

HENRY GEORGE NEWSLETTER

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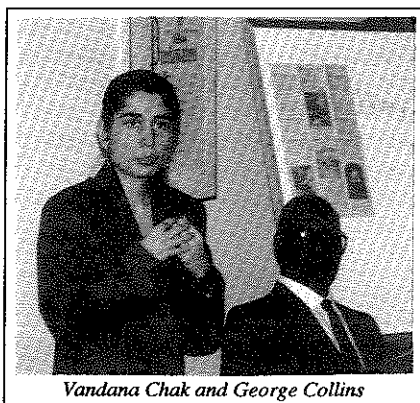
March - April, 1993

Seminar Explores Henry George's Wit & Scholarship

- by David Domke

Henry George was more than just an original thinker in the field of political economy. He combined his philosophy and scholarship with a unique literary style, drawing on many aspects of different cultures and traditions, giving his writings an encompassing and multi-faceted scope. His use of metaphor and simile are at times striking, and he often makes his point by alluding to the Bible, or to Shakespeare or some other renowned author. California governor William Irwin once referred to George's "power of statement and clear and brilliant style." His use of a "poetical" figure is never gratuitous but is always used to graphically illustrate his point, to make a clear point more forcefully.

On Friday, March 26, the School gave a seminar on the wide-ranging thought and literary expression in the works of Henry George. Entitled "Henry George: An American Original", the seminar was conducted by George Collins, director of the School, and Vandana Chak, a School faculty member. Beginning with a brief biographical talk on George, Mr. Collins remarked on the early scholarly leanings of Henry George. Although a family financial crisis precipitated his withdrawal from school at an early age, forcing him to work six long days a week at a glass-blowing



Vandana Chak and George Collins

factory, George spent much of his spare time at the local library in Philadelphia, attending lectures and devouring whatever books he borrowed. Through his father's influence he was able to sign on board a trading ship as a cabin boy and sail to the Far East. While in India George, at the age of sixteen, showed some of the propensity for keen observation and literary turn of

MOVEMENT ACHIEVES U.N. RECOGNITION

By Pat Aller

The International Union for Land Value Taxation and Free Trade is now a Non-Governmental Organization recognized by the United Nations, through the efforts of Alanna Hartzok (Pennsylvania) and Harry Ball-Wilson (Hawaii and England). IU President Richard Noyes has appointed Hartzok alternate delegate and Pat Aller (New York) delegate.

The UN charter provides for people's representation, through nonprofit organizations, so that they might attend weekly briefings, disseminate UN information, and obtain greater support for UN goals. Non-Governmental Organizations, known as NGOs, total about 1500, and function through the UN's Department of Public Information (DPI). In addition, approximately 700 NGOs (about half of which are DPI affiliates) are associated with the UN through the Economic and Social Council (ECOSOC). These NGOs must be international organizations with socioeconomic interests. They are entitled to discuss or present papers before certain UN groups. The IU will also apply for ECOSOC status.

All organizations are urged to plan ways to celebrate the UN's 50th anniversary in 1995; the two banner dates are March 26th, the charter signing in San Francisco, and October 24th, the first meeting in New York City. 1993 is the Year of Indigenous Peoples, and NGOs are working on improving their representation in official UN activities.

For further information, please contact: Pat Aller, 160 West End Avenue, New York, NY 10023. (Please see Pat's report on recent NGO briefings on page three. -L.D.)



Pat Aller and Alanna Hartzok

phrase that he was to use to great effect in later life. He kept a series of notes on the back of his sea-journal, recording weather conditions and shipboard tasks as well as his observations of the life and culture of India. These jottings, from which Mr. Collins quoted, offer quick, vivid impressions of both local landscape and human custom, and foreshadow his later style. Here he is describing Calcutta and the Ganges river: "The river, at times very broad and again contracting its stream into a channel hardly large enough for a ship of average size to turn in, was bordered by small native villages, surrounded by large fruit trees, through which little bamboo huts peeped. As we advanced the mists which had hitherto hung over the river cleared away, affording a more extensive prospect... On the banks the natives began to go to their daily toil, some driving cattle along, others loading boats with grain, while the women seemed busy with their domestic tasks... The river here takes a sudden bend, crowded with ships of all nations, and above nothing could be seen but a forest of masts."

There is in this passage a natural rhythm (perhaps much like the rhythm of the river itself) and (continued on page six)

GEORGISTS GO ON LINE

An instant, international dialogue on Georgist political economy is underway, and only two things are needed to participate: a modem, and an open mind. There are now two Georgist computer bulletin board systems, or BBSs, to choose from: the *Henry George KnowledgeBase*, operated by Harry Pollard from the Los Angeles HGS, and *The Level Playing Field*, by Hanno Beck in Columbia, Maryland. From either BBS, computer users may send and receive electronic mail messages, engage in on-screen conversations with people from around the world, and download information from the bulletin boards.

