

## Henry George *Might Have Been Right!*

JESSE A. Zeeman, whose defense of LVT is considerable, scored public housing in a letter published in *The New York Times* on October 17th. Regarding an attempt to replace private enterprise with government endeavor, he said if the taxes on improvements had been eliminated, venture capital could have constructed housing that would have been properly maintained by the owners. "Further, increasing site taxes generally would encourage owners of idle land to improve their properties, increasing the much needed supply of housing." In a June letter in the same column he maintained that reversal of "topsy-turvy" methods of taxing real estate could provide ample space for expansion because it would bring more land into use.

There were many startled glances at a small bold headline in the October 7th *Christian Science Monitor*: "Ninety years after George said it, Britain is beginning to think the American might have been right." It was reported that the Ministry of Housing and Local Government, hoping to provide homes for the homeless, is considering a rising scale of taxes for developers who leave property unused, recognizing that a "land-only" tax encourages maximum use of land "which by its nature is not unlimited in supply."

"City Woes Leapfrog Into the Suburbs." This was the title of an article in *The National Observer* of October 6th by Mark R. Arnold, which made the point that the low tax levy on "close-in" land has contributed to an unprecedented increase in land prices and is largely responsible for urban sprawl. "Some authorities," said the author, would "turn the present property-tax principle on its head" by putting a high tax on land to bring it into more intensive use so that suburban development could proceed in a more orderly manner. With the most productive taxes being skimmed off by state and federal agencies, the local governments depend for 88 percent of their revenue on property taxes.

The author asks whether suburbia can avoid repeating the mistakes in the cities. Before slums spread to the suburbs the alarm should be heeded. Tax the land "into use"—take the pressure off improvements! The tax on land value is simple and it works. An experiment in Southfield, Michigan, limited though it was, gave evidence of its effectiveness.

*In the August HGN it was stated in error (p. 1) that buildings were taxed out of use in Southfield. Improvements are taxed into being by fully assessing location values and reducing taxes on buildings.*

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Vol. 32, No. 10

November, 1969

The Henry George News, published monthly by the Henry George School of Social Science, 50 E. 69th Street, New York, N. Y. 10021, supports the following principle:

The community, by its presence and activity, gives rental value to land, therefore the rent of land belongs to the community and not to the landowners. Labor and capital, by their combined efforts, produce the goods of the community—known as wealth. This wealth belongs to the producers. Justice requires that the government, representing the community, collect the rent of land for community purposes and abolish the taxation of wealth.

Publication committee: William S. O'Connor, Arnold A. Weinstein and Lancaster M. Greene, chairman. Editor: Alice Elizabeth Davis. Subscriptions \$1 a year; single copies 10c. Second class postage paid at New York, N. Y.

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