

## *New York's Troubles— and Some Remedies*

LET New York City go bankrupt and make it impossible for it in future to borrow any money and force it to live within its means is Milton Friedman's recipe for New York City's present phenomenal cash deficit.

John Kenneth Galbraith, who was also consulted, (*New York Times*, July 30) took the opposite view: "... no problem associated with New York City could not be solved by providing more money." He was outraged that wealthy people could escape their fair share of taxation by moving to the suburbs which he described as "fiscal funkholes". He did not suggest concentrating taxes on land values, although as an economist he must know, as a fellow American economist once put it, that "Land is the only thing that cannot get up and walk away when taxed."

Robert C. Wood, president of the University of Massachusetts, also argued for an infusion of money to save New York City.

But he also said: "We have to seriously go back to Henry George . . . . If in urban renewal, we had leased land instead of selling it to private developers, most of the cities, including New York, would be better off."

Another contributor to the discussion, Jane Jacobs, author of *The Economy of Cities* said New York City should "take the lid off transportation." Any safe driver should be allowed to run any kind of transportation he wanted to, at any time and to any place.

The inclusion of balanced budgets, free trade in transportation and the ideas of Henry George in a pooling of ideas by eighteen urban experts gives hope that all is not lost on the economic front.

COMMENTING on New York City's financial crisis, Philip Finkelstein, Director of the Centre for Local Tax Research, says (*New York Times*, August 17) that it is time to tell the truth about the city's most fundamental source of revenue - and its only measure of

debt capacity - its real property tax base.

For a long time it appears that the city depended upon the construction boom in Manhattan to finance its budget. As constructions went up so did the local tax bill, and the City was soaking the owners of new office blocks and all owners who improved their properties. Now, says Philip Finkelstein, the well has run dry and the load has been shifted to existing properties.

The fact is that the city has

never been properly assessed, says Mr. Finkelstein. Market values for assessment come into play only when a new building is constructed, a new owner takes over or there is a major renovation.

"The scandalous administration of assessments has led to the milking of poor properties by owners and the milking of good ones by the public treasury. Vacant, underutilized, never-improved parcels enjoy the benefits of assessments bearing no relation to market value. Top-quality improvements carry the load. As long as there were enough of the latter, the former could be blithely dismissed. Where values in the past rose only in Manhattan, and the rest of the city crept along, the opposite now seems to be the case."

## *Doomwatch in the South-East*

P. CLAVELL BLOUNT

(Chairman, Anti-fluoridation Campaign)

ACCORDING to the Department of Health circular number R. 487, the purpose of the computer records now being built up is "the mental and moral improvement of coming generations" and this implies a culling, by one means or another, of the "human herd". What exactly is meant by the words just quoted? Who decides who is to be culled out? Who decides which of us is fit to remain and/or to procreate? Who determines acceptable standards?

The use of computers to store health records is an innovation the implications of which are almost certainly not appreciated by the vast majority of doctors—which applies equally to the practice of using public water supplies for conveying into people's bodies substances which have been added at the water works for the purpose of influencing the development or functioning of the human body, nervous system and mind.

Whatever assurances may be given by officials in central or local government, there can be no effective protection of confidential medical data once it gets on to a computer tape. Any expert can crack any code system set up to

deter misuse. "Leaks" of so-called confidential information are proverbial today.

Dr. D. Wild, M.B., Area Medical Officer, West Sussex Area Health Authority, who has done his best to proof the computers in West Sussex against abuse, admits that an expert could crack his system, says Dr. Edward C. Hamlyn, M.B., Ch.B., Medical Adviser to the House of Commons All-Party Committee on Freedom of Information. When the system spreads beyond Dr. Wild's control—as it undoubtedly will, sooner or later—abuse will be inevitable.

Dr. Hamlyn alleges that when he took the matter up with Dr. Wild, the latter shrugged-off the danger saying that "we shall soon be a totalitarian state—what does it matter?"

Dr. David Owen, M.P., Minister of State (Health), admits that the computer in West Sussex is not even housed on Health Authority premises. He admits that anyone who gained access to the key number of an individual, could obtain confidential information about that individual from the medical records on a visual display unit,

according to Dr. Hamlyn.

