

ANNUAL JOINT GEORGIST CONFERENCE FOCUSES ON PENNSYLVANIA

Land value taxation in Pennsylvania was the major theme of the 40th Annual Joint Georgist Conference held in Chatham College in Pittsburgh the weekend of July 16-19, 1982. Representative William Coyne, who as a Pittsburgh Councilman led the fight to increase the land value tax in that city, received the first annual William Newcomb Award as the public official who had done the most for the cause in the past year. Presenting the award was Steven Cord, who spearheaded the campaign throughout the state and who is credited by Coyne, along with John Weaver, formerly of Pittsburgh, with providing both the concept and the facts to implement land value taxation in cities throughout the state. Professor Cord, who is President of the Henry George Foundation, a trustee of the school in New York and editor of the newsletter Incentive Taxation, was also featured in the conference program that ranged from local to international issues.

The conference theme was set at the opening panel, with Councilmen William Robinson of Pittsburgh, Joseph Bendel of McKeesport and William Tallman of Newcastle, who described the positive effects of land value taxation in their cities.

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PHILADELPHIA CITY COUNCIL HEARINGS HELD ON LAND TAX PROPOSAL

After a one-month delay, the Philadelphia City Council held hearings on June 22 on Councilman James Tayoun's land value tax bill. Members of the school in Philadelphia and the Incentive Tax League of Delaware Valley, headed by George Collins, as well as Philip Finkelstein and Larry Spancake of the Center for Local Tax Research in New York City, presented testimony before the councilmen in favor of the bill.

The hearings had been originally scheduled for May 20, which would have permitted the land tax increase to be considered among the alternatives for new revenue for the 1982-83 budget. However, the proposal was postponed and the budget went through May 31 as planned. This may work to the advantage of the bill, "...as its removal from the budget process will allow it to be considered fairly on its own merit, without the disadvantage of being viewed as a burdensome tax increase," Collins reports.

Steven Cord presented results from his study, "A Report on the Impact of a Building-to-Land Shift on Homeowners and other Property Owners in Philadelphia," which was done at the request of the Council. Ed Dodson, Jack Himmelstein, Richard Thoma, and David Zwanetz also testified before the Council.

Follow-up on the hearings is now being done and transcripts of the hearings are available by contacting Collins.

A BETTER INCOME TAX?

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Most of us would agree that the best income tax is none at all, but wishing won't make it go away. In fact, in its relatively short history of constitutionality, the income tax has become not only the single biggest revenue source of the federal government by far, but pervasive at state and local levels as well. Beyond its revenue appetite, the income tax has, perhaps more than any direct measure of social policy, fashioned the socio-economic structure of the nation. The tax exemption, full or partial, of favored expenditures, such as interest, medical and charitable deductions, has created whole new sectors of economic activity that add nothing to production. The recent spate of leasing "tax credits" is only a sophisticated wrinkle in the fabric of privilege woven by the Internal Revenue Code over the years.

It is in light of these, the growing underground economy and similar avenues, licit or otherwise to avoid or evade payments, that the proposal for a "flat" income tax is receiving serious consideration. While there are several versions afloat, all of them would greatly simplify the income tax by eliminating most of the deductions and exemptions, lower or remove the progressively higher rates and narrow the range at a lower level generally. The idea is to collect more from more people who would presumably find it easier to pay. That dubious presumption aside, the current effort may yet contribute some useful reform of this most onerous of all our tax burdens.

If among the loopholes and privileges eliminated are included the extraordinary tax benefits in the acquisition and holding of land and other natural resources, there would be some gain for the general public. If the shelter business could be induced to provide shelter rather than tax shelter, if producing energy were more profitable than gobbling up oil, coal and other resources, if income from labor were treated at least no worse than wealth in land and natural resources, it would be welcome news. There is as yet little to indicate that these bastions of privilege will yield to tax simplification. This is an arena in which we should be heard.

An income tax that treats all income alike with no exception is better than the one we have with its disincentives for earnings, production, and useful development. But it is still not the tax we need or want. By limiting it at the federal level, we may begin cutting back its influence at the state and local level as well. Perhaps more taxpayers would begin to understand that ability to pay need not be based on income from earnings but all sources of wealth as well.

Philip Finkelstein

~~CONFERENCE ON LAND POLICY THROUGH TAXATION HELD IN NEW HAMPSHIRE~~

Better taxation of land values can have a positive effect in land policy, most of the participants agreed in a conference on land policy through taxation, held at Franklin Pierce College in Rindge, New Hampshire, July 11-16.

This was the first conference co-sponsored by the Center for Public Dialogue in Washington, D.C. and the Center for Local Tax Research in New York, whose directors, Walter Rybeck and Philip Finkelstein, served as conference co-chairmen.

Panelists and guests included federal and state officials, representatives of national public interest organizations and local public officials from New England municipalities and elsewhere; all experts of various aspects of land use and economics.

