

JAN. 1952

"BUT HE HAD A HAT"

The disappointment expressed by our Pittsburgh friends over the failure of that city to increase its land tax rates this year reminds us of a story told by our oldest friend during a visit to California:

A mother is watching her young child playing at the beach when suddenly a great wave sweeps him out to sea. Prostrating herself in the sand, she implores heaven, "Oh please save my child. I'll do anything, as long as he is returned safely to me." The very next wave, just as suddenly, deposits the child alive and well at her feet on the shore. Turning to heaven once again, the mother declares, "But he had a hat!"

After moving from a half-century of taxation of land at twice the rate on improvements, Pittsburgh, in the last couple of years, moved the ratio from 4:1 and then to 5:1, all without a really powerful and vocal constituency for such change and over the opposition of a generally popular mayor.

This year, the proponents of other taxes, including wages, downtown parking, sales and on buildings, mounted a major campaign on behalf of the new revenue raisers. There was much sympathy for the simplistic notion that a combination of different taxes, however bad, is preferable to reliance on a major source, however good. And once again, the Mayor took up the cudgels in favor of his wage tax as a means of hitting suburbanites who come to work in his city. Apparently he remains unaware that continuing and growing attraction of the city as commercial and cultural center of the region is what lends high values to urban locations, values which could well support the services both transients and full-time residents require.

But the Mayor is not alone among city politicians across the country who foolishly seek to "export" tax burdens while ignoring the fundamental land base that is theirs to tap. Even New York City, which has quietly raised land assessments in its commercial core to help regain fiscal health, is reported seeking higher taxes on the incomes of commuters who contribute so much to the vitality and value of New York as a center of commerce and culture. Yet despite the Mayor's stance and the absence of the city's chief champion of the land tax, Bill Coyne, the former Councilman elected to Congress, the Pittsburgh City Council increased the mill rate on land slightly, and perhaps symbolically, fractionally higher than its small increase in the building rate. There was widespread agreement that with some correction of long-standing land assessment inequities, there could be an even greater reliance on land tax in the future.

There are always those who disdain survival or modest advances with a call for the full application of the remedy Henry George specified. There are also those, like us, who are happy to have our offspring alive and well, never mind the hat.