

# Equal Rights

To The Earth's Resources

Fall, 1981

## Newcomb Incentive Awards

William W. Newcomb, originator of this Award, seeks to encourage excellence and cost-effectiveness among all organizations devoted to the cause of Henry George's thesis.

Judges for the first three years will be the new Board members of Media Foundation for Land Economics selected in the new Indiana, Pennsylvania office plus Joseph A. Tisch, remaining from the Melbourne, Florida office.

### There Will Be Two Classes Of Nominees

- (1) The organizations offering themselves as nominees
- (2) Recommendations submitted by individual Georgists

Plaques will be given to the winners at the annual Henry George Conference.

### Plaques Will Be Given For The Following Achievements Each Year

- (1) The GEORGIST INSTITUTION which can claim to have influenced the greatest number of successful candidates for office as a county commissioner, city commissioner, legislator, governor, congressman or president.

(2) The GEORGIST INSTITUTION which generated the most publicity for LVT as evidenced by newspaper and magazine clips.

(3) The GEORGIST INSTITUTION which showed its innovativeness in the use of the media.

(4) The GEORGIST INSTITUTION whose own personnel (Board member/employees, etc.) were invited to serve on the Advisory Boards or working Boards of other institutions not inimical to Georgist thinking.

(5) The GEORGIST INSTITUTION which developed the most effective round-tables of personnel from government, management, labor, minorities and the media, similar to those organized by P. I. Prentice.

(6) The PERSON who best advanced the cause of land value taxation while in public office.

(7) The AUTHOR of the best book published within the trade press.

(8) The PERSON or PERSONS who had an article published in an influential magazine of large circulation.

(continued on page 6)

## 56th Annual HGFA Meeting in Pittsburgh

At the annual meeting of the Henry George Foundation of America, held on July 19, 1982 at Chatham College Pittsburgh, Pennsylvania, President Steven Cord presided. The minutes of the 1981 annual meeting were read and approved. The following trustees were present: Claude Arnold, Robert Clancy, George Collins, Michael Curtis, Steven Cord, Ed Dodson, Frank Nelson, Edward Schoyer, Nadine Stoner, Dan Sullivan and Wylie Young. This constituted a quorum.

Mike Curtis introduced a resolution commemorating Jack Tetley for life long efforts for the Georgist Movement and for the Foundation.

The President then gave his annual message. He mentioned his work in New Castle, Erie, Philadelphia, Albany, Newark, and Missouri. He also mentioned the advertising campaign HGFA and CSE has been working on and the financial report was handed out and approved.

Jim Busey made a motion of confidence in Dr. Cord (approved). Two trustees were elected as two vacancies expired for 1983. Five Georgists (all present at the meeting) were nominated; Stan Fredericksen and Gerald Schleicher were elected. Five trustees were re-elected: Robert Clancy, Mitchell Lurio, Floyd Morrow, John Kelly and Claude Arnold. Frank Nelson was elected as Secretary and John Kelly as Vice President. Steven Cord was re-elected as President and Ed Schoyer was re-elected as Treasurer.

A motion was made and passed that if no annual meeting is held, then the present officers and trustees shall serve another year.

A motion was made and passed that trustees who miss three successive meetings would no longer be trustees and their vacancies would be filled.

## CSE Bequests Sought

If the work of the Center for the Study of Economics is to expand, then Georgists all over the country should give serious consideration to leaving a bequest in their wills to this organization. Such a bequest could be in the name of some particular person and could be earmarked for the publications work or advertising program of C.S.E.

Your attorney can advise and assist you on how to include C.S.E. in your will and the following sample form is intended for general guidance:

"I bequeath to the Center for the Study of Economics, an I.R.S. 501 (c) 3 corporation under the Not-For-Profit Corporation Law of the Commonwealth of Pennsylvania, having its office at 580 N. Sixth Street, Indiana, Pennsylvania, 15701, the sum of ----- dollars to be used by said Corporation for its general purposes (or for ----- purpose)."

