

PUBLIC FORUM

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The Daily SPECTRUM

CEDAR CITY, UTAH

New tax bill helps

Editor, Spectrum:

The statesmanship demonstrated in the passage of the Tax Reform Bill is a credit to both political parties. This is not because the new tax law would meet the level of fairness and simplicity desired, but the alternative of staying with the present income tax law should have been unthinkable. Who can believe that our country would have favored the income tax amendment that was passed in 1913 if there had been an understanding of the tax monstrosity that was to develop?

In the years preceding 1913, and after, the single taxers were calling attention to the public revenue problem and the need for correcting a bad land policy which resulted in high unemployment, under-employment and poverty. The American journalist and economist, Henry George, had shown that the laws of nature are being upset when the rental value of

land, which is not product of man, is privately appropriated. The result was and is enormous privilege on one hand and increasing poverty on the other.

The income tax, the sales tax, and the property tax on improvements and personal property are repressive taxes that tend to slow the economy. To reduce and remove these taxes will call for diminishing apathy—the kind of citizen concern that the founding fathers anticipated when the democracy was founded.

The important issue at this time is to break the mold of the present income tax. It could not be expected that the new Tax Reform Bill would be the ultimate in reform. That it is revenue neutral is a political and economic need that will continue until a public revenue source is established that meets the concept of fairness, simplicity and a rejection of privilege. The problem that must be

resolved by citizens is not an easy one when we hear some economist advocating a value-added tax, ignoring the high unemployment being experienced in Europe. Land economists advocate a federal ad valorem land tax. At the state level the split-level property tax offers the thrust that voters must get behind if it is to be an issue in the 1987 Legislature.

Earl A. Hanson
Executive Secretary
Intermountain Single Tax Assoc.

Letter submitted to the editor of TIME:

There is, as you say, a fallacy in describing poverty as a "Root Cause" of revolution (Terror, Peace and Poverty, 9-22-86). But is this not because poverty is a result, not a cause?

The proposition that needs attention is that a bad land policy is a major cause of unemployment, under-employment and poverty, whether or not it is labeled "Root Cause". A hundred years ago Henry George helped us to understand that the laws of nature are being upset when the rental value of land, which is not a product of man, is privately appropriated. The result is enormous privilege on one hand and increasing poverty on the other.

Marxists mistakenly attribute the phenomenon to capitalism and throw the baby out with the bath water. But too many supporters of a free market also fail to understand that land is not capital, and that a land privileged economy is not a truly free market economy.

Earl A. Hanson, Executive Secretary
INTERMOUNTAIN SINGLE TAX ASSOCIATION

Hansen, McKay face off

by Anne Marie Nicholson
Staff Writer

CEDAR CITY - One of the closest and most interesting political contests in recent Utah history went to debate at Southern Utah State College Oct. 16. The televised encounter between incumbent Representative Jim Hansen (R-Utah) and Democratic challenger Gunn McKay focused on the federal deficit and congressional spending in the 30 minute recorded debate.

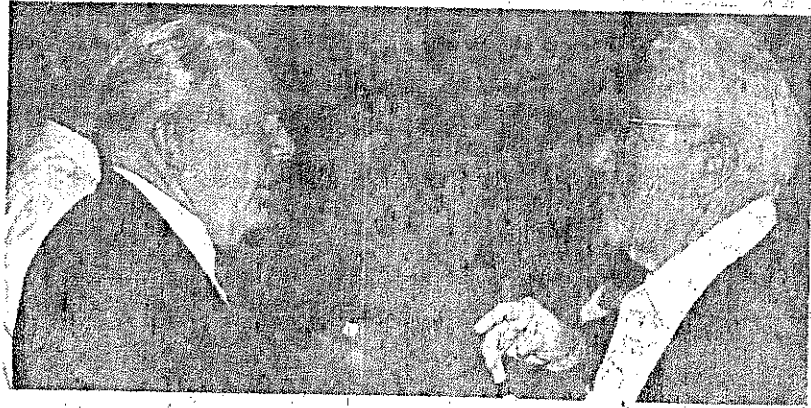
McKay emphasized the growth in the national deficit and what he called the drastic change in the trade deficit asking the audience repeatedly if they felt the nation and specifically Utah was better off after the last six years of legislative actions. Hansen countered with his conservative voting record claiming the national debt had been raised 14 times during McKay's ten years in office between 1970 and 1980. It was Hansen's victory over McKay in the 1980 election that changed the first district House of Representatives seat from democrat to republican.

"Shrink the size of government before you shrink the size of my paycheck," was the cry from Utah voters according to Hansen.

McKay brought with him graphs exemplifying the direction he sees in federal spending asking, "Who's really the conservative here?" of the audience and his opponent.

On the timely question of President Reagan's stand at the Iceland summit meetings, both candidates were in agreement and support of the president's hard line approach to the Strategic Defense Initiative better known as Star Wars.

The question of apartheid and the debaters' positions on the latest congressional override of Reagan's veto was brought to the floor by S USC student Larry Decker. McKay said he would have been part of the veto override, stating the United States have a right to press to move the condition in South Africa. Hansen on the other hand supported the administration's reluctance in sanctions because



CEDAR CITY - Democratic First District Representative candidate Gunn McKay discussed tax issues with Cedar City Georgist Earl Hanson.



CEDAR CITY - Representative Jim Hansen (R-Utah) fields questions from Carmen Hepworth's Escalante Valley fifth graders. Tessa Winsor (with notebook) asked Hansen his opinion on the Burr Trail issue.

"South Africa has always been a strong backer and a good friend to the United States. And you have to ask yourself if the sanctions will really be helping," said Hansen.

The subject of school funding and the role of federal government in aid to higher education was posed by an S USC student. Hansen fielded the question first with the statistic that 92% of Utah's education costs originate within the state and that the federal government has a relatively small impact on public schools. Hansen also stressed his belief that stricter guidelines should be maintained for the needy to receive grants and assistance while those who do not need the help should be kept from abusing the system.

McKay objected to Hansen's accusations of abuse of school aid and said that college students today had to wade through a maze of paperwork to get help and that many abandon the pursuit of grants due to the process.

Following the debate both candidates had an opportunity to air questions with remaining members of the audience. Among those who stayed were an extremely well prepared group of fifth grade students from Escalante Valley School. Their teacher, Carmen Hepworth, had the young journalists ask questions of the candidates and note the answers. Among the questions from Hepworth's class were areas dealing with the 65 miles per hour speed limit and the paving of the Burr Trail.

As a congressman McKay assured me that he will be an opponent of a Value Added Tax