

# Pittsburgh Welcomed Georgists

by JOHN C. WEAVER

THE conference of the Henry George Foundation of America held at Pittsburgh November 24-26 seemed to mark a transition point in Georgist history. It was the nineteenth conference arranged by this Foundation since its beginning in 1926. The conferences were annual until 1941 and were the chief inspirational reunions among followers of George. Then this function began to be served by annual meetings under auspices of the Henry George School. But after a long period of relative inactivity on the legislative and political front, there came the movement for extending the Pittsburgh "Graded-Tax" idea to other cities of Pennsylvania, and this, together with reports of hopeful efforts elsewhere, provided a basis for Foundation conferences in 1949, 1951, and the present year.

Of course there has never been a sharp line between the educational and legislative aspects of the movement and leaders in both share in each other's gatherings. Especial welcome was given at a mid-point in this conference to a report by Robert Clancy, director of the Henry George School in New York, concerning the course he is now giving on "The History of the Georgist Movement." This followed appropriately a discussion led by Robert Benton, director of the Detroit extension the previous evening, in which he stated that a Detroit Georgist, James Clarkson, had been elected to the Michigan legislature and would be glad of suggestions as to practical forms of legislation. It was pointed out that research in this field would be a true educational function even in a tax-exempt institution.

Although the opportunities now open in Pennsylvania and elsewhere formed the central theme of this conference, the impressive accumulation of news from New Zealand and Australia was unquestionably the highlight which will influence the future program. This came, first, through the presence of H. Bronson Cowan, whose carefully revised *Graphic Summary of Municipal Improvement and Finance* can now furnish the factual proof of workability so badly needed in campaigns to extend land value taxation in America. Mr. Cowan's material caught the attention of Pittsburgh newspaper men at the press interviews and won large headlines in three dailies as well as wire reports by the Associated Press. He spoke at the opening luncheon where he was heard by city officials and housing experts, and stressed the great renewals, in blighted districts of the cities which he studied, brought about without subsidy through removal of taxes on improvements and "removal of the gigantic bonus to slum operators" (the former low taxes on land). As usual, he surprised hearers by his figures showing that total land valuations rarely decreased, in spite of the drastic shifts in tax incidence, thus countering the familiar argument that land investors will suffer great losses. Gilbert M. Tucker's evening topic, "Why Landowners Should Favor the Land Value Tax," re-enforced this approach, with examples showing how the owner of an old structure on high-priced land will gain by erecting a tax-free house or building even if the land taxes go up. He also received attention from the news men.

Mr. Cowan's most telling story will bear many repetitions, since it deals with the group most likely to pay higher taxes (leaving aside the land speculators, whom we hope to turn to better vocations). A merchant in an Australian community was warned by his uncle, a large landowner, not to favor the new land value tax proposition, since it would greatly increase his taxes. "Yes," the merchant replied, "but I can't sell goods to all these vacant lots."

Mr. Cowan's report from around the world was ably seconded at the luncheon by Leon Caminez, vice-president of the International Union for Land Value Taxation and Free Trade, who told of new gains by the Justice party in Denmark; the full development in Johannesburg; the exemption of rural improvements in Jamaica, and the interest stirring in many countries from Europe to the Philippines.

Professor Harry Gunnison Brown arrived on the second day of the conference, and those who know his work know that he, like Mr. Cowan, emphasizes the value of the laboratory demonstration in Australia and other countries. He was the final speaker at an evening banquet, and hammered home the point that the landowners of place after place in New South Wales and Queensland voted for land value taxation, so that now there are many who have never known what it is to pay a tax on a building. Recently in Victoria, the only one out of four communities which did not vote heavily for this change depended for all its news on a paper owned by a publisher who did not print the facts. Dr. Brown cited support, in America, by the journal of railroad brotherhoods, Labor, which in turn quotes from House and Home (sponsor of a recent housing conference in Pittsburgh that publicized the graded

tax). He showed also the potential appeal to manufacturers looking for locations with the greatest incentive.

Like several other speakers, he mentioned the advantage of legislation in Australia which allows voters to petition for a referendum on land value taxation and requires the city to send each land-owning voter a statement showing his present taxes as well as what his taxes would be after the change. All reports from other countries and from Pennsylvania cities where studies have recently been made confirm the fact that the overwhelming number of homeowners, most industrial plants, and scores of modern buildings pay lower taxes under a system based on land values than under flat real estate taxes. Hence the potential political strength of the movement—and the need to make a careful presentation to merchants and others in the business districts where new taxation will largely fall. Mr. Cowan in a richly detailed summary at the closing session told of his contacts in Australia, Canada and the United States with specific influential groups such as architects, building contractors, labor, and suppliers, veterans seeking houses, community planning bodies, manufacturers, etc. "They will do for us what we cannot do ourselves," he said, meaning that it is well to make an approach without the label of Georgism or any goal too sweeping to have an appeal for those with limited interests.