### Memorial Gifts

C.S.E. also welcomes memorial gifts and remembrances for special occasions. We acknowledge the gift to the family of the deceased and also to the donor.

## Equal Rights

A quarterly published by the  
Center for the Study of Economics  
Editors: Frank E. Nelson  
Edward J. Dodson

### Editorial

Henry George's analysis of the poverty cycle is widely appreciated by those of us who embrace his socio-economic philosophy. Lately, I have become quite interested in the rather uncharacteristic perspectives of Thomas Sowell, who is in the unique position of being not only one of the few nationally renowned economists of Afro-American ethnic heritage but is also a strong advocate for fiscal conservatism. To hold viewpoints counter to those basic in the political rhetoric of Black leadership is surely as rare as George's reform-mindedness during the era of the "robber barons". What, then, are this maverick, black economist's criticisms of our nation's political and economic structure?

For starters, Thomas Sowell strongly opposes the growth of government intervention in the society and attempts by those who favor implementation of income redistribution programs in an attempt to end "poverty". The process of retreat from a market system, he is arguing, changes the system of wealth distribution from one based on "behavior" to one based on "status". And, it is the creation of power to assign status which bothers him most.

One is left with the feeling that Mr. Sowell feels the subject of "poverty" almost irrelevant. He acknowledges and seems to accept the fact that poverty has almost always been with us. "Even countries that are rich now were once poor, typically not too far back in history", he writes. He apparently has given little thought to the underlying principles of slavery, a "status system" in which wealth produced (perhaps by his own ancestors) was, by law, the property of non-producers. However, today is not the nineteenth century. What about modern-day America? Why are so many blacks and others still so poor?

Race is discounted by a comparison between native black Americans and second-generation West Indians, who have income levels 94% of that of whites, while blacks have only 62%. Sex is eliminated as a direct source of poverty by a convincing statistic that "the age of marriage of college-

(See opposite page)

Scenes of

The Annual American Georgist Convention - 1982

Chatham College, Pittsburgh, Pa., July 16 - 19

- (1) Stanley Fredericksen, newly elected HGFA Trustee.
- (2) Genial Nadine Stoner, our "Wisconsin Whirlwind," also HGFA Trustee.
- (3) Edward Dodson ER co-editor and HGFA Trustee - he casts a large shadow.
- (4) Expressive Bob Clancy, HGFA Trustee.
- (5) Claude Arnold, HGFA Trustee and experienced father (but this particular budding Georgist is Alanna Hartzok's son).
- (6) Walter Rybeck, our man in Washington.
- (7) Rep. Bill Coyne (D-Pa.), principal Banquet Speaker and Newcomb Incentive Award winner.
- (8) Gil Halverson, Wisconsin first-timer and fireman/urban planner.
- (9) George Collins, The Philadelphia Photographer and HGFA Trustee.
- (10) Homer Fox, LLD, Detroit activist and HGFA member.
- (11) Woodrow Williams, Georgist farmer and long-time friend of HGFA.
- (12) Jack Lucey (president of Fairhope Single Tax Corp.) and Len & Gen Buckabone (from Detroit mostly, and long-time friends of HGFA)
- (13) George Collins again - this time a better picture.
- (14) Glea Foor, full-time secretary of the Foundation and Steven Cord, HGFA President.

(PHOTOGRAPHY BY MARK SULLIVAN, N.Y.C.)

educated women was constantly declining between 1905 and 1960".

His investigation into cause goes no further (at least not in this article). He now takes on the spectrum of solutions with which we are familiar - education or political reform. Lastly, he places a great deal of blame on government:

"In coping with poverty today, the most productive thing the government could do to help would be to stop making things worse."

