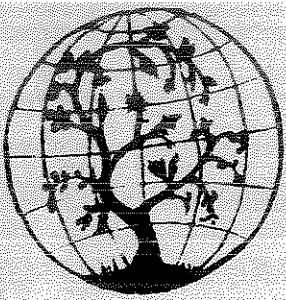


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# THE GREEN REVOLUTION

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## CLARIFYING

## THE ECONOMICS

## OF PEACE

- Mildred J. Loomis

13106

#### THE GREEN REVOLUTION

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## 1973 School of Living Activities

May 12-13 "Gardening, Planting, Ecology." First session 9 AM Sat. May 13. Major project - prepare and plant 16 plots with 8 types of vegetables, in sets of four, each with a special soil treatment, natural, compost, bio-dynamic compost; mineral NPK; to observe yield, growth, flavor and nutrition from each type of soil. Mildred Loomis, coordinator; cost \$10 per adult.

May 26, 27, 28 "Craft Fair in Barn and Meadow." Spinners, weavers, woodcarvers, etc. to display and demonstrate; space \$5 each. Admission \$1 per car. Bring own food, tent or shelter. Discussion: Arts and Crafts in an Industrial Age.

June 1, 2, 3 "Homesteading and Ecology" at Lefever Sonnewald Homestead, Springgrove, Pa. Cost \$11 per adult, \$5 children, pre-registration.

June 12-13 "New England Conference on A Human Future." World Fellowship Camp, Conway, N.H. Continuation of last year - Where are we now in the Counter Culture? with relation to family, community, nutrition, land-trusts, building, constant currency, free schools, experimental education, growth and outreach. . . Registration \$5 by June 10th; meals and lodging \$11 in lodge; \$9 in recreation loft; \$8.50 in tent or camper. Attendants can bring own food. Time and space for projects and discussion.

July 14-15 "Nutrition, Health and Disease Prevention," Heathcote; \$10.

July 27-29 Building and Construction; Heathcote, \$10; Ted Judson.

Sept. 1,2,3 "Labor Day Conference". Heathcote

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The person who knows little about anything is likely to be certain about everything.

A generation educated by TV tends to believe that any problem can be solved in a 30 minute time slot, with time left over for interruptions by several commercials.

Morgan Harris

## Old and New Scriptures

Many have directed their lives according to the counsel in Matthew 25:31 - "feed the hungry, welcome strangers, clothe the naked, heal the sick, visit those in prison."

Good advice. To thus be a good Samaritan is certainly far above rejection, unkindness and cruelty. But are there not needed actions that go beyond these, to cut the root of these "problems"? In stressing these Jesus no doubt had experience and meaning which followers have not grasped. Yet millions of people today feel "satisfied" if they literally "feed the hungry, welcome strangers, clothe the naked, heal the sick, and visit those in prison", - or pay the bills for others to do it.

Yet an increasing number of people see that all this is a secondary level of activity. They are searching for and working at other and prior levels so that fewer and fewer people are hungry, ill and lacking adequate companionship.

In fact, is it not a sign and symbol of the New Ager, that he-she is working at cutting the roots of human separation, injustice and deprivation? How, in positive terms, would their motives and programs be stated? Certainly they would have to avoid vague abstractions - like justice, love, sharing. They would have to come to grips with specifics in action.

For what it is worth, here are a few statements that appeal to me as possible injunctions and programs that help cut the roots of the four scourges Jesus treated:

1. Open and free access to land, that every person may have equal opportunity to use his energy for his own survival;

2. Grow food and live organically on healthy soil, so as to remain in good health;

3. Form optimal families and communities so that alienation and human isolation do not occur;

4. Working at and creating those conditions, crime would drop to a minimum and prisons be unnecessary.

To many of us the first sign of injustice is to obstruct the access to and use of land. Here is our first violation of loving, of sharing, of brotherhood. For milleniums, people have failed to identify privilege in land with hostility. Now New Agers are beginning to see that to "love one another" is to share the bounty - the common heritage - of land.

We rejoice that land trust is becoming a common term and a growing practice among New Agers. We are glad for the part our founder Dr. Ralph Borsodi, and our School have had: in holding land in trust in the 1936-45 School of Living communities, in Heathcote School of Living holding its acres in trust, in voluminous writing, and in helping form in 1967 the International Institute of Independence to teach and demonstrate land trusts in modern America.

In this May 1973 Green Revolution we devote space to the Possessional Problem - How should land, money and goods be held or possessed, so that every individual has maximum freedom and security?

Reprinted in the following pages is "Clarifying the Economics of Peace," which I summarized in 1968. - M. J. Loomis.



## What Are Specific Causes of War?

Back of War are basic economic mal-adjustments. Most people know this, but few clearly understand the real nature of, or can explain, the specific mal-relationships which bring on international conflict. Thousands of protestors are vaguely aware of "economic causes of war," yet admit their confusion. Economists, in and outside of earnest reform groups, present varying and opposing economic programs for peace. Vagueness, perplexity and economic illiteracy predominate.

In this confusion one often hears that the *other* nations — particularly "communist" nations — are the enemies, the aggressors who are responsible for war. Persons who suspect mistakes on "our" side share at least two unsemantic habits: they may indict some big, general *abstractions* ("capitalism," "the Establishment," "exploitation," "imperialism") as war's chief causes. Or at an opposite extreme, they condemn a particular *person* or group of persons — "the President," "the Administration," "the millionaires."

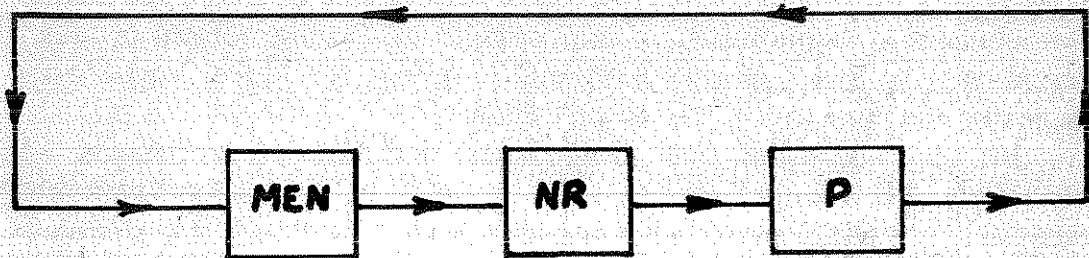
All these by-pass and fail to uncover the basic assumptions and factors in our western, "democratic" economic system (or *any* system) which make the Vietnam War and similar wars, *inevitable*. What is it in our U.S. economy or any economy, which produces such persistent conflict within it, that it necessarily spreads beyond its national borders? Sometimes persons attempting to isolate war's economic causes name such activities as "unemployment," "foreign investments" or "armament production." But what causes these? Unemployment, foreign investments and armament are indeed part of the war-process, but not initial causes. Where do they start? When we find their beginnings, we can more likely replace them with basic and adequate programs for economic health and world peace.

