

## There Is A Better Way

"HOUSING and slum clearance are the responsibilities of the state and local governments, and for the national government to meddle with them is as unnecessary as it is unconstitutional. Furthermore the natural remedy already lies in local and state hands," writes Gilbert M. Tucker in a new booklet entitled "Housing and Slum Clearance *At No Cost.*"

Only a slight change in real estate taxation, a local matter, would encourage and promote building improvements and check the objectionable operations which block progress. "Put an end to the taxation on buildings and comparable improvements," he urges, "and impose the entire tax on site values. This would automatically make it profitable to build, to improve real estate and to replace slum buildings."

While a tax on buildings is passed on to tenants, the tax on a lot cannot be passed on—it must come out of the landlord's pocket. Nevertheless, the owner's gains resulting from the opportunity to improve his holdings and put land to profitable use without incurring an additional tax, more than compensates for the relatively small tax increase on the lot.

Such a tax will not, as some have suggested, "kill land values," rather "the untaxing of improvements will leave a far better net income to the wise owner-user and make tenure far more valuable."

There follows an orderly and convincing presentation of this method of taxation, after which the author touches on another trouble spot not often brought to our attention.

"The Constitutional limitation which takes these matters out of the hands

of the federal government should also debar the federal government from investigating or sponsoring research on these questions," the author states.

"The common scheme is to seek a petty appropriation, often so trivial that it is easily slid through, to pay for a study, survey, an investigation or a conference, to analyze the problem and to secure data." The next step is often a guided and perhaps pre-arranged effort to seek larger and ever increasing appropriations, and "the game is on!"

The national highway program is one example, the cost of which was many times what was estimated in the beginning. "It is the same with social security, pensions, bonuses, grants and innumerable other areas of jobs, hand-outs and graft. Appropriations have multiplied ten-fold, more often a hundred-fold, and in some cases a thousand-fold." For all such schemes the money comes from the pockets of the householder. "By urging ever-increasing grants of subsidies to states, our Congressional representatives are bribed to forget their oath of office and loyalty to the Constitution," Mr. Tucker warns.

Regarding the urban renewal threat, he emphasizes that there is no Constitutional authority for regarding the affairs of cities as coming within the province of the federal government. The usurpation of rights always leads to further overriding of home rule.

Mr. Tucker is president of the Economic Education League, 17 D. & H. Building, Plaza, Albany 1, New York. These useful and convincing 15-page booklets, which fit into a number 10 envelope, may be ordered from him at no cost for a reasonable number.