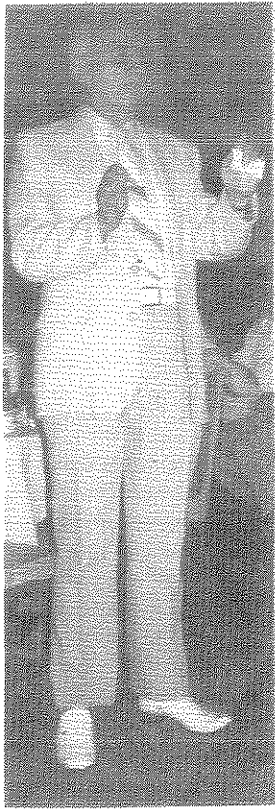
On the subject of a just and fair distribution of wealth, he believes the consequences of change must be seriously considered before taking action. An example of such a situation is worth repeating:

"Let us imagine someone who has an ill-gotten fortune. We will assume he has acquired it by some method which was not technically illegal but which was clearly immoral. Some time in the past his ancestors landed on an island, murdered all the Indians, and took over. The island, which became a valuable property, has now come down through the family; it is legally his.

We might talk about confiscating that fortune because of its immoral origin. But we have to think also what pro-

sective results will come about from doing this. Clearly if we're going to step in and confiscate property -- not because of any illegality, but simply because of moral judgments on its history -- then all property is subjected to great uncertainty, and declines in value immediately. The present value of anything includes its future value, and that in turn is affected by the risk that it will be lost, partially or completely. Thus if you attempt the "just solution", you will have confiscated part of the property of people who have worked for decades to have homes for their families. More important, you will have created an incentive for people to keep their wealth in forms that the government will find hard to get: to keep it in gold and silver and Swiss bank accounts instead of in factories and mines and other productive investments. The people most dramatically affected by all this would be people employed in the factories and the mines. The damage to them may have an economic value far exceeding

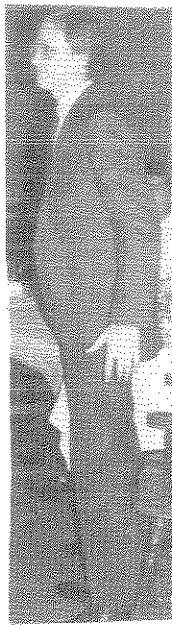
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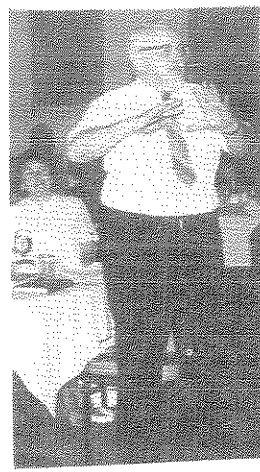
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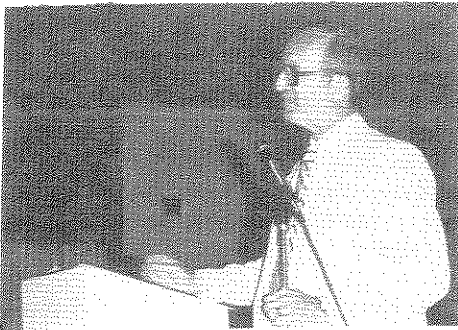
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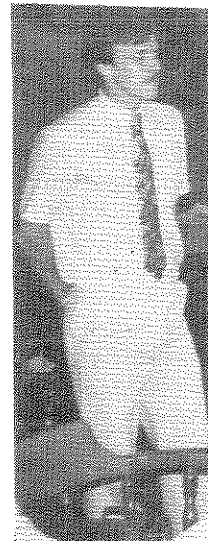
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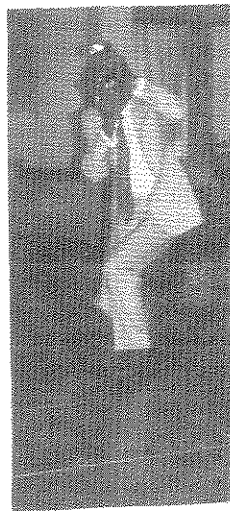
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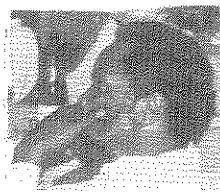
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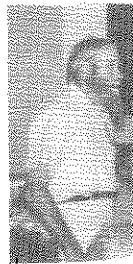
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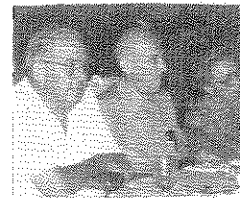
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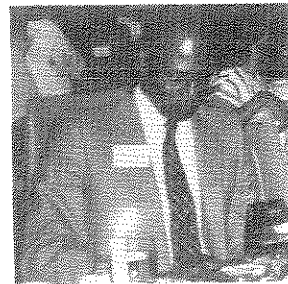
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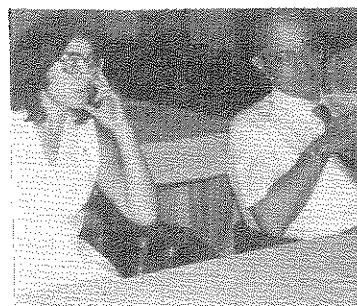
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The  
Annual Georgist  
Conference - July 1982

