

A MAN OF MANY, MANY WORDS

Noah Alper Never Stops Arguing for Tax Reform

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Noah D. Alper, who may well be the most prolific letter and pamphlet writer in St. Louis, is a man with a mission.

He devotes practically all of his time to a single subject—taxes.

Moreover, he devotes most of his many words about taxes to a single tax—the tax on land. That's the only tax Mr. Alper really approves of.

Working from a small downtown office piled high with pamphlets and lined with crowded bookshelves, he tirelessly preaches tax reform along the lines of Henry George's single tax theory.

A pudgy, balding native of Farmington, Mo., Mr. Alper is a charming enthusiast who escapes being a fanatic because he is modest, soft-spoken, tolerant and, above all, reasonable.

ARGUES QUIETLY

In the constant stream of pamphlets and letters which flows from Mr. Alper's office, he argues quietly that tax reform based on higher land taxes would bring peace, prosperity, and justice, cheaper government, higher wages and increased production.

Here is the argument of the modern single-taxers like Mr. Alper—an argument that is a direct outgrowth of the theories of Henry George (1839-1897).

Land is the property of all human beings, since it is created by nature, not by man's efforts. Private ownership of land is justifiable, but excessive profits by landlords are not.

The land in a community derives most of its value from the community's growth and progress, without the owner having to contribute anything—work, time, or money. Often publicly-financed projects like expressways, schools, bridges and parks increase the rental value of land tremendously.

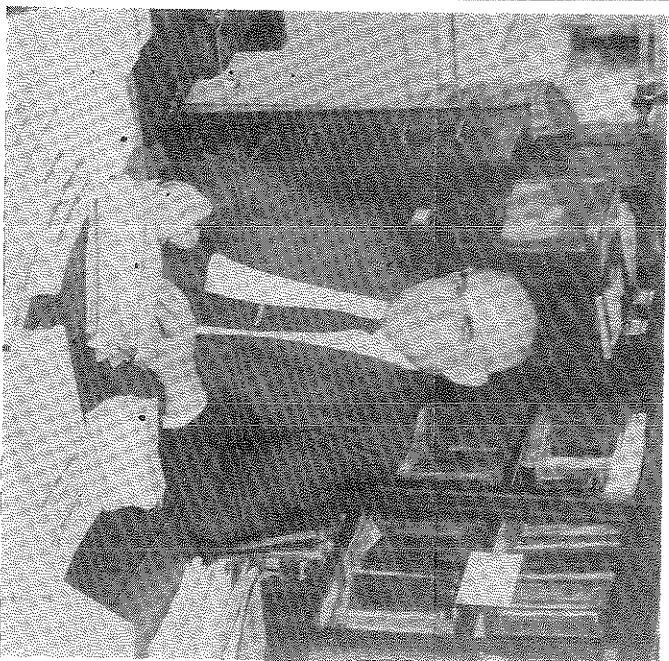
RENT UNEARNED

Thus rent from such land is unearned. The owner profits from a publicly-created increase in the value of the land.

Mr. Alper and his colleagues call rent "natural public revenue." Land taxes should be raised until they almost equal the amount of rent the land produces, they contend.

Actually, there are only two real sources of wealth and taxes—rent of land and the "rewards of human effort," a term used to cover both wages and interest on invested capital.

The tax system in the United States (and most other countries) has emphasized levies on the rewards of human effort more and more and taxes on land less and less.



SINGLE-TAX ADVOCATE Noah D. Alper at work in his St. Louis office.

The result: land speculators are favored and thus encouraged to profit from publicly-increased rental values.

They get high marks for intelligence and intelligence, but like intelligent robbers, they reap high rewards from society without contributing anything. The argument runs. As a city starts expanding, it finds the speculators in the way, holding idle land for high prices and forcing "urban sprawl."

SLUMS CREATED

Because of the emphasis on taxing property improvements, rather than land itself, landlords are encouraged to let buildings run down and become slums. Speculators can afford to keep choice lots vacant because taxes are low on unimproved sites.

If each piece of land were taxed on the basis of what its rent should be, it would force owners of vacant downtown lots, or well-situated slums, to improve their land or sell it.

Instead of subdivisions developed on cheap land far from utility lines and main thoroughfares, cities could spread in a more economical, orderly way because speculators would find favorably located but vacant land assessed at higher and higher levels.

Meanwhile, the various levels of government would shift from dependence on the dozens of taxes now levied to dependence on land taxes. They could lower taxes on wages and capital, thus encouraging more buying, more land improvement, more construction.

They could eliminate many of the taxes which now are piled on top of one another, but which really tax only one basic source; the rewards of human effort.

GEORGE THEORY

Henry George argued back in the Nineteenth Century that no government needed any more revenue than a figure slightly below the total of all rents.

Mr. Alper concedes that this is impossible nowadays if the local, state and federal governments continue to provide the services they do at present. He believes government provides too much—but if the people want to keep all the services, they have a right to tax their own wages and capital for the amount needed beyond what land taxes would provide.

"It might take about 30 years to make the tax shift," he said. "The theory is that as we eliminate land speculation, eliminate slums, gradually raise rental values and thus raise the amount of land taxes collected, we would also eliminate dozens of departments of government which now collect all these various taxes. We also would cut down on slums, increase wages and reduce crime."

That old catch-phrase, "spreading the tax base," is unsound, he contends.

Low taxes on land and high taxes on goods send land prices up and commodity prices up, too. High taxes on land and low taxes, or no taxes at all, on goods mean low prices all the way around, he argues.

"Which do we want," he asked.

How are the landowners going to respond to this system? "Most of them will like it," he said firmly in a recent interview. "The homeowner, remember, even if he pays more taxes on his lot, he will pay less on his house and on everything else. The land speculators won't like it, but almost everybody else will."

TAX REFORM

The land-tax system has been instituted in one form or another in various places—Denmark, Australia, New Zealand—and with good results, Mr. Alper said. More and more voices are being heard in this country calling for tax reform, especially in the matter of assessing property higher if improvements are made.

In Pittsburgh, land is taxed at full value while improvements are taxed at half.

The Pennsylvania Legislature passed a law in 1959 allowing third-class cities to take all taxes off property improvements and put them all on the land, providing the revenue produced did not increase.

House and Home magazine, quoting John Stuart Mill, "Landlords grow rich in their sleep," pointed out in 1960 that unimproved land is the only kind of private property that the owner did nothing to create, can profit from without doing anything to make it more valuable and can keep for years, doing nothing, yet still protect his investment.

STRANGE PARADOX

Since the owner of unimproved land has done nothing to earn a profit, it commented, it is a "strange paradox" that owners of unimproved land enjoy "the most favorable possible tax treatment."

Almost everything is over-taxed, it continued, but "land as land is hardly taxed at all." Noah Alper has been devoting virtually all his waking hours to furthering the single tax theory for years now. He watches newspapers and magazines closely for stories tending to show the reasonableness of higher land taxes and the folly of most present tax systems.

He fires off a letter to an editor, an economist, a professor or a student whenever he believes they need to be set straight in their thinking.

"There is some trend our way," he said. "Correct changes can only follow correct tax education and correct thinking."

To encourage "correct thinking," Mr. Alper, working through the Public Revenue Education Council, 705 Olive St., is distributing free literature all over the country, confident that once the people are informed, they will remove the "gigantic, tax-handicap" holding back the free enterprise system.

The Public Revenue Education Council is a non-profit, non-political organization with Federal tax-exemption normally accorded such institutions. It challenges a system of tax-education based on studies of man-made tax laws instead of on possible sources of Government income clearly identified by basic structure of economic science. For information write:

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