

The Baroque



"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 #149

M A R C H 1 9 7 1

"ONE WAY TO BETTER CITIES"

This award-winning documentary film will be shown at East Orange headquarters of the school on Thur. March 4th at 8 p.m.; followed by an open discussion on the subject "How to Rescue Our Decaying Cities."

Readers of the GARGOYLE who have not as yet seen this film, should if at all possible do so. Please tell others or better still, invite them to come with you on March 4th.

Wise government may lighten the lot of men, it can never make it more than tolerable for the great majority.

H. J. C. Grierson

SPRING TERM BASIC COURSE

Will open at East Orange headquarters on Thursday March 18th 8 PM. Please inform any you believe may be interested.

Spencer Heath's utopia was pre-Norman England, where, as his researches did much to prove, free men paid rent for productive land instead of taxes to unproductive politicians.

Spencer T. MacCallum

Taxes, by all levels of government has grown from less than 5¢ per dollar of personal income prior to the Civil War to 42¢ in 1970.

Ben Morell

GOVERNMENT TAKES CARE OF US FROM CRADLE TO GRAVE

"The farmer rises in the morning and draws on his pantaloons taxed 40% and his boots taxed 30%, striking a light with a match taxed 200% and so on following him through the day and through life, until killed by taxation, he is lowered into the grave with a rope taxed 45%."

Henry George - PROGRESS & POVERTY

"Sydney Smith's description of the career of a schoolboy who whips his taxed top, who rides as a youth on a taxed horse with a taxed bridle along a taxed road and who dies at last, in a bed taxed 22%, after taking his last drop of medicine, taxed 7%, in a spoon taxed at 15%; his virtues are handed down to posterity upon taxed marble; and he is gathered to his fathers -- to be taxed no more."

Billy Dee Cook; Wisconsin Circuit-
Breaker Plan

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This article will, I suppose, be an answer to the article written by Oscar B. Johannsen in the February issue of THE GARGOYLE. As a state officer of the Young Americans for Freedom, I feel compelled to speak out on what YAF really stands for.

I cannot understand how Mr. Johannsen came to the conclusion that YAF has taken "a neutral position on such an obvious violation of individual freedom as conscription, "or that the "liberals" are "in the forefront for individual rights, such as...opposition to conscription." Senator Barry Goldwater, a National Advisory Board member of YAF since its founding in 1960, came out for an end to the draft when he ran for President in 1964. The last time he sponsored an amendment to a military appropriations bill that would have created the machinery to implement the Gates Commission recommendations to end the draft, Senators Bayh, Kennedy, McCarthy and Muskie, "liberals" all, voted "Nyet!" Senators Humphrey and Kennedy have endorsed the concept of "universal national service," otherwise known as slavery. Meanwhile, William F. Buckley, Jr., Russell Kirk and Governor Ronald Reagan, as well as other National Advisory Board members of YAF, have fought for the replacement of the draft with a volunteer military.

YAF itself, as an organization, has done more to promote the volunteer military than any other group. The volunteer military is a top-priority program in the YAF Freedom Offensive, and was endorsed by 72% of YAF's chapters nation-wide. YAF continually sponsors symposia, debates, etc., on this important issue.

I've been a member of YAF for five years and the group has never "taken a position similar to Herbert Spencer's" in all that time. Spencer's ideas, it will be recalled, came under severe attack from Henry George himself. Spencer favored laissez-faire, a position never endorsed by YAF. For the benefit of these political and economic theorists who tend to confuse laissez-faire, the doctrine of passive government, with libertarianism, the doctrine of maximum liberty for all, let me point out that there is, indeed, a distinction. YAF is a libertarian organization, and we realize that if liberty is to be preserved and extended, government cannot merely let natural forces play. We favor a guided market economy, with government's role restricted to leading in the mobilization of the full and voluntary resources of the people in the solution of the nation's social ills. This is accomplished through tax credits, write-offs and similar incentives, including land-value taxa-

ation. At YAF's tenth anniversary celebration at Sharon, Conn., last year, many of the speakers spoke glowingly of the possibilities of putting Henry George's ideas to work in rejuvenating urban areas. George recognized that his ideas and laissez-faire are incompatible; why don't we? The so-called "Radical Right" that Mr. Johannsen has such high hopes for have already made their choice: laissez-faire, not Georgism.

These people, who call themselves "libertarians," have carried laissez-faire to its logical conclusion. The mere existence of a government is an interference with their concept of a "free market," so they endorse anarchy. Taxation likewise is simply a matter of coercion to them, so they oppose all taxation.

