

## 1975 HGFA, Bryn Mawr - Weld Carter's talk about TRED

Transcribed from a draft, with his handwritten notes

I am grateful for this invitation to participate here, for without it I would have missed this enjoyable and profitable experience.

At the outset, I want to pay brief respects to three people, all Georgists, who have profoundly influenced the course of my life over the past 30 odd years: first, Archie Matteson, who in Westwood, NJ, back in 1941 underwent the agony of bringing me into the world of Georgism by serving as the teacher who lead me through both *Progress and Poverty* and *Protection or Free Trade?*; second, John Monroe, at whose hands I learned something of the art of winning by listening, instead of by talking, during my 3 years at the Henry George School in Chicago in the early '50s; and third, Sid Evans, who conceived the possibility of large dividends from a tour of colleges and universities, and persuaded me, against all my better instincts, that I should be the one to make the trial tour, which he would finance for three months through the Robert Schalkenbach Foundation. Without all three of these people, I would not be here today, for I would not have been, since its inception, the executive secretary of something called TRED (which stands for the Committee on Taxation, Resources and Economic Development), and it is TRED that I am going to be talking about this afternoon.

The idea of the tour of colleges was broached by Sid, ably abetted by dear Vie Peterson, in Vie's office, over the Christmas holidays in 1956. The tour was to be made in the fall of 1957. So that gave me a good eight months to worry about how on earth to call, cold turkey, on a market with which I had no experience, and for which I had no training and which I viewed with genuine awe and humility. I strongly needed some kind of a crutch and accordingly I wrote an "Introduction to Henry George" that summer. Vie got it planographed for me. It ran to 17 pages; and, armed with it, Marjorie and I set forth late that September.

I had made up an itinerary and had given Vie a copy of it, from which she could draw for her letters of introduction, to specific individuals where the Foundation or the Journal had any contacts, or simply to the chairman, department of economics, for the others. I was also authorized to offer complimentary copies of any of George's

works, where it seemed appropriate.

I really sweated it out for the first call. Suppose I got a hostile brush-off; suppose I had committed myself to three months of getting hostile brush-offs?

My first call was at the Dominican College in Racine, Wisconsin, recently changed from all-girl to coed. I was turned over to Sister Mary Hortense, who was one of two in the Social Science department. Sister Mary Hortense had only the slightest awareness of Henry George, but she was a sympathetic human being and mildly curious about why I was making such a tour.

By the time we parted she had a copy of the "Introduction" and had been promised a copy of P & P. For my part, the call had been a success and I looked forward to the next one constructively; and my attitude proved to be justified. By the end of the second day, I knew I was on the track of something great and from that point on, it was downhill all the way. This does not mean that I never suffered rebuffs. It does mean that the rebuffs were always my fault: they occurred only when I violated my basic principles of operation.

The principles were simple: never argue; never force a point; never employ the Socratic method of treating my host (or my guest or anyone) as an antagonist; ask only open-ended questions (and if the answers were not what I had hoped, never pursue my point further); in other words, respect and even perhaps learn from whomever I was associating with.

I had the great good fortune of meeting the great Harold Groves, renowned economist, (Ec, U of \_\_\_ student, and life long follower of [\_\_\_\_] in the second week of the tour. When I had introduced myself ("I am Weld Carter; I represent the Robert Schalkenbach Foundation, publishers of Henry George's works."), Harold said: "I don't go all the way with George, but - - -"

From that moment on, I made up my mind that my goal was to find as many as as possible who didn't go all the way with Henry George, but ---. The all-important word, of course, was "but". And the number of those I met was legion.

One of the first was Arthur Becker, at the newly formed UW/M, occupying the

building formerly constituting the facility of the Wisconsin State College at Milwaukee. (Today its enrollment is \_\_\_\_\_ and it has buildings on \_\_\_\_\_ acres. )

Dr. Becker was teaching a course in public finance and he was using the paperback abridgement of P & P, chapters 2-6, "making them read everything except that stuff about social philosophy, ethics and the law of human progress. ") Dr. Becker's "but" was the largest I had so far encountered and to this day it is right up there with the best of them.

