

# Our Town

THERE IS NOTHING CERTAIN BUT DEATH AND TAX-REBELLION ...

## Tax reform: Let George do it

In a tidy brick rowhouse in Philadelphia, a revolution is under way. As revolutions go, this one is a bit on the sluggish side. It has been rolling along almost unnoticed for more than 100 years. But it may also be a revolution whose time has come.

Howard Jarvis, the prophet of California's Proposition 13, has captured the imaginations of millions of angry taxpayers across the country. But as they go to the polls this Tuesday, what the legions of snarling Jarvistes may not realize is that they are only the latest in a long line of American tax rebels. Even before the day when a group of improper Bostonians

dressed up in feathers and dumped tea into that city's harbor, anti-tax movements have been a staple of the American political diet.

One of the most famous tax rebels of all, whose ideas have suddenly gained a new immediacy, was born and raised in a house on 10th Street just north of Lombard.

His name was Henry George, and along about 1880, following the publication of his monumental work *Progress and Poverty*, he was, next to President Rutherford B. Hayes, the most famous man in America. George actually was not a long-term Philadelphian. He quit school here at the age of 14, went to sea and finally settled in California, where he worked as a printer and, later, a newspaper editor. Along the way, he became concerned with the poverty he saw all around him in America. He also became convinced that land speculation was the major evil in society. And he thought that he knew how to put an end to it.

His panacea was the "single tax." He advocated the abolition of all taxes save one—a tax on the value of land. There would be no tax on the buildings that stood on that land, nor on the food grown upon it, nor on the goods produced in factories that occupied it. His conviction that a single tax on land value could end speculation (thereby opening land for development and providing jobs for the unemployed) took such a hold on the American psyche that by the time George died in 1897, a whopping 2 million copies of his book had been sold and his influence was being felt around the world.

Although "charismatic econo-



Henry George and George Collins: in the great tradition of tax rebels.

mist" may seem a contradiction in terms, at the height of his popularity George was exactly that. An almost Messianic figure, he was followed everywhere by crowds of true believers.

Unlike other movements and ideas that have tended to die with their leaders, however, George's single-tax theory is alive and well, and quite possibly picking up relevancy and momentum with each passing day. The philosophy is still being taught to new generations of the curious under the auspices of the Henry George School of Social Science, a New York-based institution that has eight branches in the United States and Canada.

Locally, the Georgist philosophy is being kept alive in the house at 413 S. 10th St. by a little band of true believers. George Collins, the school's director since the 60s, sits in the small, snug front room of the house and speaks eloquently about economic theory as people drift in for the free evening classes. The students cannot be categorized. Collins says they come from all walks of life, and, if appearances are to be trusted, they do indeed seem a diverse group. A middle-aged couple in polyester pastel outfits, a young man in jeans and leather jacket and a navy-yard worker wearing a nylon windbreaker greet each other and climb the narrow stairs to the classroom on the third floor.

George Collins, a tall, thin, elegant man in a blue three-piece suit, speaks of his "conversion" to Georgism. He, like most students who come to his school today, read about the free courses in a small newspaper ad that billed it as a course on "Henry

George, the foremost economic thinker of our time." Collins was skeptical but curious. Soon after he enrolled, though, he became a believer. He took all the courses available (in New York, where he was living at the time), then was asked to join the faculty and later was appointed director of the Philadelphia branch.

Collins' school runs three 10-week sessions and enrolls about 120 students a year. All teachers are volunteers who have taken previous courses on Georgist philosophy. And all courses are free, supported by memberships, contributions and help from the New York headquarters, which has its own endowment.

Collins says the school enrollment is healthy and gaining all the time. "The current concern with urban decline and taxation is a fertile field for George's ideas," he said recently. "You might say that the terrible state we've gotten ourselves into is good, from a Georgist standpoint."

What Collins means is that after years of living in the shadows and being treated as an anachronism, the single-tax theory is finally being taken seriously. "More and more locations are looking for tax reform," he explained, "and are trying to shift the burden to less onerous means. We're not saying that academics and the like are necessarily looking at George, but some things they're talking about, like the need to relieve property owners of the burden of property taxes, are offshoots of George's ideas."

The land-value tax is being used in Australia and Denmark, and the General Accounting Office has advocated it for reviv-

talizing downtown Washington, D. C. Locally, New Castle County, Delaware, has instituted an extensive study of the single-tax theory, as has the Pennsylvania Department of Community Affairs.

Rep. Henry Reuss (D., Wis.), chairman of the House Committee on Banking, Finance and Urban Affairs, recently called for "up-taxing land and down-taxing homes and improvements as a reform whose time may be coming 100 years after Henry George."

Though he may have Howard Jarvis to thank for the recent revival of interest in tax reform, Collins is quick to point out the differences between Proposition 13-type measures and land-value reform. George made distinctions between land and improvements on it; Jarvis is concerned mainly with the rate of taxation. Jarvis, Collins says, does not understand that "the lower the taxes on land, the higher the prices will become. The chief beneficiaries will be the land-holders."

The Henry George School of Social Sciences, a nonprofit institution, is a landholder in its own right. It occupies space that has increased in value recently. In the last 20 years, the neighborhood has changed from run-down derelicts' row to a prosperous residential area, and the birthplace of the economist has been restored. Asked whether the taxes had been raised because of the restoration and other improvements, George Collins flashed an apologetic smile.

"Oh, we're tax-exempt," he said.

—Lewis Beale

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