

## Young City — Young Assessor

**JOHN TED GWARTNEY** is the assessor who, at age 26, was appointed by Mayor S. James Clarkson of Southfield, Michigan to succeed the chief assessor who helped him bring in the taxation reform that has attracted wide attention. Every year the tax on land values is reviewed and raised. As a result this has become the fastest growing city in the U.S. (incorporated in 1958). Speaking at the annual conference of the HGS, the new assessor said the population has doubled in the last decade from 35,000 to 70,000, and 500 major corporations have chosen to build there.

Mayor Clarkson, after his recent election to a fourth term, found Ted Gwartney in Dr. Irene Hickman's county assessment department in Sacramento. He had earned his bachelor of science degree at San Diego State College and received a certificate in real estate from the University of California at Los Angeles, where he majored in appraisal. While a student in San Diego he was awarded the Real Estate Board's scholarship for three successive semesters by reason of interest in real estate and educational attainments.

During the three years when Mr. Gwartney had a position as appraiser with the Pioneer Savings and Loan Association in Los Angeles, he was a class instructor at the Henry George School of Economics and Social Science there, a member of the board of directors and president of the national alumni group, he is frequently called on to address service clubs and community groups.

When he left the West Coast for his two-year appointment in Michigan he said, "I am devoted to a career in the field of assessing. I believe that equal-

ity and fairness of assessment are necessary to a progressive free society, and I propose to work for exemption of personal property and improvements and a greater degree of equality in assessing." He believes the day will come when the tax will be on the land, because land value is representative of the value of the community service, and taxing land values is the most equitable method of spreading the cost of community service.

The man who is probably the youngest assessor of a major metropolitan area, says he's looking forward to combining much of the knowhow in California with methods already in use in the young, progressive city of Southfield. Map books will be one of the first orders of business, replacing the present system which is confined to legal descriptions. He is opposed to taxation of personal property and improvements, but he feels that an auditing system will at least make it more equitable.

Answering a question that is frequently asked, Mr. Gwartney says Michigan law provides that assessments be made at not more than 50 percent of market value. However on each of their tax bills will be noted the full cash value of the property, with land and improvements listed separately. Through the introduction of a sales ratio, assessments will be checked against sales to insure precise evaluation. The staff of the assessor's office in Southfield numbers 17, of which 9 are appraisers. There are about 25,000 parcels of land to be assessed in this city which is a suburb of Detroit.

The principles of the new city assessor were known to Mayor Clarkson to be in harmony with those of Henry George. They are based on the concept

of market value and are concerned not so much with use as exchange value. Since market values are of chief importance, how do they keep up with this rapidly changing factor? They already have the prime essential—land value maps. The assessor believes every city should use these and he urges students of Henry George to encourage this practice in their home communities. To keep abreast of shifts in the market, a letter is sent following every transfer of property to ask what price was paid. Usually this information is readily given, and it is then correlated into a sales ratio study. If there have been any under- or over-valuations these show up quickly. It is the kind of information that helps assessors correct their mistakes.

Southfield does not at present have separate tabulations on the tax bill for land and improvements, but in the future they will. There are plans to computerize the annual reassessment as it is done in Sacramento, where 6 IBM machines do the work of thousands of people. The new assessor has many other aims and ideas too and will make a strong effort to get much of the unused land in the city on the tax rolls at higher figures.

### Reclaim Slum Areas

Mr. Gwartney believes Georgists should start to take positions on things about which they are well informed, especially since it is clear that many officials in search of answers to outrages such as the riots which Detroit and other cities have suffered, are woefully lacking in directives. His suggestion would be to reclaim devastated city areas by the effective use of land value taxation. Every issue, he believes, is a land issue.