By December we had completed Wisconsin and were well into Michigan. At East Lansing I was steered by a colleague to Professor Elwood Lawrence, in the English department, whose book "Henry George in the British Isles" had just been released by the publisher, and another professor arranged for me to meet Richard Lindholm, professor of finance, at a coffee break which lasted through a long lunch. Almost before he sat down for coffee he said to me "What you fellows ought to be doing is sponsoring a symposium which would demonstrate what land value taxation could do for the underdeveloped countries." He went on to explain that he had just returned from a 2-year stint in Vietnam; that the problem there was a land problem; that our people had no land-reform program to offer, only saying "me, too," to the land nationalization programs of the communists.

By Christmas, we were back on our farm in Pennsylvania and the Foundation then began to weigh the results of the tour, and later in '58 they negotiated with us to continue the tour on a permanent basis, which we resumed in mid-November.

By the spring of 1960, it appeared wise to begin to tap some of these great resources the tour had revealed and a group of six -- four economists and two historians -- was invited to meet with me in New York for two days as guests of the Foundation, to serve as an Academic Planning Committee, advising the Foundation how best to promote George's ideas in academic circles.

The Lindholm's only child chose the precise time of the New York meeting to be born; thereby precluding Dick's participation; but Arthur Becker, Paul Gaston (of Fairhope, historian, University of Virginia), Glenn Hoover (Mills College), Ed Phillips (Austin College in Texas) and Pinkney Walker (University of Missouri) thoroughly canvassed alternatives and decided that what was urgently needed was "current and

scholarly material on land value taxation." To secure this literature, they proposed a conference of scholars be held on Land Value Taxation and Contemporary Economic Problems, at which the pros and the cons of LVT would be explored in depth. They recommended that Arthur Becker chair this conference, to be held in the summer of 1961. The Foundation welcomed this proposal and agreed to underwrite its costs; and the following August our first such conference was held on the campus of the University of Colorado at Boulder.

Phil Cornick attended this conference as observer for the Foundation and reported afterward that this was the first time in the history of the Henry George movement that 17 Ph.D.s had spent three days discussing LVT! And what was even more thrilling was that they didn't discuss it just in the formal sessions; they discussed it during coffee breaks, at meals, in the corridors of the dormitory.

In the meantime Glenn Hoover had died and one of our historians had missed the conference. So, we invited three additional academic economists to join the group for a meeting of the Academic Planning Committee in January '62 and all three accepted.

The new group reviewed the Boulder experience and it urged another conference, for which it \_\_\_\_\_ a tentative program. The big thing about this meeting was the decision to change from an advisory group of the Foundation and strike out as an independent voluntary association to pursue goals common to all its members. Thus was born TRED, the Committee on Taxation, Resources and Economic Development, and from that point on there was a new vitality, an excitement permeating the group.

I don't have time here to take you, step by step, year by year, through TRED's development. So let me quickly identify 5 aspects of TRED, in the hope that in this way I may leave you with a more rounded image. These 5 aspects are 1. its definition and stated objectives; 2. its membership, 3. its conferences, 4. its publications; 5. its impact. If there is time left, I might mention my aspirations for it.

## 1. Definition and Stated Objectives

TRED defines itself as "an association of academic economists." It states as its

purpose "to stimulate research, writing and discussion in the important but neglected field of natural resource taxation and in the relation of such taxation to other concerns of economists as, for example the allocation and utilization of resources, economic development, income distribution and employment." TRED sponsors annual conferences and arranges for publishing the proceedings to develop literature in these fields.

Potential additions to TRED are discussed and, if unanimously approved, are invited to join. The only catechism is a reminder of TRED's objective, as I quoted it to you earlier. The only one ever to turn down an invitation was Robert Hutchins.

## 2. Membership

TRED has lost two members by resignation. Of the other fourteen, two have died, leaving the current membership at 12. These 14 have been largely public finance specialists and in this field I know of no comparable group in terms of eminence. The presidency of the National Tax Association, which is the largest organization of tax specialists in North America, rotates among the three categories of its membership: academicians, tax administrators and corporate tax specialists. Over the past 15 years, four of the five past presidents of the NTA to come from academe are in this group of 14. The current editor and the current associate editor of the National Tax Journal are both TRED members. The past chairman of the property tax committee of the NTA is a TRED member. At least 9 have served at one time or another on the Board of Governors of NTA. I expect at least 2 more of TRED's members will have the presidency in the future.