Mayor George Latimer of St. Paul, Minnesota and officials from Philadelphia, Cleveland, Wilmington and other cities provided a strong urban perspective. Rural land issues, including an exposition of the newly announced proposed sale of federal lands, also received substantial attention during the nine full sessions and informal discussions throughout the week. Professor Mason Gaffney of the Univ. of California/Riverside gave a major presentation of the effects of land policy on unemployment on a panel with Fred Harrison, editor of Land and Liberty, who compared the land value and business cycles.

A portion of the conference was covered by John Herbers of the Washington Bureau of the New York Times, whose report on infrastructure appeared in the Sunday, July 18 edition and included quotes by Finkelstein and L.A. school director Harry Pollard. In the article Pollard noted that "The way it is now, a bus driver, in order to collect one acre of people, has to drive past five miles to find them. And he has to drive past five miles of sewer pipe instead of one. It is a land-use problem. If you have to finance five miles for every one, you will forever be in financial trouble."

Other school participants were Mitchell Chanelis, director of the New England school, Larry R. Spancake and George Kerchner of the Center for Local Tax Research, Steven Cord, who presented a summary of his work in Pennsylvania, and New York trustee Fryda L. Ossias.

California Assemblyman William J. Filante of Marin County, former head of the San Francisco school, chaired a panel on the infrastructure and how to finance it from a better land tax, a major theme of the conference. Dr. Filante suggested that a future conference be held in Sacramento for the benefit of California legislators and officials concerned with land policy and related issues.

(The following is an excerpt from remarks given by Philip Finkelstein at the Land Policy Through Taxation Conference, Franklin Pierce College, Rindge, N.H., July 11-16).

"The ideas of taxing land values, or collecting the economic rent of land, or socializing the unearned increment, or any other term used for the recapture for the public benefit of the values given locations by infrastructure and development, is a perfectly rational concept, just about unassailable logically, appropriate morally and almost beautiful aesthetically. With so much going for it, we might ask how come it has not gained widespread recognition, favor or application."

"Aside from the generally perverse predilection of humans for the irrational and the unjust, there are a number of forces opposing land taxation in our political, social and economic history. Perhaps the most serious is that while many of us decry privilege, most of us have long decided to quit the fight against, and joint the quest for it."

"Let us make it more profitable to produce goods and services that people need and want than to shelter income in vast land holdings and natural resources, a shelter indeed not from the elements of nature but from the waywardness of the Internal Revenue Code. These are obstacles that can be removed at the local, state and federal levels, wherever the forces of reason and justice can prevail against privilege."

ECONOMICS FOR A PEACEFUL PLANET CONFERENCE REPORT by Louise Pulini

Over sixty people, including California Georgists and representatives of ecology, environmental and hunger project groups, attended the "Economics for a Peaceful Planet" Conference held at Westminster Retreat in Alamo, CA in June. The event was organized by Bob Scrofani, Alanna Hartzok and Laraine Stiles of the school in San Francisco and co-sponsored by Mildred Loomis of the School of Living. The bucolic setting, a short drive from San Francisco, allowed conferees to easily relate and discuss the major topics set before the group, which included panels on Money, Thinking Globally, Acting Locally, Economic and Political Action, Nuclear Threat, and Frontlines New Land Tenure Programs.

As a panelist, I presented a progress report on a project we are working on in New York to identify the ownership and value of land, so that problems, and particularly Georgist solutions, can be delineated. I was pleased to find positive, enthusiastic response to this project and to many of the ideas presented during the three days.

The highlights of the conference for me were reports on life in Russia by Stan Danilov and El Salvador by Professor Carlos Cordova, an explanation of BioRegional Economics by Peter Berg, and Jack Baldwin's talk on getting land reform ideas into the Democratic Party Platform in California and elsewhere. I was impressed by the mix of unique individuals who all agreed on a common ground, to promote the ideas of Henry George in whatever forum can be successfully used.

Throughout the conference we met in small groups to work on themes such as Education, Labor, Political Action through Established Structures, Alternative Economic and Political Structures and Resolutions. During the wrap-up session on the final day, The Westminster Statement (see page 6) which was developed in the Resolution group, was presented to the conferees, modified and finally approved. Reports from the small groups were presented at that time as well. The strengths and weaknesses of the schedule were discussed and evaluations were written by attendees, who agreed on the whole that the conference was a successful and beneficial learning experience and that similar themes should be explored at another conference of this type in the near future.

GEORGIST CONFERENCE continued from page 1

A full day of morning, afternoon and evening sessions ranged from reports on Appalachia, the closing of steel mills in the Pittsburgh region, the teaching of moral argument, the relation of the federal government to land issues and the meaning of political action. Workshops were held on land assessment, media strategies, Georgist education and local organization. At an evening session, another Newcomb award was presented to Perry Prentice for his work on behalf of promoting the principles of land value taxation in national organizations and media.

