

The Barrowle



"A throat, mouthpiece, spout." Opinions expressed herein are those of the writers and not necessarily endorsed by the Henry George School.

HENRY GEORGE SCHOOL OF NEW JERSEY

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THE GREAT ALASKA LAND-GRAB

A monumental struggle is shaping up for control over much of our biggest state - Alaska. Up for grabs by December, 1978, is more than one-third of all land in the state, and most of its undeveloped resources.

Environmental forces want more than 146 million acres of Alaska declared a federal wilderness, off-limits to all but "back-packing" hikers. This is larger than the combined territories of New Jersey, Connecticut, Massachusetts, Hawaii, Delaware, Maryland, Vermont, West Virginia, New Hampshire, Maine, Indiana, South Carolina and Kentucky.

On the opposite side, other groups and individuals both in Alaska and in the "lower 48" argue that progress requires unlocking the vast natural riches of America's last remaining frontier. Under the Alaska Native Claims Settlement Act of 1971, a total of 45 million acres plus nearly 1 billion dollars were set aside for native Alaskans in settlement of aboriginal land claims. In return the native Alaskans granted access to property used in construction of the trans-Atlantic oil pipeline.

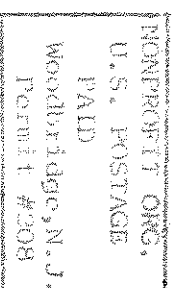
The State of Alaska ended up with 71 million acres. Less than one percent of Alaska's land remained privately owned. The environmentalists now want 114.5 million acres designated as a federally-controlled wilderness. And they want more than 32 million acres presently designated as park, wildlife refuge and forest land redesignated as wilderness for a grand total of 146.7 million acres. Of all national parks and wilderness areas in the U.S., 80 percent would be in Alaska!

Few American's disagree with the need to preserve the natural beauty of one of the world's last unspoiled areas. But many, if not most, believe that men and nature can live in harmony and that much-needed resources can be developed and utilized without despoiling natural surroundings. Don Young, Alaska's Congressman, has compiled some statistics on just how much of the State's resources would be "locked up" by "Big Brother," the federal government - if the environmentalists get all they want. Denied development would be over half of all areas with agricultural potential; the fertile Yukon Flats region, capable of producing enough to feed 16 million people annually, would lie idle. As estimated 130 billion tons of Alaskan coal would go unmined; rich beds of nickel deposits in Alaska's Wrangell Mountains could not be developed, although the U.S. must now import 90 percent of that strategic mineral from overseas. Exploration for potentially vast on-shore oil deposits would be denied; all access to the off-shore fields of the North Slope would be closed except for the present pipeline route. What we need now is slow and controlled development in Alaska.

AMERICA'S FUTURE - Nov. 4, 1977

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CHRISTMAS AND GEORGIST THOUGHT

This is the time of the year when the birthday of the Prince of Peace tends to evoke sentiments of love, kindness, and spiritual joy. But among whom? Unfortunately, today, not among many, both old or young, who feel frustrated and out of the stream of things.

In Europe, in countries as Italy, there are literally hundreds of thousands of young university graduates floating around with no jobs, angry at the society which educated them and then affords them no opportunity to use their education or their skill in a productive and ego-satisfying way. The elderly, by means of their labor unions, hang on to their jobs in desperation, tho they may loathe the work they are doing. And as each day succeeds another, they find their wags buying less and less as the almost world-wide inflation of money forces prices up everywhere.

In disgust, some of the less inhibited, turn to violence so there is a rising tide of crime which is making some areas of most cities, especially at night, almost unliveable. Kidnaping of the wealthy and of executives of major corporations is becoming endemic in Europe and South America and no doubt will soon spread to the U.S.

The technological revolution in communication, with the movies, radio and television, with their overdrawn picture of how the "other fellow" lives is creating resentment world-wide. This could be a good omen for it means the upsetting of old patterns of living which have been deadening to the spirit. But something must replace the old style, and no one seems to know what to put in its place that is better.

A young man or woman, healthy, with a fairly good education who cannot find work is baffled at the reason. To many of them, the old seem only to be concerned with holding on to what they have with no thought of helping the young to make their way in the world. Instead the old appear to be leaches on the young for welfare programs as Social Security force the young to transfer a large share of their income to the old. Since there is no family connection, this transfer of income is an annoying burden to the young who are working.

The economists, whether of the left or right, come up with no real solutions. In Italy, even the communists who usually benefit from such frustration are being hooted and denounced for as they gain political power and put their utopian schemes into action their solutions become transparently evident as being unworkable. Every-

where, the politicians resort to the printing press to flood the marketplace with so-called purchasing power. But the rising prices brought on by inflated currencies only create greater distress and discord.

As the world becomes more interdependent, it becomes increasingly apparent that there is some cancer which is preventing mankind from enjoying the entire fruits of his ability to produce enormous amounts of wealth. With present day knowledge and capital the whole world should be drowning in an ocean of goods. Instead, probably the greater part of the world's population are barely able to survive.

