

# Equal Rights

Volume VII, Number 3

*"Equal Rights for All, Not Special Privilege for Some"*

Summer, 1976

## Chicago Conference Inspires American Georgists

**Action Now** was the keynote of a very stimulating National Conference of Georgists sponsored by the Henry George Foundation of America with the collaboration of the Chicago Henry George School, July 15-18, 1976, at Kendall College, Evanston, Illinois. Optimistic reports of progress and prospects for legislative action from various sections aroused a lively interest and there were stimulating discussions of various constructive proposals designed to revitalize and accelerate the Georgist movement.

States represented included Alabama, California, Florida, Idaho, Illinois, Massachusetts, Michigan, Mississippi, Missouri, Montana, Nebraska, New Hampshire, New York, Pennsylvania and Wisconsin.

At the opening session, Henry Tideman, President of the Henry George School of Illinois, welcomed the delegates and spoke on "The Chicago Assessor and Chicago Construction." Mitchell S. Lurio, President of the Boston Henry George School, discussed the difficulties of putting across our basic ideas, even to people who would benefit. He asked a prominent businessman about this and the reply was: "We are captives of the present system." So the attitude is, "Don't rock the boat." He also reported that the Lincoln Institute of Land Policy had been recently established in Cambridge, Mass., funded by the Lincoln Foundation.

At the Friday morning session, Robert Clancy, President of the Henry George Institute, whose topic was "How to Make Our Movement More Effective," said this question should be the theme of all our conferences as an on-going discussion. The general discussion that followed produced various ideas on education, publicity and politics.

Gaston Haxo spoke on "Reforming the Georgist Movement." The movement has made a mistake, he contended, in stressing "taxation." He proposed that it be emphasized that all land is our common property and that the rent of land is for all; that the rent should be distributed in equal shares

to all people and that public services should be paid by the people as a "tax" in proportion to their demand for services.

Noah D. Alper, of St. Louis, Missouri, reported on the work of the Public Revenue Education Council, now in its 25th year, which sends large mailings to businessmen, economists and other leaders.

### AMBITIOUS PROPOSALS FOR ADVANCING GEORGIST MOVEMENT

William W. Newcomb, of Melbourne, Florida, severely criticized the "marketing methods" of the Georgist movement and speculated on what he would do if he had at his disposal the combined resources of the Georgist organizations of America, with an estimated present annual income of \$1,649,000.00. He proposed that approximately one million dollars be spent each year to support an aggressive program embracing:

1. Creativity: Or the use of the print and electronic media.
2. A Latin and Black division to reach these important minorities.
3. Boring from within: get into influential organizations, start a lobby.
4. Create chairs for land value taxation in colleges; conduct seminars.
5. Litigation: pursue the inequities of our current system in the courts.
6. Church work: become active in the social service programs of churches.
7. One-state programs: start crash program to get legislation in one state.

This broad program of activities to be sustained by the employment of an able national coordinator and a national "visible spokesman."

Louis I. Weitzman of Tyringham, Mass. cited the fact that there were millions of dollars available now in various Georgist organizations who are using only the income, which in the present state of affairs is inadequate and self-defeating. He declared that "the Henry George movement needs an expensive operation if it is to stay alive, robust and healthy, and it has to be done on a massive scale or it will fail." He urged a concentration of effort on

Continued on page 5

## HENRY GEORGE FOUNDATION ELECTS OFFICERS

Celebrating its 50th Anniversary, the annual business meeting of the Henry George Foundation was held in Pittsburgh on September 2, 1976, with a large majority of its voting members participating either in person or by proxy.

Dr. Steven B. Cord was unanimously elected as President to succeed William E. Schoyer, who has served as President since 1966, but declined to accept renomination.

Dr. Cord, professor of history and social studies at Indiana University of Pennsylvania, has been an active member of the Board of Trustees since 1966, and has served as a Vice President and as associate editor of **Equal Rights** since 1969.

Seven trustees were elected for three-year terms: Dr. James L. Busey, of the University of Colorado; Floyd L. Morrow, City Councilman of San Diego, California; Attorney Edward H. Schoyer of Pittsburgh, Pa.; Mrs. Nadine Stoner, of Beloit, Wisconsin; Rev. W. Wylie Young, of Swarthmore, Pa.; Michael K. Curtis, of Arden, Delaware; and John C. Weaver, of Pittsburgh, Pa.

