

CONTROVERSIAL

Enterprise Linked to Single Tax

By RICHARD EBY

A young advocate of an old economic doctrine cloaks his zeal in a quiet, thoughtful manner.

He has to, for he's between two schools of critical thought.

One school calls the philosophy socialism. The other group thinks it's a dodge to avoid income taxes.

Both are wrong, said Dr. Robert V. Andelson, executive director of the San Diego unit of the Henry George School of Social Science.

"Actually, the Henry George economic system is a way to make free enterprise more free," he said. "There isn't anything socialistic about it."

As for the system being a dodge, that too is erroneous, he said.

Interest Held Growing

"What could be more logical as a source of revenue than a source created publicly?"

Andelson said things look brighter, for him and for the philosophy. There seems to be, he explained, a reawakening of interest in the doctrines of the world famous economist who died in 1897.

National publications have suggested that the Henry George doctrines be examined once again. Well-known columnists have reported that the ideas again are coming into focus.

Seminars Scheduled

Andelson hopes to spread the word about the philosophy during a series of seminars starting Monday and continuing for 10 weeks at 10 different locations. Nationally, the Henry George School has conducted courses and group discussions throughout the country since its founding in 1932.

Basically, the movement could scrap the present system of taxation including the income tax, which its followers believe is arbitrary.

Site valuation taxation would be established. What is



DR. ROBERT V. ANDELSON
Seminars scheduled

It's a tax on land, based on its full market value, exclusive of improvements. Under the system, there would be no tax on any improvements.

The philosophy is that a man has a right to that which he creates. On the other hand, he should pay in taxes for the value of land and natural resources that is created by public use.

Example Given

Andelson said a sample tax levy on a piece of property would be an amount equal to a full year's rent.

That way, he continued, a man with property in a city would pay higher taxes than a man with an equal size lot in a rural area because the "socially created" value of the land would be greater.

This "social value" created by the community is what is taxed over and above what

Speculation Affected

The theory is that all land is physically the same in value until the "social" aspects enter the picture.

"It's simply a matter of the community taxing in full for public purposes the unearned increment of land sites," said Andelson.

The system would eliminate land speculation, he said, by taking the profit out of such speculation. Taxation would be fair and equitable.

To illustrate the fallacy of the present system, Andelson pointed to the problem of slum areas and "false solutions."

The first false solution, he said, is socialized housing projects.

"The tenants' houses are cheap, but someone foots the bill. Who? The taxpayer. The houses are tasteless, dreary, and forbidding. Tenants have no incentive to keep them up. Delinquency is still a problem."

2nd Solution Hit

The second false solution, he said, is private redevelopment under the present tax structure.

Luxury houses replace the slums. Beautiful dwellings are erected for private profit. But the slum dwellers are moved elsewhere and new slums are born. The problem is unsolved.

Under site valuation, "the real solution" is offered, he said.

Land speculation, which he described as the chief cause of slum and deteriorated areas, is eliminated by increasing the tax on land values, he said, and this assists in land acquisition. He added that the removal of taxes on improvements encourages renovation of old buildings or construction of new ones.

"This is working in varying degrees in such places as Sydney, Australia; Johannesburg, South Africa; every city in New Zealand except Auckland, and in Denmark," said Andelson.

Used in California

All of California irrigation districts use the system for revenues, he said.

Auckland, New Zealand, which does not have the system, is the one city in that country that has slum areas, he said.

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