

# The NEW LEAF

"EQUAL OPPORTUNITY FOR ALL" SPECIAL PRIVILEGE FOR NONE

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## Georgists Find Fun in Philly on Fourth

The 1978 Joint Georgist Conference, which was held June 30 through July 4 at Bryn Mawr College right outside of Philadelphia, provided both enjoyment and education for the nearly 200 conferees. People came from different Georgist organizations in the U.S. and Canada to discuss the philosophy of "Equality in Association," taxation, economic problems, and the future direction of the Georgist movement. This was the first time there were representatives from every Georgist group in the nation gathered at one conference.

The conference took the form of a series of seminars and workshops. Speakers included David Hapgood on "American Heritage and Henry George;" Robert P. Casey; "Inflation and Its Impact on the Keynesian Wage Model," by Glen Weeks; Penny Calgan and Mike Curtis; Perry Prentice, Philip Finkelstein and Walter Rybeck with "Property Tax Reform: Where Do We Stand Today?" and "Another View of Inflation," by Gerry Shaw and Ben Smith. There were slide presentations by Jubal Lee and Mildred Loomis, William Newcomb, and Nadine Stoner. The LEAF film, "For The Land Is Mine," was also shown.

Conference participants were entertained by George Collins singing "If I Owned The Earth," and "Old Man River." Georgists also had the opportunity to visit such historic sites as Arden, Delaware, Gettysburg, and Henry George's birthplace. Many people joined the holiday crowd in Independence Square, Philadelphia to watch an outstanding



Philadelphia, located 11 miles east of the conference site, was a popular tourist attraction with the Georgists.

fireworks display on the evening of the Fourth.

Sponsored by the Henry George School of New York and the Henry George School of Social Science in Philadelphia, the conference was undoubtedly a success. One of the older members in attendance was particularly pleased by the large turnout of young people. "The number of new young faces here at Bryn Mawr prophesies a bright future for our movement," he chuckled.

Plans are now being made for the Centennial Celebration of Progress and Poverty. Send your ideas to 3098 California St., Rm. 26, San Francisco, CA 94115.

as the Boston Tea party served to bring down Britain's wrath rather than win the war, the Jarvis Amendment doesn't begin to solve the tax problem.

The Georgist philosophy, on the other hand, has endured a long, harsh debilitating winter of doubts and setbacks, all the while building a strong, disciplined army of believers. And it is this group of courageous soldiers who will eventually achieve victory against harmful taxation.

Yet America's revolution for independence contained both of these incidents, and it is necessary now to accept the reality of Proposition 13 and work with it rather than against it.

Listed are some possible alternatives included in Professor Donald G. Hagman's recent paper, "How To Comply With Jarvis/Gann And Raise Taxes Upon Property At The Same Time."

1. Increased State taxes on site values for motives other than "to raise revenues" (i.e., to stop energy waste or urban sprawl.)
2. New local governmental legislation permitting a real-estate transfer tax.
3. State taxes levied on Land Rental Incomes, but administered at the local level.
4. Expand the Property Tax base to include stocks and bonds.
5. Reduced taxes on wages and improvements.
6. Convert property tax into Special Benefit Land Only Assessment Districts including schools, transport facilities, irrigation districts, and redevelopment districts.

## JARVIS OR GEORGIST?

Both Henry George and Howard Jarvis were taxation revolutionaries, but whereas Jarvis, himself, compares the cursade of Proposition 13 to dumping tea in Boston Harbor, it would seem that Henry George's fight for Land Value Taxation is more comparable to Washington's winter at Valley Forge.

Proposition 13 is a proud, defiant act—not too carefully planned—which is certainly starting a tax revolution, but just



ROBERT SCHALENBACH FOUNDATION, NEW YORK CITY

The above photo of Henry George was taken early in 1897, the year of his death. The man is gone, but his ideas live on.

## Pragmatic Dogmatics

By Kent Shearer

(Reprinted from  
The ENTERPRISE 7/78)

Tax limitation is this year's high fashion. Given the mood, it is entirely appropriate to dust off the teachings of a pioneer tax limitationist whose *Progress and Poverty* occasioned nineteenth century waves, namely Henry George (1839-1897).

