

OBSERVATION POINT



How To Reform Antiquated Tax

By Philip H. Power

Gov. Milliken's school reform package — or at least a big part of it — got through the State Senate last week. Then the Legislature recessed on Friday to go deer hunting, an annual ritual which takes place regardless of the press of legislative business.

While most of the guys are up north getting the sniffles, there will be a lot of tough negotiation on the school reform package, mainly between Milliken and the speaker of the Democratic-controlled House of Representatives, William Ryan.

Milliken's plan seeks to eliminate locally set millages for school support, substituting for them a flat-rate state-wide property tax of 16 mills, together with some kind of increase in the state income tax.

Based on present figures, it looks as though this plan will benefit taxpayers in this area, even though they have higher than average incomes, mainly because local school tax millages are so high.

AS LONG AS reform is in the air, however, why don't they go whole hog and do the job right?

For they have the chance to do away entirely with the property tax, a relic of the past which has by now about as much relevance to good taxation policy as that appendix which my doctor took out so many years ago.

The property tax used to be the only real form of taxation,

mainly because in the past, holding property was about the only way to generate wealth.

Consider the early settlers in this area. They owned farms, and the crops from those farms were sold for income. Or they owned mills which required land, and use of these mills generated income. Or they owned a piece of property and a building which they used as a store, which generated income.

In each case, holding land or buildings — property — was the only real way to generate wealth. So it only made sense to tax people in the fairest way possible, which is to say tax their property.

BUT JUST AS the communities in this area are no longer the sleepy farming towns of years gone by, the assumption that wealth is directly linked to holding property is no longer valid.

Take the case of a man living in Livonia who is an executive for Ford. He gets a good salary, perhaps over \$20,000 per year. But this income derives in no way from his holding property. Rather it comes from his having a good head on his shoulders and from his ability to use it in the service of a big corporation.

A KEY ASSUMPTION of our nation's tax system is that people ought to pay taxes roughly according to their ability to pay. That means poor people ought to pay less than rich people.

Certainly this principle was clear in the old days, when holding property was directly linked with generating wealth or having income.

But our economy has changed, just as our suburbs have. People generate income from a wide range of talents, goods and services, and the old direct link between property and income has largely disappeared.

But our tax system, with the property tax embedded deeply within it, has failed to adapt to keep up with the times. And it's no longer fair.

If ability to pay is the key, and a family's income now is the best index of ability, why not eliminate the property tax entirely and set up a graduated income tax?

Frankly, I don't expect this to happen soon. Maybe the negotiations over the next two weeks between Milliken and Ryan will bring some surprises to the guys when they come back with their buck.



W.W. Edgar writes

The Politics Of A Flood

For two years, the City of Plymouth has been working on a plan to eliminate the possibility of a flood in the central business district by controlling the flow of water after a heavy rain in Tonquish Creek.

Instead of making any headway to guard against the probability of loss of life or heavy property damage, the city finds itself involved in a tight corner of political maneuvering.

Tonquish Creek has its beginnings in Northville Township and flows in a southeasterly direction through the City of Plymouth, Plymouth Township, Canton Township and Westland into the Rouge.

Some years ago the city covered the drain in the central district, and the tunnel runs through the central parking lot. It is this tunnel that is the center of all the fear on the part of the city officials, and they are eager to remedy present conditions.

THE CITY PLAN for protection against possible flooding calls for diverting some of the water from the north branch of the creek to the south branch at a point west of Sheldon Road and under North Territorial Road. This would divert the water away from the city before it ever reaches the city limits.

In the diversion the storm

water would flow in greater volume through Plymouth and Canton Township and a section of Westland. And that's where the political maneuvering has taken place.

It so happens that the city plan calls for the work to be done in the township — outside the city limits. This seemingly has rubbed the wrong way and further widened the split between the City of Plymouth and the township.

As a result the township has offered a counter plan — one in which the work would be done within the city limits. This plan calls for the diversion of the flood water from a point north of the present tunnel direct to the Rouge at Ann Arbor Trail.

This plan was offered under the premise that the township didn't have problems with the drain and if, and when, they did, they would be taken care of by township action.

THIS MARKED THE THIRD time that the township has refused to cooperate with the city in attempting to eliminate the possibility of flooding the central business district.

Under the rules for the control of county drains, it requires the vote of two communities to peti-

tion the County Drain Commission for help. And here is another rub of the political maneuvering.

With the City of Plymouth and Plymouth Township at opposite ends, the approval of Northville Township is needed. But Gunnar Stromberg, the Northville Township supervisor, refuses to take a hand.

He has pointed out that the drain does not affect his area and that he has friends on both sides.

"I am in the middle," he said recently, "and I intend to stay there."

"I could be a hero to the City of Plymouth if I agreed, but I am a friend, too, of Jack McEwen, Plymouth Township supervisor. So I will just sit tight."

NEITHER CANTON Township nor Westland wants more flood water sent its way, so the struggle remains centered in the political entanglements that are legion between the City of Plymouth and Plymouth Township.

The time has come to take the politics out of the drainage problem.

The possibility of irreparable property damage and loss of life in the central business district is too great a price to pay for petty political maneuvering.

Let's not wait until it is too late.