The BBS is not a brand new phenomenon, of course; computer operators have been using them to swap files, know-how, tips and quips for years. Indeed, Harry Pollard's BBS first went on line in 1989. Harry reports that interest in the board has waxed and waned since then, but he still gets quite a few calls. "The farthest away so far," he says, "was from Croatia." Now, Harry is aiming to gear his bulletin board toward the group that consumes computer time most voraciously: (continued on page three)

HENRY GEORGE NEWSLETTER

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**Henry George School
of Social Science**121 East 30th Street
New York, NY 10016
(212) 889-8020**Edward J. Dodson**
President**George L. Collins**
Director**Lindy Davies**
Editor**AFFILIATES****LONG ISLAND****Stan Rubenstein, Director**
P.O. Box 553
Cutchogue, NY 11935
(516) 734-7543**PHILADELPHIA****Mike Curtis, Director**
413 South 10th Street
Philadelphia, PA 19147
(215) 922-4278**NEW ENGLAND****Ernest Kahn, Director**
114 Ames Street
Sharon, MA 02067
(617) 784-3086**CHICAGO****Sam Venturella, Director**
1772 W. Greenleaf Ave.
Chicago, IL 60626
(312) 338-6698**CALIFORNIA****Wendell Fitzgerald, President**
1568 Schrader Street
San Francisco, CA 94117
(415) 661-6933
Harry Pollard, Director
Box 655
Tujunga, CA 91042
(818) 352-4141**DOMINICAN REPUBLIC****Lucy Silfa, Director**
Apartado Postal 758
Santo Domingo,
Republica Dominicana
(809) 565-6725**CANADA****School of Economic Science**
2267 Westman Road
Mississauga, Ontario L5K 1M7
(416) 822-4694
Gaye/Gerry Shaw, Co-Directors
3017 25th Street, S.W.
Calgary, Alberta T3E 1Y2
(403) 242-4291**LAND SLAVERY IN STATEN ISLAND**

by Kathleen Cummings

I have lived in New York City all my life, and like many city residents I have always been under the erroneous impression that the City of New York owned the land. That is, until I discovered the theories of Henry George, the intricacies of the Manhattan land book, and Frank DeDeminico's Mariner Harbor. The Goethals Mobile Home Park in Staten Island is the only mobile home park within the five boroughs. In September of 1991, the residents of the 128-unit complex finally felt their landlord had pushed them too far.

The park is owned by a F.I.D. Construction Co., of which DeDeminico is the principal figure. The tenants "own" their mobile homes (many purchased through Mr. DeDeminico's company,) and rent the land; DeDeminico's company has administered the park for the last ten years.

The dispute started when a cable company attempted to run cables in the land itself, near the residents' homes. Mr. DeDeminico, however, wanted the cables installed in the street, "like all other Staten Island residents. I want them to respect me and put it where I want it to be put."

Unfortunately, DeDeminico's solidarity with Staten Island residents does not extend to garbage collection for his tenants. In that case, he asserts his rights as landowner, and charges for his private collection service.

A tenants' organization was formed: The Staten Island Meadowbrook Park Civic Association. The group cited a list of offenses including - in addition to the cable company's complaints - an exorbitant \$38 monthly rent hike (leases are on a monthly basis), neglect of rat infestation, delivering discolored water, and prohibiting garbage pickup by city sanitation.


The tenants began withholding their rent nearly a year and a half ago. There have been injunctions against the strike, and finally a state housing agency attempted to form a cooperative of mobile home

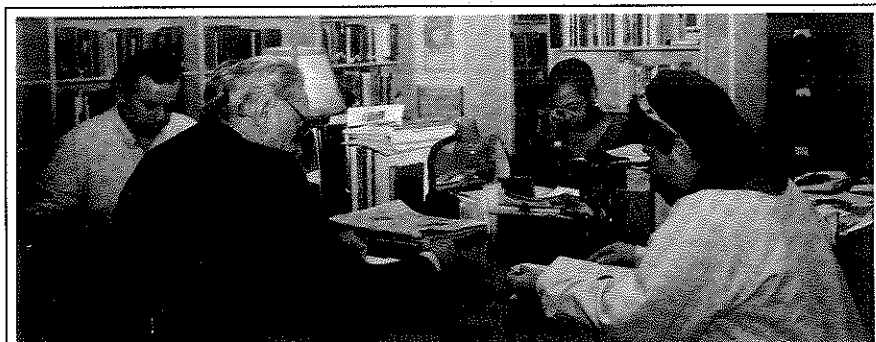
owners which would literally purchase the whole facility. However, this plan depends on the cooperation of both sides - and that has clearly not been the case here.

The situation has evolved to a stay of eviction for another twenty days. The tenants must provide \$50,000 to the owner from their escrow account, or be evicted.

Henry George's theories apply here in a glaringly obvious way. This rent strike is reminiscent of the Irish and Russian land rent strikes of the 19th century, but it also illustrates the special viciousness of 20th century life. Frank DeDeminico intends to evict his tenants because "It's the law." Henry George states in *Progress and Poverty* that a small percentage of citizens are given the right to expel nearly the whole population from the major portion of the nation. Frank DeDeminico and his F.I.D. Construction Company is a local example of this same landowning class.

Will we see more land strikes like this one in Staten Island? Not likely; this is not merely an isolated case of injustice. It is an especially egregious example of a fundamentally unjust land tenure system. Yet it clearly illustrates the harsh realities that private collection of land rent holds for ordinary people who must struggle to make a living. The residents of Goethals Mobile Home Park were stuck - unable to sell their homes, because their landlord never obtained certificates of occupancy from the city.