CHATHAM COLLEGE  
PITTSBURGH

## A Tribute to Bill Newcomb

We, the four members of Media Foundation for Land Economics, in addition to our President, Mr. William W. Newcomb, feel it timely for us to capsule the four and a half years of the Foundation's projects. Our Board meetings were lively with the pros and cons of new projects to undertake, but we did give Mr. Newcomb a certain amount of independence because of:

His long dedication to Georgism

His innovativeness in picking projects, and following them through

His scrupulous attentiveness to cost-effectiveness,

His familiarity with the electronic and print media,

His over-riding goal -- to see that this Foundation performs in the best way possible so that salutary political action by others results in the future.

He selected us for his Board of Directors because we too shared his commitment to a free society. We are glad that he can give the long day he does -- to 12:45 every evening -- because the time he spends at night reading books and social commentary magazines and publications devoted to the media, we consider a part of the commitment he gives to Georgism.

After giving 45 years of volunteer time to Georgism, he is not always inclined to view favorably the actions taken by other Georgist foundations. He takes adversarial positions.

As an example, he feels that the Henry George School, the Lincoln Foundation and the Schalkenbach Foundation should jointly finance a reply to Milton Friedman and Kenneth Gailbraith on Public Television.

He believes that the big Georgist foundations should spend their money in a wider range than Direct Mail. The recent column-ad test which the Media Foundation conducted, got over 400 cumulative responses with an expenditure of only \$1300 in advertising and \$500 in literature and office overhead. Balance that against the \$120,000 that it takes to graduate 400 people in Fundamental Economics @ the reported rate of \$300 per student. Steve Cord has noted that for many years the Knights of Columbus and the Rosicrucians have used the print media successfully in display ads in building sizable memberships. Steve has said that he would like to continue the program given adequate funding.

We believe that the two films ONE WAY TO BETTER CITIES and FOR THE LAND IS MINE, and the future Henry George School film should be put on video tape and distributed (with a sizable appropriation) to libraries and public schools throughout the U.S., so that the students get the essence of land value economics before they are mis-taught other "economics". By the same token, we would like to see a PBS program inaugurated (as indicated above) so that thousands of copies of these PBS tapes could be distributed to the schools like is done by the U.S. Chamber of Commerce and other interest groups. The cost for less than 100 copies is \$20 per tape for a 1/2 hr. -- showing: about \$10 per tape for 500 or more.



