Henry George

NEWSLETTER

Volume 46, Number 10

November 1982

PENNSYLVANIA OFFICIALS ATTEND MUNICIPAL REVENUE ROUNDTABLE

City council members, officials and legislators from more than a dozen major cities in Pennsylvania, including Philadelphia, Lancaster, Allentown, Scranton, Easton and Pittsburgh, attended the "Municipal Revenue Roundtable" on November 13 at the Sheraton-Valley Forge Hotel, in Valley Forge, Pennsylvania.

The one-day seminar, which promoted the land tax as a good source of municipal revenue, was co-sponsored by Philip Finkelstein of the Center for Local Tax Research, Walter Rybeck of the Center for Public Dialogue and George Collins and Dan Sullivan of the Incentive Tax Leagues of Eastern and Western Pennsylvania.

The morning program featured Steven Cord, who outlined a land tax proposal for Monroeville, a suburb of Pittsburgh, and also pointed out the success of the tax in Pittsburgh, Australia, New Zealand and Western Canada. Jack Kelly of Scranton and Congressman William Coyne of Pittsburgh traced the history of the land tax in their respective cities.

At the luncheon, Shirley Dennis, Secretary of Community Affairs for the Commonwealth of Pennsylvania, expressed an interest in the ideas being presented. The keynote speaker, Congressman Coyne illustrated positive results from a 5:1 graded tax in Pittsburgh, including new housing and commercial development and more appropriate land use.

Participants in a panel on "Tax Reform--Where It's Needed Next" included Councilman James Tayoun of Philadelphia who referred to a land tax bill presented to the Philadelphia City Council and Ben Howells, City Council President in Allentown, who is investigating new revenue measures for his city. Another afternoon panel featured Philip Finkelstein, who urged interested officials to seriously consider the land tax as a better and more efficient revenue source, Dan Sullivan, who is working with councilmen on a land tax proposal in Clairton, and David Zwanetz of the Board of Revision of Taxes in Philadelphia.

A summary session and reception rounded out the day's activities. The participants expressed an interest for more of these type of programs in the future.

PROGRAM ON HENRY GEORGE HELD AT PACE UNIVERSITY

A program entitled "Henry George: His Continuing Relevance" was held at Pace University in N.Y.C. on November 4. The panelists included Dr. Frank C. Genovese, Professor of Economics at Babson University, Dr. Dick Netzer, Director of the Urban Research Center at N.Y.U. and Dr. C. Lowell Harriss, Professor Emeritus of Columbia University and Henry George Professor at Pace, a newly created chair. The program was supported by a grant from the Robert Schalkenbach Foundation.

GEORGE COLLINS TO PERFORM AT PHILADELPHIA BIRTHPLACE BENEFIT

George Collins will be starring as the King of Siam in the popular musical, "The King and I" at the Falcon House Dinner Theatre in Havertown, PA at a fund-raising party for the Henry George School in Philadelphia on Sunday, December 5. The tickets are \$20 each, which includes dinner and the show. Call 215 WA2-4278 for more information.

Henry George Newsletter published by Henry George School of Social Science

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Subscription \$5 yr For change of address 5 E. 44th Street New York, NY 10017

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In real word meanings it is the military budget which presumably provides for the security of our society while so-called Social Security is really a means for supporting individuals and families. But the basic questions around both are how we can afford them or how we can trim the costs without endangering our security or well-being.

Yet for political and perhaps sound psychological reasons, Social Security has been portrayed as a kind of insurance program, even to feeding the illusion that behind every number there is an account someplace, perhaps stored in a Baltimore computer, to which we voluntarily contribute a percentage of our earnings to collect back when we retire. This image of thrift has no doubt helped enshrine Social Security into an inviolable fortress, as some foolhardy politicians discovered to their consternation this fall. So powerful is the notion of this fund as something we personally own that it has been successfully extended, by name only, to lend respectability to other forms of welfare under the title S.S.I., although all of this assistance to the aged, blind and disabled is paid out of general revenues. The result is not only a further isolation of the remaining welfare programs as the province of the "unworthy poor," that old vestige of the Elizabethan poor laws, but an altogether unjustified acceptance of a payroll tax that pays for only a fraction of Social Security and bears little relation to what we put in it ourselves.

The persistence of the payroll tax as a means for paying for one form of our Social Security while military expenditures automatically are paid by all revenues defies rational distinction. The growth of the payroll tax to a level where it rivals, and for many in the lower-income brackets exceeds, the personal income tax may raise some consciousness of this anomaly. But most tragically, with one-tenth of our work force unemployed, why penalize an employer who hires and the worker who takes a job? Fiscal legislators have long recognized the need for special incentives to invest, save, conserve through depreciations, fast write-offs, depletion allowances, and all the other special advantages enjoyed by those with the means to find and use them. How about an equal break for working, or for employing labor, at least to the extent now available for investing in plant and other capital equipment? Or would it be too much to ask that the owners of natural resources, land, minerals and other rights derived from the public, pay the rest of us back for those privileges.