Editor's note: Kathleen Cummings is a student in the school's political economy classes. She reports that since this writing, the rent strike has gone on in a kind of legal limbo. Community Board #1 intervened to push for negotiations with the tenants. The tenants are attempting to purchase the whole facility, and the manager is willing to negotiate on this. Meanwhile, however, the unpaid rents accumulate, placing the tenants in a risky position, having only paid the minimum amount required to secure the court's thirty-day stay of eviction. 



HGS Library Co-ordinator Pia DeSilva has achieved her goal of user-friendliness - according to three diligent students on a Wednesday afternoon this March!

HIGHLIGHTS OF RECENT UNITED NATIONS BRIEFINGS FOR NGOS

by Pat Aller

Trade between nations has now been surpassed in financial value by direct foreign investment by transnational corporations, reported Karl Savant, research chief of the UN's Transnational Corporations Division, on Jan. 21st. This reflection of the globalization of the economy suggests that Georgists should watch big business at least as carefully as they watch nations' foreign trade.

One hundred corporations control a third of the world's stock of investment. They are the elite of 35,000 transnationals, and their foreign direct investment now delivers more goods and services than trade. Where goods are transferred or produced abroad, such investment can improve local skills in office procedures, maintenance, marketing, and other business areas. Transnationals also often build infrastructure in the countries where they do business. But, only 20% of foreign direct investment goes to developing nations (of which ten predominate). Poorer nations, trying to create an environment conducive to investment, often fall further behind.

Transnational supremacy raises problems of monopoly, the dwindling significance of trade, and the implications of some countries' actions as they reshape to become foreign corporate clients.

Conflict resolution, instead of war, is a prime UN goal. Peter Kung, delegation chief of the International Committee for the Red Cross, described his group's work toward that end on January 28th. While national Red Cross/Red Crescent groups respond to natural disasters, the ICRC deals mostly with those created by humans: wounded civilians and soldiers, military prisoners, and the needs for shelter, food, water and sanitation. Kung explained that the distinction between natural and human-caused disasters is blurring, and he stressed the need to prevent conflict, rather than pick up during it or after it. ICRC has arranged ceasefires, created neutral zones, evacuated residents, and appealed directly to combatants for humanitarian behavior. Kung praised the efficiency and courage of NGOs who help ICRC in its work.

Karen Christianson of the International Association on Religious Freedom, a conflict resolution consultant, described several kinds of conflict, and various ways,



good and bad, of coping with them. Examples of conflict include differences between generations, groups unable to listen to each other, and economic dislocations such as plant closings. Trying to cope, people might attack, compromise, surrender, or retreat - but to resolve conflicts it is necessary to move beyond mere coping and find solutions. The process includes identifying causes and goals, listing alternatives, and developing awareness of clashing roles and expectations. The greatest conflict-management challenge, Christianson added, comes when sides are unequal or one is evil.

UN humanitarian relief efforts in Somalia were discussed by Philip Johnston, President of CARE (Cooperative for American Relief Everywhere) on February 4th. UN officials had to overcome dislike for all the warring factions. To work toward social stabilization, the UN is attempting, with local input, to restore district police systems which can function after United States and, later, UN forces leave. While the primary needs are famine relief and citizen disarmament, there are huge underlying needs: improvements in water, health (of livestock as well as humans), agriculture, education and jobs - and the resettlement of 1.5 million displaced persons.

Johnston admitted that it is hard for recruiters to identify trustworthy local leaders, but he stressed the need to act quickly. He cited examples where local groups, after UN education and help, refused to let former warlords rule.

Every week 253,000 children die because of famine and preventable diseases such as diarrhea, said Staffan de Mistura, UNICEF Deputy Director, on February 11th. The rise in ethnic disputes creates a corresponding rise in child misery. Juveniles are used as shields, food procurers, bargaining chips, and warriors. In Afghanistan, "stroll teams" of boys as young as nine are taught to throw grenades at Russians. When de Mistura first went there, he learned that his natural and professional inclination to reach out to children could be fatal. Instead, he and his associates went to the marketplace, leapt atop a jeep, and explained the UN's peaceful mission.

An old merchant called out, inviting the speakers to inspect the ruins of his home. "The tomtom of the marketplace went through the city," said de Mistura, "Taxi drivers, children, everyone understood that these UNICEF foreigners were different, not enemy soldiers." *NGO Briefings* are on Thursdays at 10:30 AM. The usual format is a half-hour film or videotape, followed by a question and answer session. NGO delegates, whose passes admit them to many other activities, often lunch afterward in the UN cafeteria. Alanna Hartzok, who plans to visit New York monthly to represent the International Union, has represented other groups at the UN. Pat Aller has enrolled the IU in a new NGO committee on the environment. This, and other meetings at the UN, will be reported in the months to come.

RAY ABRAMS

Raymond Abrams passed away on March 7th, 1993. He was 68 years old. Born in Brooklyn, he came to Florida in 1950, and worked for the City of Miami Beach until his retirement.

He and his wife, Grace, traveled to many foreign countries over the years. He was a great humanitarian and loved all people. Raymond was generous with his deeds and his money. He believed in the Georgist movement, the peace movement, and no hunger for children. On his monument is inscribed: *A Georgist and a Libertarian - Beloved Brother and Uncle*.

From his sister and family

Ms. Margie Adler

(Ed.'s note: Active in the Georgist movement for many years, Ray Abrams was a frequent participant in conferences, a generous contributor to Georgist organizations, and the author of *Total Tax Relief*)

GEORGISTS ON-LINE

(Continued from front page)

high schoolers. Often more adept at using such systems than their teachers, students in HGS-LA's *Interstudent* program are encouraged to explore the material on the BBS and kick ideas around on-line.

