

**An Answer** By LAWRENCE D. CLARK, SR. (Medfield, Massachusetts)

In GJ No. 55, Walter Horn asks, Would the single tax make large developments un-economic? Here is my answer.

Mr. Horn seems to think that if big developers have to make their decisions in the absence of the speculative element, they will not make wise plans. He seems to feel that a real demand for a large shopping center as opposed to a smaller one, will not be satisfied if there is no speculative motive. On the contrary, it is evident to me that the "senseless quilt" he mentions can be blamed, in large part, on the presence of the speculative element.

I understand perfectly that a developer who has made a large capital investment in land must get his money back and must make use of speculative profits to offset his inability to make money building buildings. In fact, in the absence of speculative profit, the developer might well have concluded that the project was not a good one. On the other hand, if it was a good project and if we had had the single tax, the developer would not have had to make a big capital investment in order to acquire the land. The Single Tax removes land from the capital investment field. If the developer needed to acquire title to the land ahead of time in order to insure having it all in his possession before beginning the development, he would only have to pay the rent year by year, as a tax.

I acknowledge that there are transition problems involved in changing from our present tax system to full reliance on land value taxation. These are well known and need not be discussed in order to make my point.

In Single Tax philosophy, there is an implicit faith in the natural laws of the free market in the absence of monopoly. In expressing this faith, I do not wish to indicate that there is no place for planning boards and zoning laws. The will of the majority carried out by the people's elected government should prevail.

We must stop thinking up ways that land value taxation might be bad for some one and get on with the business of implementing it.