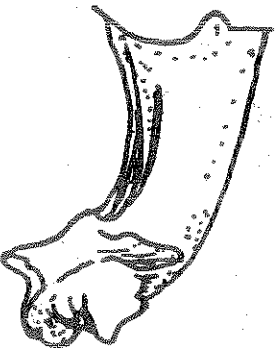


The Barquople



"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

No. 81

MAY 1964

Having your father take care of you is

PATERNALISM.

Having your mother take care of you is

MATERNALISM.

Having your relatives take care of you is

NEPOTISM.

Having Uncle Sam take care of you is

SOCIALISM.

Compulsory social security is

COMMUNISM

Compulsory individual security is

SELFISH.

Freedom of enterprise is

UNIVERSALISM

Taking care of yourself is

AMERICANISM.

Sydney Houston

Courtesy - G. SZNAK, Universal

Economics Foundation - New York

It could have been Henry George ... Yes, it could have been Henry George who said: "since wages and salaries have not kept pace with land prices, more and more Americans are paying more and more of their income for the privilege of living on earth."

This statement -- backed by abundant evidence--appears in Fortune magazine, as part of a nationwide survey. Then comes what the editors regard as "perhaps the most important point" to emerge from the study: "...in most of the areas there are growing local demands for higher taxes on land. The usual proposal is that land be taxed on its fair market value, with an accompanying reduction of taxes on buildings and improvements."... Doors that were closed are beginning to open. A.Pleydell, Pres. Robt.Schalckenbach Found.

Law is force, resting upon policemen, judges, jails, and gallows. Therefore, law is justified only where force is justified. Force is justified only defensively, to protect person and property, and for no other purpose. Therefore, law is justified only defensively, to protect person and property, and for no other reason.

Force is not justified to compel one man to turn over his pocketbook, or any part of it, to another (that is highway robbery) or to compel one man to contribute to the causes favored by another, however apparently stupid the one of sophisticated the other. Therefore, law is not justified for any such purpose.

The Constitution of the United States, guarantees no one any security except that which he can obtain by his own efforts.

Patrotic and well-meaning friends, tell me that no man can be elected to office who does not compromise his principles and offer at least enough government bounty to swing a majority of the voters in his district.

If that is true we are hopelessly lost. But I do not believe that for a moment. Gentlemen, if you, and others like you, will stop lollygagging complacently on your expanding posteriors, and galvanize into action, this country can be saved from the gathering darkness of Socialist night. If you get busy soon enough. Sydney Houston

HENRY GEORGE SCHOOL of NEW JERSEY
78 Clinton Avenue, Newark 14, N.J.
MA 3-9333, John T. Tetley, Director

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New York 21, N. Y.

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"TEA LOTS"

Many people are familiar with "Free Acres" New Jersey, the "single tax" enclave established by Bonton Hall. The area is within the confines of the community of Berkley Heights - and, to put it mildly, has caused consternation to that township. Few however are familiar with another headache wished upon that beautiful little town in the Watchung Mountains.

It seems that a sales promoter for a New England tea company back in 1902 conceived of a unique method for selling beverage. With every purchase of one pound of tea, a lot measuring 25 x 60 was given free. 431 such lots comprising 14.08 acres were involved. It is currently reported the land is without buildings or even markers. The township is endeavoring to purchase the last eight parcels, comprising 12,000 square feet, which cannot be built upon because zoning restrictions limit the use to one-family homes on a minimum 15,000 square foot lots.

In 1961 Berkley Heights began to acquire the "tea lots" which they did not already own for the purpose of preserving the land for recreation purposes. Most of the lots over the years were acquired through tax foreclosures.

Mr. Al Searles, a trustee of the HCS-MJ resident of Summit, adjoining Berkley Heights, states the tea lots became famous as offering a nightmare for any lawyer attempting to clear the title on these tiny patches of land. Searles asks - "What would Henry George say if he could drop in on us and learn the crazy things that now apply to land: sites boxed in, sky-scrapers on leased land, tiny patches used as bait, zoning restrictions (a) to control quality of homes, or (b) to minimize school population, etc.?"