Hanno Beck enters the game this year on *The Level Playing Field*, "a computer BBS for anyone interested in free discussion." His plan is to post thought-provoking material on his bulletin board and to stimulate dialogue with "arguments - voting - contests", the results of which will be available to all participants. *Lotus 123* users may download (and fiddle with) a spreadsheet model of wealth distribution.

Anyone who has material to contribute to either bulletin board may do so simply by contacting it through your computer modem and uploading the files you wish to share. For those who are unfamiliar with the procedures involved, both bulletin boards provide easy-to-follow menus. All you have to do is log on.

The *Henry George KnowledgeBase* may be contacted at (818) 353-2242. *The Level Playing Field* is at (410) 740-0969. Try it first on Tuesday, Wednesday, or Thursday evenings - but its hours have probably been expanded since then. ☐

Godfrey & Yvonne Dunkley, Georgists and friends from South Africa, will be traveling across the USA this September en route to the Intl. Conference in Australia. Can any friends in the movement offer them lodging for a night or two? If so, contact us at the HGS for details.

THE PHYSIOCRATS: The First Single Taxers

by David Domke

Part One

The economic school known as the Physiocrats is generally considered to have been the first scientific school of economics. In the 18th century, when "physiocracy" developed as both an economics and a philosophy in France, Europe was going through great social and economic changes. The old feudal order was giving way to an increasing consolidation of mercantilist practices and state power. The opening and expansion of markets for foreign trade that began in the early 17th century was becoming more and more the privileged preserve of monopolistic Companies that maintained their power and control through political and economic pressure. To win favor with this increasingly wealthy and powerful mercantilist class, the royal courts of Europe were only too happy to issue royal grants of privilege (such as special exemptions from taxation), both to private individuals and to whole companies, as the interests of both parties were becoming more intertwined.

At the same time, the burden of taxation fell increasingly on those least able to pay it - the land-based peasantry. The feudal mode of production was rapidly giving way to heavily administered monopolistic capitalism and the corporate state. This in turn produced a corresponding change in ideology. The way in which the production of wealth was viewed changed as emphasis shifted from manufacture and land-based production to mercantile trade and commerce. As the abundant surplus created by such enterprise was becoming evident, land and labor came to be considered as secondary factors. It was this trend away from seeing land as the source of wealth - as well as the granting of special privileges - that the physiocrats wanted to turn back. They urged a greater emphasis on agriculture and tax reform and a lifting of restrictions on trade as a way to naturalize economic relations.

In the mid-18th century France was an empire that was both militarily and fiscally overstretched and the government was nearing bankruptcy. Expensive wars against Great Britain and Austria and the constant need to police and maintain its extensive colonial holdings had nearly

emptied the coffers of the royal state. At the same time the royal court was becoming ever more indulgent in its consumption of luxuries. After completing the royal palace and extensive grounds of Versailles, the court turned to other forms of extravagant and conspicuous consumption, amassing royal houses and retreats all over France. To compensate for the increasing cost of empire, Louis XV resorted to two classic ways of raising quick cash: borrowing from foreign financial syndicates and raising taxes.

The borrowing of money and the levying of taxes were both used to service an ever-mounting national debt. In fact, as far back as the mid-17th century Marshal Sebastien Vauban had commented on the recurring recourse to the taxing of the peasants, "Poor peasant, poor kingdom; poor kingdom, poor king." For expressing this view he was denounced and dishonored. Added to this taxation of the economic base of society was what has been described as a "crazy-quilt" pattern of indirect taxes: internal customs barriers (every major city in France had a customs gate through which no goods for sale could pass without the payment of a tariff),

restrictions on the movement and sales of grain, and elaborate tolls and excise taxes. Against this hodgepodge and seemingly random system of taxation, the Physiocrats proposed what they called the *impôt unique*, or single tax, which would

be a tax on land value only. Against the imposition of tariffs and tolls on the trade of goods they proposed a *laissez-faire* or free trade approach.

The recognized founder of the Physiocratic school was Francois Quesnay. Trained as a physician specializing in surgery he became court physician to Louis XV and published extensively on various medical topics. His knowledge of the circulation of the blood and his belief in the body's natural healing power came to influence his later economic philosophy. It was not until he was in his sixties that he

turned his attention to economics, publishing in 1758 his *Tableau Economique* in which he used diagrams to illustrate the interdependence or unconscious cooperation between different economic classes and the flow or circulation of payments among them. He further believed that social harmony depended on free competition which would adjust the body economic, putting it in sync with a natural equilibrium.

