Geo. Cartwright

Route 2, Box 410,
MODESTO,
C a l i f o r n i a .

Telephone
41-F-11

Sunday,
June 25th, 1944.

Mr. Louis A. Kerwin,
Kerwin's Mineral Bathe,
3935 Chestnut St.,
Philadelphia, 4, Pa.

Copy

Dear Kerwin:

I have yours of the 12th inst., and am grateful for the magnificent effort you make to take the tangles out of my economics.

In view of the fact that I ardently promoted Socialism prior to sending a copy of "Socialism vs. Singletax" to Rev. S. G. Craig, having him discuss it before all the Socialists enlisted to attend, and thereafter just as industriously worked for the Georgist philosophy, you will grant me the consideration that I'm neither too proud or bull-headed to change my view-point when evidence justifies it. Of course, an old dog is slow to learn new tricks, but they're not hopeless.

The Volmatic Revenue idea appeals to me only in so far as it enables everybody to have as much Land of any kind as such person voluntarily will pay Rent for, the Rent to go to providing roads, bridges, schools (all kinds of public construction) and (all public service) postman, policeman, teachers, electricians, linemen etc., where irrigation and electricity are publicly produced, etc., as in Modesto-Turlock Irrigation Districts.

I understand the Volmatic Revenue idea principle is working in the 900 sq-miles Yass-Canberra district of New South Wales, within which is located the city of Canberra, Capital of Australia. Leases vary from 5 to 25 years but not beyond 99 years. Rent is at the rate of 5% on the unimproved capital value of the Land; subject to reappraisement after 20 years, thereafter each 10 years. Of course, that's not SINGLETAX as the people there are subject to other taxes and Customs duties.

Modesto-Turlock joint Irrigation Districts operate under a State Law requiring Irfigation District revenue to be raised by a Land Value tax--and its being racketeered. California does not bill citizens for State taxes since the Salestax was slipped over. It now collects over $1-million a month. The gasoline tax for road construction, adopted since we came here 20 years ago, takes care of that. With State revenue largely collected in this manner, Modesto City people, for example, receive three tax-bills, viz.: County, City, and Irrigation District.

Recently I looked up tax values on some city properties, i.e., the "Real Estate" assessed value (Land Assessed Value). Irrigation Dist Tax values were less than 1/3rd of City Tax values and County Values came in between.

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The California Irrigation Districts' Land Value Tax Law is racketeered in two directions: (1) The Irrig'n Dist. Tax Value on Land is set low, compared with both County and City Land Values for tax purposes. (2) At intervals the sale of District developed electricity to users builds up excess earnings over and above cost of operation and replacement of plant and equipment. This Fund will by Board Resolution be passed over to the Irrigation Fund to lower irrigation cost. In other words, instead of giving electricity consumers juice at cost (the cost to include upkeep of the layout) they have in the past 20 years taken from electricity users over $1-million dollars, and reduced irrigation costs by that much. That is, making electic consumers pay too much so as to make irrigation water cost less. You don't need a diagram to see that this makes land more desirable or valuable.

The Lesson: If you have Singletax in whole or part and people in that area don't understand primary economics, the Real Estate racketeers will make it work for the Land Gamblers and against Land Users.

You state, "If all land was free;--that is NOT OWNED, it would have no value." You and I, with others may be wrecked on an island, uninhabited but with several kinds of Land. We arrive and find NO OWNERS. Part of the island is drifting blow-sand, like the desert near Yuma, Ariz. Another part is mountains with outcropping coal and timber growing. At the foot of the mountains is sub-irrigation, i.e., water close to the surface sufficient to grow certain crops. With NO GOVERNMENT SERVICE and NO OWNERSHIP, to our wrecked crew the several kinds of land described has different degrees of desirability, value or if we wish to establish equity and justice among ourselves IT HAS LAND-RENT, all except the blow-sand. The Ricardo theory accepted by Henry George covers this set-up as it appears world wide. I see no reason to abandon that explanation.

Its true that population will flow to the Land that provides wheat, fruit and food or coal and timber and will not locate in the swamp or on blow-sand until forced to do so. The California desert is irrigated from mountain dams and becomes a magnificen garden. The swamps of Lake St Clair, near Detroit on the Canadian side, occupied for centuries by musk-rats and cranes is drained in recent years and becomes another garden.

