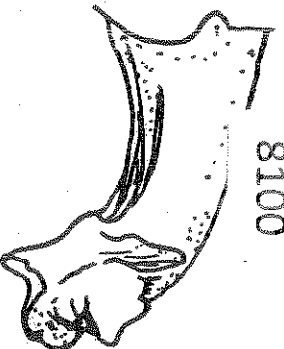


## Gargoyle



HENRY GEORGE SCHOOL OF NEW JERSEY

No. 54

SEPTEMBER 1961

THE GARGOYLE

is publication of The Henry George School of New Jersey. "Gargoyle" means a throat or spout and this paper permits spouting about what is going on particularly as regards the New Jersey school. It also affords opportunity for those who wish to spout their views on subjects believed to be of interest to readers. Why not spout?

TAX SEMINARS

As a result of showing of the film - LAND AND SPACE TO GROW, a considerable number of persons have indicated desire for five week Tax Seminar. It is expected seminars will be conducted starting this September in Hackensack, Edison, Metuchen, Elizabeth, Union, West Orange and Newark.

Bookings for the film have been made for organizations in Flemington, Hillside, Avenel, Irvington and tenatively for other communities.

SECURITIES & INVESTING

Part I of this course will be conducted at Newark headquarters by the Investors Information Program of the New York Stock Exchange on Tuesday evenings at 7:30 starting Sept. 19th. Part II (advanced) is scheduled for Thursday evenings starting Sept. 21st. Each part consists of 9 lectures and registration fee is \$5. or \$7.50 for couple. Please inform your friends--but stress immediate reservation must be made.

FUNDAMENTAL ECONOMICS

The basic course was given at Morristown last spring led by Paul Tweed. This was group formed as a result of showing LAND AND SPACE TO GROW. New Jersey readers of THE GARGOYLE will be doing a real service to the school if they will arrange for a showing of the film or inform headquarters of suggested persons to contact to arrange for a showing. Thus far Joe Pompeo holds the lead for lining them up. We are doing no newspaper or direct mail promotion for students this fall, but are relying entirely upon showing of the film to get study groups.

Following the five week tax seminar, a 5 week Economics seminar will be available. For those who wish to continue to learn, the following courses will be made available: Science of Political Economy

Money & Credit  
International Trade and  
Free Enterprise.

"TAXATION'S NEW FRONTIER"

is title of new book by Joseph S. Thompson President of the Henry George School of Social Science. Published September 1961 by Robert Schalkenbach Foundation - \$1.00 Mr. Thompson gives a fresh, modern, brief treatment to Henry George's proposal. A good book to have in your library.

Also recommended is "Henry George's 1886 Campaign" reprinted by the HGS NY - \$1.00 Both books may be borrowed from Newark school library or purchased thru School.

SHIFT OF TAXING TO LAND DEBATED

This is the headline on page one of the Real Estate section of THE NEW YORK TIMES Sunday August 6, 1961. Some quotes from it: "The property tax in the United States, described many years ago by a prominent land economist as 'the worst tax known in the civilized world' is being debated anew. The debate centers on proposals to shift real estate taxes from improvements on the land to the land itself. The proposal has been made by Mary Hanson, a Canadian land economist. (Vancouver, B.C.) The idea of the land tax stems directly from the writings of Henry George, the self-taught nineteenth century American economist who advocated the levy on land as a "single tax" to replace all other taxes.

"Despite the great popularity of George's ideas before the turn of the century, the single tax on land was never adopted. However the tax on land values alone, rather than on land and improvements, has been successfully applied in Australia and New Zealand, as well as in some parts of Western Canada. In Pittsburgh, another adaptation of this tax philosophy is applied. Miss Hanson contends that the controversy engendered by Henry George's single tax proposal has obscured objective studies of land taxes ever since.