I believe that rational libertarianism must include the concept of limited constitutional government. To advocate anarchy instead is to make the concepts of liberty and capitalism meaningless; neither is possible without limited government. It is erroneous to say that taxation is based on coercion, since taxes are collected, like dues, only from those who voluntarily "join the club," either by declaring citizenship or by residing within a given nation long enough to become a de facto citizen and reap the benefits thereof. Anyone not finding the reward of citizenship worth the "dues" (taxes) is free to emigrate and try another government or to seek a remote spot where no government has jurisdiction. Only when borders are sealed and emigration is forbidden can taxation be identified as an invasion of liberty.

In short, I find it doubtful if Mr. Johannsen has analyzed the full implications of endorsing the phony "libertarians" of the "Radical Right" and downgrading YAF, an organization dedicated to bringing about the type of society envisioned by Henry George.

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Editorial Note: Thank you, C. William George. Mr. Johannsen states he has no intention of "downgrading YAF" he is in accord with the objective of the Young Americans for Freedom.

POVERTY & PROGRESS

"Two men were discussing the rate of taxes and government waste of money. Just then a school bus passed them. 'See what I mean?' exclaimed one. 'When I was a boy we walked three miles to school and three miles back home each day. Now we spend \$5,000 for a bus to pick up the children so they don't have to walk. Then we spend \$50,000 for a gymnasium so they can exercise.'" From the Hartford (Wis.) TIMES PRESS - reprinted in HUMAN EVENTS.

The Individual - Always the Individual

Now, that it is claimed the President has stated he has become a Keynesian, it might not be amiss to point out the essential difference between Keynesian and neo-Keynesian and Georgism.

Keynesianism centers around the State. Georgism centers around the individual. It is somewhat analogous to the difference between the Ptolemaic and the Copernican systems of astronomy. In the Ptolemaic system the center of reference is the earth, whereas in the Copernican system it is the sun. In this physical analogy neither system is the "true" one. It is merely that the Copernican system leads to simpler formulae describing the motions of the planets.

In the case of Keynesianism vs. Georgism a neutral person might claim that neither is the "true" one. However, as a value judgment certainly the Georgist will claim his is.

Attempts are constantly being made to modernize George's concepts. This is all to the good for after all we stand on George's shoulders. It is for us to correct his errors just as it is for those who come after us to correct ours. But if Keynes' ideas are to be grafted onto George's, it must be clearly understood what is being attempted. It is similar to trying to graft the Ptolemaic system on Copernican. It may well be that now that we have the computer, some problems in astronomy may yield better results by using Ptolemy's concepts. Similarly, if one is trying to describe the economic behavior of man en masse, it may be that some of the techniques of the Keynesians may yield more fruitful answers. For example, in the field of marketing, as a salesmanager seeks to plan a nationwide sales campaign, such techniques may give them the information they seek.

But Georgists are not concerned with such problems. Their main concern is the establishment of conditions of justice under which the individual may utilize his capacities to the fullest extent he so desires. All institutions as Government which may wisely or unwisely create are for the purpose of enhancing the possibilities that the individual can attain the ends he seeks. The only qualification on the individual is that he does not interfere with the equal rights of another individual to attain his ends.

It is questionable, therefore, just how much grafting of Keynesian theory on Georgism can help in furthering the interests of the individual. One

might be inclined to say none, but such a dogmatic attitude ill befits those seeking to be reasonable in their approach to social problems.

The school of modern economic thought which probably most closely approximates Georgism is the Austrian School. That school appears to center its philosophy on the individual also. Some of its devotees might favor more governmental action than Georgists, some a lot less. But essentially it is an individualistic school of thought, and as such has much to offer Georgists, just as Georgists have much to offer to it.

It would appear, then, if there is to be any adaptation of modern economic thought to Georgist concepts it is the Austrian school to whom Georgists should look, not the Keynesian. Unfortunately, most academic economic thinking has been of the Keynesian variety in the United States, so many are unaware of the Austrian School or have little understanding of its philosophical orientation. Georgists should take the time and trouble to become acquainted with it. The path it is on and the direction in which it is moving is toward furthering the rights of the individual, and it must never be forgotten it is the individual and only the individual who is important.

Oscar B. Johansen

SALT OF THE EARTH

Now that bowling alleys are becoming increasingly popular, women have switched from needles to pins.

