

Equal Rights

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Our Readers Write

Our Marginal Land Analysis appraisal in the Spring 2002 issue provoked several readers to respond. The letters here argue other points of view about marginal land analysis and other topics of Georgist interest.

I. Single Tax Good, Marginal Land Analysis Not Understood

by *Chuck Metalitz (Executive Director, HGS Chicago)*

Henry George asserted that if all land were under absolute private ownership, the general level of wages would drop to the minimum that labor would consent to live on. *But -*

(1) *We don't have absolute private ownership.* Common land is available for certain low-earning occupations (street vendors, scavengers, etc.). And most private land, if not exempt, is subject to taxes equivalent to some portion (10%?) of the land rent. Also, government can force land into use through eminent domain or in other ways.

(2) *The general level of wages applies to those without special skills or contacts, the lowest earners.* Today, these people are barely able to support themselves, let alone dependents. The fact that physicians, lawyers, bureaucrats, influence peddlers, and many others can live quite well does not say anything about the general level of wages.

It's important for single-tax advocates to keep the fundamentals of

George's analysis in mind. That's one reason that we have Henry George Schools.

II. The Marginal-Land Analysis Is Also Good

By *James Chapman (long-time Georgist)*

Henry George said that invention - technological progress increased land value along with growth in population, and it certainly has. The only new homes being built in our area are in the \$150,000 and up range on lots valued at \$60,000-\$90,000

And poverty is still with us. It is not too visible in

Your Help Makes Our Work Possible

You fervently believe that land speculation impoverishes many. So do we.

If you really want to, and are able to, further the Cause, include in your will a tax-free grant to the Center for the Study of Economics, whose research we need to spread the land value tax to real-world cities.

Or provide in your will that the remainder will accrue to C.S.E. Let us inscribe your name on a plaque in our offices commemorating your gift - thereby inspiring others to do likewise.

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America because we disguise it with billions of dollars in all kinds of welfare programs, including a minimum-wage law and now a move for a living-wage law. These laws, like unions, do not include every worker. Marginal land analysis is, of course, very visible in Afghanistan and other third-world countries where only a few own land.

William Drayton, a MacArthur Fellow wrote (in *Barron's Weekly*, 2-24-97) that America's unemployment is not 5.3% but about 35%-45% if ...we [also] count the under-employed, the part-timers, seasonal workers, and those who could work but are not seeking jobs (the latter might be so well off they don't have to seek work or else they are satisfied with welfare).

I would not like to believe that Henry George wrote anything that is not true.

III. Briefly Defining U.S. Taxes

by *Floridian Ted Morris, an active Georgist*

"Beggars-Thy-Neighbor Tax" (protective tariff) - the principal cause of worldwide economic inefficiency.

"Vulture Tax" (estate taxes) - the death of an individual is an occasion for everyone, in the name of the state, to plunder his goods, to pick the bones clean (could also be called the Cannibal Tax).

"Karl Marx Tax" (corporate and personal income taxes) - the big anti-economic tax, and the most costly and inefficient to administer. It grows the state and shrinks the economy.

"Sails Tax" (sales tax) - takes the wind out of the sails of the economy. Much that is collected never reaches government coffers. It is highly regressive. The V.A.T. has similar effects.

"Catastrophe Tax" (on buildings) - destroys more buildings than natural catastrophes by preventing their construction.

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