



The August reports from the Henry George School conference were heartening, and I look forward to the next issue with more of the same. I am concerned about the letter from David B. Ascher of Haifa (August HGN). His state-leased land experience compares rather poorly with many cases in Australia and Pittsburgh where land is privately owned but taxed. There are contributing conditions, apparently, that someone with specific knowledge should answer and investigate.

ETHEL STANNARD
Niantic, Connecticut

As I read the various discussions in HGN it often occurs to me that not enough is said about the difference between the value of land and the market price. The latter is like the part of the iceberg above the water, whereas the value is the entire iceberg.

If a plan envisions the increase of taxation on land from 2 per cent to 4 per cent, the market price will drop as expected, say, from \$1,600 to \$800, and then will not the assessor be likely to depreciate the assessed value of the land unless he is thoroughly briefed, on this point? He should understand very definitely that this lowering of the market price of land is exactly one of the aims of the land value tax and that a 12 per cent tax on market values is in fact only a 4 per cent tax on the full value, or that a 30 per cent tax on market value is only a 5 per cent tax on the full value.

It seems to me that Mr. Ascher in his letter in the August issue over-emphasizes some technical difficulties [presented by Oscar Johanssen's proposal that the government rent out land to the highest bidder] although it would be simple compared to the

complexities and injustices of our present income tax which must employ at least a million people in and out of our government.

Furthermore, in his imaginary example of "my" piece of land being put up for auction, he offers the highest bid, \$1,000, and sublets it to me for \$2,000. Where was I when he got it for \$1,000? Was there collusion between him and some government employee? Certainly if the bidding was above-board my \$2,000 should have won.

Later on he mentions that the National Fund in Israel owns 95 per cent of usable land and leases it to farmers and builders who have learned to speculate with these "exactly as they speculated with the lands themselves." Obviously the government is leasing the lands far below their value, otherwise there would be no margin for speculation.

Most of the difficulties, either imagined or real, can be solved with a little common sense and a good understanding of the principle of the land value or scientific tax. I call it scientific because it is rational. It taxes and inhibits undesirable activities and untaxes or frees desirable activities.

JAMES HAIR
Cincinnati, Ohio

As quoted by George R. Geiger in his scholarly and well-documented book *The Philosophy of Henry George*, it was Henry George himself who clarified the issue raised by Oscar B. Johannsen in "Philosophy of Freedom Versus the Single Tax" (June HGN). On page 558 of Professor Geiger's book there is the following notation: "George, when told by William Lloyd Garrison (the younger) that he

did not believe the single tax to be a panacea, replied: "Neither do I; but I believe that freedom is, and the single tax is but the tap-root of freedom." This was quoted by Louis F. Post in *The Taxation of Land Values*, published by Bobbs-Merrill in 1915, page 54.

M. L. REES
Brooklyn, New York

Bob Clancy's article in the June issue of the *Henry George News* is a good one and I thoroughly agree with him. I am afraid everything is becoming too commercialized.

LOUIS FABIAN BACHRACH, SR.
Boston

After reading HGN, I always mail it to the editor of the *Providence Sunday Journal*.

Considering all the work my father did for the Henry George political philosophy and economics—it seems

that there must be someone in Providence who understands it.

FLORENCE GARVIN
Pasadena, California

It must be expected that with the collection of ground-rent by government one of the stoutest props will be removed from under the interest rate. There would remain only the other prop, which is the monetization of public debt through interest-bearing government bonds.

If and when interest depends exclusively on the economic advantage that individual capital assets can procure to the user, the interest rate will tend to a low level because of the tendency of the marginal efficiency of particular capital assets to disappear with the general or universal adoption and utilization of particular assets.

ERICK S. HANSCH
Portland, Oregon

The new national Political Action Committee on Taxation (PACT) which was organized in Pittsburgh last July has issued its third newsletter reporting activity in Pennsylvania, Ohio, Michigan, California, Massachusetts and Texas in the direction of influencing legislation. Letters to PACT should now be sent to the new address: 5402 South Kimbark Avenue, Chicago 15, Illinois.

Taxpayer's Publications, Inc. is a publishing firm of which Erick S. Hansch of Portland is treasurer. He is also the director of a Henry George extension in Portland, and business manager of *Taxpayers Digest* (published bimonthly, \$1 a year). Mr. Hansch notified readers in July that his firm had been appointed distributing agents in the Americas for the South Indian publishing house, Sarvodaya Prachuralaya, Tanjore.

Sarvodaya is a monthly English publication (\$2 a year in the U.S.) reflecting the political philosophy of Mahatma Gandhi and Acharya Vinoba, who started the famous land-distributions in India. Mr. Hansch invites HGN readers to send for a free sample of Sarvodaya, believing that "America can profit from the enthusiastic and self-denying spirit of Vinoba's followers." His address: P.O. Box 2506, Portland 3, Oregon.

Mrs. Ethel Lyman Stannard of Niantic, Connecticut wrote a letter which has been printed in pamphlet form—400 having been sent to civic leaders, editors and politicians. Her printer ran off 100 copies for his own use after reading the convincing copy. The letter is titled "In God We Trust?" It is "an urgent appeal to those who are able and willing to think things through."

In the letter Mrs. Stannard speaks out against landed privilege, exploitation and our "upside-down tax hodge-podge." Liberal Democrats and "me-too" Republicans, she writes, "do not know that welfare-state bureaucracy and socialism are incipient communism." After pointing out "the self-evident facts" about land, she expresses hope for a political party "that does not flounder, but stands honestly and firmly for just equality of access to the earth and its bounty—the only equal opportunity for all." The letter is written with dignity, faith and grave concern. Attractively printed, it deserves a careful and thoughtful reading.