Since everyone at the recent conference in Montreal probably knew that this young man had been spirited out of Dr. Hickman's office to take his

present Midwestern post, it was natural that there should be much interest in the Sacramento news. Dr. Irene Hickman was a speaker at the school's annual conference in St. Louis last year, and her strong championship of George's principles has been recorded not only in HGN but in many other publications of much wider influence and in hundreds of feet of newspaper print. Furthermore, said Mr. Gwartney, she makes speeches nearly every day in and around Sacramento. These are all in a sense teaching sessions, because she has never thought of herself as a politician and has never changed her highly individualistic approach nor lost her saving grace of composure and amusement.

A vast amount of publicity has emphasized her insistence that the California constitution be upheld in regard to the 100 percent assessment of land values. It took the full force of the state's highest court to patch together an excuse for continued deviation from this, for no better reason than that the constitution had never been adhered to on this issue and the breach was now legal.

All is not lost however, for the 100 percent assessment is not as important as another factor—equalization. What *is* essential is that all assessment should be at the same rate—and with her untiring efforts Irene Hickman is bringing this fact to the people's understanding. Steadily she is campaigning for legality, equity, justice and sanity. She has already conducted a review of Sacramento County assessments, adding substantial land values and subtracting much from improvement values due to depreciation. Many residents of that large county are now aware that their houses are assessed at 20 percent of market value whereas slums may be taxed at a mere 8½ percent, and huge tracts of vacant land held out of use may get off with as little as 1 percent—and they see that their cities are los-

ing millions of dollars in revenue which they are called on to pay.

But naturally there has been strong opposition and even some talk of an attempt to recall Dr. Hickman from office. To do this the opponents will need 31,000 signatures to their petitions and they must also propose a replacement for the incumbent. In the noticeable absence of such a candidate Dr. Hickman helpfully proposed Jack Hickman, her husband—and he presented himself at recall headquarters offering to cooperate in any way he could. When some of the recall advocates said rather than vote for Jack Hickman they would vote for Mickey Mouse, the latter was also promptly

suggested by Dr. Hickman as a substitute.

Ted Gwartney's appearance at the HGS conference was very welcome and encouraging, especially because of his early success which may open the way for others in a somewhat neglected field. He is emphatic in urging that high school and college students who have a talent and a conviction in this direction should study assessment techniques and become specialists. With a growing necessity across the country for trained planners and assessors, there will be a shortage of professionals. And advanced students of Henry George gain the preliminary knowledge which should place them well.

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## *The Living Influence of Henry George*

The Mayor of Chicago, Richard J. Daley, in recognition of the 128th anniversary of Henry George's birth, issued this proclamation honoring the "American born author, economist, orator and philosopher."

"Whereas his writings and lectures won for him the commendation and respect of scholars and statesmen from his time to the present day, providing inspiration for other economics texts; and whereas educators, students and business and professional people will hold special programs in his honor on that day to urge their fellow citizens to re-examine his books for answers to today's problems; I proclaim September 2nd Henry George Day in Chicago."

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In Pittsburgh, a city that played a leading role in recognizing the efficacy of George's principles, the Mayor, Joseph M. Barr spoke as follows to members of the National Commission on Urban Problems on June 10th, during hearings on property taxation and land values:

"It is virtually impossible to indicate with any certainty what effect Pittsburgh's unique plan of graded taxation has played in the rebuilding effort. I believe that the graded tax plan, which as you know taxes land at double the rate of buildings, has generally helped to encourage the improvement of real estate, especially the building of large commercial office structures. I also believe this system has been particularly fair and beneficial to homeowners. It is generally felt that most of the fine structures erected through private enterprise and investment as part of the renewal program are benefited by the lower tax rate on buildings.

"Based on our experience of the past 20 years, it is clear that the graded tax has not served as a deterrent to new building and development, but whether it provides an incentive can best be answered by the scores of private developers who have invested so heavily in the future of this community. In one respect the graded tax plan has suffered by the failure of land assessments to keep pace locally with building values. Suffice it to say that the law is generally accepted in this city — and there has been no significant move for its repeal or its intensification."