

The People



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

HENRY GEORGE SCHOOL OF NEW JERSEY

SPECIAL ISSUE

J U L Y 4 1 9 7 6

1 9 7 6 DECLARATION OF INDEPENDENCE

WE HOLD THESE TRUTHS TO BE SELF EVIDENT:

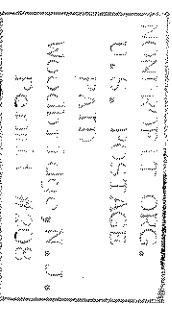
- 1 - THAT all human beings are born with equal rights to the earth, which is the source of their physical needs and the field and opportunity of all their creative enterprises and labors.
- 2 - THAT the returns to labor in the production of goods and services are the property of the producers.
- 3 - THAT the land, which is not of human production but is necessary to all life, can never be man's property. But in order to secure the right of the producer to his product, a private and exclusive possession of land shall be conferred upon individuals, by society, on equal terms.
- 4 - THAT society, as a whole, by its presence and activities, gives value to land in various degrees according to where it is situated. This social value belongs to all, and should be collected and distributed annually, in equal shares, to the people so as to give to each an equal economic opportunity.
- 5 - THAT the present practice, of allowing the landowners, by virtue of their land-titles, to keep most of this socially-created value, gives them an unearned income which, when capitalized for sale, becomes the selling price of land.
- 6 - THAT this ever-increasing price of land, by fostering land monopoly and land speculation, is the origin of great fortunes and the fundamental cause of unemployment; poverty; over-taxation; inflation; business stagnation; depressions; etc. etc.

WE THEREFORE URGE:

- 1 - The abolition of all land-titles, to be replaced by leaseholds.
- 2 - The creation of a national body elected and controlled by the people to administer their common heritage. To collect and distribute the rent of land, annually, in equal shares to all citizens living in the United States.

HENRY GEORGE SCHOOL OF NEW JERSEY

P.O. BOX #637 Woodbridge, N.J. 07095



HENRY GEORGE INSTITUTE, INC.,
55 W. 42ND ST., Rm. 452 A
NEW YORK, N.Y. 10036

- 3 - The abolition of all indirect taxes on business; labor and labor products, now shifted to the consumers in higher prices.
- 4 - A direct tax levied on all adult individuals to pay the cost of the services rendered to them by government.

These measures would be the subjects of amendments to the Federal Constitution.

HOW THE FREE LAND SYSTEM WORKS:

- 1 - There shall be no private ownership of land, but every citizen shall be entitled to all the land needed for a home and any legitimate business, upon payment of a rent based on the superior advantages of the locations. The least advantageous locations shall pay no rent.
- 2 - The total rent (minus the cost of administration) shall be paid out in equal shares to every adult citizen living in the United States, thus giving to each one an equal opportunity to make an honest living.
- 3 - There shall be no taxation upon any legitimate business; occupation; goods or services, thus reducing prices and the cost of living.
- 4 - For the support of government, every adult individual shall be charged for the services he had received. There shall be no public debt.

FROM THIS PLAN THE FOLLOWING MAY BE EXPECTED:

- 1 - A much lower cost of living.
- 2 - Free land and a good home for every family.
- 3 - Unlimited opportunities for new enterprises with an ever-increasing demand for labor, until labor would become scarce.
- 4 - From then on, labor would remain scarce because, while land is available free and capital can be produced quickly, it takes twenty years or more to produce a laborer.
- 5 - This would, automatically, bring the wages of labor and the profits of capital to the full value of their respective contributions. And this without labor disputes and strikes, since they would no longer have to share their production with the owners of the earth.
- 6 - It would insure an equitable distribution of wealth and bring to an end the recurring cycles of inflation and business stagnation.
- 7 - It would induce a reduction of the functions and cost of government at all levels.
- 8 - It would pave the way for the undertaking of other much-needed reforms such as money; banking; political; labor; business; and others.

ALL CITIZENS who want a world of Peace and Plenty are invited to join:

THE FREE LAND LEAGUE Box 908 250 58th St., North
St. Petersburg, Fla. 33710

There are no membership dues and no obligation whatsoever.

