

## A Lesson in Patience

**B**EHIND every HG achievement there is apt to be a long record of thoughtful effort. When it became known that a group of students had undertaken a study in Kent County, Michigan, on land taxation and assessment, there just had to be a story in the background.

Actually it is now 25 years—a quarter century—since Mr. and Mrs. Benjamin F. Smith began to speak in the Fountain Street Church, Grand Rapids, about their interest in Henry George and the inequities of modern assessments. Both felt that the church members would benefit if they were given an opportunity to study Henry George.

The minister, Dr. Duncan E. Littlefair, readily gave his consent but in doing so, in Mr. Smith's words, he virtually "laid his job on the line." Classes were begun and Mrs. Smith (Marion) taught Free Trade while her husband taught *Progress and Poverty*.

That was 25 years ago, remember. Fine things come to flower slowly. Last year Mr. and Mrs. Smith had the happy inspiration to suggest that the Social Action Committee of the church sponsor two interested couples to attend the Henry George conference in Chicago. One of the men was Frank Fallon, who had already sensed the importance of the land question through reading Neil Munro's newspaper columns and from his own experience as director of the Grand Rapids Housing Corporation, which encourages rebuilding of slums by the private sector. The splendid report at the Chicago conference by John Nagy of San Diego, president of the California Homeowners, got through to him, and on his return to Michigan he enthusiastically recommended inviting John Nagy to Grand Rapids to give the people the

benefit of his experience in studying tax assessments.

The Social Action Committee of the Fountain Street Church caught the enthusiasm. They immediately sought advice and counsel from the Urban Studies Institute of Grand Rapids, and the Robert Schalkenbach Foundation in New York. They also needed \$5,000 which was forthcoming. By that time good teamwork was developing, and with it came a sense of satisfaction and accomplishment.

The little saga is nearing its quarter-century climax, for the scene shifts to two professors of economics at Grand Valley State College, Allendale, Michigan: Paul Gernant and Dr. Marvin DeVries. We hope to have their story in HGN next month.

Mr. Smith himself added this simple moral: "Look for a church like Fountain Street (hard to find) with a social action committee. Give them the message and ask them to sponsor dedicated people to the Henry George School Conference." (For details on the next annual conference, at Calgary, Alberta, see p. 16.)

When a play turns out to be a hit, favorable reviews may be expected, even from reluctant critics. So it is not surprising that on March 24th this story found its way to the editorial page of The Grand Rapids Press. It was mentioned to support an earlier "furry of protest" over the uneven tax assessments on unimproved property in Grand Rapids and elsewhere in Kent County.

The report, which by now was being referred to as the USI study, showed unimproved property being assessed lower than commercial improved property, while on residential property the disparity was less marked. The state constitution stipulates that all property be assessed at 50 percent of true

cash value—and improved property *is* assessed at approximately that rate. The unsigned editorial shows such clear understanding of the LVT reasoning that we take the liberty of quoting two full paragraphs:

"The failure to apply the same rule to unimproved property has two objectionable effects. One is that property owners paying their full share are having to carry part of the tax burden of those whose properties are underassessed. The other is that low taxes on unimproved properties discourages their owners from improving them. Their property is bound to have a higher market value because the taxes on it are comparatively low. And there is no incentive for them to improve their properties. Thus, it is advantageous for the owner of property in a slum district not to improve it. His taxes will rise if he does.

"Some experts have argued that land should be taxed more heavily than the improvements on it, and that such a policy will encourage improvements. There is merit in that point. But short of putting the major tax emphasis on the land, we ought at least to tax all land, improved and improved, at true cash value. That, in effect, is what the constitution says."

In defense of the assessment figures certain officials were critical of a study which based its findings on property sales. After the study stirred things up in Kent County, several assessing officers urged a follow-up stating that 1970 figures would show fewer in-

equities. The County Controller said that something would always be out of balance in a growing community, and property would stand only so much before the tax became confiscatory, especially for those on fixed incomes.

As reported in the February HGN (p. 16), Detroit's inequities in assessments were disclosed in a joint report by professors Daniel R. Fusfield of the University of Michigan and Joseph G. Kowalski of Wayne State University, with encouragement from the Detroit Chamber of Commerce. Dwight Havens, the C. of C. president, is not giving up on this, and is seeking funds for an independent study of downtown land assessments, charging a lack of uniformity in taxing practices. Especially under fire are the numerous parking lots on which owners pay taxes only on the land assessment. As a result owners are encouraged to retain the property as it is, instead of developing it in high-rise office buildings or multilevel garages.

If we may indulge in a little reflection we seem to remember that a young man who was a student at a basic economics class taught by HGS director Robert Benton in Detroit a few decades ago later became mayor of the Detroit "suburb" called Southfield.

Southfield has far outdistanced the older city in proportionate growth and development. Only now is the metropolis of Detroit accepting the lesson it could have learned earlier. One must be very patient with little candles that shed a long beam.

#### RICHARD T. HALL

A faithful contributor to the HGN letter page, in his early sixties, died recently after a serious operation. Mr. Hall, a resident of Boston, devoted a good part of his time to economic study. Thoughtful dissemination of Henry George's ideas led him to write letters in reference to current happenings which appeared often in the newspapers. From the earliest days of the HGS extension in Boston he has been a friend, contributor, teacher and trustee. He generously named the HGS as beneficiary of a special fund he had put aside.