Bill Newcomb

Mr. Newcomb is pleased with the response to the Unitarian-Georgist Resolution campaign. Twenty-five parishes with 10 signatures each were required to be submitted to the Unitarian-Universalist Assembly, but it fell short only three parishes from almost 40 inquiries that came in. However, the same signatures can be used in 1982, with the remaining three parishes signed up.

Mr. Newcomb feels that one of the most important projects started in the early thirties was the Henry George School. But he constantly brings up the question: Why was not a strong alumni association developed from the more than 100,000 graduates of the School from which thousands of activists might now be city and county commissioners, state legislators, governors and congressmen? Why do the politicians come only from Pennsylvania and California? He himself would have entered politics 35 years ago, but he knew that his hearing impediment since age 3 would preclude that step.

He returns from the annual Conferences in deep frustration because the organizers of those Conferences never have an expert on getting into politics or on "selling" LVT. He believes that all Georgists should read David Broder's book "The Changing of the Guard". He feels it is the

best bible for getting change in a political system.

"Some day," says Mr. Newcomb "A wealthy 'can-do' type of man, who is financially involved in publishing magazines and newspapers, TV station ownerships, a director of one of the networks and of PBS, who also owns a cable-TV company, will decide if it is high time to mount an all-out assault on the present horribly unfair property tax mess.

## FAIR or FOUL?

A major protectionist measure, apparently designed to greatly restrict the ability of Japanese automakers to sell in the United States, has widespread sponsorship in Congress. Enactment of this bill, grossly misnamed the "Fair Practices in Automobile Products Act," would be a setback for the U.S. economy. Protection of industry (particularly one that has clearly demonstrated its inability to provide what consumers want) would quickly be offset by declines in some other sector, even if it is now doing its job well. This is because a reduction in imports by legal mandate will perforce result in fewer exports to foreign consumers with fewer dollars to spend here. That other countries restrict their international commerce mainly hurts their own citizens and no reason why we should follow the example.

As Henry George wrote nearly 100 years ago:

"Can there be any greater misuse of language than to apply to commercial terms suggesting strife, and to talk of one nation invading, deluging, overwhelming or inundating another with goods? Goods! What are they but goods - things we are all glad to get. Is it not preposterous to talk of one nation forcing its good things upon another nation? Who individually would wish to be preserved from such invasion? Who would object to being inundated with all the dress-goods that wife and daughters could want; deluged with a horse and buggy; overwhelmed with clothing, with groceries, with cigars, fine pictures, or anything of that has value? And who would take kindly if any one should assume to protect him by driving off those we wanted to bring him such things?" American Institute for Economic Research Great Barrington, Mass. Research Report 8/2/82



## Readers' Forum

**Tom Paine:**

### **Pre-Georgist**

A famous person from America's colonial and revolutionary past realized the value in taxing the land. Thomas Paine saw that land value taxation was a fair and equitable form of taxation on hundred years before Henry George. He said:

"The earth, in its natural uncultivated state, was and ever would have continued to be the COMMON PROPERTY OF THE HUMAN RACE. In that state every man would have been born to property. He would have been a joint life-proprietor in the rest of the property of the soil and in all its natural products, vegetable and animal.

"As it is impossible to separate the improvement made by cultivation from the earth itself, upon which that improvement is made, the idea of landed property arose from that inseparable connection; but is nevertheless true that it is the value of the improvement only, not of the earth itself, that is individual property. Every proprietor, therefore, of cultivated land owes to the community a ground-rent, for I know no better term to express the idea by, for the land which he holds; and it is from this ground-rent that the fund proposed in this plan is to issue."

Paine wanted to have the people compensated for their lack of access to the land. His plan was to impose a tax on land values and on personal property, at the death of the property owner to create a fund which would pay every person fifteen pounds sterling when they reached the age of 21 and to give every person ten pounds per annum for life after the age of 50. This would compensate them, he thought, for the loss of their natural inheritance. In those days, these sums were adequate for subsistence.