"Miss Hanson's proposal has also been advocated by a group of economists, real estate operators, home builders and mortgage lenders. According to the professional magazine, HOUSE AND HOME, which interviewed them last year, the consensus of the group is that the only land price inflation can be prevented is to tax land more heavily.

"Another point of view was voiced recently by Lyle O. Fitch, former New York City Administrator in an address to a group of New Jersey planners stating 'tax reform must begin with the property tax.' "

## IS POLITICAL ECONOMY AMORAL?

Oscar B. Johannsen

Political economy is a science. Is it, therefore, amoral? The assumption underlying the physical sciences, as physics, chemistry, and astronomy, is that they are amoral, that is, they are outside the realm of ethical judgments. There is no question of right or wrong about the law of gravity, or the attraction and repulsion of electrical charges. Those phenomena just are.

That being the case, as political economy also is a science must we assume it is necessarily amoral and questions of right and wrong have no place in it? Now, it is true that natural laws control it, but it does not follow that no ethical judgments are involved. All phenomena are controlled by natural laws. The laws of justice are as much a part of nature as any physical laws. But justice has to do with ethics, with questions of right and wrong.

In exchanging wealth, what do we do? Ordinarily, there is an actual physical exchange of wealth, as when you barter a apple for an orange. In such cases each party physically hands to the other articles of wealth. But is that all that happens? No, for in the case of the apple and the orange, rights were also transferred. Each individual had a right to the article he exchanged. That right came from the fact that he is a human being. As such, he has a God-given right to live. In order to live, however, he has to have food, clothing and shelter. He can only obtain these things by expending his labor on the land. By so doing, he incorporates in these things his labor, his personality. They become his property because he has expended his effort to produce them in order to maintain his life. He has a right to life, and his right to the things he produces in order to maintain his life. (This right to property assumes he has made due recompense to his fellowman for the exclusive use of the land to which all have equal rights.)

Thus the apple and the orange are the property of the individuals who produced them, and when they exchanged them, they not only exchanged the fruit physically, but they gave to each other their respective rights to the fruit.

The mere fact that there had been the bartering of the apple for the orange would not mean that either of them had the right to do so. The fruit may have been stolen. In such a case, the fact that a physical exchange had been made would not constitute an exchange in an economic sense as no rights were exchanged, for neither party had any rights to the fruit.

All exchanges, of course, are not physical. If you sell your home, you cannot physically give it to the buyer.

What you do is to give your rights to the house to the buyer. In such cases, we go through elaborate procedures by means of legal documents, as title deeds, to attest to the fact that the rights are exchanged. Thus, we usually are aware that rights are involved, but this is true of all exchanges.

In the case of land, when we pay rent for it, actually we are paying for the right to the exclusive use of the land. Since all mankind have rights to every part of the land we must pay the rent to those who have rights to the land. When we pay it to the legal "owner", we are paying him for something to which he has no greater right than anyone else. We are paying wealth to him to which he is entitled only one part out of all the totality of mankind existing. If 2 billion people exist on the earth he is entitled to his one-two billionth share, but that is all. He is no more entitled to the rest of the rent, than is the man with a stolen apple entitled to whatever he sells it for.

Political economy is concerned with rights. Its whole foundation is rights, which is probably why arguments on aspects of it almost invariably wind up in appeals to justice, to what is right. In physics, scientists do not argue that the law of gravity is correct because it is a just law. In contrast, in political economy we are always appealing to justice to reinforce our belief in the correctness of the principles which we arrive at through pure reasoning. We can't help ourselves for the simple reason that the fundamental basis of political economy is an ethical one. Political economy is truly a moral science, not an amoral one.

### SENSE AND NONSENSE

Mr. Fertig of the World Telegram exposed the fact that Dr. Walter W. Heller, the Chairman of President Kennedy's Council of Economic Advisers, was one of a team of American economists who submitted a 446 page report, together with recommendations for action, for the recovery of West Germany in 1951. The recommendations apparently were the typical ones of inflation plus forced investment rather than sound money and incentives, such as a liberal depreciation allowance. Dr. Ludwig Erhard knew what would be the result of runaway inflation and refused to adopt them. The result was the miracle of Germany's recovery. And the report? Well that was classified as secret. Even when finally declassified no one could get a copy as the administration is apparently afraid of being embarrassed by this evidence that it picked such a poor economic adviser.

