

HENRY GEORGE SOCIETY ANNUAL MEETING

to be held at the home of
MR. AND MRS. WILLIAM S. HALL
36 Bennington Heights Drive

FRIDAY EVENING, NOVEMBER TWENTY-FIRST, 1952
at eight o'clock.

The Henry George Society has held many memorable Annual Meetings in the past. At the last one held, Rev., W. Wylie Young gave a memorable address. Shortly afterwards the Society was compelled to vacate its Bay St. office and with rents skyrocketing was unable to obtain suitable quarters. The Secretary, Mr. John Potts, who had done excellent work in conducting several successful classes, became disheartened by this and other unfavorable circumstances, and resigned. The other members of the Executive were so abnormally busy that the work languished, even the Annual Meetings lapsing for a time.

However, at an Executive meeting held on September 19th it was decided to hold an Annual Meeting on November 21st at 8 P. M. A generous offer by Mr. Wm. S. Hall to permit the use of his large recreation room, in which some most interesting informal meetings have been held, was accepted.

Members and friends may reach Mr. Hall's home by taking the St. Clair car to the corner of Mt. Pleasant and Moore avenues: walking one-half mile east to Bayview; then three blocks south to Bennington Heights Drive, and a short distance west to No. 36. A few minutes before eight o'clock some members with cars will be at the corner of Mt. Pleasant and Moore, so that no one who does not wish to take the fifteen-minute walk need do so. East Enders with cars may prefer to reach Bayview Ave. via the Leaside bridge.

A telephoning committee will try to reach all local S. D. subscribers and some others known to be interested well before the meeting. Any wishing further information may telephone the Secretary, Mr. J. L. Foley, BA1 - 5651, or the Editor, HA 6672.

NEWS ITEMS

The South Australian municipality of Victor Harbour adopted Unimproved Value Rating on July 26th by a vote of 336 to 136. This advance is the more encouraging as the South Australian legislation on this matter is unfair, making the adoption of this reform very difficult.

Following a precedent established several years ago, the Mayor of Chicago on August 20th proclaimed Tuesday, September 2, 1952, as HENRY GEORGE DAY IN CHICAGO.

EIGHTH ANNUAL CONFERENCE OF HENRY GEORGE SCHOOLS

The Eighth Annual Conference of the Henry George Schools was held in the Queen's Hotel, Montreal, July tenth to thirteenth. Delegates from the New York School and all the major extensions were present. The newspapers allotted more space to this than to any previous conference. There were so many excellent addresses that only a few high-lights can be mentioned.

At the opening meeting Miss Strethel Walton introduced Mr. Louis Crepeau, who was so fascinated on discovering Progress and Poverty that he read it through in 48 hours without stopping to sleep. He is engaged in translating Economics Simplified into French.

Mr. Robert Clancy, director of the Henry George School in New York, stated that there are already 65,000 graduates of the Henry George Schools, turning up in all kinds of places, even in government. The more of these there are, the easier our job becomes.

Robert Benton told of a development in Detroit through which teachers trained in Georgist philosophy are coming under the adult educational system. No mention is made of the single tax in their talks -- the emphasis is on economic freedom.

David Goldstein, the regional director from New York, told of experiments in sending out speakers to club, service and school groups. This program began in affiliation with the New York Herald speakers' bureau. He said that at first, enthusiastic Georgist instructors were inclined to "sell a viewpoint", but they had learned to analyze objectively any point of view advanced from the floor, finding this a more basic approach.

James A. Palmer of San Diego described his experiences using motion pictures. He said: "We need pictures made for our own philosophy. The most important would be one made for the first night -- we must not lose our first nighters."

John D. Gilmour, a forester in Government employ, discussed the taxation of natural resources. He spoke of the difficulty of assessing woodlands, in which the annual crop consists of one ring beneath the bark of every tree in the area, and also oil, gas and mineral deposits, the discovery of which calls for expensive underground studies. He summarized by saying, "The assessment of natural resources on an

annual rental basis seems quite simple in the case of renewable resources, but very difficult in the case of all the others."