Well, my guess is George would frown upon "Free Acres", "Tea Lots" and most of the other palliatives in being and proposed. He spelled out for us a solution of the land problem to which no valid fallacy, nor better proposal has ever been set forth. If the time, funds, and effort spent in trying "everything else" were devoted to proving George's solution will work - what a different world this would be.

John T. Tetley

REVOLT AGAINST NATURE'S ECONOMIC LAWS

The political and social policies practiced in the American economy since World War II constitute a futile and costly revolt against Nature, as politicians vie with each other in appealing to the human impulse to avoid work and the spreading determination to get something for nothing.

The futility of violating Nature's economic laws will be dramatically demonstrated in the Hall of Free Enterprise at the New York World's Fair.

The American Economic Foundation

Portland, Oregon - March 2, 1964

Hon. Maurine Neuberger,
Senate Office Bldg.,
Washington, D.C.

Dear Senator:

News media say that you were the only member of the Oregon Congressional Delegation who voted against the recently enacted Federal Tax cut. It would be of great interest to us to be made aware of your reasons for this.

Yours faithfully,

Tax Payers Digest
Erik S. Hansch

United States Senate
Washington, D. C. March 9, 1964.

Dear Mr. Hansch:

I voted against the recent tax revision bill for two major reasons. First, the legislation had little in the way of reform or loophole closing. Second, I believe that the resultant reduction in Federal revenues will be used as an excuse for sidetracking many of the beneficial basic social welfare and education programs needed by Americans.

For instance, I fear that the anti-poverty campaign will be blocked on the grounds that we are too poor to undertake such an effort.

With best wishes, I am

Maurine B. Neuberger
United States Senator

* * * * *

* AFTERNOON MEETING

* Those who attended the afternoon meeting at school headquarters on April 9th found it so interesting they decided to meet again on Thursday afternoon, May 7th at 2 o'clock. Anyone having free time in the afternoon is most cordially invited to come to 78 Clinton Ave. Newark for mental stimulation - an opportunity to discuss current problems and spend an enjoyable couple of hours.

* * * * *

VACATION BONUS

I'm beginning to like that guy Walter Reuther. Now he comes up with the idea that we should be paid more for vacation than we get for working. And his reasoning is infallible - "vacations cost money"

Now the Government should follow thru and make vacation bonus free from income tax. Why not - then people on vacation will have more to spend on travel, lodging, meals, souvenirs, etc. - all of which are taxed - and think of all the taxable employment which will be created. Surely nobody can object to Walter's newest proposal.

TRULY AN INTERNATIONAL CONFERENCE

New York - Aug. 30 - Sept. 5th

From several European countries, from Canada, Jamaica and other countries will come those interested in Land Value Taxation and Free Trade. Never has there been this opportunity to meet and talk with so many kindred souls. Therefore - you should plan to take in all or part of the joint Henry George School Conference at the Henry Hudson Hotel, West 57th Street, New York.

A few of the Program items -

Demand for Land Reform Great Britain
Free Trade and Free Countries
The German Building Land Tax
Land Reform in Hawaii
Progress Reports of the Schools
and affiliated organizations.

Plan your 1964 vacation to include this great conference.

FROM CANADA

"The Canadian Research Committee on Taxation is a non-profit, non-political organization. Its purpose is to study methods of taxation at all levels of government to promote a constructive taxation policy, a public revenue program which creates employment and fosters the economic well-being of the Canadian people."

This is an Alumni group of the Henry George School of Montreal. It is applying for a federal charter and has a Western Canada division. It is anticipated the organization will soon be nationwide.

It has submitted an excellent report to Quebec's Royal Commission on Taxation. This report goes beyond proposing site-value taxation in communities and outlines method to obtain public revenue from forests and underground resources.