Why an inheritance tax on personal as well as land property? Paine, unfortunately, thought that it was impossible to separate land value from the value of other property, particularly buildings.

Paine further explains his justification for land value taxation by saying, "there could be no such things as landed property originally. Man did not make up the earth, and, though he had a natural right to occupy it, he had no right to locate his property

in perpetuity on any part of it; neither did the Creator of the earth open a land-office, from whence the first title deeds should issue."

It would appear that Thomas Paine, with his 1797 publication of the pamphlet, *Agrarian Justice*, has predated Henry George in his realization of the importance of the land.

By Kenneth Ford, student  
Indiana State University  
Indiana, PA

A newspaper man for the past twenty years says that there is "nothing as effective as a personal letter to a legislator or as a Letter to the Editor. Studies have proven that Letters to the Editor are the best read section of any newspaper. One man who will write a letter carries the weight of thousands who refuse to act or who only gripe to their coffee buddies."

**"What we think,  
or what we know,  
or what we believe,  
is, in the end, of  
little consequence."**

**The only thing  
of consequence  
is what we DO"**

~ JOHN RUSKIN ~

### **George Was Right!**

I have before me a newspaper article describing the effects of a 1975 natural gas discovery in a rural area of Louisiana upon local residents. The biggest beneficiary has been a 62-year old man who purchased 5,000 acres of scrub land in 1947 for \$4 an acre. Today he derives \$10 million a year from those acres in gas royalties. He rightfully calls his purchase of the land in 1947 "the best real estate deal since the Indians sold Manhattan Island for \$24". Hundreds of other landowners have also profited handsomely, depending on the amount of acreage they hold and the quality of the well on their property. Those fortunate enough to own land within the 640-acre tract surrounding a producing well can receive up to a third of the well's revenue as a royalty. All this serves to illustrate the truth behind

George's analogy likening the earth to a well-provisioned ship - "And ver great command over the services of others comes to those who as the hatches are opened (to obtain fresh supplies) are permitted to say 'This is mine!'"

Frank Walker  
Sacramento, CA

Reprinted from the  
**ARIZONA REPUBLIC** 3/22/81  
Palm Springs, Calif.

While the rich enjoy the sun and other pleasures, fewer than 200 stoic faced members of the Agua Caliente band of the Cahuilla tribe watch with satisfaction and count their money. Owning half the land, although in a scattered checkerboard pattern, they have the dominant, united voice as to where this popular watering spot for the wealthy goes next.

The leasehold has been a way of life here since the '50s for commercial industrial and residential users alike. If you want to utilize the Agua Caliente land, you lease it - there is no option and no hope of converting to ownership ever.

No one knows - or will admit knowing - what the net worth, or annual income, of the Agua Calientes is today. Palm Springs realtor Ben Blank however, refers questioners to a survey made "about five years ago" indicating that every man, woman and child in the tribe, at that time, had an annual lease income of \$350,000.

Income generated from the land is tax-free - and also free from capital gains tax on the rare occasions when a parcel is sold - and the land, itself, remains off the tax rolls until it is leased. And, at that point, it is the lessee who pays the real estate tax not the lessor.

contributed by  
**Robert Sage**  
Sun, Arizona, who  
comments below:

In 1976 every man, woman and child received \$350,000.00. What will they get this year?

Land is a gift from God/Nature to all the living and the FUTURE GENERATIONS. The RENT of any location is produced by the conscious and unconscious cooperation of all those living. Laws made by land grabbers permit the private pocketing of it. Those laws MUST BE CHANGED.

If the Indians can do it, why not us?

## SPEAKING SKILLS AN ASSET

Good results in the improvement of public speaking skills from participation in Toastmasters International Club training are reported by Frank Nelson and Donald Hurford, in DEL and PA.

"An excellent training school for speaking on all occasions," says Hurford. "One learns not only to speak with greater assurance but also to speak more effectively. This can be a great asset in efforts to advance the Georgist cause."