Whether we are starving or pampering either our military or our elderly may well be debated by the powerful constituencies each can muster. All can agree, however, that a special tax on employment is as inappropriate for our social as it is for our national security, however they are labelled in their respective debates.

Philip Finkelstein

SCHOOL NOTES

NEW YORK

Director Philip Finkelstein and Pat Aller of the Robert Schalkenbach Foundation addressed the Social Studies Supervisory Association, a group of department chairmen from high schools in the metropolitan area, at the school on October 27. Finkelstein outlined his "Who Owns the Earth" project, and related it to current local land use issues, such as development in the South Bronx. Aller surveyed materials by and about Henry George that Schalkenbach publishes, including a new series of self-contained lessons on land use, "Land and Freedom," which were developed by L.I. Director Stan Rubenstein. The lessons integrate George into the high school American studies curriculum and can be easily cross-referenced to major textbooks. The first two of the series, "The Dutch and the New World," and "Indian Land Ownership" are available from Schalkenbach. The group included two current members of the H.G.S. faculty, Dr. Jules Zimmerman and David Redman.

Over seventy people, including sixteen who look the Spanish-language course with Manny Felix, received their certificates for completing Fall semester courses at a graduation party held at the school on November 17.

LONG ISLAND

A one-evening seminar, "You and Your Property Tax" which was presented in six Adult Education Districts on Long Island, attracted over one hundred participants, according to Stan Rubenstein. A statement on the seminar appeared in the brochures sent out by the school districts:

"N.Y. legislators recently passed a property tax law that will affect every homeowner in Nassau County. Discussing the law and especially its effect upon you is the subject of this most important seminar. Specific facts and figures as they relate exclusively to your area will be presented."

Participants will receive a planned newsletter, <u>Incentive Taxation</u>, and will be contacted for future meetings as a follow-up.

SAN FRANCISCO

New officers of the Board of Directors of the San Francisco school have been elected to serve for the new fiscal year. Fred Foldvary, the new President, has run for City Council in Berkeley and is currently a candidate for Berkeley School Board President. Eric Moncur, Vice-President, is a former Deputy Assessor of S.F. and recently ran for City Supervisor. Wendell Fitzegerald, who will serve as Secretary, is a past school director. Sonia Freedman, the Treasurer, is a C.P.A. and has taught many classes at the school.

A fundamentals course, "Economics As If People Mattered" began October 13 and is being taught by Mike Trigg, with seven people currently attending. An advanced course, "Education for Activists" is continuing on a weekly basis with each session standing on its own, so more students will attend in the future.

LOS ANGELES

Twenty-seven students are attending courses taught by Director Harry Pollard, D'Artagnan Phares, Richard Emerson and John Hayes.

In other events, Pollard gave a workshop on "Why Socialism Will Win" at the Future of Freedom Conference in Long Beach, the school exhibited at a conference given by the San Diego Education for the Gifted and Dr. Steven Cord and Assemblyman William Filante spoke on "Incentive Taxation" at a meeting of the Chapter of the American Insitute of Architects organized by school member Stanley Sapiro.

TORONTO, CANADA

A seminar emphasizing the necessity for local self-improvement through site value taxation was held at the Holiday Inn in Petersborough on November 6, reports Craig Cringan. It is hoped that the seminar will be the first of many, using a nucleus of persons who are actively involved in community service.

INCENTIVE TAX LEAGUE OF MASS, PRESENTS LEGISLATOR AWARDS

(The following press release was sent out by Mitchell Chanelis on October 25 to newspapers, radio and television stations and wire services in the Bostron Area)

State Representatives Thomas Brownell (D-Quincy) and Joseph Hermann (D.-N. Andover) have been named co-winners of the first annual Incentive Tax League of Massachusetts "Legislator of the Year" awards. Ernest Kahn of Sharon, President of the League, said, "We were unable to decide between the two men. They both had exemplary records in pushing for meaningful reforms of the Massachusetts tax code. So, we voted to name them co-winners."

The Incentive Tax League of Massachusetts is a non-partisan public interest group working to reduce taxes that inhibit productive economic behavior. There are chapters of the national league in New York, Long Island, Pittsburgh, Philadelphia, and Atlanta, as well as Massachusetts.

When delivering the award, Kahn noted Hermann's sponsorship of a bill that would allow cities and towns to lower that portion of the property tax that is levied on houses and their improvements and make up the difference in revenues by raising the tax on land values, calling the bill, "just the sort of tax legislation that could dramatically improve employment levels wherever it is implemented." Kahn also praised Brownell's records of consistent advocacy for measures that would put an end to the punishment of citizens who improve their communities by fixing up their own homes. "Higher taxes are clearly an inappropriate response to someone who increases the capital stock of his or her neighborhood," Kahn said.

Both Hermann and Brownell expressed their gratitude for the award and each promised to continue to fight for the passage of legislation that would ease the burden of taxation on labor, thrift and productivity.

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