

# The Georgist Journal

Number 61

Autumn 1988

## TAXING LAND RENT WOULD END SPRAWL

### Comment

As rural areas have been attracting people from cities looking for a place to live, protests have been mounted by rural dwellers, conservationists and others. The villain is taken to be the "developer."

Northern New England has been one of the areas affected. In Vermont, there has been an active business by land companies in acquiring land, subdividing and selling at a big profit, often without any preparation of the land, roads or water. This has prompted the Vermont legislation to pass a stiffer tax on land sale profits, slowing down this activity considerably. What worries Vermonters are the housing developments that follow the sales.

Maine is experiencing a similar situation (as we are informed by Ted Burke, a friend in that state), being invaded from the more urbanized south of New England. Not wanting "over-development," Maine legislators looked at Vermont's remedy, but turned down a similar measure. They are still not sure how to keep their state from being spoiled.

One of the problems is the failure to distinguish between land (the gift of nature) and improvements (the products of labor). The developer becomes the bad guy, because the job of building is not separated from the practice of land speculation.

If the distinction were more clearly perceived all along the line, it would be seen that that the invasion of the countryside is itself due to land speculation and the high price of land in urban and suburban areas. It is the non-development of these lands that causes the push outward.

People ought not be blamed for wanting a place to live - and the high price of land in populated areas has made it almost impossible for the average new home-seeker to acquire a home. No wonder they spread out to rural areas.

Vermont's tax on land sale profits is better than nothing, but it is starting at the wrong end - at the point where the land values have already escalated. The place to start is at the beginning - to tax land values and thus prevent them from zooming to speculative levels.

If this were done in New England's urban areas, Down Easters would not have to worry what kind of weapon to use to fend off outsiders. For then people could afford homes in more settled areas, and rural areas could then be conserved and used more appropriately.

R.C.

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THE GEORGIST JOURNAL (ISSN 0887-6290), 121 E. 30th St., New York, NY 10016, USA.  
Robert Clancy, Editor. Readers are invited to submit suitable items.