* * * * * WRITE NOW! * * * * * RIGHT NOW! * * * * *

Mr. Gaston Haxo is the founder of The Free Land League. He has been active in the Henry George movement for many years and has written several books on the subject. On the Board of Directors of the League are two former Trustees of the H.G.S., N.J. - C.D. Reinhart and Stewart D. Woolley.

The GARGOYLE is pleased to publish this Special Bicentennial Issue with the sincere hope that readers will seriously consider the proposed -

1 9 7 6 Declaration of Independence, set forth herewith.

THE TAX ASSESSORS' ARMY

And the response from the assessors?

Two hundred years ago many colonists took up arms to resist such injustices as the forced quartering of British troops in their homes. The individual's right to the privacy of his own home, so threatened during our struggle for independence, became a cherished cornerstone of our fundamental liberties.

Today, in our Bicentennial year, we are once more faced with a threat to our homes and hearths. And it is our own local government which may be endangering our historic rights.

Armed with pocket computers and writs of assistance-like authority, an army of assessors has invaded Nassau County searching not for tea or other smuggled goods, but for unrecorded home improvements!

In the next three to four years, over 400,000 homeowners may have their property scrutinized by this band of intruders. Legally, owners need not grant entrance, but they risk arbitrary reassessment. Assessors have met some resistance, but they are still committed to the venture. No area, from basement to attic is free from their inquisitive eyes. This practice is not new; indeed, it has been going on sporadically for generations. But, never before have the residents of Nassau County witnessed reassessment on such massive scale.

Just as a tax, a "massacre" or a "tea party" inspired our forefathers to challenge the abuses of a government 3,000 miles away and proclaim independence, the policies of the Board of Assessors may well ignite the spark for a dialogue on that most confused subject-the property tax.

If the progressive income tax placed as heavy a load on the poor as on the wealthy, it would certainly constitute a major contradiction of intent. A similar contradiction manifests itself in the administration of the property tax. While usually viewed singularly, this tax actually is a result of the fusion (or confusion?) of two key factors-land and improvements. Once land has been developed there is a common tendency to consider only the increase in value of homes, overlooking any accompanying increase in land value.

Improvements represent the product of human effort. Carpenters, plumbers electricians and builders are all part of the laboring force employed to make these improvements. Value thus created is personal it is the result of personal effort, paid for by homeowners seeking these services. And as the value of property increases benefits accrue, not only in terms of more employment but also in terms of an enhanced neighborhood.

Let's penalize the homeowner, local merchant and factory owner for improving his property and adding to the store of wealth in the community. If those foes of capitalism wished to devise a method to destroy individual initiative and the profit motive they could not have discovered a better device than a tax on improvements. But this is only half the problem and half the tax.

Plots of land come in many shapes and sizes. And each plot has value, that can increase. The construction of roads and schools, the addition of water and electric power enhance land value. And value created in land is quite different from that value created by improvements. One is the result of community decision-making and action, the other the result of individual preference and effort. Rather than using home improvements as a base for the collection of taxes, common sense dictates that land value be taxed to its utmost.

But even a cursory look at the assessment rolls would reveal what seems so economically elemental. Historically, land has been grossly underassessed and, insofar, as the property tax, a virtual untouchable. Let us render unto Caesar what is his. Give unto the tax collector what rightfully belongs to the community-that value that has been created by the community. But it is morally and financially unsound to take from the homeowner what rightfully is his--a part of the value created by his efforts.

The assessment of land at market value would provide a broad-based source of revenue for local governments. Economically, it would have the effect of implementing a major goal of our economic system, namely the increase of wealth. Since a heavier tax would make it unprofitable to hold land out of use, the construction industry would benefit. And, of course, this action would eliminate the need for the assessor's invasion.

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The above was written by Stan Rubenstein, former Director of the Henry George School, New York City, a High School Teacher, Director of the Long Island Extension of the N.Y. School. It was published in NEWSDAY, a much-read Long Island Newspaper.

CHANGES

Dr. Herman A. Lazaar has been elected President of the Henry George School of N.J.