However, maybe it's not too bad. All we need do is to find out what Dr. Heller recommends and then do the opposite.

" " " " "

Confucius said, "In a country well governed, poverty is something to be ashamed of. In a country badly governed, wealth is something to be ashamed of."

President Kennedy said "For a city or a people to be free requires that they be given the opportunity, without economic, political or police pressure, to make their own choice and to live their own lives." A letter writer wants to know if in view of Newburgh's difficulties with New York State in putting into effect welfare reforms if Newburgh is free?

Newest definition of Washington which is going the rounds - "The place where brilliant minds assemble to pool willful ignorance with questionable logic to reach stupid conclusions."

The Wall Street Journal reports that W. Rathbone, head of Britain's National Union of Railwaymen said: "The financial inability of the industry to pay increased wages cannot be accepted as a reason for refusing a justifiable wage claim." He sounds like the typical American wife who can't see any reason why she can't have her milk stole merely because they can't afford it.

Laughter and tears are never far apart. Take, for instance, jokes about high taxes.

In 1959 a million American families moved into the \$10,000 a year income bracket. In that year 4,783,226 returns showed incomes exceeding \$10,000 compared with 3,825,422 the year before. However, that pleasure no doubt, was diminished somewhat for these million families for it meant they gave Uncle Sam at least 26% of their income contrasted with 20% for those with \$4,000 income and 22% for those between \$4,000 and \$8,000. Success is penalized, of course, but is it success or is it merely another proof of inflation is the question. Maybe if the New Frontier keeps up with its spending plans and no taxes, inflation will become so prevalent that all the American families will move into the \$10,000 and over bracket and \$50 and \$100 bills will be as common as \$5. and \$10 bills are now, and won't buy as much. At least we'll all think we're rich.

In Washington it is said that the New Frontier is out where the Waste begins.

America has always been considered to be the land of the free and the home of the brave. It is now known as the land of the freeloader and the home of the brave taxpayer.

#### OUR NEW PROGRAM

John T. Tetley, Director

A few years ago a famous comedienne on radio, each week began "The program will be different tonight." Then the same format was used week after week. The "program" or purpose of The Henry George School is different. The school founded by Oscar H. Geiger was organized to get groups of people together to study the great book written by Henry George--"Progress & Poverty. George presents in this book the possibility of a better life for all people. In developing the thesis, he

"simplified" economics - made it make sense and offered a practical solution to the basic problem of mankind.

Over the years, the Henry George School became an adult education institution specializing in Economics - particularly emphasizing Henry George's proposal. It is education in the "ideal" set forth by George and his proposal of the means to bring about that ideal, which is the real purpose and program of the school. The Henry George School is not just another adult school teaching economics and related subjects. If it were only that it is very doubtful it could continue year after year offering its services without charge - attracting the persons it does to contribute of time, effort and funds - to arouse the desire and the action to bring about the ideal which it has as its ultimate goal.

It has been difficult and expensive to attract people to the study of economics. In spite of the fact that the subject has been presented by this school in a most fascinating manner. Many, many persons who have attended the courses offered by the school have attested they not only enjoyed the study but found it most helpful. Not all who are exposed to the philosophy and ideal agree with the suggested method to bring it about - some persons have actually become hostile. Nevertheless the great truths revealed and the conviction that ultimately the ideal of a better life for all will prevail, encourage many to continue to engage in and support the educational work of the school.