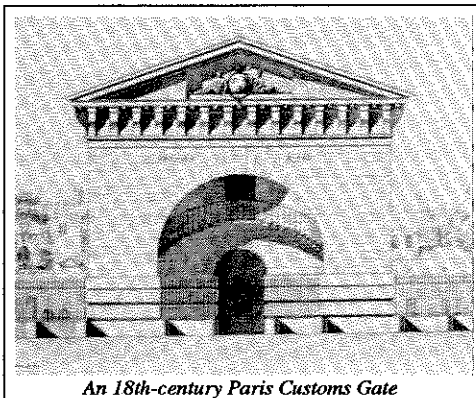
Perhaps the best known of Quesnay's followers was Anne Robert Jacques Turgot. Though not strictly a Physiocrat, he began as a disciple of Quesnay and, like Quesnay, believed that all economic value was ultimately derived from the land. Turgot attained

public office after having served in the *chambre royale*, the French Supreme Court, and was later made governor of the province of Limoges. While serving in Limoges he had his subordinates make a land register, a table of the value of every field and land-holding for taxation purposes. With this he was able to implement a limited land value tax based on the productive yield of each parcel. He was also instrumental in introducing new kinds of crop seeds and new breeds of cattle to the province, much increasing overall productivity. He then set about introducing a public works project, building over 450 miles of the finest highways in the country. He compelled landowners to contribute to *ateliers* or workshops which employed the poor. Most of his projects, however, including his tax reforms, were never allowed to come to full fruition; he was stymied along the way by the central administration, the bureaucracy of its day.

Turgot became Controller-General for France in 1774, coming to that position, as Thomas Carlyle later put it, "with a whole peaceful revolution in his head." Turgot's plan was to do away with all obstacles to free trade and free labor. He also wanted to remove all controls on the price of goods. He implemented a limited government subsidy for what he considered the more modern trades - porcelain-making machines, mechanical looms, a new system of postal delivery and the invention of a new passenger coach, which cut travel time in half. Another radical proposal that was (continued on back page)



Anne-Robert Jacques Turgot



An 18th-century Paris Customs Gate

The Schedule of Sessions

Wednesday: Building a Stronger Georgist Movement

- ✧ New ways of teaching George
- ✧ The role of education
- ✧ Research Needs
- ✧ Publications and Public relations
- ✧ Political implementation: long-range and immediate
- ✧ Organizing for impact: integrating the elements to build a stronger Georgist movement

Thursday: Revitalizing Cities: Renewing America

- ✧ Urban decay: facts and causes
- ✧ Turning decline into renewal
- ✧ Fiscal crisis and resolution
- ✧ Impact of Proposition 13 and its counterparts on urban crises
- ✧ Federal tax reform
- ✧ Equitable sources of revenue

Friday: Land and Tax Reform Worldwide

- ✧ Learning from land and tax success stories around the world
- ✧ Learning from continuing failure stories
- ✧ Success stories in the United States
- ✧ Promise and prospects for the Former Soviet Nations
- ✧ Japan's economy and its world impact

Saturday: Economics for Social Progress

- ✧ Rewriting modern economic theory
- ✧ Working land into macroeconomics
- ✧ Land speculation and the Depression
- ✧ Assessment reform: fast track to land reform
- ✧ Implementing Land Value Taxation at the Community Level
- ✧ New Ways of Teaching Economics and Social Science - a workshop for teachers
- ✧ Creating and Financing Healthy School Systems

Awards Banquet

Keynote addresses by Dr. Richard Netzer, Dr. Nicolaus Tideman, and Edward Dodson

Sunday: Economics of Natural Resources and the Environment

- ✧ Applying principles of economic equity to environmental goals
- ✧ Economic cost of air pollution: offset rights: a modern enclosure movement
- ✧ Natural resources: use, abuse, revenue sources
- ✧ State and federal water systems in California: who is served, and who pays?
- ✧ Water as a source of state revenue
- ✧ Administering public lands
- ✧ Latifundia and environmental degradation
- ✧ Working together to share and sustain the earth

You are invited to participate in the 13th Conference of the Council of Georgist Organizations

Changing the Course of History

Planning for Social Progress

**Los Angeles
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Wednesday
July 21st
through
Sunday
July 25th
1993**

*Can we move toward freedom,
prosperity and social justice in today's
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application of Henry George's theory
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Featured Speakers:

- Dr. Fred Case**, Professor Emeritus; former head of the Department of real Estate and Urban Land Economics, University of California, Los Angeles
- Dr. Robert Einsweller**, Research Director, Lincoln Institute of Land Policy
- Grace Foster**, Research Director, California Parent Teachers Association
- Dr. Mason Gaffney**, Professor of Economics, University of California, Riverside
- Dr. Robert Gilmour**, Executive Director, American Institute of Economic Research
- Lennie Goldberg**, Director, California Tax Reform Association
- Michael Gravell**, Former US Senator, state of Alaska
- Ted Gwartney**, Director of Appraisals, Bank of America; formerly Director, British Columbia Assessment Authority
- Richard Katz**, Assemblyman, 39th District, state of California
- Dr. Dean Mieczyski**, Director, state of California Research Bureau
- Dr. Dick Netzer**, Dean, School of Business, New York University
- Dr. Donald Shoup**, Professor of Architecture and Regional Planning, University of California, Los Angeles
- Dr. Nicolaus Tideman**, Professor of Economics, Virginia Polytechnic Institute
- Albert Rodda**, Former California State Senator, Chair, Finance Committee
- Dr. Phillip Vincent**, Senior Economist, California Legislative Analyst's Office
- Charles Warren**, Director, California State Lands Commission
- Dr. Robert Wood**, Distinguished Professor, Wesleyan University, former Head, Federal Department of Housing and Urban Development

At the Los Angeles International Airport Sheraton, 6061 W. Century Blvd., L.A. CA 90045. Sleeping rooms are not part of the conference package; conferees must make their reservations at 800-445-7999. Special CGO rate of \$59 per night (single or double occupancy). Hotel features shuttle service to airport, beaches and shopping, health club and other amenities.