Senator Roebuck Speaks

Senator Arthur W. Roebuck spoke of "Canada and the Georgian Philosophy. He gave it as his opinion that in spite of the corroding influence of two great wars, we in Canada have managed to preserve respect for the individual -- his rights and dignity -- equal to any place in the world. However, he declared himself far from satisfied with conditions as he finds them.

He said: "Don't you think, even if you haven't read Henry George, that it's a ridiculous thing that in a country as great as this -- with actual resources as great as any place in the world -- that we have such a problem as that of unemployment? It's just un-understandable unless you realize that it is not so much the richness and resources of a country that count in that regard, as the extent to which those resources have been reduced to private ownership (monopolized) and the price at which they are held."

Of the housing situation he asked, "Isn't it a ridiculous thing that with all this inimitable space of ours, we in Canada, as you in the United States, should have a housing problem? Our forefathers found very little difficulty in constructing roofs over their heads and building homes at a time when the building was done with whole logs fashioned with broadaxes. .. I understand that the minister of housing in Ottawa is worried about this problem and some people are advocating to him the expenditure of large sums of money for the building of new roofs over heads. But I really don't care how much he spends, with one provision, and that is that he raises the money he spends from the taxation falling upon those lands, suitable for subdivision, which are now held at exorbitant, fancy, crazy prices. That would do the job -- and it wouldn't be the expenditure of the money so much as the raising of it that would count."

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How many priests, parsons and post-mortem fire insurance salesmen explain to their war audiences that Land Monopoly since 1701 B. C. (Genesis XLVII 23) produces war, and the Great Architect of the Universe ignores prayers for peace that come from pulpiteers to whom Christ applied the verbal vitriol of Matthew XXIII 35. The world needs today reincarnation of the fighting priest of New York, Farmer Edward McGlynn, who secured approval of Pope Leo XIII to the Henry George Free Land idea. -- Geo. Cartwright, in "Our Groundhog World", (a syndicated column) February 1951.

EIGHTH INTERNATIONAL CONFERENCE
FOR LAND VALUE TAXATION AND FREE TRADE

The Eighth International Conference for Land Value Taxation and Free Trade was held from July 28th to August 3rd in the Fyns Stifts Husmandsskole, the Folk School at Odense, Denmark. This School was founded by Jakob E. Lange, the man who introduced Henry George to Denmark. The present excellent buildings replace those which, being occupied by Nazi officials during the war were at the instigation of the Danes destroyed by Allied bombers.

About 250 persons, from 22 different countries, were registered for the Conference. Among them were Ashley Mitchell from England, Pavlos Giannelias from France, Judge F. A. W. Lucas from South Africa, Mr. and Mrs. Boschi from Canada, and over twenty from the U. S. A. Among the latter group were Miss V. G. Peterson, Robert Clancy, Noah D. Alper, Mr. and Mrs. Paul Gaston from Fairhope, and J. Rupert Mason.

Among many messages read from persons who could not attend was one from Santiago Serra of Spain, who asked the Conference not to forget Spain, where the Georgists are struggling against great odds.

The opening session was marred by the death from a heart attack of Magne Nohr, a leader in the Justice Party and Chairman of the Land Values Commission.

On request of many members, Dr. Viggo Starke repeated his talk on "Our Daily Bread" from the 1949 Conference. (This was published in The Square Deal for March-April, 1950)

Perhaps the most important development reported at the Conference is that since 1948 a Danish Parliamentary Commission has been studying the possibility of adopting fuld grundskyld -- collection of the full economic rent and abolition of all other taxes. Under fuld grundskyld the selling price of land, upon which land taxes are now based, would disappear, so that taxes would have to be levied upon the annual value. This would compel a complete change in assessment methods. Furthermore, if immediate fuld grundskyld is sought, the question of compensating landlords would have to be met. Many Georgists would agree with Mr. V. H. Blundell, who declared that if there is to be any compensation it is the people who ought to be compensated

for all the years of private appropriation of rent. However, Viggo Starke, K. J. Kristensen, Dan Ejorner and others held that when political action is in prospect the situation must be met in ways which will advance the practical work, and that this need not affect our continued reaffirming of the principles.

