

We have just returned from a couple of weeks spent in and around Pittsburgh and Washington, D.C. A conference on taxation in Pittsburgh took three full days and included a bus tour to survey some good and bad effects of some good and bad property tax formulas.

The conference was a meeting of Georgists, people who have read the works of Henry George, an economist who wrote about a hundred years ago.

Our economic analysis is based on quite different ideas than you usually encounter, including ideas about what naturally—and therefore morally—belongs to whom. Depending on the origin of an object, or the origin of its title, or the origin of its value, it could belong to YOU, naturally and morally, or to the COMMUNITY, naturally and morally. Such natural origins and titles should then serve as guides to where in the production chain taxes should be levied. If your knee jerks at the thought of someone getting out of paying taxes, your fears may be allayed by the fact ALL taxes (except capitation types) are paid by the consumer, no matter where in the production chain the tax is levied.

Any city in Pennsylvania is not the most inappropriate place for a meeting of Georgists, since more solid progress has been made there than in the rest of the United States. It took many decades to get through their legislatures something in the way of local option. Now, certain government units are allowed to reduce taxes slightly on buildings and replace them with taxes on land values. The result, of course, is always a major stimulus to building and therefore all other legitimate business. However, some strong political opposition and counter-propaganda comes from some large monopolists whose operations are not well understood by masses of voters. I guess they don't like for new enterprises to come along and compete for their customers and their labor force.

Some bare land speculators also lack savvy about which side their bread is really buttered on. I guess they think that more than a pitiful few of them will get their price after the rest of the country is strangled by dire need for suitable locations for work. Maybe they also don't see the connection between that and the need to send their youth to another world war about once per generation. Or maybe they think they will survive the next major war. They won't. No one will.

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We had written Mr. Gross to inform him that last week's Progress lacked space for his column and it would be published this week. We also said we were in a fog (this Monday morning fog reminded us of the letter) trying to figure out what he is promoting. We thought some clarification would be helpful. He wrote:

"You mention being foggy about what I am trying to say. Nothing would please me more than to be able to remove the fog in a few sentences or eight short installments. At the risk of making this letter longer than you have time to read, let me try to summarize what has taken me many books to learn.

"1. The newspapers are full of accounts of great distress in the world, most of which is economic—inflation, unemployment, business stagnation, chronic depletion of public treasuries, undeserved poverty, and war.

"2. People rise up in great disputes about causes of same and therefore what to do about said problems.

"3. Most of said disputes come in pairs of opinion packages which are totally devoid of power to solve the problems because they totally fail to make use of available information about root causes of the problems.

"4. I am a member of a band of zealots and cranks who firmly believe that we know a small number of root causes which completely explain and remove mysteries behind those problems.

"5. Solutions do not depend on the improvement of human nature, but rather on the propagation of information.

"6. Readers will be repeatedly directed to an introduction which I have placed in the Polk library. There is no easier way to get it.

"7. Great is the difficulty of persuading people to try out in their minds a new explanation of anything, as long as they place trust in some explanation which they have heard many times from early years.

"Thank you again for the pulpit. I shall try to move as fast as I think I dare in presenting my case.

Everett Gross

"P.S. Maybe slower is really better."