A few years back Georgists divided about whether they should demand and campaign for "ALL OUR LAND RENT NOW," or Abolish one tax after another and increase the Land Rent Revenue collection. That argument made so much bitterness members of one group would not speak to the other on the street. That's exactly what Land Monopoly likes to keep going. Its the moving spirit of the Fascist organization here and abroad.

By yesterday's mail I am invited to co-operate with the "Henry George Institute," giving an incomplete list of 48 sponsors. I do not know how well The Henry George School is doing in N.Y., but in Los Angeles, Chicago and Toronto, all reports indicate a high batting average and the greatest

educational work in our generation.

In the 14 years of daily contact with Ohio politics and since I've seen how a few things are done. Example: My Chief, E. W. Doty of Ohio RR-Commission sent me into the office of the most Tory member of the Board with a typewritten decision on a pending case. He was not in, but on his desk neatly piled was a stack of "The Public," and another of Hubbard's "Little Journeys." This Bird was reading the best Georgist literature of the time to keep himself posted how to fight Public Ownership and Singletax.

In 1930 a Georgist Convention was held in San Francisco. Present, first morning, was a genial gentleman, welcoming everybody and glad-handing. At noon Pres. Milligan reopened, about as follows: "Friends, before we go into the afternoon session, there's a matter I want to bring up. We have the honor of having with us, Mr. Freeland. Most of you have met him but he overlooked to tell you that he is Sec'y of The Calif. Anti-Singletax Ass'n. I want to assure Mr. Freeland we welcome him as a guest at all our day and evening sessions and hope that he may learn the error of his way." In a few minutes Mr. Freeland took his coat and hat and faded from the picture. I checked up and found he was on the subscribers' list of Land and Freedom and The Forum of Stockton, two Georgist papers, so no doubt also, like the Ohio RR-Commissioner, read the best of our literature to figure how best to serve his Land Monopoly masters.

I expect some mistakes are made in The HGSSS management. Its a human institution, and humans make mistakes. However, nobody can tell me that J. C. Lincoln, Otto K. Dorn or Miss Bateman have anything at heart other than the advancement of the time predicted by Count Volney, 150 years ago, in his book, "The Ruins of Empires:"

> "by the law of sensibility, man as invincibly tends to render himself happy as the flame to mount, the stone to descend, or the water to find its level. His obstacle is his ignorance, which misleads him in the means, and deceives him in causes and effects. He will enlighten himself by experience; he will become right by dint of errors; he will grow wise and good because it is his interest so to be. . . . .
>
> Yet another day--a little more reflection--and an immense agitation will begin; a new born age will open! an age of astonishment to vulgar minds, of terror to tyrants, of freedom to a great nation, and of hope to the human race!

Suggestion: Every Georgist should read "Ruins of Empires" by Count C. F. Volney, but hard to get as it was printed in French and translated about 150 years ago.

With the hope this long epistle is not too great an infliction upon your good nature and that it finds the good ladies of your household hearty and happy and yourself the same, as ever,

Sincerely yours,

Geo. Lowenight

Telephone
41-F-11

Route 2, Box 410,
MODESTO,
C a l i f o r n i a .

Sunday,
June 25th, 1944.

Mr. Otto K. Dorn,
Henry George School of Social Science,
50 East 69th St.,
New York, N.Y.

Friend Dorn:

The enclosed is copy of letter written to publisher of the first Hy-Geo paper printed in Toronto, Can., now living in Philadelphia, and recently converted to "Volmatic Revenue."

As I've not heard from you in reply to my last letter I am wondering if you are keeping well and on the job, as I hope you are.

I am still holding it down here alone, as I feel there is probably more security on the bit of Land than if I sold and went in to town. Most of the work can be done in a leisurely way, except about three times a season when one has to take the irrigation water, when its his turn. Its a 5½ hour job with me, and I have been fortunate to get it in daylight for a couple of years back. Night irrigation is somewhat of an adventure, if there's no moonlight and one has to fight gopher leaks with a lantern. That's probably all Greek to you, but perhaps you will take a vacation trip out here and see how we make a desert into a garden with water, without which its simply worthless.

Sorry your family (Hy-Geo. family) row seems to have broken out again. "United we stick, divided we are stuck."

With all good wishes, as ever,

Sincerely yours,

Geo. Cartwright

Encl: