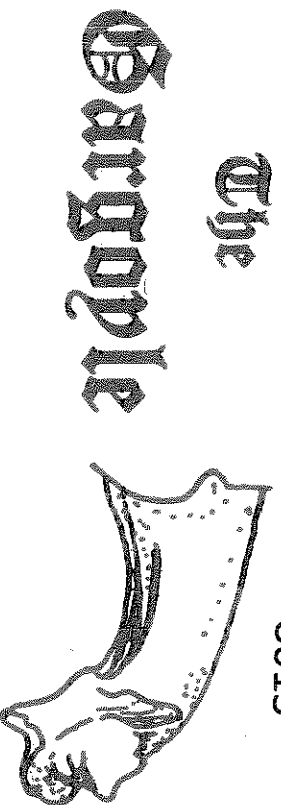


8015



"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

Issue #137

JANUARY 1970



HAPPY NEW YEAR!

WHAT'S GOING ON IN NEW JERSEY

Tuesday, Jan. 13th Afternoon Discussion Feb. 25th 8 p.m. Summit - Fundamental Group - East Orange. Open to all. 1:30 course at YMCA.

Tues. Jan. 20 8pm East Orange - new fundamental course begins.

March 31st Tuesday 8 pm (change from March 17th - 2nd Semester Basic Course

Wed. Jan. 21st Board of Trustee's meeting - dinner at 6 p.m.

Watch for announcement of big Spring Rally at Headquarters, East Orange.

Friday, Jan. 30 7 pm Fundamentals - Woodbridge - Iselin Public Library

Speakers are available on current events with economic connotation.

DEFENDING ECONOMISTS - "It is a little incongruous to hear of Walter Heller, a Minnesotan, lecturing to Californians at San Francisco about the 'oppressive and repressive' state tax structure here, and recommending changes. His credentials are that he served as chairman of the national Council of Economic Advisors under Presidents Kennedy and Johnson. As such, Mr. Heller was one of the architects of the current inflation. And we can't recall that the council did much about oppressive federal taxes. Perhaps former Vice President Alben Barkley had a point when he philosophized: 'An economist is an unemployed financier with a Phi Beta Kappa key on one end of his chain and no watch on the other'" - From the San Diego Union - reprinted in HUMAN EVENTS 12-13-69

YFF
In September 1960 a group of college students met in Sharon, Conn. to discuss what they could do to help educate the youth of America about the aims of conservative philosophy and the preservation of Constitutional government. Out of this meeting came Young Americans for Freedom, a national conservative-action youth organization.

HENRY GEORGE SCHOOL OF NEW JERSEY
149 South Harrison Street
East Orange, New Jersey 07018

NONPROFIT ORG.
U.S. POSTAGE
PAID
NEWARK, N.J.
Permit #2136

Henry George School of Social Science
50 East 69th St.
New York, N.Y. 10021

CHALLENGE TO ROCKY LAND, NOT GUNS, FOR LATIN AMERICA

The President of the Henry George School of Northern California called Governor Rockefeller's recommendation of more arms for Latin America to avert revolution "a bankrupt policy".

In an Open Letter on Revolution and Latin America addressed to the people and governments of North and South America, S. Robert Scrofani said the people of the United States oppose Rockefeller's views. Rockefeller was President Nixon's special envoy to Latin America.

Scrofani said "the mother of revolution is injustice". If some of the neighbors are well fed, their homes adorned, their children educated-not because they work but because they own a lot of land - while my family is hungry, my home a hut, my children degraded - not because I am lazy but because I am landless - then you have the setting for the revolution the Governor warns against. No amount of military aid can avert such a revolution in the long run, he said.

Land has been the people's cry in every revolution from the French to the Cuban. The recommendations of Rockefeller, himself a large landholder in Latin America, ignore this fact, Scrofani said.

Scrofani quoted Pope Paul: "If certain landed estates impede the general prosperity because they are extensive, unused or poorly used, or because they bring hardship to people or are detrimental to the interests of the country, the common good sometimes demands their expropriation."

Scrofani said the Pope considers land reform vital to the eradication of hunger from the countryside, "but all Rockefeller can say is more guns."

The Henry George School spokesman said Latin America could find in California an example of how to obtain "revolutionary" changes in land ownership, legally and inexpensively, without violence.

Scrofani illustrated "peaceful revolution" by comparing California and Ecuador. In Ecuador land hungry peasants were duped into believing they had title to the Cayambe Valley and then were driven off by troops. But in California people took the framers of the 1878 California constitution seriously when they said, "the holding of large tracts of land, uncultivated and unimproved, is against the public interest." They adopted a new law, the Wright Act, that allowed local people to set up irrigation districts. The canals and reservoirs were paid for by a tax on the land only, whether well or poorly used.

"At that time Henry Miller, the Cattle King, could drive his herds from Oregon to Mexico and camp each night on his own land. But the Wright Act induced him to unload his unused holdings. As a result, Modesto, Turlock and Stanislaus Counties were transformed from a vast semi-arid, treeless tract of 31 played-out wheat farms into a flourishing green plain with over 7000 independent family-size farms. California achieved a truly revolutionary transfer of land from the few to the many without either buying the land or fighting for it," Scrofani said.

Meeting the people's need for access to land is the only way to stabilize Latin American governments and create a receptive climate for United States investments in reproducible capital. To the extent that governments ignore these needs, their demise can be predicted, he said.

Scrofani called upon the Governor, the State Department and Latin America to heed the experience of California.

Robert Tideman
San Francisco
AMAZING TAX ASSESOR II

Last month the GARGOYLE introduced to its readers, Dr. Irene Hickman, tax assessor, Sacramento, County, Calif. THE CALIFORNIA HOMEOWNER magazine in its December issue informs us Dr. Hickman is taking on Petitions again! This time for a Constitutional Amendment (State of Calif.) having incorporated The White Hat Committee for Tax Reform. (She made front page WALL STREET JOURNAL) - The full time director for the committee is Mike Evans, on leave from his duties as supervising appraiser in Dr. Hickman's office. 520,000 valid signatures are being sought and State Senator Albert S. Rodda has indicated he will introduce an amendment in January to exempt improvements and personal property from local taxes. This issue of California Homeowner contains "Land Value Tax," examples indicating the expected results of such change in taxes and a "do it yourself" form for those desiring to see for themselves what they may expect. Maybe "California, Here I Come" will be sung by many who live in "un-enlightened" areas?

THE WRONG WAY AGAIN

An article in Newark Star Ledger in August reported Westville, Ill., voted to abolish property taxes as long as Westville's income from other sources remains adequate. "A lot of villages could do this," said Mayor Louis Zambretti. Westville, a one-time coal mining town has a population of 3,500. "Will somebody find out what the other sources are - and let us know?"

THE CHALLENGING SEVENTIES

1970 is the beginning of a new decade of challenge. This is especially true for Georgists for the growing problems of the nation, particularly in the cities, are beginning to turn the attention of people more and more to what Henry George had to offer.

For example, the Wall Street Journal only last month had an excellent front page story on him and his ideas. Newark's chief economist recently came out with a strong endorsement for a differential tax. He urged the tax on land be separated from that on improvements, with the land tax being increased while the improvement tax being decreased.

Former Supreme Court Justice Goldberg evolved a plan under which owners of one and two family homes would be relieved of taxes on the land, while permitting taxes on improvements to remain. While this is 100% in error, as it should be just the reverse, with improvements untaxed and land values taxed for the full economic rent, nonetheless it is indicative of the growing realization that land and the improvements to the land should be treated differently.

All of this represents a challenge to Georgists. If the seventies is the decade in which George's ideas are increasingly recognized as highly relevant particularly to urban problems then they will be actively argued pro and con. The Georgists should be well prepared to meet the challenge of popularizing his ideas. But the challenge is not merely to present his ideas, but in presenting them, to prevent his philosophy from degenerating merely into a tax reform program for decaying cities.

George was not a tax reformer. For that matter, neither was he really an economist. He was a philosopher attempting to teach the rudiments of philosophy which centered around freedom. It sometimes appears that even he did not appreciate the true grandeur of the philosophy he was expounding. But, then, that would be hardly surprising as he was breaking new ground. It is for us, who come after him, to expand and determine the full implications of his vision.

His single-tax was merely an expedient to guarantee to every man his birthright--access to the opportunities of the earth. It was no panacea. He once said that if there was any panacea, it was freedom. That is what he gave his life for. It was to establish a truly free society in which each individual would have the opportunity of

utilizing his capacities to the maximum under the milieu of freedom.

So, in the decade before us, let us meet the challenge of not only popularizing his ideas but above all of emphasizing that his concepts constitute a wonderful philosophy--the philosophy of freedom.

Oscar B. Johannsen

SENSE & NONSENSE

It's obvious that many politicians believe that inflation will always be with us for they are beginning to talk about instituting rent controls to "protect tenants from rapacious landlords."

This despite the fact that New York City is the glaring example of what happens under rent control. It never gave up the controls after WWII. The result is that certain sections of Big City look as though they had been devastated by riots or wars. Houses are boarded up, stripped, vandalized and blackened by fire. Rent controls made it impossible for the owners to operate them profitably so they simply walked away from them. Instead of removing the controls, New York City is extending them into classes of housing previously left free, which means the decay will simply accelerate.