Interesting statements contained in the report - in the State of Texas, oil royalties collected by private individuals exceed by several times the State's budget. And the royalties on oil production in Alberta...are collected for government use under a law dating from 1877. It is said that nowhere in the world is there a more orderly and less wasteful development of oil fields than in Alberta. Development is by private capital...since 1947 more than one billion dollars has been derived by the Province.

Commenting upon inheritance taxes, the report states "It is unfair that the State which has benefitted by his economic activity during his lifetime, pursues him in the grave in order to get more revenue from him."

The report concludes: "Which of the two sources of Public Revenue must we draw on, or draw on first to provide

income for the government - 1. Rent of Land, which is natural public revenue, or 2. Wage reward of human effort which is natural private income? This is the issue on which your Royal Commission must pass judgement.

The supremely important issue today is the choice of a source of public revenue that will promote economic justice, free enterprise and individual liberty.

IRAN'S LAND REFORM

The land reform program of Iran which has been run from the top down, with the ruler of the country, the Shah, the moving figure is heading into trouble.

It is now in what is known as the second stage. The first stage was to force all landlords who owned more than one village to divest themselves of all but one village. The result was that 8,836 villages worth the equivalent of \$63 million were purchased from the major landlords. 270,126 households now own land as a result. This phase of the reform was the easiest to accomplish for it is a lot easier to force wealthy landlords with immense estates to give up part of their land than it is to force small landlords, who depend on the land for a living.

The government now finds it must deal with 100,000 landlords who own a village or less, but enough to maintain the landlord-peasant relationship which the Government has ruled must go. Many of these landlords work the land and stand to lose 50% or maybe all their income under the reform. To uproot them might cause a rebellion. These landlords are really small farmers and 63% of the land is in their hands.

Under the law, these farmers have three alternatives: Sell their land to the peasants thru the government; lease it to peasants for long terms; or divide the land, giving each peasant the field he had been tending as a sharecropper.

But these alternatives are not workable for the reform will result in many of the small holders becoming destitute themselves. Reformers are beginning to realize there is more to land reform than taking land from the wealthy and giving it to the poor. Right now the peasants have been convinced that it is their right to own land, but they still have not been convinced that responsibilities are attached to ownership, so their use of the land has not been very efficient.

The second stage is now at a standstill until the reformers can think up a new plan which will not destroy these independent farmers.

This is merely another example of the truism that the best means of instituting a reform is the right one. The right

one is not to divide up the land into small plots, but to collect the economic rent. Under this method, land holdings will be large or small as is economically sound, and those with the knowledge and skill will administer the land so production will tend to a maximum.

Now, however, as Iran has not only 100,000 small landlords, but has added these 270,126 householders, most of whom are probably uneducated, it will have an extremely difficult time instituting a land-value tax program, for it will have all this additional opposition.

A dozen copies of "Progress & Poverty" sent to the proper people in Iran would give them the correct idea of how to reform the system of land tenure so that the reform will be a lasting one in which all will benefit.

Oscar B. Johannsen

SINSE & NONSENSE

The New York Times reports that the eel-fishing rights in Lough Neagh, the British Isles' biggest freshwater lake, which is about 30-miles from Belfast, Ireland, is stirring up a hornets' nest.

The eels from this lake are so tasty that they account for 90% of the eels sold in the fish market in London, and provide a livelihood for 150 fishermen.

A problem arose when Toome Eel Fisheries, Ltd. claimed it had exclusive fishing rights based on a lease from landholders whose title can be traced to a grant by Charles II in 1661. The fishermen claim that the public has a right to fish in the lough, that Charles II had no right to make the grant as the Crown was not entitled to the lough prior to 1661.

The company has gone to court to enforce its position as the exclusiveurchaser of the eels caught by the fishermen. Some of them, who felt the company's prices were too low, had sold them elsewhere. The company reacted by obtaining an injunction preventing the fishermen from taking eels without permission and barring competing merchants from buying the "poached" eels.

The amount of money is not great in these days of billions. The wholesale value of eels exported from the region in 1962 was \$378,000, and the fishermen received \$252,000 of it.

But, we have here the age-old monopoly of the ownership of the land. It is ridiculous that men today should be deprived of obtaining as much as they can for their labor because of some grant from the corrupt court of Charles II over 300 years ago. If some visitor from another planet were to listen to the legal arguments he would think we were out of our minds bothering about what was done 300 years ago. But not modern man. He is so imbued with the belief in the sacred

right of property in land that he cannot see the absurdity of it all. This litigation will probably wind up in the House of Lords, Britain's highest court. Whether the fishermen will win out is anyone's guess, but with socialism so rife in England, it may be that some compromise will be worked out.

Does employment depend on access to the earth? Ask these fishermen.

You know, if the war on poverty program of the Government is run as the agricultural program is conducted where they pay you for not producing, it won't be long before the government will pay people for not being poor.

A recent essay in Reader's Digest stated that "Today, no one has to take any responsibility. The psychiatrists, the sociologists, the novelists, the playwrights have seen to that. Nobody really is to blame for what he does. It's society. It's Environment, it's a Broken Home. It's an Underprivileged Area. But it's hardly ever you."

Did you know that in some cities they tear down buildings to save taxes. Georgists would like cities to tear down building taxes to save buildings.

Cuba is certainly an international country. It has its capitol in Havana, its government in Moscow, and its population in Miami.

A businessman who is a real believer in free enterprise has this sign in his personnel office for job applicants. "Our company has abundant fringe benefits: Clean drinking water, ample overhead lighting, smoking privileges, and the right to quit if you don't like it."

SALT OF THE EARTH

A computer has been invented that is so human it blames its mistakes on another computer.

Restaurant sign: Pies like mother used to make before she took up bridge and cigaets.

The man who has money to burn soon finds someone with a match for it.

Daffynitions

Liberal: A fellow so insistent on individual freedom that he wants to set up a government bureau to license it.

Education: Learning a lot about how little you know.

Sick pay: Ill-gotten gains.

Library: A place where the dead live.

Bigot: Someone who doesn't agree with me.

Talking: Occupational disease of women.

Tears: A good-by product.

Teeth: Grind organs.

Telephone: A device by which personal conversations can be interrupted from long distance.

Why do men compete for jobs when jobs should compete for men? What do we do wrong? Why the unreasoning fear of lack of jobs for all willing and able to work? To get the answer take the free course offered by the Henry George School. Write for information, 818 Olive St., St. Louis 1, Missouri; or telephone GA 1-5630

ST. LOUIS ARGUS, FRI., JUNE 21, 1963

Key Question

To The Editor:

Few question that jobs for all willing and able to work is a key question. More and better jobs where men can work and give an honest day's contribution to the common production of the country can mean the solution, certainly a mitigation, of many social—and political—problems.

Some may, on impulse, consider it silly that a vital question is this: Where do jobs come from? When so many seem to believe they come from Washington, D. C., or that Capital gives jobs, the question may not seem so odd. But a few concepts are important. Jobs begin in the wants of man, basically for food, clothing and shelter — then for other things, although some people get too many "other things" ahead of those of first importance. Men hunger, needs clothing and shelter and exerts human effort to satisfy these needs. Even when we form government to do certain things for us, it is man that employs government personnel from the President on down; it is people that gives these jobs. The hard fact is we hire each other; we work for each other, we, the people, are both employers and employees.