"The advantages of Toastmasters," comments Nelson, "are that they have clubs in nearly every city or town, with inexpensive membership cost and a tried-and-tested format for development of self-confidence, particularly in respect to public speaking."

A secondary advantage of Toastmasters participation is the repeated opportunity to expand on Georgist fundamentals, usually apropos of current controversial topics, to a highly motivated group.

## READERS —

### PLEASE WRITE!

We will try to print as many letters as possible within the limits of the space available. At the very least we will summarize all letters received, if addressed to —

The Editor, *EQUAL RIGHTS*, 580 North Sixth Street, Indiana, Pa. 15701

## Awards (continued from page 1)

(9) The PERSON, who made the year's greatest contribution to LVT in national public relations.

(10) The LVT PROFESSORS most quoted in the press.

(11) The LVT PROFESSORS deemed most effective in getting their students involved in LVT politics.

(12) Two plaques: One to a Henry George School TEACHER who brought quick inspiration to a student to capitalize on his or her knowledge, and performed a service to land economics that is directly traceable to the award-winning teacher. The second plaque to the student himself/herself.

No plaque need be given in any of the above categories if the judges do not deem the plaque has been won for that year in that category.

As the Fund is enlarged through the years by investment and other contributions, the Board is empowered to pay travel expenses and to progress from plaques to cash awards.

## Sowell

(continued from page 2)

ing that of the ill-gotten fortune."

Henry George also realized the difficulty in turning back the pages of history and trying to begin anew. The difference between the two economists is that George learned from Adam Smith and David Ricardo what Thomas Sowell apparently has not; that the market system cannot operate "freely" nor "competitively" so long as society fails to recover (for the public good) the rental value of land society's members have created. Let us hope Mr. Sowell's education is yet uncompleted.

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THE ABOVE COMMENTARY IS BASED ON A CHAPTER WRITTEN BY THOMAS SOWELL IN THE BOOK *THE LIMITS OF GOVERNMENT REGULATION*, EDITED BY JAMES F. GATTI (ACADEMIC PRESS, 1981).

Ed Dodson

We shall remove the great cause of unnatural inequality in the distribution of wealth and power; we shall abolish poverty; tame the ruthless passions of greed; dry up the springs of vice and misery; light in dark places the lamp of knowledge; give new vigor to invention and a fresh impulse to discovery; substitute political strength for political weakness and make tyranny and anarchy impossible.

— Henry George, *Progress and Poverty*

Washington's Worldwatch Institute estimates that there are 600 million landless people in the world; in 20 years, there may be one billion.

## Equal Rights

Center for the Study of Economics  
580 N. Sixth St.  
Indiana, Pa. 15701

## EQUAL RIGHTS FORUM

The growth of a community's population is the key factor in the increase of locational values. According to orthodox Georgist theory, the land owner, as landowner, plays no active role in this process and, therefore has no legitimate claim on the growing economic rent.

An underlying assumption for the above argument is that communities expand gradually, some more quickly than others and at uneven paces, but normally do so over a period of time. Modern-day development practices have, in the particular case of "new towns," reversed this process to a great extent. Agricultural (or unused) land is acquired by a developer or consortium of investors, private funds are raised through either equity issues or institutional borrowing, and construction of the community's infrastructure is undertaken. Landscaping roads, sewers, utility conduits, recreational facilities and even schools are constructed. Obviously, the project is undertaken with the prospect of achieving a substantial return on investment. In the process, even though the town at its initial completion lacks inhabitants, land values in and around the town may rise substantially.

The EDITORS would like to hear from you on the question of how the wealth generated by rising land values in such a "new town" affect its development. Do you believe the investors have any claim to rising rents? Direct us to quotes from George which you feel approach the subject.

## THE EDITORS

Don't throw away your copy of *Equal Rights* after reading it - give it away to a friend or prospect!

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