In economics is our survival. In the area of living which we call "economics," persons produce goods from the earth and exchange them with one another. Essentially economics is production and distribution. "The Earth is a well-provisioned ship," said an American economic-philosopher, Henry George. If production and exchange are fair and honest, everyone can survive without conflict. But if at the center of either production or exchange (or both) some persons have privilege, not shared by others, the privileged benefit unduly and others may starve. From this disparity comes conflict. This conflict-process, continued for years and multiplied into an industrial complex, expands across the globe. Could we now re-state the problem at the head of this article: What are the specific causes of war? to ask, "Under what conditions can production and distribution of material goods be done without privilege and conflict?"

The five graphs below, with brief explanations, attempt to get at economic roots. Basic economic factors are named; their nature examined; their labels defined. They are essentially obvious and simple. They may not be familiar in the sense that they are subjects of general conversation,

but economic factors are not complex and obscure. Any reader can test the adequacy of these definitions and explanations by his own personal observation.

### A Peaceful Flow of Goods



GRAPH 1

This first graph shows the simple, peaceful flow of goods in which there is *no conflict*.

Three factors exist: Men, Natural Resources (NR) and Products (P). Each by nature is very different from the others.

*Men.* Human beings are the active, creative, energy systems. They, by nature, must use the materials from the earth to sustain their lives. They must get to, have access to, use natural resources.

*Natural Resources.* Land, seas, harbors, minerals, forests, oil. These are natural, uncreated. They are “given” – not produced by men. They are *limited*, and yet *necessary* to every person’s survival.

*Products.* When human beings use their energy on Natural Resources, they get something entirely different: houses, cloth, tools, food. All these include human labor. They are called products, wealth, capital. Because of his labor in it, one who has produced them (or exchanged value for them) can call these products his *own*. He can consume, save, sell, let it spoil, destroy it and no one will be harmed but himself. It is of course of his interest to use it wisely.

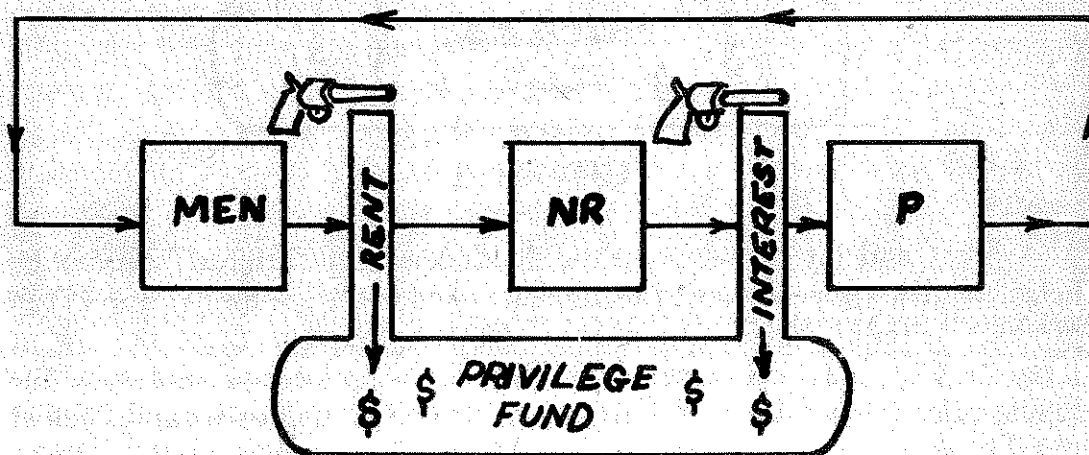
So long as all men *can* get to natural resources on an equal footing, there is no conflict. (Not every person may choose to produce on the land directly. Many may prefer to work in the secondary level of processing or manufacturing. But access to land is open to him on equality with all others.) So long as each man can own and use the products he produces there is no basis for conflict. A system where nothing obstructs access to resources nor interferes with the flow of their products back to Men, *could not produce organized war*.

### Who Owns What?

Since Natural Resources are not produced by Men, it can readily be seen that NR cannot be called “private” (mine) to be owned and sold like the things which one produces (P) from natural resources. Ethically one can “possess,” (have title to) natural resources so long as he occupies and uses them. Long ago, natural resources were recognized as free to all. Land

was held in common. But the Romans figured out a system whereby the ones with power could force others off the land. In England, land was common. But after the Norman conquest, the Nobles took over the Roman system, and one day passed Enclosure Acts. These laws gave the Lords the protected legal (coercive) right to claim as much land as their own as they could enclose or fence in, even though they were not actually using it.

The early founders of our American system were both victims and beneficiaries of the Enclosure Acts. Men forced from the land by these laws (and their dependents) fled to America for greater freedom. Some of them made a valiant effort to establish a common-possession of land in this country. (Witness Boston Commons) But European heads of government and business were desperate in their lust for virgin resources. They in effect "legalized" the private, absentee-ownership of land in America. In the early American struggle "political" independence was won from foreign nations, but economic freedom was not fully won. Nothing in the U.S. Constitution separated natural resources from "Property"; nothing protected citizens from predatory land-owners and banking interests. On the basis of Roman-English law, they erected a legal obstacle, called Rent, in Graph 2. The revolver signifies the support of law, courts, police, the army, i.e. coercion.



GRAPH 2

Now comes many men toward their essential source of livelihood (NR). But as Graph 2 shows, a toll gate has now been set up in front of NR. A man stands there who says, "Pay me." "Pay me for access to Natural Resources." Henry George's *Progress and Poverty* gives insight into how much each landowner will decide he can claim as land-rent and how such decisions are made.