The full conference package, including all sessions and meals, is \$340 before June 15th, \$350 after. Partial packages are also available. The CGO now accepts VISA and MasterCard for all conference fees. For full schedules, registration forms and all other information, contact Scott & Sue Walton, P.O. Box 57, Evanston IL 60204 (tel: 708-475-0391; fax: 708-475-3776)

Puzzle Clues:

1. Founding Physiocrat

53 64 52&12 59 25 24 32

2. Market's means of subtly nudging toward equilibrium, says Smith (2 words)

14&40 152 139 62&82 116 84&144

63 121 88 4 35 51 79

3. Noted Monetarist, views LVT as least objectionable tax

70&108 115 138 7 134

153 109 41

4. HG Movement's UN NGO

119 132 56 83 36&149 43 60&136

5. VP's orthographic Waterloo

96 97 148 77 47&65 69 126

6. Cause of depressions, intractable poverty, and myriad bad things (2 words)

133 55 68 57 29 80 114 22

54 85 147 93&156 21 67 128

7. What the portly philanthropist said to the well-travelled terrier (4 words)

94 2 76 107 4 111 1 131 33 2

8. Origin of land titles, according to H.G. (3 words)

141 117 39 118 154 73 15 129

89 143 120 50 26

9. Has no intrinsic value, but people want all they can get of it

27 5 78&91 140 106

10. Home of the jet stream, and, possibly, the inflation rate in Russia

11 105 31 124 17&125 45 135&146

38 48 23 81 13

11. Founder of the HGS

42 49 66&151 87 72 44

12. How land values are determined by taxers (single and other)

150 6 37 86 122 98 46 19 110&155 75

13. Supply-siders say the wealth won't trickle down without this

16 61 10 8&71&130 3&112 18

14. Environmentalists want to put a price on this destructive opposite of wealth

28&102 74 103 123 9

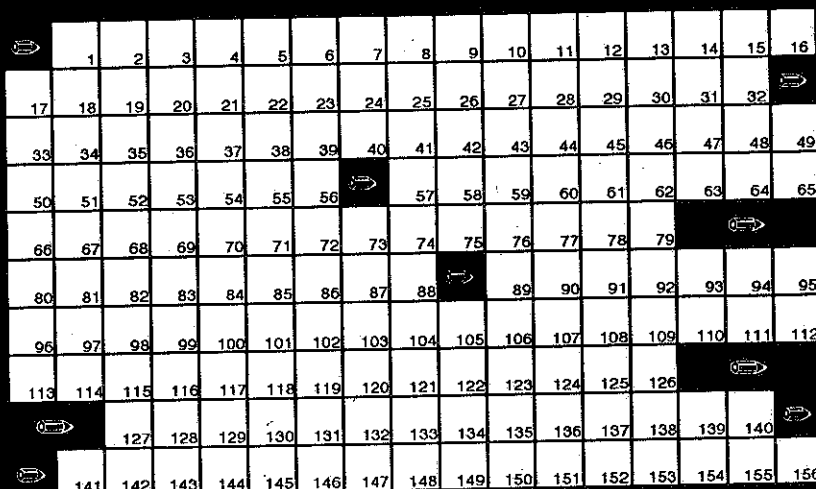
15. H.G.: a workman is worth this (2 words)

34 58 99 113 100&104 137 30

16. Ketchup, for example, during the Reagan years...

20 90 16 154 145 127 101 92 95

Henry George News Acrostic



Here is a puzzle especially for HGN readers! Once you fill in the blanks, place each letter in the indicated numbered square. (Note that some letters are used more than once.) The completed puzzle is a quote from some political economist guy. Enjoy! But, gentle reader, don't expect one of these in each issue - counting out all those teeny squares demands great dedication!

HENRY GEORGE: An American Original (continued from front page)

simplicity of expression that lets the scene reveal itself. George does not strive for "effect" or for the aesthetic distance that many travel writers of the time affected; we get the thoughts and observations of a person who is immersed in what he is experiencing, rather than someone who is stepping back and merely recording points of interest. Furthermore, he does not condescend toward the native citizens of Calcutta, another trait of most writers of that time, but presents them as part of a natural setting - in short he identifies with them and their labour, a point of view much in evidence in his later writings.

After he returned from his sea voyaging Henry George next apprenticed as a printer, a trade which taught him the more formal aspects of spelling, punctuation and sentence construction. During this time he remained, as he would for the rest of his life, an avid reader and skilled debater. As a consequence of both his own restlessness and the general economic depression that prevailed in the country in the 1850s, George, unable to sustain gainful employment in his homeland, signed on again with a trading ship. This second voyage gave him again ample opportunity to hone what he was to make his life's craft: writing. The written passages Mr. Collins quoted from this part show an expanded breadth and maturity of style. Leaving his second voyage and settling in California,

Henry George returned to the trade of typesetter and soon took the risk of surreptitiously printing his own opinion in one of the editions of the newspaper he worked for. Rather than being fired for this impertinence, as he expected, his boss offered to pay for any such subsequent items he cared to write. Thus began his career as a professional writer, leading later to his becoming editor and publisher of the San Francisco Post, "a lively, controversial and successful paper."

