

Letters

PLAIN TALK by Jerome Joachim

To the Editor:

The February issue features an excellent article by Klaus L. Hansen, and the article "What's In a Name" by Marshall Crane is mighty good. I will add my name in favor of a new title for the Georgist movement and think none could be better than the one he suggests, "Tax Reform." Everyone is against present taxes so there is little objection to the title, and it perfectly describes what we have in mind. I think I shall try the idea on my trip [to Mexico]. I am no longer a Georgist—from now on I am a Tax Reformer. Maybe we ought to change the name of the paper to the Tax Reform News.

—HOWARD L. FREEMAN
Union, New York

To the Editor:

I wish to refer to the first question of Harold S. Buttenheim answered by A. G. Huie in the January News, which has to do with land values and whether they would cover totals of municipal, county and school district expenditures.

It may interest readers to know that in the Colony of Arden, which collects as nearly as under present conditions it can, the annual rental value of land—it has sufficed not only for better public services than any comparable community of its size, but for all the state and county taxes, including school tax, imposed on improvements. I doubt if it could pay income taxes, sales taxes, etc. and still survive, even if it did collect the full rental value. This the trustees have not been able to do, since the people constantly vote for a board of assessors who they hope will keep the rents down. Residents are glad of course, to be relieved of taxes on their improvements, but they have a hang-over from the economic conditions they experienced before coming here. They feel that the "rents" may go up to an unheard-of price if they do not put "control" on the trustees.

—KATHERINE F. ROSS
Arden, Delaware

To the Editor:

I do not recall reading Messrs. Tucker and Brown's responses to Harold Buttenheim's questions, but I have just read those of Mr. Huie in recent issues of the News. Mr. Huie complains that Messrs. Tucker and Brown are not readily understandable by the man in the street, I do not think Mr. Huie is as understandable as he could be, and would offer the following answers:*

First Question. Begin to collect it and find out. Rental is public property no matter what its amount. If it does not suffice to meet public needs, some tax levy can be added.

Second Question. The best answer is, How would something that abates a thing stimulate it?

Third Question. People will pay rent for desirable location in the midst of the public. They will pay 100 per cent of what they are willing to pay—to anyone—to the public.

Fourth Question. Nobody will abandon land he can occupy at the rent he offers.

Fifth Question. The raw value of oil, coal and trees is publicly created. It certainly is not privately created. It is therefore public property. The public should collect 100 per cent of

I made a startling discovery last week. I learned that I am a radical. My Communistic acquaintances have frequently called me a "Violent Reactionary," a "Tool of the Capitalistic Classes" and similar names they hoped would insult me, but it hadn't previously occurred to me that the thinking of many people had reached the point where the measures I advocated were so far from what is now commonplace that I could be classed as a radical.

I suppose the reason I was so startled was because I suddenly realized that the concepts I espouse are at great variance with those which have come to be popularly accepted in the last 15 years.

A *Beacon** reader called on the day of my discovery to inquire as to the rights of landlords with respect to their tenants. Somehow I accidentally indicated that I felt a man who had toiled and sacrificed sufficiently to cause a building to be erected—where none would have existed except for his efforts—had a lot of rights infinitely greater than the rights of those whose only claims were based on the fact that they needed a place to live.

Almost instantly this reader informed me that I was un-American; that in America we had laws which gave tenants as many rights as landlords had with respect to the buildings which the landlords had erected and that my views were Communistic.

When I asked this reader how he defined communism I got a click which indicated that he had hung up on me.

It was then I realized that this nation is already so far down what Friedrich A. Hayek

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called the *Road To Serfdom* that thousands of people actually believe that property rights are based on needs and not on work.

There was a time when a man who wanted a house knew that he could have one only if he built it or gave up surpluses which he had produced in excess of his other needs sufficiently great to compensate the man who had already built one.

Now many people have discovered that if you have failed to make the necessary sacrifices yourself you can get about what you need by being a member of a majority group. If the number of people who need houses is greater than the number who have erected houses for rent, the politicians, in an effort to get your vote, will confiscate enough of the property rights owned by those who did save to give you what you want on your own terms. That such a system will prevent men from ever building houses for rent and will eventually work even a greater hardship on those who do not make provision for their own needs concerns these politicians not, for by the time these problems appear they will have devised other ways to get the majority vote.

Webster defines the word "thief" as one who takes the property of another by force in an illegal manner. When I use the word I include all forceful taking whether it has been legalized or not.

Using the word as I define it, I think we are fast becoming a nation of legalized thieves. By law we are making theft not only safe but even respectable. The "Robber Barons" of the Nineties often did the same thing but never in history has the practice been so widespread with so many people involved.

this undeveloped value, leaving the returns from exploration, development and human effort in the hands of those who create them.

Sixth Question. They should be assessed the rental they would yield.

Seventh Question. To be correct, the phrase should be: There can be no just title to the value of an exclusive possession of the soil. Thus corrected, the answer is: Yes, for city, state and nation. For nations (internationally), it would be fine if the world were advanced that far.

Eighth Question. A tax cannot be levied on land values. Land has a rental value. Part of it is publicly collected. What is left is privately collected. The more the public collects, the less there is left. If the public took all (as it should) none would be left. As "land value" is capitalization of "what is left"—land value disappears as a private asset.

—JOSEPH S. THOMPSON
San Francisco

*[Mr. Buttenheim's eight controversial questions appeared in the News first in December, 1949. They were repeated in the February, March and April issues in 1950 with the answers of Gilbert M. Tucker and Harry Gunnison Brown. The full text was published again in January and February this year with A. G. Huie's answers. We refer you to these issues rather than repeat them a fourth time.]

The Americans Assess Everything

TO THROW light on the much discussed present status of Western Canada which still bears evidence of early tax reforms along Henry George lines, *The American City Magazine*, edited by Harold S. Buttenheim, has published in its February issue, statements from city officials in four Alberta and Saskatchewan cities. Land and improvements are assessed separately in both provinces, with land being assessed at 100 per cent and improvements, in most cases, at 60 per cent.

In Regina, Saskatchewan, the present assessment on buildings is only 30 per cent. Regarding this, R. B. Wells, who is Tax Assessor and Tax Collector of Regina, commented as follows:

"I am all for our present 30 per cent assessment on buildings. It is a compromise between the 'single taxers' and the Americans who assess everything a fellow owns at 100 per cent."

Mr. Buttenheim, anticipating requests from *American City* readers for reprints of this article, has arranged to provide them upon request and graciously extends his offer to Henry George News readers as well. Unless the reprints are ordered in quantities, no charge will be made. Write to the editor of *The American City*, 470 Fourth Avenue, New York 16, N. Y.