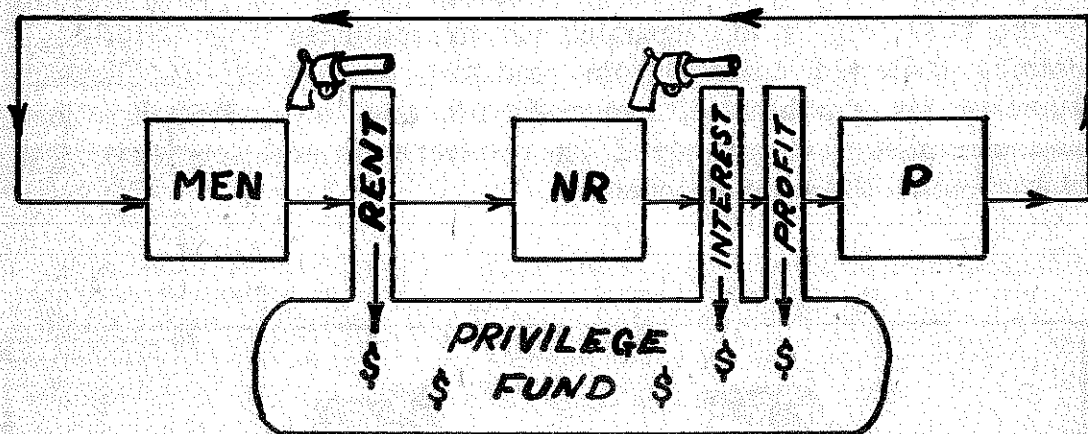
So now Men are compelled to take from their first labors to pay another, the landlord. The landlord now lives by privilege rather than by labor. Here begins the conflict of desires. The graph shows the



rent-payment dropping into an unearned privilege fund, under the protection of legal power. To the degree that some men's production slips through the rent-leak into the Privilege Fund below, there is less going round the flow, back to the hands of the producers (Men).

Later producers (another generation) are now without funds to pay rent, or construct shelter, or start a business. They must ask for loans from some of the Haves. These privileged persons, or Haves, set up a lending system and charge for the loan of money or capital. A second great block to the free flow of goods is now installed (Interest), which producers must pay to a banker or money-lender. This too goes into the Privilege Fund, legalized by force and law. Now the conflict between the Haves and the Have-nots is rooted in two exploitive practices. Now there is less goods flowing than before, round the cycle to the producers.

### The Increment Called "Profit"



GRAPH 3

Rent and interest deprive the Producers. But "interest" on money helps create another unearned increment called profit. Some producers can produce without borrowing money. Other producers must borrow at interest. They add this interest to the cost of producing and raise the selling price to recover it. But producers who had their own capital sell at this higher cost too, and thus gain in "profit" an amount equal to the interest others were required to pay. Thus a third block or hurdle to a free flow of goods is introduced. These three great leaks inflate and swell the Privilege Fund (Graph 3).

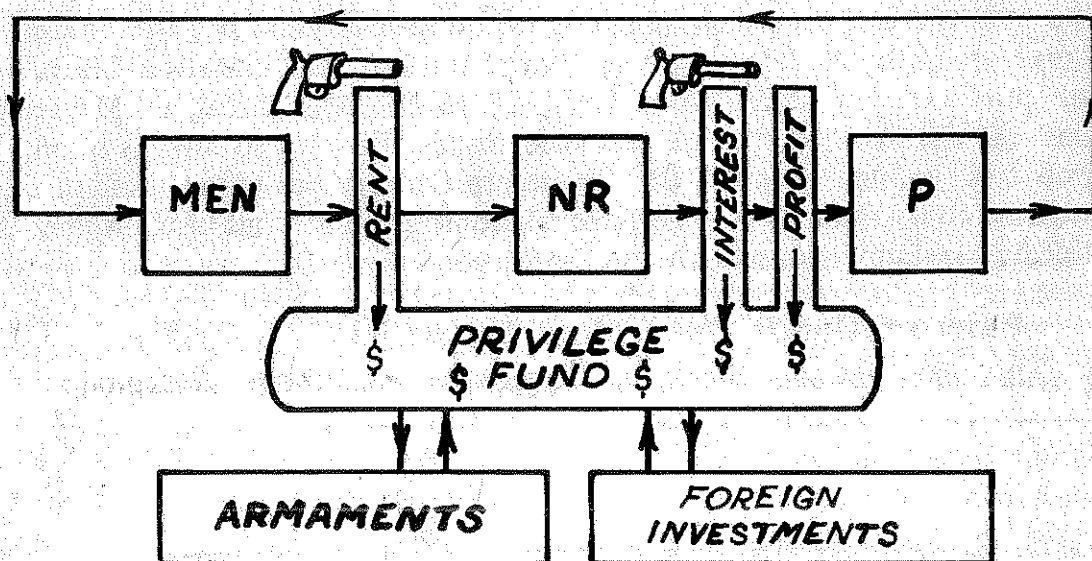
A great imbalance develops. Managers of the Privilege Fund become richer; the Producers become poorer. Some always live at bare subsistence. Yes, managers of the privilege fund invest back into the flow. But the imbalance remains. Certain producers find it increasingly hard to sell all they produce. Why? It is not hard to see. The Men back at home base haven't enough coming back from the flow of goods to buy all the goods which they have produced. Too much of their produced portion (or wages) has been leaking away from them via this triple leak into the hands

of those who have not actually produced the goods. (In fact "taxes" become the *fourth* leak. Government — which protects the privilege which starts the imbalance — is called on to "help" the under privileged, to pay Social Security, pensions, put up government housing, etc. All such tax costs which do not produce new goods into the flow, are paid for largely from taxes on production.)

### Makeshifts to Keep the Flow Moving

What shall producers and suppliers do? They can offer their goods on installment: "No need to pay for it all at once." This way goods can be kept moving. (But in the long run, interest payments on installments slow down the process.) Or they can make cheap, shoddy goods — cars, washing machines, etc. — that wear out in 5 or 10 years, so that Men will have to buy new ones. Or get the government to "create" money and pump it into the stream to inflate buying and prices. But even with all these make-shifts there is still too little going back into the hands of Men to buy all the goods which are produced.

Men in charge of the big bag or Privilege Fund are hard-put to find places to invest and use their funds. Business is "slow"; buyers (producers) have too little to spend as it is. Not long until Privilege Funders discover another "out." They see opportunity in the undeveloped countries. Here is



**GRAPH 4**

a way to "use" their huge "surpluses." They invest in Cuban sugar plantations, South American rubber, Asian ores, Arabian oil, and in the resources of Australia, Kenya, Vietnam, South Africa. What a relief! The Privilege Fund is "working." Very little capital and savings in those countries. Good — we'll loan them "ours." Out there 50, even 90%, of the natives are "serfs" and renters of land...Western investors start their

back-home system abroad. Rent, interest and profit road-blocks are set up in the flow of goods in undeveloped countries. The Privilege Fund increases. Natives protest, rebel, revolt at not getting their share of the new "prosperity." Investors call for arms from home. Sometimes they call it "freeing" the natives. The war system is well under way.

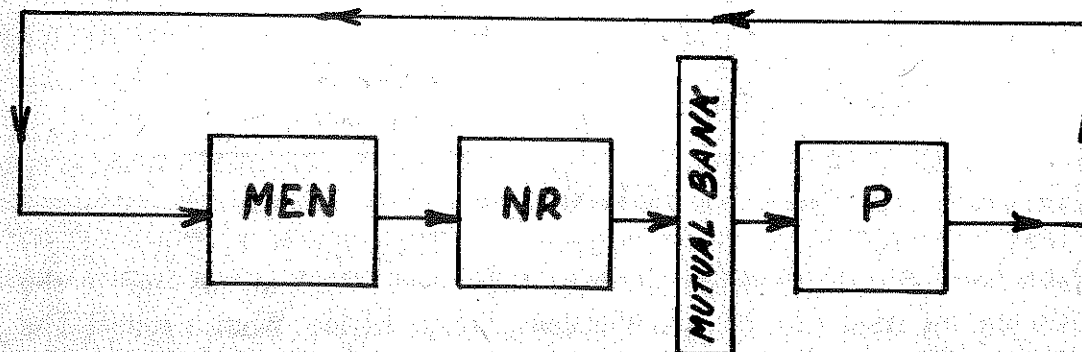
Soldiers and ships, air craft and bombs are sent from home to control the shipping, protect American "property" (privilege?) and sustain the system. The government back home needs munitions, ships, bombs and men. Other Privileged Men and Average Americans invest in war stocks, munitions and armament. The "system" becomes *active*; money and goods flow, producers are busy, men are employed, youth are trained to kill. Men, women and children are burned and bombed. *The war system is in full swing.*

### Evaluation and Reconstruction

Is this analysis true to fact and experience? Uncovered, are the central relationships open and observable?

Someone has suggested that this analysis stems from "19th century thinking." This may be a way of disposing of wisdom from the past. But are not some economic relationships *universal* — for all time? Do technology, automation and cybernetics do away with the fact that Men must produce from the Earth the goods needed for everyone's survival? Do they relieve the pressure for access to land, with increasing value to those who hold the land, and increasing cost to those who must pay for, or are denied access to it? Does anything change the fact that Land is a Given, not produced by Man? Does anything revoke the threat in Meyer Amschild's statement: "I care not who makes the laws so long as I can control the money system?" The Twentieth Century has not revoked or outdated these elementary economic relationships. But it has brought new ethical insights to reconstruct them for the good of all.

### Flow of Goods Once More Unrestricted — Passing Through Mutual Bank as Suggested Exchange System



GRAPH 5



## Flow of Goods Once More Unrestricted — Now Passing Through Mutual Bank As Suggested Exchange System

Must we not conclude that for justice and peace to become realities, all produced goods must circulate in the main flow? Are not at least two changes needed for such a peaceful flow?

(1) Urban and rural land (all Natural Resources) must be equally available to all. Title must be based on occupancy and use. Title to land or natural resources may be validated by coercion or agreement. Agreement-contracts between participants can be developed to give users title during their use of land, with any advantage in land sites shared by everyone in the community.

(2) The medium by which goods are exchanged must accurately measure the value of objects and services exchanged; with such medium *issued* on goods going to market. Here too several ways are possible to implement such practices. One is through a mutual bank, owned and operated by its depositors or members.

An organization to teach and promote constructive economic changes is the International Independence Institute.\* The Independent

Institute exists to teach land users to form themselves in a land-holding Association which holds title to the land but agreeing to hold it in Trust, never to put it into a private, selling, speculative market. Member families of the Association would be allotted plots on Association land on payment of a small annual, long-term fee to their Association. This approximates the village-holding of land in the Gramdan system of India, and that of the Jewish National Fund in Israel.

The International Foundation for Independence (Exeter, N.H.) is a fund to be loaned at cost or at very low rates to small scale business and other decentralist projects.

Seen in this perspective, is the major challenge to peacemakers in protest marches, political parties, or some far-off land where war is being fought? Is there not need for energy at our very doorsteps in reconstructing the handling of those crucial economic areas, land and exchange?

### Bibliography for an Economics of Peace

#### General

*Property and Trusterty*, Ralph Borsodi, \$1.00 — 80 pages clear mimeographing. A careful examination of the Things in the world from the angle of what (ethically) should be owned and what held in trust; of who should own and how. One of a series of Ralph Borsodi's life time studies and action on major aspects of living. In this Possessional Problem, one finds Borsodi's usual exact distinctions and precise definitions.

*General Idea of the Revolution*, P. J. Proudhon, \$9.95 (Recently published by Haskell, 280 Lafayette, NYC and in many libraries — ask for it.) A penetrating analysis of basic principles of association, of authority, of contract, and how social organisms develop from ethical economic relationships. Includes banking, debt, prices and government. A challenge to both radicals and conservatives to understand and create an orderly, contractual society.

### Land

*Progress and Poverty*, Henry George. Complete and condensed editions, \$2.00. Integrates ethics and economics; separates land from property; calls for the community use of a community-produced value in land-sites. So well written that it is part of a Classics Book Club; so carefully developed that it has been used as a text in logic at Johns Hopkins University. Though written in 1879, it speaks to modern conditions because George said that land values increase, and poverty intensifies (so long as rent is privately used) *in proportion to technical and industrial development*.

*Land Trust, Increasing Practice for Social Change*: reprint — \$.25, by Mildred Loomis. A summary, in Jan. 1970 *Henry George News*, of modern trend to place land in trust for users of it. Includes brief report of Jewish National Land Fund, Independence land-trust and community-backed money, and other individual and intentional community use of land as a trust.

### Money

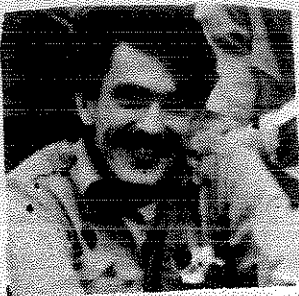
*Wealth, Virtual Wealth and Debt*, Frederick Soddy, 1961. A statement of the misconceptions and realities in exchange, money, and debt. Helps in understanding why the ignorance and confusion in money, banking and credit is relevant to economic health and world peace.

*Community-Based Money*; Erick Hansch, mimeographed 10 pages, \$.25. A clear evaluation of several types of changes in money and exchange, with a brief explanation of the nature and need for issuing money on local goods going to market. A part of the research study of the International Foundation for Independence.