Another hard common sense facts must be considered. One, human wants, quantity, quality and variety of products and services considered, are without limit. This means, that, unless—and its a big "unless"—today—we do things which prevent people from working at jobs to satisfy their own wants and needs, there is a potential of more jobs than men to fill them at all times. This is the natural fact—not a man-made opinion. And another hard common sense fact presses on us. Unemployment has never resulted from a lack of wants of people nor because of a lack of land space on which to work and land from which, or on which, we can extract, raise or rear the material or matter essential to the production of products and services, the latter getting more and more important in our economy. But the existence of land space and natural resources is one thing, and having access to them is quite another. It is a sad-sack fact that few people, even those who have had benefit of higher

education, seem even slightly aware of this problem; for this problem is hidden by buildings—even if many are slummy types—and what we see going on on the land. Millions of sites and areas of land are held out of use, or put to poor use (slums and the like) because there is lacking an incentive to use the land, or a push of some sort which says to people who hold land and will not (or cannot) put it to use, "Look, use it and use it well, or get out of the way." "Dog in the manger" land holders harm—they do not serve—mankind or God. And this is done by a tax structure tortured and twisted by those who make—pardon, who get — money merely by possession of title to land; they need not spin or toil. One block of land in St. Louis will produce for 99 years \$28,000 a year for merely stepping aside and allowing the use of this land by investors willing to put up the building; they pay this rent and they pay whatever taxes are levied on the land, too. And land these title holders need not add one stitch of a sewing machine to make clothes, but they have the finest; they need not add one grain of wheat, one pound of meat, one bolt on an automobile, yet they can draw forth all such things from the common stock made by others, for generations of time. But many believe the damage they do in prevention of production and in adding tax-costs to productions of the people by this scheme is vastly more in dollars and cents than what they take out of production as RENT-of-land; and this is true.

There are complaints about unemployment; about discrimination which does exist and which is being corrected far too slowly. But there are few if any complaints about scarce jobs, both for common and, in some areas, skilled labor which is due to our failure as citizens — even where all have the power of voting—due to socially bad economic policy. The economists seemingly do not know this or they avoid the question. Men of all groups are forced to compete for scarce jobs which should be plentiful; they are compelled in the name of justice to demand fair employment practices but seemingly not to complain about unjust job-killing economic practices of the

"Citizens as a whole who permit this situation. The demand is that jobs be taken from some to give to others, as things are now, and we know had there been more justice in our economic manners there would be a different sharing of unemployment as well as jobs. But here the point is why not have many more jobs emerging from the wants of the people so that jobs compete for men and men do not have to compete for obs, certainly as seriously, or men do not have to restrict jobs to a select few, for their own economic protection, they say, as they do now.

True, modern techniques, demand more educated workers. There is a gap between demand of men with certain skills and men who can provide these skills; but, properly handled, there could be many more jobs at good wages unskilled people could do and well.

The key to the solution is to reverse the way our tax system takes money fro people. People get money as wages, interest and RENT-of-land; most of them get it as wages. By use of the sales, gas, use excises, taxes on improvements and personal property income taxes and the like—non-land-value taxes—the bulk of the burden of government support has been shifted to those who live primarily from wages and interest to benefit title holders of land, as such. This must be reversed if we are to have more jobs for both skilled and unskilled and for all members of the "human bouquet" of people God has said shall own and inherit the earth. We must see how foolish it is to use improvements and improving property as a basis of taxation; we must see how foolish it is to tax-whip people for taking care of themselves; we must see how foolish it is to reduce taxes on property value in land, the great bulk of which is not held by property owners, home owners or small farm owners, who live by use of capital and their work.

"Where there is no vision, the people perish," says the Bible; and, how true this is! Here is the real key to the unemployment problem; more obs to share, no sharing less and less jobs.

Noah D. Alper, Director,
Henry George School,

Slums, Rent Gouging And High Land Costs

"Builders are plagued by rising land costs." That report, carried in Fortune, the \$1.25-a-copy magazine of the business world, pinpointed an acute problem that has received growing attention in many publications lately.

"Many builders are demanding laws that would impose taxes on unimproved land, and so force speculators holding the land to disgorge it," Fortune continues in one of a series of articles on real estate markets. "Some of the builders have come a long way toward the 'single tax' ideas propounded by Henry George in Progress and Poverty." (George proposed shifting the tax burden to land instead of penalizing improvements, as is the case now.)