Edward H. Schoyer was elected as First Vice President (to succeed Carl D. Smith, retired); William W. Newcomb, Second Vice President; Wylie Young, Third Vice President; Percy R. Williams was re-elected as Executive Secretary and Treasurer; Mrs. Marian S. Hahn as Assistant Treasurer; and John C. Weaver as Assistant Secretary.

The officers reported that the Foundation had sponsored a very successful national conference of Georgists at Kendall College, Evanston, Illinois, in July. In Pennsylvania legislation had recently been introduced in the Legislature, with the approval of the Department of Community Affairs, designed to extend optional graded tax authority to all municipalities and school districts within the state. And through the medium of its quarterly periodical, **Equal Rights**, the Foundation had sought to extend its influence and assistance as a national co-ordinating center for information and advice.

## WHAT CAN WE LEARN FROM HISTORY?

There can be no doubt that Henry George was a great leader in the cause of social and economic reform. He exerted a powerful influence in the United States and throughout much of the civilized world. Like the founder of a new religion, Henry George believed that he had been called to be a prophet to his age. The task to which he set himself was to be the bearer of an economic revelation, to point the way to social salvation, to show "the great primary wrong" which caused a shadow to accompany our advancing civilization. He sent forth his gospel with unwavering faith that his message would find friends who would take "the cross of a new crusade."

Now for more than a century, ever since the publication of **Our Land and Land Policy** in 1871, the single tax concept has been a subject of much debate. After the publication of **Progress and Poverty** in 1879, Henry George attracted the attention and approval of many distinguished scholars, statesmen and social reformers, despite the severe criticism of certain eminent economists who rejected both his economic and his ethical analysis.

George made his land tax reform a political issue and led his many followers into the field of practical politics. He even responded to an urgent invitation to become an independent candidate for the office of Mayor of New York City, and came close to achieving a victory in that important election. Later, embracing the cause of free trade as a means of bringing the single tax into discussion, he wrote **Protection or Free Trade** in 1886 and actively engaged in the presidential campaigns of 1888, 1892 and 1896. And he also led the memorable Delaware single tax campaign of 1896, intended to concentrate on the chance of winning one state as a practical demonstration. He died in 1897 in the midst of a second mayoralty campaign in New York.

Our movement has had a fascinating history. Its origin and growth as a major movement for basic social and economic reform is related in much detail by Arthur Nichols Young in his great work, **The Single Tax Movement in the United States**, published in 1916, and based upon extensive research into its every aspect, over a period of great activity, during which almost

## IS IT POSSIBLE THAT TAXES ARE REALLY BEING PAID BY OWNERS OF LAND RATHER THAN BY OWNERS OF LABOR AND CAPITAL?

Those who have expressed what appears to be the absurd notion that taxes are shifted by owners of labor and capital upon owners of land, are contradicting all that Henry George stands for, according to Percy Williams in the Spring 1976 issue of **EQUAL RIGHTS**.

Let me explain why this notion has come to mind.

Henry George wrote (page 213 of **Progress and Poverty**): "Wages depend upon the margin of production, or upon the produce which labor can obtain at the highest point of productiveness open to it without the payment of rent." This is followed a few lines later by "Where natural opportunities are all monopolized, wages may be forced by the competition among laborers to the minimum at which laborers will consent to reproduce."

Labor of superior quality, whether natural or acquired, commands higher wages depending upon such superiority (as measured in the marketplace) over average labor, "analogous to differences in strength and quickness of manual labor." (p. 210) In practical terms, wages are not the gross dollars received by labor, but the buying power of the gross wage after deduction of all taxes. This is the reasoning which gives rise to the thought that taxes do not come out of wages.

What about capital? Here I can only assert briefly that a good case can be made for the conclusion that economic interest, after deduction for the replacement of capital, deduction of the wages of management, deduction of the premium for risk, (gains offsetting losses in toto), is theoretically zero. This does not stop people from saving nor does it deter producers from buying more machines (capital, for without it he cannot compete).

The basis, then, for the thought that taxes may not come out of wages and interest is that owners of labor and capital get their full competitive due after paying taxes.

Now let us turn to Mr. Williams' contention that this conclusion is fallacious because it contradicts Henry George's assertion that the government collection of rent would bring about justice in distribution.

every conceivable approach was tried and had the benefit of substantial financial support.

World War One seriously affected the organized movement, but even after 1916 aggressive referendum cam-

Continued on page 6

It is not held here that taxes are taking all of rent, but only a part of it, leaving the great part behind to be privately retained by the owners of land. George's remedy is not in effect.

