

Continental Georgists Work Alone

JOSEPH Jespersen, of the New York teaching staff, and Mrs. Jespersen, were in Germany and Austria during the summer. They were entertained in Hanover, Germany by Mr. and Mrs. Erich Zincke and Mr. and Mrs. Gustav Bohnsack, and in Vienna they had a long talk with Mr. Philipp Knab.

Mr. Knab said he had on several occasions interviewed the present head of the Austrian government, who seemed to agree with him in substance on the need for revising the tax structure in the direction of land value taxation. No political party is willing to endorse such needed legislation however.

Austria has an annual budget of approximately 70 billion schillings (one schilling equals four cents). Of this 12 billion comes from income tax, 15 billion from sales taxes, and 5 to 7 billion is from customs duties. The tax on land values brings not even one percent of the total. The remainder comes from various sources, including taxes on improvements. Also included are the profits of certain enterprises operated by the government or for the government, on such enterprises as railways. Detailed financial reports are not obtainable.

With the tax rate on land values low, the price of land has climbed steadily. Prices are now ten times what they were in 1955 when the Russians left. Building is discouraged—half the cost of a new building goes into taxes of one form or another. Mr. Knab is experienced in the field of residential construction and therefore was well aware of the difficulties. He is sorry there is no group of Georgists in Austria such as the various schools produce in the U.S. Seeing no possibility of starting such a group he hopes that work on an individual basis will be continued and extended.

He has now turned his attention toward an Austrian organization supporting the U.N., and commenting on the many new nations in Africa, he thinks certain of their leaders may have a better understanding of economic laws than some western political leaders, and suggests introducing land value taxation there. He sees the Israeli-Arab situation as basically a land problem, and believes Taiwan would be a fertile field for Georgist ideas.

Mr. Knab spent some time in Russia as a prisoner of war following the Soviet invasion in World War II. Some of his thoughts on economics are presented in a booklet obtainable from the Henry George School for 3 DM (\$1) entitled "Die Steuer um Lichte des Natürlichen Rechtes". (The Tax in the Light of Natural Law).

An assortment of German Georgist literature is now available from the Henry George School in New York. Ilse Harder, editor of the newsletter, *Georgist Nachrichten*, is the instructor in charge.

LVT in Dutch

The Georgist editor of *Ons Erfdeel* (Our Heritage), Arwe Sevenster, in a radio appearance in Holland, spoke of his efforts during a long career to institute a tax of one-half of one percent on the selling value of land, to smash "in one blow all speculation in land." He says this should be a state law, but his experience warns that state agencies should not collect it because of the danger of abuse of power. The proposal was introduced some fifty years ago but was withdrawn.

Through his bi-monthly publication this able editor has been making a plea for collection of rent for the benefit of the community, since land value comes into existence through the eco-

conomic development of the community and collection is relatively inexpensive. As rent on the value of land is based on supply and demand, it has nothing to do with ability to pay, and he calls it "impersonal, not personal—objective, not subjective."

He maintains that increase in the value of land does not imply an increase in the selling price, because in the event of the government collecting the rent land will no longer have a price, and inflation will be avoided by protecting the value of money instead of debasing it, as profit from specula-

tion does.

Collecting rent of land does not curb human initiative, on the contrary it stimulates activity, for an owner will lose land that is not adequately used. Therefore collection of rent has a selective influence on the skill of the user which results in improved management and guarantees the best benefit for society. Furthermore rent cannot be hidden and the figures can be known by the public.

Today in Holland the tax rate is still based on the assessments of eighty years ago.

Poverty is costly in terms of wasted energies, lost skills, delinquency and crime, said August Heckscher, New York Commissioner of Parks, at a Hofstra University library dedication. "A sensible society would realize that poverty is a luxury it can ill afford, and it would be so thrifty and prudent that it would not tolerate slums for a day."

Spending money for more parks or urban renewal projects does not provide the incentive for people to improve their slums. Only when we assess locations at full value and remove the taxes on improvements will we "harness the profit motive" and start the regeneration of our cities at the core.

— Lancaster M. Greene



Golden Grow the Years

The National Catholic Rural Life Conference in Des Moines, Iowa held a Golden Jubilee for Monsignor Luigi G. Ligutti on September 17th. He was born in Italy but migrated to Des Moines at the age of 16, and was ordained as a priest fifty years ago, at age 22. For twenty years he was what is affectionately termed a country priest in Iowa, and there he absorbed an early and intensive interest in farming. It was fortunate therefore that in 1941 he became executive secretary of the National Catholic Rural Life Conference and remained as director until 1957.

In 1948 he became, very appropriately, the Official Permanent Observer of the Holy See to FAO, the food organization of the United Nations, where he serves still as a beloved member, very well informed and pleasantly wise. Writing recently from Rome he expressed a continuing interest in Henry George's philosophy and advocacies. "They should be the object of deep study, discussion and experimentation," he said. "We may find eventually something that will work."

Friends from all over the world joined in this affectionate anniversary in Des Moines, if not in person then in prayers and heart felt good wishes. There is much more work ahead for Monsignor Ligutti. His once small parish is now as large as the Christian world.