

Son of Land Tax born in California

SAN FRANCISCO — There's a state senator in California who deserves the Utopia Award for 1977. He is Albert Rodda, who is trying to persuade the California Legislature to approve a state constitutional amendment that would recognize the old Henry George philosophy about land taxation.

Guy Wright, a columnist in the San Francisco Examiner writes: "Sen. Rodda's constitutional amendment moves slowly but with crunch, like an icebreaker."

I'd like to meet up with this Rodda fellow and advise him to save his strength and energy. The best he is doing is recalling Henry George, once known as "the prophet of San Francisco," spurned by legislatures the country over for 90 some years.

Yet futile as Rodda's campaign seems to be, I was impressed with the fact that here in San Francisco, where Henry George first started to expound on his Single Tax theory, once more I come upon a serious revival of that principle that makes so much sense and yet has been rebuffed by some many intelligent and sensible legislators.

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The Henry George principle is the basis of the revenue producing system in the village of Arden and Ardentown, near Wilmington, a system, however, that is gradually being warped.

If I were to catch up with this Sen. Rodda, I'd say to him "Al, old boy, you talk a lot of good intentions but as Henry George, himself, once observed, 'My theory is so simple and easy most people run away from it.'"

And it's true. The George idea of land taxation is a sound and just one and could curb property speculation, but for the most part, legislators seem to dote upon



bill frank

more complicated, uneven formulae.

Apparently, this columnist, Guy Wright, is sold on the Henry George principle of land taxation. He writes:

"Rodda is trying to convince his fellow tax writers that it doesn't make a great deal of sense to penalize the fellow who takes care of his property while pampering the fellow who lets his property go to hell."

The columnist continues:

"You know how property taxes work now. You take pride in your house and keep it in good repair. The guy next door is content to live in a shack with his billy goats. Your property is an asset to the neighborhood. His is a liability. But the tax man rewards you with a high tax and him with a low one."

"You take out a building permit to improve your place and the tax appraiser is right behind you, figuring out how much extra to sock you."

"Meanwhile the bum next door lets his shack burn down and sells the land to some joker looking for a tax shelter. The new owner can let that vacant lot sit idle for years, growing weeds and rusty cans because the tax on a vacant land lot is peanuts."

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This, by the way, is the sad story of the valuable southwest corner of 14th and Market Streets in Wilmington. That's the site of the old George Gray house which was demolished a few years ago, presumably to make way for an office building that never materialized.

The difficulty with Sen. Rodda's plan and Columnist Wright's piece in the San Francisco newspaper is that very few people will really understand their viewpoints.

The columnist, himself a dreamer, suggests that students of the Henry George will understand why slumlords profit from real es-

tate decay.

"Others may need a quick course in Georgist land-tax economics," Wright says.

The trouble is there's no such thing as a "quick course in Georgist land tax economics." The present-day exponents of the Henry George tax philosophy are notoriously long winded.

One of the major objectives of the Henry George system of taxing only land and not improvements, is to encourage the best use of land and discourage keeping land out of use with hope of selling it later at high prices.

Another point in the Henry George system is that land values are created by the community and not by land owners.

This is quite difficult to explain to anyone exposed to the so-called Georgist Philosophy for the first time. That's another reason why there is really no short course in the Georgist land tax economics.

I have always maintained that fewer than 10 percent of the leaseholders in Arden-Ardentown, understand the economic system under which they are living or according to which they bought houses and leased the land on which their houses stand.

So many of the Arden and Ardentown residents are bedazzled and impressed with the charm of the villages and the quality of suburban life there. None of this has any real connection with the Henry George land tax plan.

I have serious doubts that the residents of Arden or Ardentown would approve today of a statewide land tax system in place of the present system.

And believing this as I do, I see no hope for the state of California ever approving Sen. Rodda's proposed constitutional amendment.

Anyway it is interesting to observe that Henry George, 19th Century San Francisco economist-philosopher, has not been entirely forgotten here in the city he loved so much.

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