

Arthur B. Laffer

October 10, 1988

Mr. Earl A. Hanson
Intermountain Single Tax Association
Box 207
Cedar City, Utah 84720

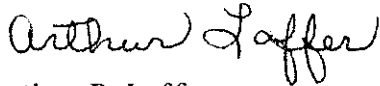
Dear Mr. Hanson:

I'm afraid the news item was correct. I believe I share your admiration for Henry George whose generalized theorem would be tax those factors the most that can escape the least and those the least that can escape the most; e.g., a tax inversely proportional to supply elasticity. Where we may differ is on two counts: (a) Is the current property tax as it exists in Utah on Henry George's view of land? And, is land, as Henry George originally intended, completely inelastically supplied? (b) Did Henry George not argue that even when the constellation of taxes were appropriate that there could still be too much taxation (spending) by government?

I really do hope we don't disagree as much as your letter implies. I didn't write any of your propositions and believe them not to be perfect, but goodness, anger at one person or another doesn't seem the type of rational foundation for predicating your vote on such important propositions.

I remain.

Sincerely yours,



Arthur B. Laffer



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