*A Community's Need for An Economy*, Griscom Morgan; mimeographed, \$.25. Of especial help for intentional communities to develop a sound exchange system. Griscom Morgan is part of Community Service, Yellow Springs, Ohio, a clearing house for community; he is also a founding-member of the Vale Community there.

### Government

*Instead of a Book*, Benjamin Tucker, (late 1969 Haskell reprint) \$15.95. (Also in many libraries.) The famous compilation of discussions from *Liberty*, one of the most cogent journals ever published in America by the leading individualist-libertarian of the 19th century. Unsurpassed for analysis of voluntary association, including the handling of land, credit, banking and exchange.



# East Coast Conference Etc.

Larry Aaronspere

The cancer of land speculation has become malignant, has eaten away great chunks of America and is eating every faster. Most people, including conventional economists, regard it as just one of those hard inevitable facts of life. Some folks don't agree.

The idea that real estate (dealing in land for a profit) is legitimate has a powerful hold on most of us. I asked a college student what he was taking at the community college. "Just the basics," he told me, "Real estate, accounting, English and math."

But the spell of "real estate" may be breaking, despite its cancer-growth. Land trusts, an alternative to the buying and selling of land, are being tried in many parts of the country.

On April 14-15, 1973, 80 people gathered at Haddonfield, N.J. Friends Meetinghouse for the first general meeting on land trusts to be held in the U.S. Natives of rural Maine mixed with Communards from Philadelphia peace ghetto to discuss the theory and practice of holding land in trust.

Arranged through the Philadelphia Life Center, the conference was sponsored by the International Independence Institute and the Peacemakers. Bob Swann and Ted Webster of the I.I.I., members of the statewide Sam Ely Land Trust of Maine, and the Peace Maker Land Trust committee were resource persons. All these groups are operating land trusts.

Bob Swann is a well known U.S. proponent of land trusts. He is a longtime associate of Ralph Borsodi, who founded the School of Living and its land-trust communities in 1936. Borsodi and Swann founded the International Independence Institute in 1967 which has promoted land trusts since its inception.

Peacemakers hold 155 acres of West Virginia in trust. Six persons use the land now, and the "trust committee" reaffirm their interest in receiving gifts of land to be made available for use at no cost to users.

Maine was hosting the first statewide Land Trust on this date, but even so Maine's Sam Ely Trust was represented by five member-staffers.

Knowledge in the conference audience ranged from little to lots, and both theory and practice of land trusts were discussed.

Ralph Borsodi, now 87, has influenced many of the current land-trust experiments. He states the case for trusts simply. Land, he says, should not be held as property the way man-made goods are — for property rights involved almost absolute discretion over the thing owned, even to their destruction if the owner wishes.

Property over manmade things, which represent an investment of human labor, is justifiable, Borsodi holds. Much of what man makes is more or less replaceable — land is not. Man does not make land, oceans, rivers, air or crude oil in the ground. These resources are exhaustible, not readily replaceable, if at all. Unimproved land —

unimproved natural resources — Borsodi reasons, should not be subject to an individual owner's will. Individuals are all too fallible. So is the state — it has destroyed much land in its charge here and abroad. Land trust is not just land reform (i.e. changing ownership) it is a way of not owning at all. Instead, land is "possessed" i.e., used, by users.

Bob Swann explained this. "If a landowner destroys or injures land — or water or crude oil, they are not endangering themselves only. They endanger us all (present and future) for we are equally dependent on the land — all life, not just us humans.

"Land is given by the creator as a resource for all life. We should not buy and sell it like property, or set up privileges in its use." Bob said in an interview. This is the centrality hypothesis.

Another dimension came up at the Haddonfield meeting — its connection with inflation. Bob said, "People are beginning to see land trusts and other economic alternatives as liferafts from the mainstream economy's cycles of extortion, ecological ruin and general collapse."

"When one buys land at a certain price and sells it for two or three times that — as in most speculative deals — no production has come into existence in the transaction. The person has made money from doing nothing but buying, holding and selling the land. They haven't produced any thing."

"Inflation is basically a relationship between the amount of money (or spending power) in the economy with the goods and services that are available. As long as the productivity is roughly equal to the amount of money available, the economy will be stable — neither boom nor bust. The classical definition of inflation is "too much money chasing too few goods."

In a speculative land deal, there is no production represented; but there is more money required to pay the speculator. By that amount of money you inflate the economy. The speculator, with the money he makes, more spending power. When he spends it, he adds to the general demand for goods. When demand goes up, prices do too. This is the way that land speculation (rent, interest, playing the stock market — anything that "makes" money without producing goods and services — creates inflation. These unbalancing practices drive up the prices of everything, including prices charged for land itself. So we have an almost circular dynamic that shows real estate a cause of inflation."

Readers may contact the International Independence Institute at Ashby, Mass. 01431. I.I.I. is operating the largest of the American trust experiments, New Communities, where several hundred ex-sharecroppers are using some of the 6000 acres of Trust land. They also publish The Community Land Trust Guide for \$3.50. Peacemakers at 1003 So. 46th, Philadelphia 19145 % Peg Laramie, welcome correspondence; The Sam Ely Land Trust publishes the Main Land Advocate, 10 times a year. \$3 a year from Box 116, Brunswick, Maine 04011.

All of Ralph Borsodi's works ("Flight From the City", \$1.95; "Seventeen Problems of Men and Society," \$10, and his forthcoming "Wealth and Illth" are sources of ideas and practices. Also Mildred Loomis' "Clarifying Economics of Peace" and Don Newey's "What Price Miracle" are each \$1 from School of Living Bookshop, Rt. 1, Box 129, Freeland, Md.



# Letters

(Note: We encourage and use many letters from readers. Recently we have had so many inquiries about land and land-holding, goods and goods-owning, that we reverse the tide here, and quote from two letters from the editor to readers; one to an elderly Maine couple who report they are being "taxed off" their small farm; and one in a group of high-schoolers who recently visited Heathcote School of Living community.

- M.J.L.)

Dianne Per Lee  
Woodlawn School  
Arlington, Va.

April 17, 1973

Dear Dianne and group:

We enjoyed your visit, and the questions you posed. Jane's comment on the difference in living standard between the Anacker household and the group-housing on the Hill, need more consideration. I assume she implied that in community all should live alike, share commonly and have the same standard of living. Let's discuss that.

Would you agree that in the human species all individuals are alike in many ways; but that each is also very diverse, and different in some ways? This diversity we call "individual." Most of us at School of Living believe it is good to be individualized - for each to develop and express his own desires, goals and needs. In expressing them he becomes a SELF, an individual. As each becomes a self, he lifts himself out of the "herd". Right?