How to reach people to spread the understanding of the ideal and the proposed method of reaching the goal has been my full time job since 1949. Even before I became Director of the W. J. School, I felt it might be more effective and less expensive to "assemble a group" within an organization such as a church, club or a business concern. I tried it and I know others also have tried it. From my own experience I did not meet with much success. I know that many times speakers have appeared before organizations and aroused interest in "Economics". Some individuals indicated an interest to participate in an economics class - very few actually did. Some organizations before whom speakers appeared even agreed to form a class - none that I know of ever did. I approached business concerns and the W.J. School sponsored luncheons to which business executives were invited endeavoring to organize study groups. Some interest was aroused but no actual classes were formed.

Back in the days of the great depression, large classes in economics were obtained principally by direct mail and newspaper advertising, in some fifteen cities in New Jersey simultaneously. As years went on and economic conditions improved greater effort and expenditures brought fewer and fewer students. Upon one or two occasions there seemed to be a revived interest but it was not sus-

tained. Every approach and "appeal" that we could think of was used, but it seemed at least to us in New Jersey, we simply could get but very few students.

When "LAND...AND SPACE TO GROW" became available, we believed it offered an opportunity to interest people. However, it seemed to us, the interest is not economic but taxes. True we had tried the tax approach via advertising but the film is a visual presentation - something with a handle that can be grasped.

After consideration we decided not to endeavor to interest people in a study of taxation as a part of a ten week course in economics, but to offer a 5 week Tax Seminars. We planned to approach local taxpayers associations, property owners associations and civic improvement clubs as a starter. Practically all organizations are eventual possibilities. We proposed to show the film and offer a commentator. The idea is to arouse interest in forming a group for a Tax Seminar within the organization. The group would meet locally and enrollment was to be obtained then and there; where and when the film was shown. It works!

We found ready acceptance of our offer to show the film - enthusiastic reception of the picture and speaker, and people do sign up. With the exception of one group which preferred a ten week economic course and were ready to start immediately, the other showings were late in the spring and groups preferred to wait until fall to engage in the Tax Seminar. We expect to conduct several seminars starting in Sept. Present bookings for the film run through next Feb. We intend to continue to concentrate our efforts on bookings for groups.

The five week seminar is not a condensation of the basic course, but largely a reverse presentation - the last half first. We hope to sufficiently interest many of those who attend to continue, offering a five week seminar in Economic Principles. Our long range program will offer three additional five week seminars-Science of Political Economy, Money & Credit and World Trade and Free Enterprise.

It seems to us this method has many advantages. It is inexpensive to promote - it provides a group of the caliber of persons we aim to reach. We hope to develop

Seminar leaders from the groups and we believe, given something to work on immediately, most of those who participate in the Tax Seminar will become active in bringing about that which is needed to reduce taxes on improvements. The other aspect, of course, is increasing taxation on land, until the goal--the full collection of rental value of land is reached.

Foremost in our endeavor will remain the ideal. We shall constantly strive to promote the philosophy. Thus in a sense the program is not different from that envisaged by Henry George and Oscar Gieger. Yet the purpose of the school is different from all other educational institutions.

#### SALT OF THE EARTH

Psychiatrists say it is not good for a man to keep too much to himself. The Internal Revenue Dept. says the same thing

A man supporting two wives is not necessarily a bigamist. He may have a son who is married.

Before marriage a man declares that he will be master of his home or know the reason why. After marriage he knows the reason why.

"When you married me you promised to love, honor and obey."

"Well, I didn't want to start an argument in front of all those people."

Quite a number of people already have a four day work week. They do four day's work in five to six days.

A bride becomes a wife when she stops lowering her eyes and starts raising her voice.

Who remembers when the fellow who said, "Another day, another dollar" was just boasting?

The recipe for a good speech includes a little sugar, a little spice and plenty of shortening.

A professor says that your posture expresses how you feel. Well, here it is slumped shouldered Monday again.

Please change your records -  
Our zone number from 2 to 14.

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78 Clinton Avenue, Newark 14, N.J.

Note change in Zone

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