The Declaration of Principle and Policy of the International Conference at Swanwick in 1949 was confirmed. (This was published in The Square Deal for November-December, 1949). Other resolutions were passed: -- one naming land monopoly and trade restrictions as the primary cause of wars, one declaring that free trade is a pre-requisite of universal peace and prosperity, one calling upon economists to recognize that taxes can be taken only from rent or from wages, and to determine a sound policy based upon this fact; and one asking nations giving aid to underdeveloped countries to encourage a tax on land values in the aided countries.

By unanimous vote, J. Rupert Mason was re-elected as President of the International Union.

INCENTIVE

Jerome Joachim in 1947 announced to the men in his publishing house that 55 per cent of the value of the work had gone in direct wages. Overhead charges had also amounted to 55 per cent, resulting in a ten per cent loss. The incentive system which was agreed upon by mutual agreement increased the production so greatly that by the end of the year each man's wages had increased 40 per cent. By the end of 1948 they had doubled. -- Henry George News, Nov. 1949.

That the wage per hour is not important in determining price is well illustrated by the Lincoln Company's experience with foreign markets. European welding industries, despite a wage differential of 7 to 1, at present cannot compete in this country because of low productivity. On the other hand, the Lincoln Electric Company, which pays one of the highest wage rates in the world can go into these foreign countries and in the face of a 100 per cent duty still undersell the welding equipment manufactures in those countries. The only reason the Cleveland company can do this is because of its high rate of productivity, which, measured in dollar sales, is approximately \$30,000 per man per year. This rate of production is roughly four times greater than that of other electrical manufacturers in this country. James F. Lincoln.

THE RETURN OF A GHOULGwynfor Evans

A century and a half ago Thomas Malthus wrote his famous Essay on Population, in which he came to the dismal conclusion that want and hunger were to be the inevitable inheritance of the human race forever. He held that regardless of the increase in the production of food the fertility of the race would always be in excess of the available means of subsistence and that Divine Providence by means of famine, disease and war was the only way in which this increase could be kept in check.

Two Reactions

When the world was opened to trade, especially the Free Trade of Britain, the Malthusian ghoul was forgotten only to return in recent years with a terror never before experienced on this earth. The Neo-Malthusians, many of them like Malthus self-styled Christians, declare openly that the weak and diseased should no longer be encouraged to survive. How such "Christians" reconcile this doctrine with the Christian fundamental doctrine of the Divine worth of the individual soul I do not know.

But this year an important answer to the Malthusians appeared -- a Christian answer in the form of a book by Josue de Castro titled "The Geography of Hunger." De Castro is a Brazilian and chairman of the Food and Agricultural Organization. He writes with the knowledge and authority of the world expert. To review his book is the purpose of this article.

The Great Want

We are familiar with Lord Boyd Orr's declaration that in 1936 over half the people of the British Isles suffered from malnutrition. This is a mild state of affairs compared to that of most countries of the world. In New Guinea eight children out of every ten die before reaching maturity because of the weakening effect of many generations of suffering from hunger. Although this is an extreme case it is surprisingly general throughout the world. It is not lack of resources that is responsible. They are abundant. It is estimated on good authority that there are 25 million square miles suitable for cultivation by modern methods. That is eight acres per head of the population, whereas it is calculated that two acres per head is sufficient for the production of food. At present only one acre per head is in use and even that far short of its full capacity by modern techniques.

Human Ponies

There is no static breed of Welsh ponies. When they were taken to America the owners were dismayed to find that they grew in stature with each succeeding generation. They are the outcome of inbreeding for centuries in the rigors of the bare Welsh mountains. The physique of most Americans and Europeans on the one hand and that of the frail Indian and short Oriental on the other is due very largely to the quality and quantity of food that has been available to them. Many of the underfed peoples have reached the point where they are not physically capable of great production regardless of the lack of modern techniques. While the American farmer produces 44,000 pounds of grain per annum the Chinese farmer produces but 3,000 pounds. From 80 to 95 per cent of Chinese energy is derived solely from rice. De Castro contends that the most potent force behind Mao Tse Tung is the 50 million that have been given a few acres of land whereon to raise a crop. These were the ones who were obliged to pay to landlords from 40 to 60 per cent of their produce as rent. Three per cent of these landowners owned 45 per cent of the arable land in China in pre-communist days.