George, a self-educated American political economist, advocated but a single tax: one which annually would confiscate the rental value of land parcels themselves. Opposed to expropriation of the returns of either capital or labor (earned wealth), he focused on the landowners who he perceived had, through their predecessors in title, pried realty from its natural common ownership, and thereafter luxuriated in the unearned wealth accrued as it became more dear due to population increase.

George was convinced that the imposition of his solitary levy "would enormously increase production; would secure justice

in distribution; would benefit all classes; and would make possible an advance to a higher and nobler civilization."

The *Encyclopedia Britannica* notes "George's specific remedy had no significant practical result. . . ." Yet, there are those who consider that George's concept has contemporary utility. Journalist David Hapgood assembles a compendium in the April-May *American Heritage*. Georgism today, Hapgood suggests, "would discourage the phenomenon of sprawl, so costly in land and energy and money, and save some of the acres now disappearing under the suburban bulldozer." Moreover, Georgian variants could finance public transport and pollution control, as well as—through exclusion of technologically added worth—introduce equity to mineral taxation.

All of which is not to contend for unmitigated Henry George. It is to say that his voice from the past could have something of value to communicate to us and, if so, we would be silly to ignore it merely to concentrate upon different nostrums in current favor.

## Seventy-Six Years Of Land Value Taxation

By Robert Goodier (The author has just returned from an assignment with the United States Agency for International Development to Swaziland, South Africa. He wrote this article after visiting Johannesburg, a city of one and a half million people.)

Knowing that "Joburg" utilizes land value taxation, I was anxious to observe the character of the city.

Downtown has many tall, modern buildings, offices, hotels, stores and apartments. The Carlton Center, location of the tourist bureau, is a fantastic complex including an underground shopping mall, hotel and offices towering 42 stories into the thin air found at an elevation of 6,000 feet. On top is an ice skating rink and an observation promenade from which one has a spectacular view of the city and the gold mines within a mile or two of downtown.

In spite of the many skyscrapers, the city has an open feeling. There are a number of large parks within walking distance of the busiest parts of the commercial center. This is evidence to quiet the fears that land value taxation would result in a skyscraper jungle.

On my return trip I was royally entertained by the city assessor. (They call themselves "land valuers.") John McCullough, a staunch supporter of land value taxation, said that Johannesburg has never taxed improvements since the city was founded as a mining town in 1902. John's entire staff is convinced that land value taxation is the soundest local tax and is one which encourages efficient use of the land. Certainly the appearance of the city confirmed their views. The only idle land visible was land recently cleared of old buildings making room for newer and more modern structures. Nowhere was there evidence of slums and abandoned, idle buildings so evident in many United States cities.

Johannesburg is a vibrant, attractive city which provides living proof of the effectiveness of taxing land values only.

## DIRECTOR'S REPORT

By Terry Newland

While at the Joint Georgist Conference in Philadelphia, attendees agreed to hold the next National Conference in San Francisco between August 19 and August 25 in 1979. The conference, to be held in conjunction with the International Union for Land Value Taxation and Free Trade, will also be a centennial celebration of the publishing of Henry George's *Progress and Poverty*, and the 140th anniversary of George's birth.

The LEAF Board of Directors at its July 2 meeting directed me, as LEAF Executive Director, to spend most of the coming thirteen months organizing the conference.

Other Georgist organizations have pledged funds and support to help make the 1979 Centennial Celebration Conference the most successful Georgist gathering in 25 years.

If you know of private or public organizations that might be interested in learning more about LVT and Incentive Economics, just contact our Northern California or San Diego offices and talk it over. We will do all we can to help you promote a LEAF presentation with a movie, speaker/debater, and up-dated literature.

(Reprinted from The San Diego Union 7/26/78)

WASHINGTON (AP) — The House Ways and Means Committee voted unexpectedly to exempt from capital gains taxes any increases in property values caused by inflation.