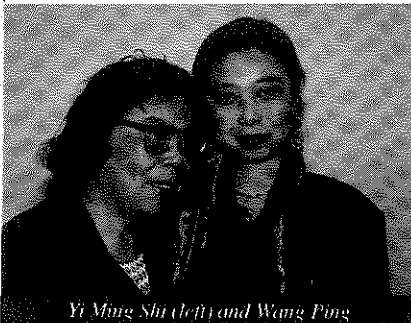
Throughout his life George never lost sight of the lot of the common people. He couldn't help it; he was one of them and suffered many of the trials of the most destitute. This lent his writings a strong practical grounding and accounts in large part for his emphasis on the crucial role of land and labour in the creation of wealth, leading ultimately to the question he posed at the beginning of *Progress and Poverty*: Why, in spite of increase of productive power, do wages tend to a minimum which will give but a bare living? Mr. Collins interwove George's trip to the east coast, and his reduction to temporary penury, with quotations from his writings, giving insight into both the man and his times.

Mr. Collins then introduced Ms. Chak who provided a broad historical background to the times in which Henry George lived. Ms. Chak began by saying: "Whenever I read (continued on back page)"

Service With A Song

Yi Ming Shi is the consummate student, volunteer and alumnus. Like many others, she strives to fully understand the Georgist Philosophy. Yi Ming has taken class after class, even returning to the basic class a second time. She attends every Georgist function she can, and voluntarily undertakes many services for the school.

With an indefatigable enthusiasm for the recording of history, hardly an event goes by at the school that she does not offer to videotape. A native of Shanghai, China, Yi Ming is not yet fluent in English, but that's no deterrent to her. At the recent dinner of *Fragments*, Jack Schwartzman's individualist Georgist periodical, Yi Ming contributed a love poem that matched in beauty the best that anyone else had read. She had taken a Chinese poem and translated it into Esperanto. A friend did the translation from Esperanto to English. This is also the procedure she uses to translate Henry George School class announcements into Chinese, and then publish them in the Chinese Newspaper *World News*.



Yi Ming Shi (left) and Wang Ping

At the Winter Term Graduation, held on April 2nd, Yi Ming brought us another gem. She told us that she had brought along a friend, Wang Ping, a singer from China, with the hope of having her perform if the program would permit.

With over 150 in attendance, the program ran quite long and we simply could not ask the audience to sit any longer, even for beautiful songs. But Wang Ping proved to be a trouser. When asked after the awards portion of the program, she readily agreed to sing upstairs where the graduates were making merry. Her thrilling renditions of Chinese songs in a ringing operatic voice, captivated her audience, calling forth several encores.

Wang Ping was a hit. The music added quite a sparkle to the evening. And as they were leaving, Yi Ming said decisively, "Next time, she will take the course."

- George Collins

Fantastic Island is the name of the settlement where model producers demonstrate the law of rent in the latest offering from Harry Pollard's successful *Interstudent* program, produced by the Los Angeles HGS. Designed for senior high school students, *Interstudent* is a series of interactive lessons in political economy.

Interstudent's Law of Rent lesson, "The Story of Fantastic Island," is impressive in its ability to make the tried-and-true "rent chart" model address a great many of the related issues and questions surrounding the laws of distribution: overpopulation, capital, housing, tax policy, and, of course, land speculation.

The model does the additional pedagogical duty of commenting on itself as a model, a tactic which slyly accomplishes dual objectives for the presenters: teaching students the concept of economic modeling, and enhancing the authors' theoretical credibility to outside evaluators. "Models, such as Fantastic Island, are not real," notes Pollard. "They are put together to demonstrate how causes and consequences are related. By defining standard conditions, it can make changes to a cause and its consequences [will be] clearly evident." To illustrate the usefulness of a model in economic diagnosis, Pollard uses this analogy:

"An automobile with one thing Production >>> it is either getting gas, or it is not....But, if its ignition is intermittently shorting, its fuel lines are partially blocked, its compression is at times leaky..., it may take a while to pin down." All true enough. What Pollard does not say here, however (but his model clearly shows) is that it is pointless to tinker with any of these lesser problems unless there is gas in the tank. Land speculation is siphoning out the fuel tank of the economy.

One innovation in the rent chart of Fantastic Island (perhaps inspired by the territorial reality of southern California) is that the model's seven grades of land include four that are quite fertile and three that are nearly useless. It is only the introduction of capital that makes this model's marginal land habitable.

Production >>>	8	7	6	5	0.5	0.4	0.3
Fantastic Island							
Rent >>>	1	0	0	0	0	0	0
SUBSISTENCE = 5							

The poor quality of the land in the last three blocks enables this model to illustrate "How Welfare Fails to Help the Poor". Subsistence in this model is established at 5 - but competition for jobs has forced workers to accept jobs for wages of only 4. "These are now the working poor - people who work fulltime, but cannot survive without outside help."



When land speculation is introduced, the formerly nice & neat chart turns abominably sloppy and chaotic. This is, after all, what land speculation does to the economy; it is a most effective low-budget visual.

80	70	60	50	5	4	3
75	65	55	45	10	0	0

Of course, with this bad a land-speculation problem, it is quite easy to see that Fantastic Island is neither overpopulated nor unable to provide employment!