The Effect of Imperialism (Colonialism)

The hunger situation worsened in China with Western interference. The West blamed this on lack of unity, but De Castro says: -- The fact is that the West invariably nurtured this disunity carefully. Wherever the country endeavored to rise out of her misery it was always found that it was against colonial interests. The worst phase of interference in all backward countries has been the concentration on one or a few profitable crops or extractive industries. This ruined the balanced economy of all countries affected whether it was done by force or by capital.

Isles of Hopelessness

It would be difficult to find an area that is as suitable for feeding a heavy population as Cuba. Three quarters of the island has a deep fertile soil that could feed twice the population. Sugar and tobacco were introduced and developed by U. S. dollars. Nowadays it is not at all unusual to find a family of eight to ten living on food adequate for one only. The attempt to assassinate President Truman by a Puerto Rican threw a light upon the intolerable conditions on that island. The economy had been centred on sugar to such a point that almost nothing but starches is consumed for energy.

India

When the British first went to India they found a not unprosperous country of a hundred million farmers and craftsmen with a wide export trade. After the occupation the craftsmen rapidly diminished and the agricultural serfs increased enormously adding to the pressure on the land. The agricultural development centred upon cotton, sugar and jute that brought quick profit through export. The raising of food crops was forgotten. A crisis of famines followed. Nothing was done in the direction of land reform and the landowning princes were cajoled in the name of peaceful government to permit the exploitation of resources. The most abundant harvest was the harvest of Death. The average age at death is 26. In New Zealand it is 72.

Africa

The Europeans brought into Africa four crops to be grown for export that completely upset the traditional economy and food production of that continent. These are coffee, cocoa, sugar and ground nuts. Rice has now to be imported into large areas. In Gambia 369 out of every thousand babies are still-born. The 7½ million Bantus and Kaffirs under the South African government live entirely on starches in various forms. In Transkey out of 11,000 children examined 84 per cent had one meal of cereal a day, 14.9 had two meals and 0.6 only ate three times a day. According to De Castro the situation in the British protectorate of South Africa is worse.

The Cause of Hunger

Now we come face to face with the Malthusians who say that if we improve the quality and quantity of food population will increase to a greater degree. The answer to this is the most important part of De Castro's book and the impact of his answer upon us is electrical. Over-population is not the cause of overpopulation but hunger is the cause of overpopulation. The law is that the severer the hunger the more fruitful the race becomes in order to compensate for the loss through death. This is nature's way of securing the continuity of the race when there is peril of extinction and the law pervades all life.

In this connection the intake of protein seems to play a prominent part. Although a high intake of protein probably indicates a high standard of living generally -- culturally, etc., still the statistics on the connection between protein intake and fertility are startling. This has long been proved true in animals. In the following table the columns under a. give the names of countries; those under b. the number of births per thousand in each; and those under c. the daily

consumption, in grammes, of such protein foods as meat, cheese and eggs:

a.	b.	c.	a.	b.	c.
Formosa.....	45.6	4.7	Germany.....	20.0	37.3
Malaya.....	39.7	7.5	Denmark.....	18.3	59.1
India.....	33.0	8.7	Australia....	18.0	59.9
Japan.....	27.0	9.7	U. S. A.	17.9	61.4
Yugoslavia...	25.9	11.2	Sweden.....	15.0	62.6
Bulgaria....	22.2	16.8			

The Malthusian would interfere with personal honour and morality to reduce population. If they succeeded the result would be fewer producers of food and more hunger. That is the wrong way. The right way is to follow the natural law.

Political Program.

(This section deals with the formation of a society in Britain to sponsor De Castro's idea. The moving force is Lady Megan Lloyd George. This is significant to Georgists because of the known influence of Henry George on her father.-- R. W.)

The above article was selected and translated by Robert Wynne from an editorial in The Banner of Wales. The June number of the Henry George News includes a review by Marshall Crane of De Castro's book. It also includes a letter by Mr. Crane, further commenting upon its theories. This letter was not intended for publication, but we are glad it was included. -- Ed. S. D.