Is to become an individual a positive or negative accomplishment? At School of Living, we treasure the self, the person, the individual. (We also treasure community; there's need for both. More on this later.) Today the term individual is an odious one - mostly because we are trying to be individuals in a very unfair, privileged "monopolized" setting, which distorts our individualizing into unfair competing. (Analogy: start five people moving to a goal line at the same spot and let them all run freely. Some with more energy, training and preparation will get to the goal line before those with less. Anything wrong with that? But start some at the base line, and give another a 5, 10 or 15 foot head start. Would that be fair and enjoyable to the runners?)

Yet that's the way it is in economic survival today - certain people have head-starts because of legalized (legalized!) privilege. In what? Here we enter an area in which New Agers neither have had little "education" or what they've had is mis-education. They vaguely say "capitalism" is wrong, and so choose to work for other vague systems called socialism or communism. Can you say "The weather is wrong?" What's wrong about it. Similarly, what is it that's wrong about capitalism? Vague, loose terms and confused meanings distort and confuse our action.

This is difficult to clear on paper. Wish we could have a long weekend seminar on it. Basically, we School of Living people distinguish between what to combine, (to hold in common or community) and what to hold individually. We want to open opportunity to each person's ability and energy and decisions, so he can function at his level. That's what we call freedom. We don't guarantee everyone the same reward, the same housing, the same level of attainment. But we do want to guarantee the equal opportunity to function, to everyone.

Where is the best road to this opportunity, to this freedom? It must be a way to his survival. We think it is to open the land - the source of everyone's survival (whether he lives on land or not!) So we make sure that all Heathcoters shall have access to land. We have set aside ten acres of woods and three cleared acres for the Heathcote Commune of 9 to 12 people. On it they can and do work as they wish. So does Bill Anacker on his. In his acres at 55 he has worked and achieved a modest comfort. Hopefully (if that's what they want) Heathcoters can do that in any time span they want. But what they get will be because they produce it - not because "society" gave it to them, or guaranteed them that because they are alive, they should be fed by others. We want to remove the hurdles a miseducated public has put in the path of common people - a private land-owning system that says some can hold land and charge others a price or rent to use it; and because a banking system allows private holders of money to charge a high price to use their money, called interest.

So School of Living founder and our staff work hard to draw attention to new programs which will change the evils of capitalism - it's unfair land and money systems. We call our new programs land trusts and constant currency. Could you add them to your study of Utopia? My reading of Utopias shows a woeful lack of attention to these specifics. Dr. Ralph Borsodi, at 87, is in London, France and Luxembourg setting up a structure so that these ideas and programs will have world impact.

I know this seems far-fetched to you - to think that a world-impact set of ideas and practices flow from Heathcote and its modest - even inadequate setting. We welcome the help and participation of all who want a part in what we call a Green (i.e. life-enhancing) Revolution. - All good wishes, Mildred Loomis

# Letters to Bagleys

April 26, 1973

Hazel and Clarence Bagley  
Milbridge, Maine  
Copy to Editor, "Maine Times"  
Dear Friends:

I appreciate your letter to the Governor of Maine urging his help in reducing taxes on your farm, which you say is forcing you off your small acreage. I've experienced much the same. In the depression of the thirties, my husband and I bought a run-down Ohio farm for \$35 an acre; improved and enjoyed it for 35 years, during which its value went up and up - mostly because population increased, industry flourished and people moved out from the city in our direction, bidding up land for housing and small homesteads. It went to \$200, \$400 and then \$800 an acre, while we had no more than our family maintenance from its yield.

This is a hard game for a small farmer to play. Most people think the only "answer" is to sell their acres at this high price, move into town and live off the "earnings" from the sale. Or let a real-estater get rich by selling it at even higher prices. But some good minds have figured out a better system, by asking some basic questions first, like who should own land, and what does it mean to own?

When you say you own a thing, you are really saying "this is my own": I can consume it, spend it, use it, even destroy it and no one will be harmed but me. (It makes sense to use it to my benefit.)

How do you or I get the right to own anything? - say a loaf of bread, a wheel barrow, a house? Primarily because you or I made it. Anything we put our energy in is an extension of me. Who has a better right to it? Where you've put energy into something, and I agree to exchange with you for an agreed amount of my energy (money) then you get ownership rights to what was mine, and I to yours. (A good money would be needed for such an exchange of energy, of course.)

Can we establish our right to own our land on this base of making it? Of course not. I didn't make mine and you didn't make yours. (If neither of us have land, then let's look to the system that lets "land owners" sell and pocket the profit.) Who did make that land? No one. Land is a gift of nature. But all people's survival comes from it, and so of course should have equal opportunity to it, and an equal voice in what happens to it. This is what the Indians said and did; this is what honesty in any system requires.

But does the modern world have such practices? Not in the U.S.A. We are taught (and our laws support it) to regard land the same as a man-made product. We say "property" in land is ok - an individual can own it, do what he wants to with it, sell it for all he can get, pocket the profit, etc. So people bid on land. What happens? More land can't be made or discovered so the supply we have, goes up in price. The more people there are and the more money they have to bid with, the higher the land goes. Is that a sensible system?

# Another System in Milbridge

## Another System in Milbridge

Let's suppose that all the land in Milbridge were treated as belonging to all the people in Milbridge. The citizens think their first job is to see that everyone has his equal rights and opportunity to it. They regard their annual or semi-annual meeting to "Apportion" the land, as a trust. It is a respected obligation, a sacred duty to attend the town meeting when land - their common heritage - is being apportioned. They all want to make sure that they - and everyone else - has what land they need for growing gardens and crops, or to manage and operate a business on. (They do this in many places today - some of them undeveloped areas of India, or Africa where brotherhood still is practiced.)

There are some difficulties. First, you see that land in and around Milbridge isn't just alike. Some is more fertile, some closer to markets, etc. Those who have the best sites will probably want to "make up" to others, their privilege in using the better and best sites. One suggestion is that land sites be "valued" according to how people value them - i.e. what they will produce with an energy equal to that spent on some other site. That is, in accord to their yield in response to equal amounts of energy put on them. Those on plots producing more can share their privilege by paying from their production (over that of others) a certain portion to a community fund.

Doesn't this look like a sensible system? especially if people regard land as a common heritage. Now comes a second task for citizens. They will want to agree on how to spend the sum that comes from the land-values into the common fund. All will want to benefit from its spending, so they can put it to building or improving their roads, improving the river's edge for park, establishing schools and paying teachers, or putting in a library etc. The better sites of land will be supporting the common fund; poorer sites will pay less.