Finally, in his "Notes," Pollard makes some rather persuasive observations about why the HGS materials seem at odds with conventional economic wisdom. Modern economics, he argues, is seldom concerned with fundamental problems, but with symptoms, whose treatment is "usually political, which means that every whim of political advocacy must be discussed....Statistical measurements, such as the Gross National Product, the Consumer Price Index or the Merchandise Trade Deficit, are not economic measurements. They are political, useful only to governments. They are of [only] passing interest to the producer...."


Kudos to HGS-LA for supplying California high school students with uncompromising Georgist study materials that, nevertheless, stand a chance of passing theoretical muster!

For information and copies, write to: Henry George Schools of California, Box 655, Tujunga, CA 91042.

The Physiocrats

(continued from page 4)

put in place was the abolition of forced labor, that is labor "owed" to the state by commoners for the building of bridges and roads. Turgot had done away with this involuntary public servitude while governor of Limoges and instituted the paying of wages to government laborers, something radical in its day. Turgot also dismantled the guild system, an elaborate apparatus that restricted, he said, the flow of labor, making the right to work the privilege of the few and well-connected. In doing this Turgot said "God, by giving to man certain needs and making them dependent on the resource of labor, has made the right of labor the property of all men and that property is primary, the most sacred and imprescriptible of all".

Yet when Turgot tried to implement his ideas on a national scale in the spring of 1775 the entire economic system of France was consequently threatened with collapse. There were riots throughout the provinces, which included the storming of granaries and the confiscation of goods on river barges, as prices soared. The nobility rebelled in the Parliaments as he tried to abolish special privileges for their class, calling for his resignation or worse. A large crowd marched on Versailles and threatened to storm the palace. Turgot became convinced that the populace was feigning hunger in order to discredit his ministry. His response was to call out 25 thousand national guardsmen and institute trials and public hangings. What happened? Why did Turgot lapse into the sort of absolutism he so despised when he took office? Was this the direct result of something inherently wrong in his reform attempts? Or had he challenged too strongly the structures of power and privilege? 

(To be continued in our next issue)

AN AMERICAN ORIGINAL

(Continued from page 6)

Progress & Poverty what impresses me most is his grasp of not just the bare facts of history but his grasp of the basic issues of the historical process." Giving as an example George's observations about India, she went on to describe both the history of that country, its domination by various foreign powers and its struggle to free itself from colonization, as well as George's unique insight into the political-economic ramifications of that struggle.

Mr. Collins returned to the podium and continued the intertwining of Henry George's life and writings. He related a story about George's being considered for the Chair of Economics at the University

New York in the Springtime!

Basic Courses

Fundamental Economics

Mondays, Mr. Lindy Davies, 5:30 - 7:30
Tuesdays, Ms. Vandana Chak, 6:30 - 8:30
Wednesdays, Ms. Pia DeSilva, 6:00 - 8:00
Thursdays, Mr. Irving Kass, 6:00 - 8:00

Progress & Poverty (in Spanish)

Wednesdays, Mr. Manuel Felix, 6:00 - 8:00

Understanding Economics

Wednesdays, Mr. Lindy Davies, 12:30 - 1:30

Advanced Courses

Applied Economics

Tuesdays, Mr. Lindy Davies, 12:30 - 1:30
Tuesdays, Mr. Nibaldo Aguilera
(in Spanish), 6:00 - 8:00
Wednesdays, Mr. Sydney Mayers,
6:00 - 8:00

Economic Science

Tuesdays, Mr. George Collins, 6:30 - 8:30

Current Events

Mondays, Mr. William Brown, 6:30 - 8:30

History of Economic Thought

Thursdays, Mrs. Fryda Ossias, 6:00 - 8:00

A Philosophy of Life

Wednesdays, Mr. George Collins, 6:30 - 8:30

Friday Evening Forums

In Spanish:

Puerto Rico: Statehood vs. Independence

Ms. Ana Lopez, May 7th, 7:00 - 9:00 PM

Protection vs. Free Trade in the Americas

June 4th, 7:00 - 9:00 PM

In English:

Land in the Movies (7:00 - 10:00)

Local Hero, April 23rd

Sometimes a Great Notion, June 11th

How Wall Street Works

Mr. Frank Sposato, May 14th, 7:00 - 9:00

Saturday Seminars (1:00 - 3:00)

Narcotics and Terrorism

Mr. Roland Rakotonirainy, May 1st

Clintonomics: New Beginning, or Back to the Future?

Prof. William Vickrey, May 29th

Starting a Small Business in the Big Apple

Mr. Tom Hill & Ms. Myrtha Becker, June 12th

The Monopoly Experience

Mr. Lindy Davies, June 19th

of California and invited to give a series of lectures. George's first lecture contained this bit of admonition to the students and faculty: "For the study of political economy you need no special knowledge, no extensive library, no costly laboratory, if you will but think for yourselves. All that you need is care in reducing complex phenomena to their elements...applying the simple laws of human action with which you are familiar..." George was not invited back to deliver lectures.

It is this sort of plain speaking that

set Henry George apart from most of his contemporaries in the field of political economy. It has been said that Henry George was as popular as two other American originals of his time: Mark Twain and Thomas Edison. With the first, he shared a sense of wit as well as a sympathetic understanding and insight into human nature, coupled with a sagacious literary style that was both poetically expressive and insightful. With the second he perhaps shared the desire to shed some light in dark times.

Henry George School of Social Science
121 East 30th Street
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