

DIRECTORS' PERSPECTIVES (CONT.)

ASSESSING ELECTIONS (CONT.)

The terms “ethnic stew” and “mosaic” are also often used when appeals are made for multiculturalism and tolerance. For election purposes, all descriptions of Americans as an admixture of separate identities may help in the formulation of campaign strategies, but they ignore another dimension of persuasion that is even more important.

This dimension, in contrast to appeals to diversity, is the importance of disparity. This election almost totally ignored the disparities of wealth and income that arguably bedevil our current national circumstances. We are, let's face it, not only in the midst of a pandemic; we are also plagued by a huge economic recession. There was little discussion of the economic plight of millions of our nation's citizens, except in the most general terms. Although the academic literature is replete with studies describing the present and growing levels of wealth and income disparity in the country, there was little public attention to these challenges at all -- anywhere.

The COVID-19 pandemic was a prime preoccupation of the national party strategists, with health care policy, race relations, and climate change following close behind. But it is not hard to understand that an underlying feature of all these concerns is the inequalities in household economic well-being and poverty levels. One needs to ask why such challenges had little or no part in this political season. Why were these other issues able to crowd out any discussions of economic disparity? Arguably, the reason is that there was little attempt to present the data, despite the fact that the professional analysis is all there to be had. Despite the power of modern computerized data analysis, as well as the availability of publicizing vehicles of every sort, there was little discussion of wealth and income gaps that underlay much of this election's discourse. It is not difficult to conclude that more analysis of personal financial affairs could have altered a good part of both the discourse and ultimate outcomes.

These underlying economic issues and questions reach every quarter of our society and provide answers that every part of our population is able to understand. The tensions between Americans can be explained not just by wealth and income disparities but even more by illustrations of the waste in natural resources, the loss of productivity due to ill-health and premature death, and most of all by poorly designed economic policies. Comparisons with other nations make it abundantly clear that our leaders don't have all the answers. The parochial and nativist character that today marks American politics will be the nation's downfall if it continues. First among these concerns should be recognition that a large proportion of the public feels disenfranchised. The recent election reflected this but did little to address it.

These matters need to be posed to both social scientists and “psephologists,” if they are to remain relevant to the post-election analysis and discussion.

A SURPRISING VACCINE FOR CITIES HIT HARD BY COVID: PROPERTY TAXES

BY: JOSIE FAASS

Property taxes are ubiquitous around the world, and in the United States, they're a tax most people love to hate. Unlike sales and income taxes, which are baked into every purchase and paycheck, property taxes are added onto mortgage bills or mailed in as lump sum payments, making them a conspicuous irritant to the person cutting the checks.

Many of the other taxes we pay are determined at the state or national levels, giving rise to large scale patterns of taxation. Property taxes, on the other hand, are mostly determined at the local level, and can vary widely between states and even across neighboring towns within the same state. And because they're calculated by applying a formula to the value of a person's land and buildings, the appropriateness of each bill depends heavily on the accuracy of the property assessments upon which it is based. As a result, property tax bills differ considerably from parcel to parcel, giving the impression of arbitrariness that can be infuriating to home and business owners alike.

By embracing our disdain for the property tax, however, we're missing out on the very real benefits this tax can produce when correctly conceived and administered. This is where the Center for Property Tax Reform (CPTR) comes in. A joint effort of the Robert Schalkenbach Foundation and the Center for the Study of Economics, CPTR works directly with municipalities, elected officials, local civic groups, and members of the public, to explore how their property taxes can be reimagined to reduce blight and sprawl, and enhance economic equity at the community level.

The “how” of CPTR's work is straightforward, yet the impacts are anything but ordinary. By using current property tax assessment data, Center staff explore the effects of shifting the portion of property owners' bills that come from the value of the land versus the portion levied against the value of improvements.. (Cont. Page 7)



DIRECTORS' PERSPECTIVES (CONT.)

VACCINE, PROPERTY TAXES (CONT.)

CPTR's premise is simple: land is valuable because it gives its owners access to community-provided benefits (like public safety, schools, and roads), but improvements (like homes and other buildings) are the result of individual efforts and investments.

So...tax the land to reinvest that value in the community amenities that made it valuable to begin with, but untax buildings to encourage more of what you want to see, like new construction in the city center, historic preservation, and reuse of formerly blighted properties.

This approach goes by a few names, but "two rate tax" and "land value tax" are the most familiar. The concept and

approach are already being used successfully in a number of places from Allentown, Pennsylvania, to Canberra, Australia, to Hong Kong.

Like the property tax itself, each application of a land value tax is different, which is why Center staff engage municipalities individually, through tailored efforts based on what's already on the ground, and with an eye towards realizing the unique future each sees for itself.

To explore what a land value tax would look like in a sampling of U.S. cities, check out CPTR's Tax Shift Explorer. To learn more about the Center's work in cities and towns nationwide, visit www.centerforpropertytaxreform.org

GUEST PERSPECTIVES

VIEWS ON OUR WORLD, THROUGH A GEORGIST LENS

MORE EDUCATION WILL NOT REDUCE POVERTY BY: MIKE CURTIS

Henry George places 100 shipwrecked men on an island from which there is no escape. He draws attention to the fact that whether one of them has the weapons to make the other 99 his chattel slaves, or one of them has title to the island and the means to enforce it: it makes no difference to the one or the 99, they are his slaves. That is to say, because of the one's ownership of the island, the other 99 would have to work for a bare subsistence, just enough to keep them healthy enough to work at maximum efficiency, which is the wage of a slave. Now, let us suppose that the one does not believe in chattel slavery, but he does believe in private property in land. He was the first one ashore, and with his gun, he claimed the island before anyone else arrived.

Next, let us suppose that one of the 99 has exceptional talents and can build far superior dwellings. Another can grow significantly more and better crops. A third can make far better clothing in less time than any of the rest. Would not the one who owns the island, likely increase the rewards given to these three out of the 99. If he didn't, what would be their incentive to produce any more than the rest of the workers? Their wages would be so much higher than the others that they would hardly seem like slaves at all—especially wage slaves, since the owner of the island does not believe in chattel slavery, and considers all men to be free.

Now, as an impartial observer, it would be hard to resist the conclusion that skill and knowledge are the keys to freedom and prosperity. Those who have the superior skill and knowledge have prospered because of it. They are by no means working for the subsistence of slavery. They enjoy a level of comfort, leisure, and satisfaction that suggests no connection with the oppression and exploitation of slavery. With every increase in their skill, knowledge, and the

resulting productivity, comes higher and higher wages.

It seems irresistible to conclude that wage slavery is the result of ignorance, the lack of knowledge and skill. Those with knowledge and skill live healthy and prosperous lives. Therefore, it is easy to think if everyone had a certain level of skill and knowledge, everyone would live a prosperous life with leisure and abundance. Increasing the general level of education must be the solution to Wage Slavery.

Let us imagine that over the next generation the population of the island doubles, and at the same time, inventions and innovations enable each worker to utilize 10 percent more of the island from which there is no escape. Now there is only room for 90 people out of the 100 to work the land at maximum efficiency. The 90 most skilled and educated will be working the land. The 10 least productive workers will be unemployed and living from the charity of the island's owner and maybe, to some degree, the most skilled and knowledgeable workers.

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