised income awakens the bourgeois appetite for more. And that likewise translates itself into a pushing for lower wages, whereby to lower taxes still more, whereby to enjoy a still larger income.

Obviously, municipalization neither does, nor can, raise the taxes. Obviously, the mouth of him, who, under the colors of “Socialism,” promises “municipalization” and “higher wages” in the same breath, can give but the half answer of “No” to the question, Has municipalization ever raised taxes? Obviously, the full, square-jointed answer can come only from the “Impossibilist,” that is, the Socialist who sees not in the bended back of the proletariat a handy stage for “Socialistic” stunts.

Municipalization is among the deftest of moves to solidify the upper and the lower capitalist divisions. Otherwise at war with each other, municipalization welds them into a compact body “piously and patriotically” set against Socialism—the movement to place into the hands of the proletariat the full social share of their product.

Transcribed and edited by Robert Bills for the official website of the Socialist Labor Party of America.  
Uploaded April 2011

[slpns@slp.org](mailto:slpns@slp.org)