As stated above—the declared purpose of computerised record keeping is the “mental and moral improvement of coming generations”—a truly frightening idea if implemented along the lines suggested by anonymous officials whose mental and moral standards are entirely unknown.

“Mental and moral improvement” is a euphemism for eugenic engineering; it has other names—racial hygiene, for example—and is of evil repute. It means the ultimate elimination by the State of those regarded as being undesirable probably by means of sterilisation or in other ways.

*“If the parents of West Sussex knew what was in store for their children as a result of computer-*

*ised record keeping, they would take immediate action to bring it to an end,” says Dr. Hamlyn.*

We have fought two wars to protect this country from the very thing that is now happening by stealth in the quiet countryside of our “green and pleasant land.” The proposed Freedom of Information Act is, in our view, a most suitable rallying point for those who are both awake and willing to play an active part in combatting those unseen forces who, for whatever reason, are seeking to destroy our nation in a new kind of warfare the existence of which has been recognised by only “the few” who, as always, lead in man’s continuing fight for freedom.

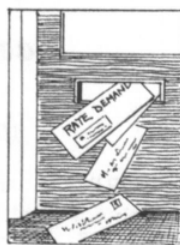
I have been asked—“Of what concern is all this freedom of in-

formation business to the National Anti-Fluoridation Campaign?” The answer is that if the Department of Health had told the truth, the whole truth and nothing but the truth about artificial fluoridation from the start, there would never have been a fluoridation issue as no responsible person who knew the facts and who had no bias from a financial or other private interest would ever have supported the totalitarian idea of using public water as a means of introducing into people’s bodies a substance for the sole purpose of influencing (controlling) people in one way or another. In the circumstances it is only natural that our Campaign would support an idea designed to make the Department tell the truth, the whole truth and nothing but the truth.

## Consequences of a Rates Switch to Local Income Tax

### SUPPLEMENTARY MEMORANDUM TO THE COMMITTEE OF ENQUIRY INTO LOCAL GOVERNMENT FINANCE

By T. N. Ende



ACCORDING to a report in *The Times* dated 13 August 1975, the body which describes itself as the National Union of Ratepayers’ Associations has written to the Committee of Inquiry by way of supplementary evidence “rejecting” the contention of the Inland Revenue that replacement of the local rates by local income tax could not be administratively or technically feasible.

First, I think it should be pointed out that this body’s membership consists in occupiers between late middle age and old age of residential property only, and it does not represent industrial, commercial, or professional occupiers.

In a letter to me dated 30 April last, the Chairman of the National Union of Ratepayers’ Associations said:

“Quite naturally, a majority of members of Ratepayers’ and Residents’ Associations, particularly in the older parts of towns and villages consist of elderly and retired people occupying residential accommodation. Fortunately we

represent an increasing proportion of the working population—particularly on newly developed estates in rural and semi-rural areas—but we do not pretend to represent industrial or commercial ratepayers. For that reason our proposals related only to domestic ratepayers. It is for the Chambers of Commerce and Trade, and other employers’ organisations, to put forward proposals if they so wish, to improve the rating system from the viewpoint of commerce and industry.”

If this Union and its constituent Associations inserted the word “residential” into their titles, it would be more honest.

In my original memorandum I explained that the annual value of any site (if it has value at all) is created and maintained by the community at large and that to return this community-created value to the community in the form of the public services must lower the cost of living. To tax or rate the improvements to the site is to tax domestic wealth and

capital, both of which are created and maintained by labour, so this raises the cost of living. Whilst the present rating system is the best system of raising revenue we have, it would be better if valuations were based upon site values only.

An objection to any form of income tax is that it has an inflationary tendency. When a worker has to seek an increase in his salary or wage from his employer, he has to seek an increase of £1.41p for every £1.00p by which his domestic expenses have increased if he is paying income tax at 33p in the £. It taxes all labour, energy, foresight and talent.

*It must be obvious that everything which is done to extinguish a charge on landed property, or to subsidise such a charge, increases the price, premium, or rent of that landed property.* Abolition of tithe, agricultural and industrial de-rating, and the rate support grant all have done this. In boroughs where the rate is subsidised from the rate equalisation fund, prices, premiums and rents all tend to go up and in those areas which contribute into the rate equalisation fund, they tend to go down. This is an immutable natural law.

The contention of the Union that persons who do not receive rate notices do not pay rates is of course nonsense. In the first