

Erie's Parents Care

IN a world in which responsibility has become almost an obsolete word it is significant when a group of people care enough about their city to do something about it. Members of the Erie Land Tax Association set themselves on a hard road when they undertook a program of acquainting their town with the principle of land value taxation. But having convinced themselves of its merits, and being dedicated to loyal citizenship, they determined if possible to bequeath to their children a community improved in appearance and opportunity. Even though it must become very wearing to those who have explained the method again and again, they dare not turn back. Surely if their cause is just it must at last stand forth as a reward conscientiously won.

In Erie it is now the practice to add the assessments on land value and buildings and tax the total, with one-sixth on the land and five-sixths on the building. In round figures, land assessments come to approximately \$60,000,000 and buildings to \$360,000,000 making a total of \$420,000,000. The city needs \$4,200,000. A 10 mill levy will raise this amount.

By instituting the land value method all tax would be borne by the land value alone; and a 70 mill levy against \$60,000,000 will raise the required amount. Under this vastly simplified system the assessor merely multiplies the assessment by .07. These figures could be known to all residents by referring to the city's land maps. No inspectors would knock at the doors of homeowners to penalize them for improvements or repairs. *There would be no tax on buildings.*

It's as simple as that! And to understand how there could be such stubborn opposition one has only to ask, "whose income does it affect?"

Statistics on land value taxation repeatedly show remarkable savings for homeowners, but they bring into focus the owners who reap advantages from the present tax method, which taxes incentive while it overlooks caprices in land manipulation beneficial to certain large real estate holders.

So the official study committee, with the help of ELTA and Wylie Young, its executive director, has once more patiently presented the "pros and cons" in admirably uncomplicated language.

This report in the form of questions and answers is rather poignant because in an all-out attempt to be fair they tried to be negative. After listing positive results to be expected in Erie, the committee seemingly searched for objections which could be presented and upheld against their case, but even these could not be sustained.

That there is a moral and just basis for LVT in Erie seems undeniable, and fortunately (regarding city taxes only — not school taxes) it is also legal under Pennsylvania law. Further, it would tend toward the improvement and increase of residence properties and toward the gradual improvement of all industrial and commercial properties. It would encourage new industries, increase job opportunities, stabilize the flow of population to and from the suburbs, eliminate slums and effect economies in providing public and private services.

Against these statements the hard-working committee faced fairly and frankly the fact that owners of old and run-down buildings would find themselves improving buildings or releasing the plots to someone who would. And where this criticism is advanced current taxes, when compared to estimated LVT figures, often show an advantage to the owner in the latter. Therefore even that most popular ob-

jection, hardship on property owners, is often groundless.

As a nation of duped and disillusioned people we are suspicious, but sometimes of the wrong things. The shift of taxes from a man's house, which represents his labor, to the solid earth — a natural resource which he has not yet found a way to duplicate — can hardly be the machination some would have us believe.

The Erie Land Tax Association reminds us soberly that basic as are the

rights of ownership, taxing authorities seldom recognize the distinction between the natural resources and wealth brought into existence, by labor. Labor products are produced by man. Land is God's gift to all men. This separation must indeed be kept in mind, for taxes levied against natural resources produce effects diametrically opposite to those levied against labor products.

Late developments in this campaign for tax reform will be reported at the International Conference by Wylie Young, Executive Director.

Truth — An Eternal Quest

by ALFRED Y. K. AU

TIME tested and revered books, like masterpieces of art and aged wine, must be sipped, not gulped. Recently I had occasion to sip a little of *Progress and Poverty*, the immortal work of Henry George.

I marveled at how modern this book is — how apropos is its message — even after all these years. Indeed Henry George was an advanced thinker — a man who should have lived in our present era in order that he might offer us his active leadership in our present search and struggle for the truth.

But even though his voice and his pen are now stilled, his thoughts and ideas, mellowed by our own experiences, seem to leap from the pages to ignite the flame of hope in the hearts of all those who would read his work in full contemplation and appreciation — sipping rather than gulping down its wisdom.

Henry George was a leader who was not afraid of his own thinking. On page 12 of *Progress and Poverty* he expressed the dogma of a true scien-

tist — the philosophy of causation — commonly known as the theory of cause and effect. "In the sequence of phenomena there is no accident," he wrote. "Every effect has a cause, and every fact implies a preceding fact."

This is followed with a declaration of his dedication to truth: "I propose to beg no question, to shrink from no conclusion, but to follow truth wherever it may lead. Upon us is the responsibility of seeking the law, for in the very heart of our civilization today women faint and little children moan. But what that law may prove to be is not our affair. If the conclusions that we reach run counter to our prejudices, let us not flinch; if they challenge institutions that have long been deemed wise and natural, let us not turn back."

These passages, in my estimation, put Henry George "in the groove." A thinker among thinkers, he is a man who does not believe that "established" truths should be regarded as eternal; but that the search for truth itself must necessarily be an eternal quest.

Mr. Au is the principal member of a certified public accounting firm in Honolulu. He recalls that Gilbert M. Tucker of Albany, a life-long exponent of George's theories, visited Honolulu in 1960 and spoke to him about *Progress and Poverty*. "At that time," wrote Mr. Au, "I was deep in my own research . . . Recently I got around to really knowing Henry George. . . . I hope 'Professor' Tucker hasn't forgotten that I'm not one to forget."