Let me hasten to add that this identification of TRED's eminence with the National Tax Association is admittedly narrow and pays scant tribute to the basic scholarliness of TRED's members: to the world-wide consulting service rendered, to the authorship of countless articles on the property tax, to the outstanding single book written on this subject in the past forty years, to cite but a few of the contributions these men have made.

## 3. Conferences

You will recall that at its original meeting the Academic Planning Committee had

cited the urgent need for current scholarly literature on land value taxation and had recommended the conference method as the way to get that literature. TRED has so far held 13 conferences. Its 14th is scheduled for this October. After 4 conferences on various aspects of natural resource taxation, Dick Lindholm proposed that TRED zero in on the property tax and he offered to chair the 1965 conference on the theme "Property Taxation: U. S. A." So successful was this conference and the book that came out of it that some members have been loath to move away from this general area on the principle of never deserting a winning suit. Last year's conference on "Metropolitan Financing and Growth Management Policies" widened the horizon somewhat and this year's will finally focus on employment. Equity, which is so eschewed by many economists, always rears its beautiful head and so gets attention at our conferences, if only peripherally. It is properly a part of income distribution. Someday it will receive its due - I hope! - when we turn to this concern of economists.

#### 4. Publications.

TRED's concern with the urgent need for scholarly, current literature on land value taxation, as produced by conferences, was not immediately shared by potential publishers of such material. As we learned, in general they were just not interested. Thompson Webb, Jr., director of the University of Wisconsin Press, finally revealed the reason to me. University presses are in the business of publishing scholarly books, not scholarly articles; these belong in scholarly journals. Proceedings are a collection of articles; the only basis for accepting proceedings is that, by some magic, the editor has transmuted them into a unified structure, which he conceivably can achieve in addition to rigorous editing, by a suitable Introduction and /or Conclusion. After considering other secondary matters, Mr. Webb agreed to have an editor look at a TRED manuscript and if deemed generally suitable, to have it sent out by the independent reviewers of the Press.

The first such to be so handled was Mason Gaffney's Extractive Resources and Taxation, which won acceptance with high praise. Seven others have been similarly submitted and accepted. The ninth will shortly be submitted.

Seven volumes have been published. The Press generally has more books pass its review board than it has finances to publish. To obviate this competition for

publishing funds, the Foundation agreed to advance manufacturing and promotional costs, subject to recovery out of sales. So far the Foundation has advanced \$28,210 which, with credits, has so far financed \$77,520 of costs. Two of the books have been reissued in paperback. The first two to have been published have already returned all costs and now show modest surpluses.

## 5. Impact of TRED

The evaluation of TRED's accomplishments is obviously a subjective matter. One can apply "before and after" evaluations to this determination. But again, these will be subjective. Admittedly, I am strongly biased, and in favor of TRED. With this apology, let me cite instances, leaving to you the measuring of their their relative strengths.

Item: During the tour, most of those I met who looked with more or less favor on George did not feel comfortable about espousing these feelings. Some felt that their scholarliness was for that reason suspect in the eyes of their peers. Only a few didn't mind this. One of the strong impulses to establishing TRED and to joining it was the sense of community with those sharing common understanding. The longer TRED has stayed in business and the wider its acceptance by its peers, the stronger this tie has become. (An amusing sidelight was recorded at last year's conference. In the \_\_\_\_\_ of a paper was going, Roy Bahl, of Syracuse, facetiously alluded to TRED as a bunch of Single Taxers. At a TRED business meeting that evening, Roy was proposed and accepted for membership. He accepted instantly that very evening the invitation to join this "bunch of single taxers."

Item: There has been a definite swing toward L. V. T. among academicians, over the last 15 years (to pick a figure at random). For instance at the Tax Institute of America's Symposium on the Property Tax in Chicago in 1966, D. H. Clark, a tax administrator from British Columbia, at the close of the conference, made this comment: "Now it seems to be the Ph. D.'s who are exploring site value taxation, whereas it was the way around at the time of Henry George." Arthur Becker, sitting next to me, nudged me and said "And TRED has had an important part in this change."