By a 21-16 vote, the committee approved an amendment by Representative William Archer, a Republican from Texas, that seeks to ensure that a piece of property whose value is pushed up by inflation is not taxed as if the gain were real.

GEORGISTS, be aware of this type of legislation. Now is the time to exert your influence. Write your congressman, Mr. Archer, the Chairman of the Ways and Means Committee, and your local newspaper. Declare your refusal to support such proposals unless there is equal exemption from taxation for increases in labor income caused by inflation.

# The Reluctant Georgist

By Phil Shafer

I never met a Georgist I didn't like. The 1978 Joint Georgist Conference at Bryn Mawr pleasantly confirmed this perception.

The central thought I brought home from Bryn Mawr was that perhaps I am a Georgist, but a reluctant one. Because I have come to care about the movement and its people, I feel compelled to express what keeps me from being an enthusiastic Georgist.

Land values arise out of the calculus of individual invention and industry, and by the sheer bulk of increasing population. And it appears to me that the Malthusian Doctrine has much more in common with Georgism than in opposition to it. Attacking the dumb things Malthus said is a futile exercise, giving neither credence nor dignity to Georgists.

No tax can be "passed on" until there is a subsequent transaction, and any tax which takes 100% of the "profit" eliminates all incentive to engage in that practice, whether it is holding land or producing dingbats. Collecting economic rent from land is a profound, revolutionary concept in our present American milieu. It should not be mixed up with such glib homilies as "you can't pass it on."

Further, Georgists argue that unearned income is unjust if derived from land, but apparently not unjust if otherwise attained. They argue that there is a limited, and at the same time, unlimited amount of land and natural resources. No more land can be created, but there is always the margin that may be resorted to and bounty that may be endlessly tapped for the benefit of mankind. The listener is baffled, but because he is polite and disinterested, he simply walks away.

Finally, Georgists seem to be distrustful of government, perhaps justifiably so, yet they blithely advocate that government collect the awesome value of economic rent. The potential for abuse is tremendous. Georgists seem to me to be insufficiently appreciative of the dangers inherent in shifting from a system characterized by abuses derived from private concentration of power to a system lending itself to abuses derived from governmental concentration of power.

# LETTERS TO LEAFERS

To All LEAF Members,

What LEAF needs most is an exciting, continuing project that expands interest in our underlying concepts, one that brings in many new people in a relatively short time. If we are clever enough we can use existing news media and existing situations that will accept our participation.

Specifically, I suggest that we develop a system of multiple choice questions designed, at times subtly, to draw out the basic economic philosophy (if any) of everyone who files as a candidate for elective public office where policy is made. It can be sold to the candidates on the grounds that we will refer them to organizations with whom they would seem to be most compatible.

With a little imagination, you can envision what can be done with such a project. Ideally, and perhaps eventually, the score on the standard LEAF test of economic and political excellence may be the best measure of success at the polls! It is not impossible that such a project would provide the modern equivalent to the former public interest in the lectures and writings of Henry George.

If this idea has merit, please submit your views. Let's get together to formulate a range of objectives, a time schedule and sets of questions.

Tom Sherrard  
San Diego, CA

Dear LEAFers,

One of the biggest problems of Henry George's ideas becoming accepted is that no one knows about them. One way to get media attention is to break the law, especially if one can let it be known that you are thereby protesting a bad law. Because of Proposition

13, I will be given a very low tax on my lot and apartment house this year. I plan to pay 5% of the assessed valuation on the land under my apartment. I presume this will screw up the government computers. Five percent of my land assessment will be about twice as much as 1% of the assessed value of my land and apartment house. This will make me pay more on my property tax, but not anywhere near what I paid in past years. I will then tell newspapers what I have done. I will also write a letter about the reasons and include it with my check when paying my property tax. I doubt that I would be arrested for paying more tax than required, but I hope to be a nuisance to the assessor's office.

It would be even a greater nuisance if all Georgists who pay property taxes would do the same thing. I think we could probably afford the extra money, especially since Proposition 13 will lower our taxes so much. We need a meaningful protest and publicity. How about it!