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According to the New York Times, man is on the eve of one of his greatest achievements in history, the production from oceanic plant life of food sufficient for an adequate diet for the world's entire population. What a disappointment this will be for those whose delight is to proclaim lugubriously: "There are too many people on earth. -- The Standard

Tahitians had evolved an almost perfect spiritual and economic democracy. The natural riches of their country were owned in common. Poverty was unknown. Liberty and wealth belonged to all. Captain Cook estimated that Tahiti's population was at least 200,000. White civilization has been the brown man's burden, and a century after the population was below 10,000. -- From Holmsen's Polynesian Trade Wind

Fear that the world is growing too small is groundless. There is room, shelter and food for millions more if we put our know-how to work. -- Harry S Truman.

CHURCH DIGNITARIES WORRY ABOUT INFLATION

Ernest J. Farmer

Dignitaries of the United Church have tried their hand at combatting the evils of inflation. The object is worthy. An overwhelming majority of Ontario citizens are poorer than they deserve to be. Every year thousands of them die prematurely as a result. Inflation is among the lesser cause of poverty, but it is not altogether negligible. But, as Rev. W. A. Cameron pointed out in a memorable article in The Star a year or so ago, it is not enough for Christian people to have good intentions: it is also their duty to use their intelligence so that they may know the truth and act effectively. Unfortunately, the United Church group has approached the matter of inflation with amazing superficiality and inattention to essential and yet easily ascertained facts. The result is a pronouncement which may distract citizens' minds from the essentials and so hamper effective action but cannot accomplish any good.

First among four groups which "make it hard for the little man to combat inflation" Dr. Mutchmor, as spokesman for the group, mentions strong labor unions. It is true that some unions, especially in the building trades, have limited production and so contributed to inflation. But these unions are not representative. The CIO leaders in particular have strenuously opposed such practices as treason to the cause of labor (which they are). In many cases unions have taken the lead in effecting improvements which led to increased production. And by doing something to check the constant decrease in the share of wealth produced which is received by the workers, the the unions have on the whole made it easier for the little man to combat inflation.

Government reports show that in the manufacturing industries, in which unions are of greatest importance, a few years ago the workers (including everybody from company president and general manager to floor sweeper and office boy) received 52 per cent of the value added in manufacturing. The unions have not been able to keep this percentage from decreasing -- it is now 47 per cent or a little less -- but they have undoubtedly kept it from falling as low as it otherwise would have.

Some Taxes Check Inflation

Dr. Mutchmor mentions also farm federations, corporations and high taxing governments. I shall not at present discuss farm federations and corporations. But it is far

From true that high taxes necessarily cause inflation. Some taxes do, of course: tariffs most of all, next to them sales taxes. But others check inflation. It is not the amount of taxes but the way they are levied which determines inflation.

Dr. Mutchmor does not so much as mention the two most important causes of inflation -- two, which at bottom are one. These are, land speculation. In the suburbs of Toronto there are miles of vacant lots provided with sewers but held by speculators at such prices that builders prefer to buy cheaper lots and install septic tanks at a cost of from \$500 to \$1,000. In many cases sewers are installed after a time, sometimes even within a year, making the cost of the tanks a dead loss. Other expensive services remain unused while a quarter or half-mile away people struggle along without them. In this way millions of dollars are added to the cost of are wasted, added uselessly to the cost of homes in the Toronto area alone. In many other ways, some difficult to trace, land speculation adds to the cost of living.

Costs Higher in Slums

The per capita cost of public services in slum areas is several times as much as in wholesome neighborhoods. The rentals which a slum landlord collects are in fact payment for these services, without which life under such conditions would be impossible. The buildings are worthless. The taxes paid by slum landlords average about one-seventh of the cost of providing such services, but they collect from the hapless a good deal more than the cost. Irving Rosenberg, vice-chairman of the Newark Housing Authority, estimated that in 1945 the average urban worker in New Jersey subsidized the slum landlords to the extent of \$32.76. The subsidy may have doubled since then.

If anybody proposes to rebuild slum areas, the landlords demand prohibitive prices for what they call their "property." What they are being paid for is not property, but the privilege of receiving public services for one-seventh of cost.

It is natural and right that people should profit by aiding in any way in the production of good things. But land speculators profit by hindering the erection of good and useful homes and other buildings; slum landlords profit by preventing building and promoting disease and crime as well.