Oscar B. Johannsen has been elected Dean of the N.J. school, and a Trustee of the HGS of New York.

SENSE & NONSENSE

One of the most important issues before the American people is inflation. Inasmuch as this is an election year, one would suppose the politicians seeking the presidency would be arguing over inflation. But other than saying that it must be contained, or allowed down and brought under control, there is no detailed past how inflation is to be stopped. At times, one hears such weasel words, as the necessity of adopting an incomes policy. This is a name sounding phrase which seems innocuous. What is it? It is merely a fancy way of saying that wage and price controls should be instituted. People generally are unaware that such is what is meant so they, no doubt, will be in favor of an income policy. However, if carefully explained what this means, possibly they will not be so anxious, especially if they remember the shortages which occurred when wage and price controls were instituted in August 1971.

Of course, the difficulty is that everyone assumes inflation to be rising prices, whereas the readers of the GARGOYLE know it is the inflation of the money supply. Since the government has a monopoly on the issuance of money, it is responsible for the inflation. However, since the people do not understand what inflation really is, the politicians don't have to get into any discussion of how they will get the government to stop increasing the money supply without causing a major depression. How beautiful for the politicians, but as the problem of inflation is getting constantly worse at an increasing pace, it must sometime be met head on. Hopefully for the politicians it will occur when election time is not due for quite a while. But, whenever it is due, the people will find they will be footing the bill.

But now when this issue and how to handle it should be discussed, the entire problem is pushed into the background. Instead, we are confronted with such important items as the smile of this or that candidate, his appeal to this or that class of voters, his relation to Watergate, and his attitude on sex.

One wonders why all the fuss over who is elected. Does it really make any difference?

AN OPEN LETTER TO:

His Honor, Mayor Beame,
City of New York.

Dear Mr. Mayor:

Since your city is in financial difficulties, I have a suggestion which not only will provide funds but correct a long standing geographical error.

Sell Staten Island to New Jersey!

Look at the map - this island rightfully should be apart of the State of New Jersey, not New York State. So now is the opportunity to right the mistake.

Of course, greater New York City will then have but four boroughs, rather than five, but that will make for less complications. Richmond Borough has always been more or less a step-child. Until the construction of the Verrazano Bridge, it was accessible to the other boroughs only by boat. As yet, and possibly never, any rapid transit direct connection exists or will exist between S.I. and the remainder of the city. So what does Mahhattan, Brooklyn, the Bronx, or Queens have to loose?

How will New Jersey pay for the acquisition of Staten Island? Don't worry. Our credit is good, we can raise the cash for you and we can get it all back simply by lowering the taxes on the inhabitants of S.I. So everybody will be happy and another great bicentennial celebration may take place in 1976 - restoration of this island to its rightful owners, New Jersey.

Very truly,
New Jersey Resident

DRAW YOUR OWN CONCLUSIONS

"In 1915, a phone call from San Francisco to New York cost \$20; today it costs only \$1.36 plus tax. In 1915, \$20 would have mailed 1,000 letters; today it mails only 200. Private enterprise runs the telephone companies; the government runs the postal service."

"A New Orleans bakery chain protested legislation that would prohibit the use of food stamps in outlets like his. They situation was looked into and it was discovered that over the Mother's Day weekend, the New Orleans chain took in more than \$10,000 in food stamps mostly for cake purchases. On several occasions, the stores baked elaborate wedding cakes for people who bought them with food stamps."

"Philadelphia Mayor Frank Rizzo has formally asked President Ford to send 15,000 Army troops armed with pistols to 'help deter and defuse' the violence which may occur in the city on the 4th of July weekend."

Quotes from HUMAN EVENTS

From: FOURTH OF JULY ORATION IS IT TOO SOON to hope that it

may be the mission of this Republic to unite all nations of English speech - whether they grow beneath the Northern Star or Southern Cross - in a league which by insuring justice; promoting peace; and liberating commerce; will be the forerunner of a world-wide federation that will make war the possibility of a past age and turn to works of usefulness the enormous forces now dedicated to destruction.

HENRY GEORGE - San Francisco
1877