All of the sessions engendered lively discussion, with perhaps the most heated following a film and panel on nuclear disarmament and the Georgist approach to peace. A number of conferees signed a statement expressing the need for Georgists to participate in the growing peace movement while expressing a more particular point of view on the way to eliminate the causes of war and international conflict.

Dan Sullivan, who heads the Incentive Tax League in Pittsburgh, led and narrated a bus tour through the city explaining the highlights of both urban development and deterioration. Sullivan also worked with Mark Sullivan and Bob Clancy of the Council of Georgist Organizations in making the conference arrangements. At the final session it was agreed to hold the 1983 conference at a location in Southern California. Harry Pollard, Director of the school in Los Angeles, announced that the conference is being planned to attract educators and that a likely site would be the Univ. of California/Riverside in the early summer.

SCHOOL NOTES

NEW YORK

The Fiftieth Anniversary of the New York headquarters will be observed with a series of special events during the week of September 7-11. City and state officials as well as gubernatorial and senatorial candidates have been invited to attend programs. Further announcements on activities are available by contacting Louise Pulini in New York.

The Fall Semester begins September 13. Courses in Fundamental Economics are taught by Dr. Jules Zimmerman on Tuesdays and Len Mednick on Wednesdays. Dr. Harry Fornari offers Land and Liberty, which is described as "an analysis of the economic and political equity in the U.S. and the world" on Mondays and Oscar Johanssen teaches Money and Banking on Tuesdays. An advanced course, Protection or Free Trade, is taught by David Redman and is open to students who have completed the fundamental course. All classes are free and open to the public.

LONG ISLAND

Stan Rubenstein reports that coordinators of the seven Incentive Tax League chapters on Long Island met in June to discuss strategies for formulating plans of action in the Fall. Each chapter will be responsible for contacting and educating their respective local and state officials and legislators on land value taxation, which includes sending them Incentive Taxation. The chapters have had continuing success with sending speakers to address community organizations and this effort will be stepped up in the upcoming months. A two-hour evening seminar on the work of the League will take place in Six Adult Education programs:

Lynbrook--Atlantic Avenue School, Tuesday, September 21

East Meadow High School, Thursday, September 23

Bell-Merr--Kennedy High School, Thursday, September 30

Levittown--MacArthur High School, Monday, October 4

Plainedge--(check school), Thursday, October 7

Oceanside High School, Monday, October 18

BOSTON (NEW ENGLAND)

Harlem Activist Rita Webb Smith was a guest of Mitch Chanelis and the school recently for three days of activities in the Boston area. Ms. Smith first appeared at a forum co-sponsored by the school and hosted by State Rep. Mel King, on June 18th at the Harriet Tubman House in Boston. She also was interviewed by Lovel Dyatt on a radio program, appeared on a local television talk show, and presented a workshop on "Survival In a Hostile Environment" at First, Inc., a residence for ex-drug offenders. Ms. Smith met with Ron Mc Lean of the Black Ecumenical Commisison of MA and spoke of Henry George before a congregation at St. Martin-St. Paul Episcopal Church; as a result the film "One Way to Better Cities" is being shown for the Commission on August 26. Ms. Smith, who organized her neighbors to "clean up" 143rd Street in New York City, has appeared in numerous newspaper articles and has received civic awards for her community work. She is a member of the Incentive Tax League in New York City and is active in school events.

CALGARY, ALBERTA, CANADA

In April, classes in Fundamental Economics (or "The New Economics") were completed in both Calgary and Edmonton in Alberta, Canada, reports Gerry Shaw. The course was offered as part of Adult Education programs in the area, which has proved to be a successful "no cost" approach to teaching Henry George. Shaw hopes to continue the course during the Fall 1982 and Winter 1983 semesters as well.

WESTMINSTER STATEMENT

(The following resolution was co-authored by Alanna Hartzok, Americ Azevedo, Louise Pulini and other members of the Resolution Committee and submitted for approval to the conferees at the "Economics for a Peaceful Planet" Conference. A full copy of the excerpted statement which appears here is available by writing to the school in San Francisco).

Whereas the value of land and its equitable distribution are crucial to economic justice, and whereas value in land results from two causes: 1) natural fertility, and 2) location advantages which reflect the community services (streets, sewers, protection, markets, etc.) available at that site;

Therefore, we recommend community (not private) use of these land values and urge states and municipalities to implement land value taxation, where the tax burden is progressively removed from improvements and transferred to land.

Whereas a land price index will be a useful first step in alerting officials and the public to the roles of land in the economy, making it more likely that appropriate changes in taxes and other policies would be proposed and enacted;

Therefore we urge the establishment at the local, state and federal levels of a land price index which would provide for an accurate assessment of the allocation of real property values between site value and the value of improvements.

Whereas access on an equitable basis to government lands would give an important alternative to the evils of welfare, unemployment and wage-slavery;

Therefore, we urge federal and state governments to make good public land available, on a lease or land trust basis, to citizen groups who want to build and live on energy-conserving, ecological, cooperative communities and farms, thereby effectively and responsibly using our natural resources.

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