Only those people who understand and appreciate the importance of man's relationship to the land who recognize what the cancer is. In the western nations, it is that land has been made private property, which results in denying opportunities to millions for land represents opportunity. In the communist countries, land has been made the property of the state. Not only has no intelligent system arisen to make the land available to the Russian people, but by forbidding private property in capital, and in effect so restricting the marketplace, they have destroyed incentives to produce. So the Russian people are worse off than those in the west.

Only the followers of Henry George seem to have some understanding of what is the cancer and what should be done about it. No one pays much attention to the Georgists as they are considered to be queer ducks who are always prattling about the land.

At Christmastime it seems that possibly the way in which Georgists can make an impression on the people is by means of some kind of spiritual renaissance with justice as the key element. The essence of the Christian ethic is to treat one another with justice, kindness and love.

The typical Georgist stresses the economic side of the Georgist thought. Such has not been too successful. Possibly with greater emphasis on the ethical and spiritual aspects, people in their frustration will turn to the Georgists for an answer? Not too many can appreciate the wisdom of sound economics, but everyone can understand justice.

So as we celebrate the birthday of the Prince of Peace let us resolve to teach the ethical and spiritual basis of Georgist thought with its emphasis of justice and brotherhood.

OSCAR B. JOHANNSEN

SENSE & NONSENSE

One of the most significant results of the private enterprise system has been the size of America's agriculture. India has 68% of its population in agriculture, Russia has 32%, France 14%, but in the United States only 4%. About a billion acres are under cultivation or grazing, which means that each citizen in America is supported by five acres of agricultural land. A single farmworker produces food and fiber for 56 other people. The American farmers deliver about three times the wheat we can eat, twice the rice and 40% more cotton and soybeans. In 1976 our country exported \$12 billion in agricultural produce.

If we can do this in our country, why cannot other countries do the same? Simple; they do not have the degree of freedom to produce that the American farmer has. If they did, they could emulate him easily, Russia's Crimea was once known as the bread basket of Europe, when Russia was ruled by the Czar, so great was its production of grain. In the Soviet Paradise, grain production is so low, the Soviets have to buy grain from us and other western nations. The excuse is the bad weather they have. Don't we have weather here in America? Did the Russians have better weather under the Czar? Possibly what they did have, was at least some vestige of private enterprise, sufficient at least to produce enough food to feed the Russians and the rest of Europe.

One wonders why the Soviets are so anxious to spread communism in America. If they succeed to whom will they go to get the grain to feed their people when the weather turns bad, which it always does at least once every two or three years. If there is one country which the Soviet rulers should make sure is not communized, it is America. Without America supplying her deficiencies, the Soviet masses might rise and throw out the genuses ruling them.

They say a communist is a man who wants your pot so he can cook your goose.

In 1974, there were 12 million more white collar workers than blue collar laborers in the U.S. This is okay as long as the government does not put too many obstacles in the way of the actual production of wealth, which is primarily the work of the blue collar man. The white collar man is primarily engaged in direct services, such as medicine, banking, accounting, and the like. But he must eat, have clothing and shelter. All such come from areas of endeavor in which the blue collar man predominates. With advancing technology and knowledge, it is possible for fewer blue collar men to produce prodigious quantities of the

wealth, so more people can devote their energies to direct services. So the result may well be that more will be engaged in the direct service as is the case today in America. The only problem is that with the government so dominant in the economy these days, its interference may curtail the actual production of wealth. Those thrown out of work, the government may manage to put to work in various direct services. But this would be analogous to having people rake leaves just to keep them out of mischief.

Thus, the fact that white collar labor is not greater than blue collar labor may signify that our society has progressed to such an extent that there is no problem, but it may also indicate that the government has interfered so much in the productive process that much of the white collar employment consists of relatively useless effort.

The United States is supposed to be the most powerful and wealthiest nation in the world. Yet if one looks at the amount of foreign exchange reserves which it has, one gains the impression it is among the poorest. It ranks 61st, below such economic giants as Mauritania, the Dominican Republic and Ethiopia. It has a grand total of \$70 million. By contrast, Saudi Arabia, which ranks first has \$26.7 billion, West Germany \$25.7, the United Kingdom \$15.9, Japan \$15.2, Iran \$10 and Switzerland \$6.7.

Most of the foreign reserves of countries other than the U.S. consist of dollars. This is a measure of their lack of wisdom for as the dollar goes down the drain, these foreign exchange reserves become worthless. How much longer foreign nations will continue to build up reserves of dollars is a question no one can answer. It will have to stop sometime for it makes no sense. Probably the Middle East countries as Saudi Arabia will start the process by refusing to accept dollars in payment of oil.

Money is the thing which made the mare go in contrast to credit which makes the automobiles go.

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SUPPLEMENT ENCLOSED

"Incentive Taxation" A brief statement which might be handed out at a meeting in which Land Value Taxation is discussed, or enclosed with your correspondence. This is a product of THE GARGOYLE which anyone is permitted to copy if they wish, or we will supply a few without charge or quantity at cost.