But this new assertion, that rent is so huge, seems to fly in the face of reality. The highest estimates of rent in the United States have not approached \$100 billion. Total taxes, federal, state and local, in 1973, were over \$400 billion. Total national income is over \$1,000 billion (or a trillion). Taxes seem to be of the order of 40% of national income.

Suppose now that all taxes were abolished. Income recipients would have \$400 billion extra. Land speculation would still exist. To quote George again: "A reduction in the amount taken from the aggregate produce of the community by taxation would be simply equivalent to an increase in the power of net production. . . . The advantage . . . must go to the owners of land . . ." (p. 301). George here was referring to a reduction in government expenditures but the conclusion still holds; that rent would rise by the \$400 billion of taxes abolished. A sudden change of this enormity would be impractical. Time is needed to bring about the elimination of all tax-collecting and tax-avoiding workers and machinery.

The problem of collecting the remaining rent would still be with us. Our best approach is still that of collecting an increasing proportion of rent while removing other taxes.

When I first mentioned the above notions out loud, I did not do so as a conclusion I was ready to accept fully but as ideas to be studied. Simplicity in economics, though repugnant to academic economists, is most desirable. Like Newton's laws of motion, which serve so well in macrophysics, it would be a great step to be able to demonstrate that economic interest is zero, that wealth is really divided between wages and rent, and that rent is the share that belongs to all of us.

— Mitchell S. Lurio

## ARE ALL TAXES NOW DERIVED FROM RENT?

Of course not! Henry George Makes This Point Perfectly Clear:

To relieve labor and capital from all taxation, direct and indirect, and to throw the burden upon rent would be to counteract this inequality.

Labor and capital would thus not merely gain what is now taken from them in taxation, but would gain by the positive decline in rent caused by the decrease in speculative land values.

— Progress and Poverty

# Lessons from the Colorado Campaign

In the hope that other Georgists may profit from the recent Colorado petition campaign to get the question of exemption of improvements onto the November ballot, I submit this report on the lessons we have learned from this effort.

The situations in other states differ in detail from that in Colorado both regarding requirements for getting questions on the ballot, and the exact form of the property tax and the issues relevant thereto. However, there are enough similarities in broad outline among the various states to make our experience useful to those Georgists who want to see some form of their ideas put into practice in their lifetimes, and are not satisfied with the abstract contemplation of Georgist theories.

In Colorado, statutory rules provided until recently that all except carefully defined agricultural property should be assessed at 30 per cent of value. Though six different factors are supposed to determine "value," this has generally amounted to market value or price of comparable properties.

It is the practice in Colorado for assessors to separate the rates attributable to land values from those attributable to improvements, so that both assessment-notice and tax-notice include both in separate parts of the forms. As is notorious nationwide, and became a matter of heated public knowledge as a consequence of articles in the *Denver Post* during late 1975 and early 1976, land-values were assessed at absurdly low rates, often between 1 and 4 per cent; but assessors placed values on improvements that fell between about 20 per cent and the legal level of 30 per cent. As is also widespread around the country, assessments from one county to the next would vary wildly, and gross inequities prevailed from one piece of property to the next.

On the basis of the above assessment practices, levies of 70 to 100 mills—7 to 10 per cent—have prevailed around the state, with variations from county to county and within counties according to expenses borne by the various municipal and rural districts, especially those supporting schools.

Because of the uproar over assessment inequities, in early 1976 Governor Richard Lamm (Democrat) and the Colorado Board of Equalization ordered that assessment of land values must be brought up to the same levels as those of improvements; and these orders were affirmed by the Attorney

General of the State, Mr. J. D. MacFarlane, as being in accordance with Colorado statute, which they certainly were.

These official demands for the equalization of assessment of land values with those of improvements provoked an immediate outcry around the state—not only from land speculators and slumlords, but also from legitimate developers, business elements and homeowners who saw increases in land-value assessments multiplied by 1500 to 3000 per cent in some instances (e.g., from 1 or 2 per cent to 30 per cent of value), but no corresponding relief from the impositions to be placed on their improvements. Among a public which, as elsewhere in the U.S., is grossly uninformed about the nature or problems of the property tax, the reaction was loud, chaotic, and without visible direction. Demands were made and petitions were begun which would lower the entire property-tax assessment level; and one petition campaign attempted to get a question on the November ballot which would require that **no** taxes be raised without approval of the voters at the polls.