With such a system, the citizens could do away with taxes on their houses, cars, trucks, factories, incomes. Isn't this a neat system? In it, users of land in the center of towns and cities which have a high value, would be paying considerable for their privilege, and would want to build on them - high rise apartments, etc. since buildings wouldn't be taxed. Farmers with relatively less valuable land - would pay less - and nothing on their improvements. This would eliminate the urban sprawl - residence and production would stay in the urban centers - instead of pressing out into the country where (today) the price they have plunked down for land is less. Under the land-tax system, its price goes down as its taxation increases. If all the "surplus value in land" were used commonly, land would have no selling price. See? Land would be FREE, and we'd be ahead as the Indians were long ago!!

All good wishes, Mildred J. Loomis, School of Living.

# When Is Money A Hot Potato?

by Paul Salstrom

Since 1970 the new culture has become interested in land reform in America. The growing conclusion seems to be that land is essentially a natural resource — that the use of land should be considered a public trust, not a means of getting rich quick at the expense of ecologic balance. Many Americans now agree with the Indians that land should not be bought and sold, but rather be held in perpetual trust.

Perhaps now is the logical time for money also to undergo a basic re-examination. The question of money, like that of land, is central to the lifestyle known as Western civilization. Our attitudes toward money as well as land will help to determine the civilization of the future.

In Western civilization, money has usually served two functions at the same time. It's been both a "store of value" and a "medium of exchange." Unfortunately, these two functions tend to interfere with each other.

Under the feudal system of the Middle Ages, land functioned as such an inalterable "store of value" that people tolerated a curiously totalitarian money policy on the part of governments. For 250 years — from approximately 1150 to 1400 a.d. — virtually every government in Europe imposed an ownership tax against privately-held money. Once a year each government would call in all its money from circulation, melt it all down, and then issue newly-minted coins back to each private holder minus 10% to 20% deducted as taxes.

In other words, unless people spent their money by the end of the year, they'd be fleeced for 10% to 20% of it by the government. And since last year's coins became worthless as soon as the new ones had been minted, there was no way to be a "tax-refuser."

In effect, this amounted to an automatic annual depreciation of the value of money. Money, just like other commodities, depreciated in value.

It was during those 250 years from 1150 to 1400 a.d. that Europe experienced a level of prosperity never since approached. On top of that, there was a continuous building boom which culminated in the great cathedrals. All on a six-hour work day and a four day work week. (For more details see *MONEY IN MOTION* by Arthur Dahlberg, published in 1962 by John Degraff Inc. of New York.)

Unfortunately, no medieval thinkers realized that this annual depreciation of the value of money, making money move like a hot potato, was the main cause of Europe's economic prosperity. By 1412 a.d. all of the governments had capitulated to the people's demand for "eternal money" — for money that could be hoarded without losing value.

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The first systematic theory of depreciating money was developed in the 1890's by Silvio Gesell, a German businessman in Argentina. Gesell's main book is called *THE NATURAL ECONOMIC ORDER* and it's a masterpiece. Gesell contends that Marx's theory of value (that value should be based on the input of labor) is a tragic misunderstanding caused by Marx's obsession with production and relative indifference to distribution. Unless value is determined freely by consumer demand — by the marketplace — Gesell contends that dictatorship is unavoidable. (An American edition of *THE NATURAL ECONOMIC ORDER* was issued by 1920 by the Free Economy Association of Huntington Park, California.)

Gesell always claimed that his economic order would work whether the means of production were owned by capitalists or by the workers. His personal sympathies were on the side of worker ownership and democratic worker control. To that extent he was a Marxist.

During the Great Depression of the 1930's Gesell's proposal for a depreciating money was tried in dozens of local situations in all regions of the world. Where it was tried, it always rescued the local populations from poverty.

Early in the Depression, the town of Woergl, Austria issued its own currency, and the currency lost face value at rates which varied with the economic conditions of the moment — varying from 2% up to 12% depreciation per month! The little town of Woergl soon became so prosperous that its currency was threatening to elbow the static Austrian national money out of use completely. A meeting of the mayors of 150 Austrian towns voted unanimously to join Woergl in its money experiment. Several weeks later, the Bank of Austria protested to the national government and the Woergl form of money was outlawed.

Meanwhile, from 1925 through 1932 a similar movement was underway in southern Germany. It was in 1932 that this monetary heresy likewise suddenly mushroomed — and was, as suddenly, outlawed by the German government (then still the Weimar "republic"). For an authoritative account of these movements, read Gorham Munson's underground classic *ALLADDAIN'S LAMP* — long out of print, but still in many libraries. *ALLADDAIN'S LAMP* is a radical but authoritative critique of the American monetary system, written by a man who still teaches at Fairleigh Dickenson University in New Jersey.

It is questionable whether a Gesell-type reform can be begun under inflationary conditions such as prevail today. Gesell did his seminal thinking during the deflation of the 1890's and his proposals were tried only during the Depression of the 1930's.

The Constant, with which our readers are familiar is an effort to start a stable money reform during inflation.



# Facts about buying "cheap government land"

**GOVERNMENT LAND . . . 450,000,000 acres!  
Low as \$3.50 an acre! Vacationing,  
homesteading, investment! Rush \$1 to  
National Surplus Lands, Box 75,  
Washington, D.C.**

Such come-ons by private outfits are as deceptive as they are alluring. The U.S. government does dispose of thousands of acres annually, but it doesn't sell any land for less than it's worth. In 1971 public land sold for an average of \$74 an acre; some went at much higher prices.

There are many other factors to consider besides price even when you're buying land from the government.

Two U.S. agencies are largely responsible for selling federal land. You can write to them for a list of regional offices handling sales in your area, or any other area where you might want to buy land.

► The Bureau of Land Management, U.S. Department of Interior, Washington, D.C. 20240, is responsible for selling public domain land, and in a recent year auctioned off some 24,000 acres for more than \$1,200,000.

Land for sale is listed in the BLM's quarterly magazine, *Our Public Lands* (yearly subscription is \$1 from the Superintendent of Documents, Washington, D.C. 20402), which gives you a quick rundown on how many acres are in a parcel, where it's located, condition of soil and type of terrain, and, sometimes, the appraised value. Most of the tracts range from 40 to 120 acres, though some may be only a fraction of an acre.

Bidding must start at the land's value as set by professional appraisers, who judge it in comparison with similar land in the area. For more detailed information on a parcel you can get a

free prospectus from whichever one of the 13 land offices is handling the sale. Study the prospectus carefully before placing a bid.