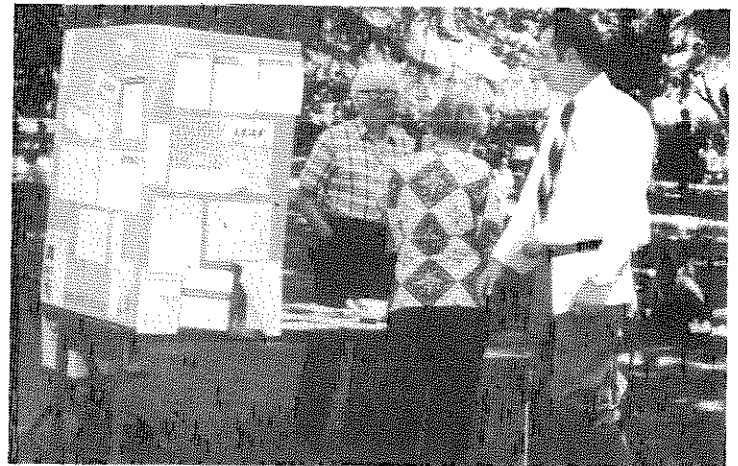
Harriet D.M. Wendell  
Santa Monica, CA

(Reprinted from Parade)

Gerald, Earl of Grosvenor, 26, has title to about 300 of the choicest acres in the Mayfair and Belgravia sections of London on which stand some 30 foreign embassies, including the U.S. Embassy on Grosvenor Square. Some 300 years ago Mary Davies brought what was then 300 acres of marshland to Sir Thomas Grosvenor as her dowry. Subsequently Mary Davies went mad, but Grosvenor and his descendants held onto the London marshland. Under English law a landlord is permitted to sell a leasehold to a plot of ground, usually for 99 years. The person who buys the lease may construct a building upon it. The lessee pays the taxes and upkeep of the building, but at the end of 99 years, the land and building revert to the landlord, who may lease them for another 99 years. The Grosvenors have done this for centuries.

The Earl of Grosvenor owns London property worth somewhere between \$550 million and \$1 billion. He also owns property in Scotland, Ireland, Canada, Australia, Hawaii and California. Income from property goes into a trust, which the earl then distributes among his family.

# Scattered Leaves



Chuck Tulley and Evelyn Friend man the LEAF booth on Capitol Lawn at Sun Day, May 3.

- A warm welcome to new LEAFer, Terry Flynn, from Georgetown, Ct.
- Bill Filante, long-time Land Value Taxer, is mid-way through his campaign for State Assemblyman (9th District, Marin and southern Sonoma County.) If you are interested in Filante's "incentive" campaign, write his campaign headquarters at P.O. Box 2724 San Rafael, CA 94902.
- LEAF founder, Stan Sapiro, is back on his feet after a serious illness. He says he will soon be ready for more LEAF activities, and suggests promoting a land-rental income tax for absentee land speculators.
- The Cedar City July LEAF breakfast meeting was held at the Town and Country Restaurant on July 8. Steering Committee Chairman Bob Williams reports a most interesting discussion on tax limitation and tax reform led by Dr. Harold Hiskey.
- The Sacramento Branch has shown the new LEAF film, "For The Land Is Mine," to over four

continued

# Scattered Leaves

Continued

hundred people in the past two months. Evelyn Friend, Chuck Tulley and others manned a LEAF "energy" booth at the National Sun Day Celebration on the Mall of the State Capitol. Harlan Trott and Tertius Chandler participated in a LEAF presentation to the Rossmore Rotary Club on July 12, with a very positive response from those in attendance.

• LEAF'S San Diego Branch recently arranged a showing of "For The Land Is Mine" on local television. The film, somewhat edited, aired at 6:30 on July 23.

• When you receive your Membership Renewal Notice, please renew your dues promptly.

