

"Simple and It Works"

STAN Rubenstein, director of the SHGS extension in Long Island, made a LVT presentation to the Joint Legislative Committee for revising and studying the local town law, on January 12th. He approached the subject as an economist (he is a teacher in a Long Island high school) and stressed the evils of land speculation. He said unless these evils were penetrated to the core they could erupt again and again.

Rather than attack the politicians in the county who took advantage of the weakness in the laws to profit through speculation, he pointed out that local and state governments had openly encouraged speculative transactions by private citizens as well as politicians.

At present it costs very little to hold land idle since taxes are low. If land being held for speculation were taxed heavily and buildings lightly the owner would be likely to put his property up for sale at a price at which it would move.

Narrowing his argument down specifically to the Township of Islip, Mr. Rubenstein said the town had grown five-fold since World War II and land values had increased in proportion. Certain sections however, near the airport, showed an increase of land values be-

yond the normal rate. This was attributed to rezoning, which transformed residential land into property yielding a high income for years — as in cases where sites are rented to oil companies for gas stations or used for apartment projects.

He presented a chart to show what happens when a \$10,000 plot is "down-zoned." Its normal velocity is hastened because the income or potential income has increased. The answer to land speculation, he said, is to eliminate the reason for engaging in it by taxing the increase of land value resulting from down-zoning.

In this way the profit from speculation would be removed simply and justly. The only thing which is taken away from the land speculator is something the community created. He proposed a plan where the power to tax becomes "the power to build." Listing other cities here and abroad that have benefited from this method, he passed over the obvious benefits to the community through increased business activity, taxes, or lower land costs, because he said he was concerned primarily with solving the problem of land speculation. "It is simple and it works," he told the committee.

Let him who would move and convince others be first moved and convinced himself. Let a man but speak forth with genuine earnestness the thought, the emotion, the actual condition of his own heart, and other men, so strangely are we all knit together by the tie of sympathy, must and will give heed to him.

—Thomas Carlyle