Ignoring such facts, communities in New Jersey, California, Florida and Massachusetts are toying with the idea of such controls. Though the politicians know better, to defend the poor tenant from the landlord is such sound political wisdom that they are going ahead anyway. Unless prices drop, the only thing to stop this trend will be for the people to declare firmly they want no such "protection". Unfortunately, the odds do not favor such action, for people never seem to learn.

Rent controls are not the only interferences looming on the horizon. Price and wage controls may be closer than we would care to believe possible. A measure of what would be in store for us if this happens is what happened during WWII.

In 1944, the office of Price Administration had 65,000 people on its payroll administering prices with another 325,000 serving as part-time policemen. This vast bureaucracy created mountains of paper which ruined business after business. For example it could not determine the wages of skilled bastards. When it finally did it could not decide what the wages for armhole stitchers would be, and on and on and on. The result was that millions of yards of cloth were frozen all over the country while the people had to do without new clothes.

Black markets and graft were the order of the day. The President has had experience with the OPA and therefore, it is said, is opposed to any such controls. However, if prices continue to rise, and ambitious politicians offer to protect the consumers from profit-hungry businessmen, will he be able to withstand the pressure?

It's going to be rough if this country gets back to normal and the economists who write those learned articles on economics have to know what they are talking about.

On Dec. 19, 1950, the City of Elizabeth made formal application for slum-clearance funds. It started with a project on Washington Avenue, not far from the center of town. Eight years later it got around to demolishing some of the slum buildings on the site. By the fifteenth year, on Oct. 4, 1965 a bulldozer began to grade a residential lot, the first time anything like development was done.

By the seventeenth year, the first of several temporary certificates of occupancy were issued. Now, nineteen years later, there are a few apartment houses and plenty of vacant land still there. The last outfit willing to try to do something has just pulled out, as it finds it cannot make a profit. What's next? Who knows? This is just a typical project by government. Is it any wonder that Russia is in such a mess?

SALT OF THE EARTH

Inheritance taxes: Shear-the-wealth program.

The best gift for a man who has everything is a burglar alarm.

A young man was admiring the lovely hands of his date. "What do you do to keep them so attractive and smooth?" he asked.

"Nothing", she replied truthfully.

A fool and his money sooner or later wind up in college.

The greatest paradox: Civilized warfare.

U.S.-Now stands for Unlimited Spending.

Sordid money-grabber: someone who can grab more money than you can.

Nowadays a man is judged by the company he keeps solvent.

More often than not it is a woman who is responsible for her husband's success. That's because of the money she makes it necessary for him to make.

Saving is a way of spending money without getting any fun out of it.

EQUAL RIGHTS

A brand new publication - put out by the Henry George Foundation of America, makes its appearance with the Autumn 1969 edition. It is to be a quarterly, edited by Steven Cord and associate James L. Bussey. Dr. Cord is Professor at Indiana University of Pennsylvania and Dr. Bussey is Professor and Chairman, Division of Political Science, University of Colorado.

The Henry George Foundation has its headquarters in Pittsburgh, Pa. with William B. Schoyer, President, Percy Williams, Executive Secretary. It dates back to 1926 and its policy is concentration on education for political action. It has a subsidiary agency the Graded Tax League of Pennsylvania which is carrying on an active campaign to promote practical application of the principles set forth by Henry George.

While no mention has been made of subscription rate, the Foundation in a letter sent out in December announces the publication, and makes an appeal for funds at this time. A friend has pledged to match all contributions up to \$2,500. The address of the Foundation is 404 Magee Bldg., 336 Fourth Avenue, Pittsburgh, Pa., 15222. They will be pleased to send information about the Foundation, and of course to receive your contribution.

WHO OWNS AUSTRALIA?

The man who owns more of Australia than anybody else lives in Texas, 9,000 miles away. He is Robert Justus Kleberg, patriarch of the family that owns King Ranch Incorporated, and controller of 9,754,000 acres (15,240 square miles) of Australia. In fact, he owns more land anywhere in the world than anyone else. He hopes to add another 1,300,000 acres to his Australian territory soon.

His speciality lies in promoting the beef cattle industry throughout the world. His financial basis received a big impetus when oil was discovered on King Ranch (Texas) in 1945. Kleberg now nets \$20 million annually from the well output.

He has admitted that his Australian investments total more than \$20 million and that his annual profit from them is several millions.

Well, with the ignorance of and indifference to basic economic principles and fundamental human rights in this country, there is every reason to expect Robert Justus Kleberg to go on from strength to strength.

PROGRESS - Australia