DISSENT

View points expressed in DISSENT do not necessarily reflect those of Observer Newspapers Inc., but are presented in the belief that publication of all segments of thought on a public issue is a prerequisite to understanding and progress.

By MRS. AGNES FOSTER

Livonia

Does anyone realize how much the teachers are blackmailing us?

They could ask for any fantastic price and we'd eventually have to pay because they are our children. Of course they will start with a higher price than they expect to get, doesn't everyone?

Industry signs a three-year contract, but not the teachers! They expect a 10 per cent increase every year. Do you "fellas" out there who are such "un-intellects" get a 10 per cent increase in your salaries each year?

I CAN WRITE this letter because my grandchildren are in another school district. You notice the parents can't voice an opinion — not too many letters sent in. They can't! They are afraid what would happen to their children once school started.

So I'm speaking for the young families who live around me. They can't afford to pay for the kind of education the teachers think they are worth. Some of those teachers are using the same methods they used 10, 15 or 20 years ago.

DO YOU MEAN to tell me that all this extra money is going to make them teach any differently or be a better teacher? I can also write this letter with some authority, because two of my children are teachers — not in this district, though.

If the first teacher strike in New York had been declared illegal, which it was, we would never have had this trouble. I say they are breaking the law.

Give them all three months in jail and let them serve it next summer — then they will look about as "professional" and "dedicated" as they are acting.

Now They're For Him ...

James F. O'Neil, the politically-motivated and often reckless Livonian who is a member of the State Board of Education but shouldn't be, got a "vote of confidence" the other day.

It came from the 19th District-Wayne Republican Committee, of all groups.

Funny, but when Jim was running for delegate to the GOP National Convention last year, the 19th-Wayne Republicans turned him down. They were right the first time.

Stu Shaughnessy writes

We Help You Fight Those Filthy Flicks

Broadway composer Richard Adler came to Livonia recently and urged viewers attending the Livonia Town Hall to plan to boycott movies which portray excessive sex and violence.

In Plymouth, the City Commission has created a committee to deal with the problem of literary obscenity in books, magazines and newspapers and to come up with a plan for censoring such material.

Throughout the nation groups have staged "Rallies for Decency."

WHAT can you do?

Adler made the best suggestion: Boycott. In other words make it economically impossible for people to peddle filth. Boycotting filth doesn't mean that you are destined to spend the rest of your free time looking at the four walls.

If you want to see a movie check the ratings on the film showing.

Every issue of this paper carries two different ratings for current films. Two ratings are published to give you the greatest possible amount of data to make a judgment in this public service

project of The Observer. The guide is called "From The Balcony" and appears on the amusement pages.

WHO MAKES UP the ratings?

One is published and promoted by the movie industry. These ratings are also used in advertisements of films under the terms of a voluntary agreement among the owners of movie theaters.

By and large the industry ratings provide a reasonable guideline to whether or not you wish to see a film. We do have the idea, however, that the industry has been tempted to use the ratings as a shield because of an unpopular sensitivity of the subject matter.

The second rating system is that put together by the National Catholic Office for Motion Pictures. This rating system has been available in the past, but expanded classifications and a better understanding of films as an art form has helped to make this system more realistic.

The information is available if you really want to boycott "dirty movies." It can be done by positive rather than negative action.

Dennis L. Pajot writes

Puberty In Metropolis

Suburbia has an Oedipus complex.

The tidal wave of flight from the big cities created the suburbs, it has long been recognized.

That suburbia has a guilt complex has been a nagging suspicion.

Why, is anybody's surmise. Possibly because deep down suburbanites are ashamed of their "nigra, nigra" motivations for leaving.

Perhaps because as yet there is no defined role in society for the affluent, well educated but rootless majorities that comprise suburbia.

NOW COMES THE term Metro-American (or, Metroamerican, if you don't insist upon capitalizing America).

What does it mean? How does it apply, really? A glance in the dictionary quickly reveals the root words from which the term is derived.

Most directly it comes from "Metropolis," commonly thought of in past decades as a huge city.

More accurately, metro means "mother" and "polis"

means "city or state."

Hence, in the context of the 1960s the literal definition is particularly apt, since metropolises are obviously sprawling communities clinging around a "mother city" and the mother city herself.

Freud described an Oedipus complex as that enigma of youth in which, while it strives to gain independence, it still yearns for the security of its mother.

A very strong case could be made that suburbia fits that description precisely.

It has not yet matured in the full cultural and political sense.

YET IT IS VERY much feeling its fertility after passing puberty better informed of its potential than any past generation.

Like a determined but scared teenager, it seems to be stomping around testing its vitality without any real goal or full sense of responsibility.

On the other hand the prospect seems so difficult, so muddled with contradictions, that without either an illegitimate conception or a burning idealism, it fears it will shrink back and tie itself inextricably to the umbilical cord.

With its present trends, this fear of being choked by that cord may turn out to be the only incentive for full maturation.

In a way it's a sad commentary for a society better endowed than any of its predecessors — the farms, the towns, or the cities themselves.

PRECISELY BECAUSE it is so well endowed, however, it apparently feels that it must tackle bigger tasks than did any of its forefathers.

With mamma's encouragement, suburbia may succeed beyond mamma's wildest expectations.

If mother and child are ever totally separated, the child could well fall fatally to the ground and be fair game to enemies mother long ago warned her children against.

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