"Builders' preoccupation with land costs is understandable," Fortune continues. **"The proportion of land cost in the average cost of a house rose from 10 per cent in 1950 to 23 per cent in 1962."**

* * * * *

On another front, a Denver Post editorial says "land costs have gone into the stratosphere" and as a result, "rents and sale prices of houses have shot up." Accompanying this development, the Post said, has been a change in the complexion of cities from predominantly middle income environments to extreme combinations of "the very rich and the very poor."

In New York City, the Post adds, "the problem is staggering." It points out that new apartments rent from \$60 a month per room "up to \$200 and more per room."

"At the other end of the scale," it declares, "are the old, battered buildings where Negroes, Puerto Ricans and other poor cluster. **These buildings rent out their rooms at \$60 to \$75 per month" and single rooms are often "jammed with half a dozen people."**

* * * * *

Similarly, an Esquire Magazine article cites "Patterns of Decay" in six major cities—New York, Chicago, Los Angeles, Houston, Atlanta and Washington, D. C. In those cities, the article says, new slums are in the making as speculators, "in the quest of a fast buck," put up cheap apartments and houses—and sell them at high prices. Also, Esquire declares that slumlords "like to keep their property run down, so that eventually it will be condemned by the government and bought for clearance at a tidy profit"—to the slum owners.

Meantime, in Chicago, the annual Land Values Blue Book reveals that just in the past year land prices have shot up 10 to 20 per cent. At that rate, land costs double each five to 10 years.

Many other recent editorials and articles spotlight the situation in blighted areas where "slumlords" refuse to maintain properties in decent conditions. The Washington Post, in an article, cited as an example the

property of one slumlord in the nation's capital that "is returning an annual revenue more than one-third of its original cost."

As long as slums remain that profitable, they will continue to grow despite subsidized urban renewal programs—unless something also is done about increasing land taxes and reducing taxes on improvements. Such an approach, many contend, would take the profit out of slums and provide a powerful lever on owners of blighted areas to tear them down and build anew.

Natural Public Revenue Is Based on a Sound Business Principle

Most Americans are familiar with payments made for the use of space. The most common space payments are for use of residential, hotel, office, factory, store and storage space. Others are for advertising space, travel accommodations and seats in places of entertainment. People rent display space in everything from carnivals to art galleries. Even air space is rented over radio and television channels. Some very large buildings have been built on leased air space over rail and terminal right-of-ways.

Newspapers and magazines sell advertising space. The space is made more valuable by news items, feature articles, editorials, sports, comic and financial sections, all of which attract more readers. It is sold (rented) at a price which takes into consideration the number of readers the advertiser can expect to reach.

The value of space in an office, factory, warehouse, or mart building is very similar to the value of ground areas on which people build their communities. These buildings have heat, light, power, water and air-conditioning. They offer such fire, policing, and sanitary services as are warranted. These buildings are swept and cleaned as are city streets, and like cities, they have their own form of transportation, the elevators. For all this space and services one single charge is made, usually calculated on a square foot basis, with higher charges being made for the best exposure and convenience.

Subject to health and safety regulations, the tenant and title holder are free to decide how they will use the space and services they have contracted for in private industry. But whether or not they make the best use of this space, or whether they make or lose money, good business practice demands that the space charge be fully paid at the market price.

In hundreds of millions of yearly contracts for purchase or rental of space this same principle prevails; indeed the idea of payments based on "ability to pay" would be unacceptable to all parties to the contracts, with very few exceptions. The collection of RENT-of-land, or Natural Public Revenue, is based on exactly the same principle as the collection of payment for the use of any privately provided space with its attendant services. (However, there is this difference to remember: Land title-holders do not provide the services available to their land areas. The general public provides and pays for these.)

Only in the payment for space freely provided by nature and for services provided by government and private producers have we neglected to apply the principle of "pay for what you get."

Reprinted from: Let's Abolish Taxes and Use Natural Public Revenue, a Public Revenue Education Council pamphlet. (705 Olive Street, St. Louis 1, Missouri)