Property owners with land adjoining a parcel have the right to match the winning bid and thereby take title to the land. Some land may have no legal access because it's completely surrounded by privately owned property and some may be physically inaccessible.

The Homestead Act of 1862 is still on the books, but your chances of getting land this way are just about nil, says the BLM. The land would have to be good enough as farmland to support you, and BLM says crops cannot be grown on most of what remains. By law the agency can't aid you in locating land to homestead, so it's not worth asking.

By and large the land BLM sells is in the western states and is part of the original public domain. There are no public domain lands in Texas and Hawaii, which were republics before joining the U.S., nor in any of the 13 original colonial states. Surplus federal land in these and other areas is sold by other agencies.

► The Property Management and Disposal Service, General Services Administration, Washington, D.C. 20405, generally is responsible for surplus real estate held by other federal agencies, including the Department of Defense. In a recent year GSA sold some 7,000 acres for \$24,700,000.

Sales are handled by ten regional GSA offices, and you can ask any of them to send you invitations to bid. The invitations describe the property, where it's located, terms and methods of sale. When you make a bid, you must include an earnest money deposit, usually equal to 10% of your total offer. Credit terms may be available.

Though you can buy land from the government through the mail, both agencies urge you to inspect the property before you make a bid. You should also ask local authorities for details on zoning and building codes as well as access to utilities.

Connecticut Townspeople Unite  
To Save Their Wetlands  
Mildred J. Loomis

Because the people of Stratford, Conn. know their ecology, they are staging a dramatic and heroic battle to save their 700-acre Great Salt Meadow from being paved over for industry. Thirty miles from the largest city in the world, near Bridgeport Harbor, the Meadow had been zoned for industry since 1927. No one listened to a lone ecologist in those days urging the city to buy the Meadow for \$200 an acre. In 1948 a Bridgeport industrialist bought 300 acres, and 1972 made plans to fill them for an industrial development. Similar parcels of land have been bought for \$10,000 to \$35,000 an acre, but the industrialist says if he is prevented from using this site he'll claim compensation at \$150,000 an acre! Good old salt-water marsh at that figure! It is to weep!!

But Stratfordians aren't weeping. Sure, some have shed tears, but they are predominantly talking, working and fighting to save their Wetlands, with the help of a State Law passed in 1969. This Public Act 695 makes it necessary for any individual or corporation that wants to fill or dredge a wetland to get permission from the Department of Agriculture and Natural Resources. The Commissioner must hold a public hearing to discover whether dredging, filling and paving would bring public benefits over and above those of preserving the marsh.

The Hearing on Industry vs. Wetlands has proved a stage more dramatic than any theater, here is one issue which all Stratfordians of every class and persuasion have rallied. The school auditorium was overcrowded, the sessions continued for most of two nights, with everyone from children to grandmothers bringing their testimony — mostly against the Industrialist's claim.

The Marsh is a farm, they point out, producing food faster than any regular farm. Here fresh and salt water mingle with such rapid resulting breakdown of organic matter, that they produce 242 pounds of food for marine life per acre per day, all year long without any help from human labor. Without them, millions of pounds of shell and fin fish in the harbor would not survive. Wetlands also absorb up to 18 times their volume in water, and thus prevent floods. By catching the silt in rain run-off, they prevent harbors and channels from filling in. Any they shelter many varieties of wild life. To dredge the harbor and river to permit entrance of ships would destroy large areas of oyster beds. To deepen the channel would cause the tides to flow in with greater volume so that the whole Marsh might be eroded or inundated. The 2 million cubic yards of gravel for the fill might cause the marsh to sink below sea levels. To prevent this they'd have to erect a huge dike. With absorption lessened via paved areas, more run-off would perpetually fill in the channel, requiring periodic dredging at state expense.

Part of the battle centered around Who owns the Marsh? "I do", said the Industrialist. "I paid for it, when no one wanted it. And they can't tell me what to do with my land." "The People" claim that the state, not any individual, owns all the land that is covered by high tide. (Ancient law supports this, they say. "Even the king could not give away such rights.")

The outcome of the hearings was that the Industrialist's proposal was turned down by the Commission. For the time being the Great Salt Meadow remains untouched. But the Industrialist will appeal on the grounds that his rights of private ownership (of land) have been confiscated.

Private ownership of land? to sell and privately pocket the value caused by society in strategic spots of land? What a tremendous issue: Who owns the earth? "People are going to have to buy up land — to buy up wet lands in order to protect them. You can't just steal them", says the industrialist. (He has a point. Is this the right step to a new level of land-ownership? Once in our history we had to compensate for the error in owning human beings.) Now as we move to a more ethical practice of possessing land, we must agree on How land and natural resources should be possessed so that every human being has his rightful share. When people the country over, the world over — come to grips with this essential problem of how to hold land — all land, not just marsh lands — they may find virtue in land-trusts, in taxation of land values, in covenant arrangements of land-holding, and other ethical solutions. They may even decide that land should have no value. Let's hasten that blessed day.

Let Florida Decentralists Gather

I would like nothing better than to be part of a local School of Living. How would we go about it?....The real trick would be to discover a way to bring together those who want to teach and those who want to learn. The best situation is where everybody preist is learner and teacher. I would be interested in identifying and discovering people in Florida who might be interested in the decentralist view and uniting with them under the School of Living umbrella. For what it is worth, I am here and I am interested. — Dwight Musser, Box 305, Ridge Manor, Fla. 33525

MEAT prices skyrocketing? Housewives boycotting? There's a much easier answer: stop eating the stuff. Wake up! You've been brainwashed by the American Meat Institute and others with vested interests and an eye on your pocketbook. You've been told since infancy that "You have to have meat."

True or false? Well, consult your dictionary or any biology textbook. You'll find that Man is a primate (the first order of animals) and biologically related to the great apes, gorillas, etc. Now, the next time you go to a zoo ask the zookeeper what he feeds the primates. Right! Fruits and vegetables; they turn up their noses at meat. Meat is fed to the lions, tigers, coyotes, etc. According to nature's plan and scheme of things, Man is not a flesh-eating animal. You've been lied to.

I am past 62 and haven't eaten the flesh of murdered animals (say it like it is) for over 25 years. I have plenty of energy and vitality but I suppose I will die any minute now from animal protein deficiency, whatever that is. And I save plenty of money on my food bill; I'm off their sucker list. Yours for truth and sanity in an insane world.

David Stry

Signed: David Stry, founder and director of the Villa Vegetariana Health Spa, Box-1228, Coernavaca, Morelos, Mexico.