Son: Dad, one of my college chums owes me \$50. and won't pay. I need the money but can't get him to pay up as I have no proof in writing of the loan.

Dad: Send him anote and ask for the \$100. he owes you. When he writes back that he only owes you \$50. you'll have it in writing.

Sign in bank: "We have temperamental money. It wants to be a loan."

Reporter: "Sir, you now have reached your hundredth birthday. To what do you attribute your longevity?"

Old gentleman: "That's easy. The main thing was I just never stopped breathing."

Nothing can replace the American dollar---and it practically has.

Mother: Do you know what happens to little boys who tell lies?
Son: Yes, mom, they travel for half-fare.

Definition of an Economist: A man who reports that Jones is having a hard time keeping up with himself.

THE LIGHT THAT FAILED

Nowhere has the practical application of socialism ever matched its dream. Where socialism has failed to achieve its ideals the blame has been put on everything but the nature of socialism itself. Foreign enemies, traitors at home, bad harvests, maladministration have each in turn been blamed. With high hopes, governments of revolutionary movements, once victory has been secured, have tried to lead their countries to prosperity. Many have become corrupt in the process, while others have become so preoccupied with maintaining their power and fighting battles against rival factions and counter-revolutionaries, that time, money and effort have been dissipated--hindering not advancing prosperity. But even where governments have had the complete support of the people, socialism has brought disappointment, frustration, bitterness and disillusion. The only wonder is that people anywhere maintain any faith in socialism at all. But perhaps after all one should not wonder, for what is the alternative to socialism? Few victims of socialism would prefer to be the victims of an oppressive landlord class as were many of their fathers or grandfathers, yet to them this is the only alternative.

It is essential in any system of government that the people's self-interest and self-respect be harnessed. Otherwise property will decline, not grow. Government directives and government planning in the economy together with high taxation operates against self-interest and self-respect even where there exists a residue of free market practice. A free economy, low taxation, and the abolition of legal privileges on the contrary engender self-respect and harness for the good of the community the self-interest of all individuals. Economic self-interest has nothing whatever to do with selfishness in spite of socialistic twistings of Adam Smith's famous dictum. Selfishness can be fostered or discouraged by economic conditions; economic self-interest is a universal law.

Dealing with the problems of exploitation and of taxation need not involve conflict with the nature of man. Exploitation can be removed by the simple process of revoking the legal privileges--licenses, monopolies, cartels, protection, subsidies, etc.--which allow some men to live at the expense of others. The problem of taxation can best be dealt with not by taxing the fruits of men's labor or the earnings of capital, but by deriving required revenues from the passive source of wealth--land. Such revenues should perhaps not be regarded as a tax at all but rather as a payment to the state for the privilege of exclusive use of natural resources, whether for the extraction of min-

erals or as sites for the promotion of industry and trade or for any other purpose. This would bring to mankind the ideals of socialism without the trappings, disincentives and oppression which invariably accompany its practice.

Perhaps the greatest barrier to the acceptance of this way out is the fact that it means accepting free enterprise. But so closely has free enterprise been linked with exploitation, slums, unemployment, poverty, etc., that it is not surprising that it is dismissed in whatever context it is found.

Perhaps with the repeated failures of socialism, men will eventually turn their minds to the only real alternative, but we need to re-define free enterprise so that it no longer means what many defenders of the status quo mean--monopolies, cartels, government privileges, protectionism--in short corrupt laissez faire, but the real free enterprise that can come only if we free land, free trade and free men.

Extracted from Editorial
LAND & LIBERTY - London

"PROGRESS AND POVERTY ...

While no one has ever confused the Office of Economic Opportunity with Goody Two-Shoes and Pollyanna, a recent report by that agency on the national incidence of poverty makes pretty reading for those who are eating regularly. For that decreased minority who don't, it doesn't mean a thing. However, it is nice to know that poverty, by Federal definition, has dropped in New Jersey from 11.3 per cent to 6.2% of the population in the last decade."

RELEASE - Newark State College

The Continental Congress held one large asset. The Western territory - everything from the Appalachians to the Mississippi - had been turned over to Congress by the states.

Nearly all the schemes for financing the government, and for liquidating the public debt, revolved around this western land. It is interesting to reflect that if the government had held it - the entire expense of the national budget could have been met from its rentals.

In some cities they tear down buildings to save taxes. They might try tearing down some taxes to save buildings.

"The American public is so authority conscious that it will readily accept from a person prominent in one subject views on other matters of which he knows nothing."

Franz E. Winkler