There is only one reason why land speculation and slum landlordism are profitable -- taxes on land are too low. Inflation persists, partly because tariffs, etc., are too high, but mainly because taxes on land are too low. No one

can be much more highly appreciative than I of the achievements of the United Church and other Christian denominations in this province. But the leadership in matters sociological, often making much of trifling matters and ignoring the basic causes of social ill-health, is sadly deficient. I am reminded painfully of what a military critic said of the British army -- that it won some of its most notable victories in spite of its generals.

(This article was sent as a letter to the Toronto Daily Star, which published about one-third of it, mainly the part about labor unions. Almost the same letter was sent to the other two Toronto dailies and the Hamilton Spectator. The Spectator published it almost complete.)

POSSESSIONAL PROBLEM

More and more people now concede that reforms which ignore land tenure achieve nothing fundamental. In his Social Problems Henry George explained how to make our equal and inalienable rights practical via political action. Dunn and Bradstreet, 99 Church St., N. Y. will supply copies of Foulke's new Study of National Income. It quotes Henry George at length.

While the public attention goes to the Japanese Treaty which permits Japan to rearm, influential persons in Japan are working vigorously along sound lines. Progress and Poverty in Japanese, costing about 30 cents, is being widely read there, and the biggest book publisher in Japan is waiting to distribute in a big way other books by George now being translated. A famous Japanese writer is writing a book on fundamental economics.

The crisis we have long feared has arrived. Too long we have blinked principles of taxation and land tenure. The July International Conference on Land Value Taxation will blink neither. Let us loud pedal basic political and economic principles and not get bogged down over minor affairs. -- J. R. Mason, in The Interpreter, May 1, 1952.

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The transition in Japan does not acknowledge that the land of Japan belongs to the people of Japan; it transforms big landlords into little landlords; it does not deal with site values in the big cities. It makes no provision for tax reform; according to one authority 98 per cent of Japanese taxes are levied upon labor products. Owing to these shortcomings, the reform will probably only serve as a stopgap to communism rather than a permanent cure. -- Craig Ralston in "Try All the Wrong Ways First", Henry George News, February 1952.

REASSESSMENT IN OTTAWA

The Ottawa Evening Citizen of May 31st describes the elaborate system of valuation being applied to Ottawa properties and to be the basis of a reassessment. This system is considerably more elaborate and expensive than the one used in Toronto in 1948. Every house is visited by inspectors, who examine every detail of measurements, construction and finish. Houses are rated "A", "B" or "C" for quality and "Good", "Fair" or "Poor" for condition. An initial figure of so much per cubic for each class is set to begin with. To this initial figure are added extra amounts for lights in the garage, heat in a sunroom, a shower in the bathroom, and other conveniences (installed by the owner at his own expense and of no possible consequence to the neighbors or to the city at large) too numerous to mention. All of these mean higher assessments and correspondingly higher taxes.

Of course, if it be admitted that buildings should be taxed on their value, it is only fair to estimate this value as accurately as practicable. But what a pity to devote all this labor and ingenuity to an utterly unfair system! As we have repeatedly pointed out, other things being equal a city's expenditures in a given area are the lower the better the buildings and the higher the worse the buildings. The city's expenditures are several times as great in a slum area housing 500 persons as in a good apartment block housing the same number, but the taxes on the good apartment buildings will probably be ten times as much as on the slum buildings.

If buildings are to be taxed at all (something which the experience of hundreds of municipalities in Australia, New Zealand, South Africa and Western Canada has shown to be unnecessary) the taxation should be based upon total volume, with a surcharge where the buildings are in such bad condition as to require greater expenditures upon civic services.

The Citizen remarks that "every householder was apparently acquainted with the word assessment. Because each one on hearing it quaked visibly and turned just a wee bit pale." Probably those who had heard what happened to Toronto homeowners after the 1948 assessment blanched more than a wee bit. But Toronto homeowners suffered because the reassessment applied only to the buildings -- while land assessment was slightly increased it remained below the figure of 25 years ago. Ottawa land assessments have been even more scandalously inadequate than those of Toronto -- at any rate, we have not heard of land being sold for 50 times the assessed value, as happened in Ottawa recently. If the new assessment results in anything like an honest assessment of the land, Ottawa homeowners will benefit by a material reduction in their taxes.