Along these same lines, my son Ronald, living in NJ and working for a contractor in Princeton, called me one night back around 1964. He had been dining at the

Princeton Inn. Three or four professors were at the next table. They were at Princeton for a conference. One of them was telling the others about a group centered at Milwaukee which was actively pushing [?] the ideas of Henry George. He named me and he named Arthur Becker and Mason Gaffney. He obviously approved of what we were up to. Ronald later introduced himself and the professor identified himself as Jesse Burkhead, of Syracuse.

Also there is the letter from Bill Grigsby of U of P who has attended 2 TRED conferences and with whom I had visited at the AEA meetings in Detroit in 1976 [?] and solicited his ideas on the future direction TRED should be taking. Bill said he had been thinking it over on the way back to Philadelphia and [ two sets of ditto marks!]

Now you may think that Bill must be some kind of a hermit. But he isn't. He's a first rate economist at the Wharton School, an environmentalist, an urbanologist. And that's what the main said!

Next I would like to bring out a point, Thompson Webb, the director of the U of W Press, in a brief introduction to last fall's conference. His point was that the TRED series by then numbered 7 volumes and he called that impressive. It is doubtful if the Press has any other series of such length. And by the time Mason Gaffney's 1975 proceedings are published, the number will be 10. And if all goes well, that will not mark the end.

TRED books are not for the so-called man in the street. Likewise, they are not textbooks despite the fact that they are occasionally so used.

They are however source material for students, scholars, and researchers and they are rich reference material. Harry Tideman, for instance, Bob's brother Harry, is one of the best letter writers and speakers. He constantly recommends one or another of TRED's books, depending on what he is dealing with.

I have here a bulletin put out by something called the American Industrial Development Council in January, 1970. It reads:

"All three of these are TRED volumes, specifically #2, #3 and #4."

Lastly on the point of TRED books, let me refer you to a Background Study report by the Congressional Research Service for the \_\_\_ committee \_\_\_ even and relative of the Committee on "Government Operations of the U. S. Senate (the so-called Muskie Committee) dated Feb. 24, 1971, Government Document 57-243, entitled Property Taxation: Effects on Land Use and Local Government Revenues. The pamphlet is 54 pages long. It has 56 footnotes, 21 of those 56 refer to TRED books.

Let me mention the impact of TRED on the GAO ... etc. Dick Lindholm solicited a paper on the Personal Property Tax from Earl Bernhard for the Property Tax USA in 1965. Earl wrote me urging us to invite the late Dr. Bernard Barnhard, Res. Dir of the IAAO. I did and he came. He then invited me to lunch and I went. He introduced us to the staff and specially to the Exec Dir Paul Conesy \_\_\_ and has attended two of our conferences, giving a paper at one by \_\_\_ suggestions of participants, especially for our conference on the the \_\_\_ of LAnd Value. In the meantime I had kept the Director informed of this \_\_\_ development. So Al Pleydell did come out to Chicago to establish a more direct relationship between the IAAO and the Schalkenbach and as far as I know, that was the beginning of the grants which Schalkenbach and Lincoln made to IAAO. And today a sizeable part of the educational work of the Lincoln Foundation is their contribution and participation in IAAO activities. Lincoln's new director is from that field.

And lastly, on this matter of impact, let me read you a letter I got from Cal Skinner, Jr., the other day. Cal is a young political scientist in McHenry County, Illinois, who is in his second term as State Representative in the Illinois Assembly. Cal attended TRED's 1973 conference at my invitation. He is a comer, enjoying a fine press, running at the top of his ticket, both times, despite being a Republican in a Democratic district.

I hope this report will convey some sense of my gratitude to Archie Matteson, John Monroe and Sid Evans.

In a sense I think TRED has been doing what Louis Wertzman has \_\_\_ used; it has been influencing the influences, not in the political sense, but in the educational and that at the highest levels, striving to attain the attention, not just of students but of the teachers of the present and future teachers of students.