• Be sure to read David Hapgood's "THE TAX TO END ALL TAXES - Where Is Henry George Now That We Need Him?" featured in the April/May issue of *American Heritage*. This entertaining and informative article chronicles the life of Henry George and briefly discusses his beliefs about Land Value Taxation. Reprints are available for 50¢. Write to the Robert Schalkenbach Foundation, 50 East 69th Street, New York, NY 10021 for your copy.

• LEAF was on the agenda for a 15 to 20 minute presentation on land value taxation for the July 18 meeting of the Property Tax Subcommittee of the Utah Tax Revision Committee. However, the invitation to attend was sent to LEAF Steering Committee secretary, Earl Hanson, who was out of town until late July. An

effort is now being made to reschedule the presentation.

• If you have recently moved, or know someone who has moved, please tell us the new address. We want to keep in touch with you!

• LEAF will be working with Senator Albert Rodda this fall and winter to put together optional LVT legislation. Please help by writing Senator Rodda, your state representatives, and the Senate and Assembly Revenue and Taxation Committees about the need for this type of legislation.

• A position on tax elimination was signed by six of Cedar City's delegates to the State Republican Convention held in Salt Lake City on July 29. Former Mayor Kerry Jones and Earl Hanson passed out 1200 to the convention delegates. Influenced by the thinking of Morgan Harris, they made their thrust for the collection of economic rent rather than Land Value Taxation.

• San Francisco LEAF Branch has been conducting a letter writing campaign to the new select economic committee set up by Governor Brown. Many San Francisco LEAFers have gotten individually involved in assessment reform at the local level. Lauri Hodges is working to get Henry George ideas aired before the Hunger Project with which she is involved.

• Any and all contributions to *THE NEW LEAF* are welcome. Send them to 454 Mission Valley Center West San Diego, CA 92108.

## Editor's Corner

### OBSERVATIONS ON A RETURN FROM MEXICO

The land question remains the central issue in Mexico, although the problem is generally purported to be something else: population, education, industrialization, inflation or unemployment.

When millions of people are crowded together in small dense areas, the universal reaction seems to be to ignore that which is most obvious. There is no shortage of land, but it appears that way to most people.

Perhaps we Georgists should be reminded that our own perceptions of social problems were similarly distorted because of lack of "high ground" from which to observe. Once the landscape has been viewed from a vantage point removed from the hustle and bustle of the marketplace, it is no longer comfortable to be satisfied with glib solutions to trite inately proposed problems.

Of repeated, and perhaps inherently true, is the statement that most problems will solve themselves if they are correctly stated in the first place. For example, if men are hungry, why are millions of acres of productive farm land lying idle? If men are crowded together intolerably, why do they occupy only a fraction of the land? If men are poorly housed and yet unemployed, why don't they go to work building new homes? Is not the one a solution to the other?

Mexico offers the most striking example of the land question. Not only is there abject poverty surrounded by extreme man-created wealth, but this dilemma is occurring in the midst of immense natural resources.

As long as a select few can charge their fellow man economic rent (payment for use of space, energy and matter) because they believe it is their right as "owners" of the land, the human condition will continue at subsistence level.

### Membership Form

You can count on me as a LEAF member at the level checked below:

- |  |  |
|--|--|
| <input type="checkbox"/> Regular \$15 Yearly     | <input type="checkbox"/> Friend of LEAF        |
| <input type="checkbox"/> Sustaining (\$5 mo.)    | <input type="checkbox"/> Contribution \$ _____ |
| <input type="checkbox"/> \$60 Yearly             | <input type="checkbox"/> Check Enclosed        |
| <input type="checkbox"/> Contributing (\$10 mo.) | <input type="checkbox"/> Bill Me               |
| <input type="checkbox"/> \$120 Yearly            |  |

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### THE NEW LEAF NATIONAL OFFICES

454 Mission Valley Center West  
San Diego, California 92108  
(714) 297-4994

TERRY NEWLAND, Exec. Dir.  
3098 California St., Rm. 26  
San Francisco, Calif. 94115  
(415) 567-0885

### National Directors and Officers.

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NATIONAL HEADQUARTERS  
454 MISSION VALLEY CENTER WEST  
SAN DIEGO, CALIFORNIA 92108

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