

ADVANTAGES OF LVT

In 1988 two American economists, Daly and Cobb, published a book titled "For the Common Good" in which they examine George's land tax theory in great detail. After describing George as an eccentric, they then adopt this theory as their own and along the way give a description of the city of Pittsburgh.

Pittsburgh levies land tax at a rate of -hold your breath- 12.55% of site value and a tax on buildings of 2.475% as a result of which Pittsburgh is described as the most livable city in America with the lowest housing cost of any major American city.

Why is LVT less destructive than payroll tax?

LVT is positive. It encourages the owner to *employ labour* to make his property produce to its full potential. Payroll tax is negative in that it *discourages employment* of labour. With 500,000 unemployed out there, that is economic madness.

One other fault that renders payroll tax objectionable is the fact that most of it is levied on other taxes, and very little on anything of substance.

Twenty-five per cent of the cost of labour is PAYE tax (conservative?). Sales tax and excise are about 18% of the cost of living hence the level of wages and then there is State and Local Government on top of that. Payroll tax is levied on the lot. More madness.

Today's different world from that of George's time only exists in imagination. The term "great cities" is a relative one. Cities were just as great and just as plentiful relative to the population then as now and the economic system has not changed a bit.

George spells it all out on page 169 of his book "Social Problems" and I quote in part "... the richest family in Europe are the Rothschilds who are bankers and loan jobbers (L. Connell?) ... and Jay Gould got his money ... by bulling and bearing the stock markets (Allan Bond, John Elliot?) ... robbing people with hired lawyers, purchased judges and corrupted legislatures (W.A. Inc.?) ... jugglery with the money system (Keating?) ... *wildcat State* banks ... down to the trade dollar swindle (Westpac/Swiss money?)".

So you see there is nothing new under the sun. LVT came to Britain from Europe in 1066, serving there until 1215 when the land owners seized power from the Crown (for Crown read people).

John Fry,
Whyalla, S.A.,
"Democrats N.J."