This point was discussed with frankness at several sessions. It was a major emphasis of Gilbert Tucker, whose work is done under the name of the Economic Education League. Despite enthusiastic adherence to the Georgist movement on the part of conference visitors and speakers, many felt the use of a label was a hindrance and therefore accepted as practical, a state and local government approach which would make

little mention of the "single tax." "After enough of these steps have been taken," said one speaker, "honor will be paid to Henry George—he will be rediscovered as the great pioneer." Pittsburgh newspaper stories of the conference, of course, showed that no such dissociation is possible in this city, though it may be elsewhere. Young reporters, to whom the whole subject was new, showed no prejudice and readily conceded the realism of proposals based on facts from Australia, irrespective of the theories behind them.

### *Informing the Public*

It was this drawing together of veterans in the cause to enlist their aid in a new sort of campaign, which made this a very practical conference with a program. One session, compared the work of professional economists studying the probable effects of a graded tax in two Pennsylvania cities and showed how groundwork can be laid for influencing public opinion and government action. Professor George G. Sause, Jr., of Lafayette College, told of the study in Easton, and Dr. Edward Sussna, now at the University of Pittsburgh, described a similar study in Bethlehem, made while he was at Lehigh University, along with three colleagues. The latter was financed by the Economic Education League, and Dr. Sussna commended Gilbert Tucker's hands-off policy, which left the researchers free to be completely objective. Among other findings, they discovered so many inequities in assessments that their work came to favorable attention from city officials because of its immediate practical value. What will be done next depends on local political variables, and whether the Economic Education League and the Graded Tax League find ways of stimulating local leadership. A field worker for

these and other Pennsylvania cities may be engaged. Dr. Harry Gunnison Brown, now at Franklin and Marshall College, Lancaster, Pennsylvania, will be readily available for lectures and consultation.

Whatever tactics are adopted, it was agreed by those who came from other states, that Pennsylvania now offers the most advantageous field for action (though Michigan and California have strong indigenous movements)—because of the McGinnis Act enabling 47 cities to go as far as they like in shifting taxes to land value, provided one more amendment is secured removing a ceiling on millage. Senator B. B. McGinnis spoke at a later session, illustrating his own genial political tactics. Percy R. Williams, executive secretary of the Henry George Foundation, and city government expert on assessments, shared in the panel with Professors Sause and Sussna, comparing the groundwork for the Pittsburgh Graded Tax law of 1913, which lay both in a broad Pittsburgh Survey and in a vigorous movement for civic reform. He also told of the constant problem in keeping assessments by county boards from giving a misleading picture of basic facts. (A study of the assessment situation in 500 American cities which he has recently compiled will be summarized, shortly, in *The American City*.)

Charles R. Eckert, president of the Foundation; Clayton J. Ewing, vice-president; Joseph A. Stockman, Robert C. Bowers, Julian P. Hickok, Noah Alper, Otto Cullman, W. W. Williams, and Lucian T. Wilcox, all helped to coordinate the long-range outlook of the Georgist movement with the specific proposals and news of the hour—or, as Robert Clancy said in describing the function of the Henry George School, to guide a course "between esoteric cultism and superficial popular appeal." Papers were heard from J. Rupert Mason,

Steven Cord (see page seven) and Judge John R. Fuchs—all merited discussion. Themes varying in an interesting way from the general trend were presented by Selim Tideman, who gave a Georgist view of the international crisis in which many non-Georgists might concur; and by Lancaster Greene, whose talk on investments and inflation may be published in HGN in a subsequent issue. One of the most valuable contributions made by Mr. Greene was his

service as guest of the evening on a television forum conducted by students at the University of Pittsburgh over Station WQED, when questions were also telephoned in by viewers from the surrounding territory. His ready responses on subjects ranging from investments and foreign policy to (especially) the Pittsburgh graded tax, must have impressed the audience as well as the panel.

### JOIN THE GEORGISTS IN GERMANY

At this attractive conference site in Hanover, Germany, the Tenth International Conference on Land-Value Taxation and Free Trade will convene in 1959, from the 25th of July to August first. Meetings will be held in the modern restaurant (lower left in picture) at the edge of the Maschsee, a large artificial lake about seven minutes' walk from the center of the city.

Mid-morning coffee, lunch, afternoon tea and evening dinner will be taken in this restaurant where the cuisine is excellent—and all this Continental good eating comes to only \$4 a day. Hotel accommodations range upwards from \$2.75 a day.

Equally surprising is the fact that passage by steamship may be had for as little as \$217.50 one way in tourist class—or, if like Mike Todd you travel first class, it's \$377 each way. You prefer to fly? This is a fine idea if you don't take too long to think it over. It's \$290.10 one way at the economy rate or \$473.10 the Mike Todd way. Round trip flight fares save more money, and while the conference will be charming and an unforgettable experience, we are sure you will want to come back.

The Bankers and Merchants Travel Service has been appointed by the International Union as the official conference travel representative for North America, and has designated a special member of the organization to make reservations and solve all transportation problems, not only at the conference but on any other trips you might want to make preceding or following it. This service insures an itinerary tailored to individual budgets. For particulars write or telephone the Bankers and Merchants Travel Service, 511 Fifth Avenue, New York 17, N.Y.