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Congratulations to GASTON HAXO
90 years young - Dec. 3, 1977

SALT OF THE EARTH

Probably the nearest thing to immortality in this world is a government bureau.

George Bernard Shaw once said that a Britisher is a man who imagines God is an Englishman.

Oscar Wilde said that a cynic is a man who knows the price of everything and the value of nothing.

Now that the election is over, we know that a candidate is a man who stands for what he thinks the people will fall for.

Do you know what capital punishment is? It's when the government taxes you to get capital, in order to go into business in competition with you and then taxes the profits on your business in order to pay its losses.

Judging what goes on in colleges these days, a college professor is a man who is paid to study sleeping conditions among students.

Did you know that a communist is a person who says everything is perfect in Soviet Russia but stays here because he likes to rough it.

In America a husband is a person who lays down the law to his wife and then accepts all her amendments.

To Herbert Spencer a jury was a group of twelve people of average ignorance.

It used to be that a limousine was a car with a glass partition to shut out stupid remarks from the back seat.

These days in New York City the subway is so crowded even the men can not get seats.

* * * * *

L A N D

It won't burn - Doesn't need services of a fire department.

Can't be carried off - doesn't need services of police department.

Can't go to School - or Drive a Car

Doesn't drink or take baths - so does not need city water

Doesn't read books so does not use a Public Library

But -

All of these add to its value!

* * * * *

HAPPY

NEW

YEAR

1 9 7 8

C H R I S T M A S

I heard the bells on Christmas Day

Their old familiar carols play.

And wild and sweet

The words repeat

Of Peace on Earth; Good-Will to Men!

ONE SOLITARY LIFE

He was born in an obscure village

He worked in a carpenter shop until he was thirty

He then became an itinerant preacher.

Nineteen centuries have come and gone,

and today he is the central figure of the human race.

All the armies that ever marched,

and all the navies that ever sailed,

all the parliaments that ever sat,

and all the kings that ever reigned

have not affected the life of man

on this earth as much as that ...

One Solitary Life

+ + + + +

THE GARGOYLE extends the compliments of the Season to all its readers

wishing them Joyful Holidays and may

the New Year bring success to their

efforts.

+ + + + +

100 Years Later

It was in 1878 that the manu-

script for PROGRESS & POVERTY was

set early in the year.

(A small edition of P & P was brought

out in San Francisco in 1879 and the

great book PROGRESS & POVERTY early

in 1880)

1878

1 9 7 8

INCENTIVE TAXATION

The General Property Tax has long been used as a form of taxation to provide public revenue for municipal and county government.

There have been three classes of property included in the term (1) Land (2) Improvements (3) Personal Property.

Briefly improvements consist of structures such as houses, barns, stores, factories and similar buildings. The term also includes improvements to the land itself such as grading, draining, fencing, etc.

Personal property included furniture, clothing, jewelry, live-stock such as horses, cows, etc.) automobiles and other such items. The personal property tax has largely been discontinued.

Restated, the General Property Tax actually is two distinct and different taxes - one a tax on land, which is a natural resource, and which cannot be produced by man; the other, a tax on man-made products.

The effect of taxing these two distinctly different things is exactly opposite. Taxing man-made products discourages production, increases prices, creates unemployment.

Taxing land brings land into use and thus increases production, increases employment, lowers the selling price of land and tends to lower cost of products.

It has been customary to assess land and improvements separately but to apply the same rate of taxation to the combined total assessment.

The tax rate includes various categories such as municipal requirements which in turn may be broken down into different classifications such as fire protection, sanitation, etc., schools, and a separate rate for county tax.

It would be possible to raise the same amount of revenue by removing all taxation from improvements and collecting the entire required revenue by a tax on the location or site-value of the land.

This would not be a tax on land per acre or part thereof (amount of land) but rather on the "value" of the land.

In most instances the law at present states that land shall be assessed at "market value". This might be considered as "The current selling price."

Perhaps the question which comes to mind is, if there is to be no revenue raised by a tax on improvements, then the rate of taxation on site-value of land must be tremendously increased to make up the difference.

Not so! Most land is not presently assessed at full market value. There is much vacant land with a very low assessment placed upon it.

Most home-owners, those who own homes with a value in excess of the value of the land, would pay less under site-value taxation.

Those who improve their properties would not be penalized. At present they are penalized not once, but year after year, by having to pay increased taxes because such improvements are made. On the other hand those who permit their property to deteriorate are rewarded by lower taxes.

Those who hold land out of use for speculation waiting for a high selling price will find the increased tax (under land-value taxation) too great and will either put the land to use or transfer it to someone would use it.

To recapitulate, briefly, Land Value Taxation is a tax system, whereby a tax upon the market value of the location or site-value of land is effected with no tax on improvements. It can be considered Incentive Taxation because it is a tax which reduces the selling price of land, tends to put land to its highest and best use. It thereby eliminates speculation in land, reduces the taxes (in most instances) paid by small homeowners, encourages improvements, and building, creates employment and permits a lower cost of production.

Additional information may be obtained from: Incentive Taxation, National Headquarters, 454 Mission Valley Center West, San Diego, Cal. 92108.