Meanwhile, the state legislature (General Assembly) was in session from January to June, and wrestled with a variety of bills designed to calm public indignation, but revealing no understanding of the need to raise the levies on land values while lowering those on improvements. One bill, introduced by Representative Hogan, would have actually had the effect of assessing "industrial or commercial" lands (usually, speculatively held lands are in that category) at rates lower than those applied to lands zoned for business or residential uses. Fortunately, none of these bills passed; but at the last moment before adjournment in early June, the General Assembly did lower the assessment rate to a figure which could vary from 22 to 25 per cent of actual value.

While this furor was building up around the state, the Taxpayers of El Paso County, Inc. (TEPC), a large taxpayer association in the second largest county of Colorado and the location of Colorado Springs, voted on March 25, 1976, to support a petition campaign to get a question on the November ballot which would have the effect of exempting all improvements from taxation. If adopted, of course, the effect of such a measure would be to place the property-tax only on land values (except for personal property used for production of income); and the assess-

ment of those land values would have to be raised considerably in order to collect necessary revenues.

During the next thirty days, members of the TEPC busied themselves with trips to offices of the Secretary of State and Attorney General in Denver, and then with the printing of petitions on the basis of content and title as officially approved. The title which would appear on the ballot if TEPC could secure 63,040 signatures—8 per cent of the number voting for governor in the last election—would be "An amendment to Article X of the Colorado Constitution providing that improvements to real property shall be exempt from taxation," and the wording of the proposed amendments was equally brief and essentially the same as the title. TEPC would be required to turn in the completed and notarized petitions to the Secretary of State, Mrs. Mary Estill Buchanan, on or before July 2.

May and most of June were periods of frenetic activity on the part of some members of the Taxpayers of El Paso County and of individuals both in this county and elsewhere in Colorado who supported the campaign. Individuals were busy in shopping centers, at street corners, and in meetings with other taxpayer organizations and various groups which seemed to offer good prospects for assistance in our campaign. Despite these strenuous efforts, by the middle of June it was obvious that TEPC would fall short of getting anything like 63,040 signatures. The President of the organization, Mrs. Ann Wiley, and the Chairman of the petition campaign, Mr. Robert E. Case, are now completing the tally of signatures, and it appears we will not have over 12,000 altogether.

However, officers of TEPC are determined to undertake another campaign in preparation for the 1978 elections, and are certain that it will be a success. The petition effort was costly in both time and money, but provided invaluable lessons which we will apply fully two years from now. For the benefit of Georgists who may be encouraged to attempt similar efforts in other states, let me summarize these lessons here:

**1. We should have started much earlier.** The law permitted us six months for our petition drive, but we only allowed ourselves two, May and June. We should have begun in the previous December, 1975; and prior to that time, should have devoted months to building up statewide support for our idea. We talked to some civic groups, and even

Continued on page 4

## COLORADO CAMPAIGN

had the film, "One Way To Better Cities," which because of petitioning activity we never had time to show.

2. We started from too small a base. Before beginning the actual petition campaign we should have developed strong, multi-organizational support in the Denver area and elsewhere in Colorado. El Paso County, though the second largest county in Colorado, has no more than 300,000 people, and, of course, these include a large number of minors ineligible to sign petitions, as well as many non-resident military personnel. Except for the much smaller adjoining Pueblo County, there is no adjacent urban area, and Colorado Springs and Pueblo are separated by about forty miles of rural settlement. By contrast, the Denver metropolitan area, some 70 miles to the north, includes at least one million people residing in five counties — Denver, Arapahoe, Jefferson, Adams and Boulder — and north from Denver for sixty miles to Fort Collins and almost to the Wyoming line, there is nearly a continuous strip of urban settlement. Though certain Denver-area taxpayer groups threw their support to us near the end of our allotted time, this came much too late to do substantial good. We could not fabricate an effective statewide campaign out of one taxpayer organization based in one county of Colorado.

3. Paid advertising was useless. Readers' letters from myself and several other supporters engendered some interest, and brought us a few individuals willing to sign or circulate petitions; but paid advertising in the daily papers of Colorado Springs and in community papers in El Paso County and the Denver area, did no apparent good at all. Backers of another petition campaign, not connected with our own, paid \$2600 for a two-page spread in the *Denver Post*, with results that were practically nil.

4. We got more signatures where there were more people. The best places to circulate our petitions were in busy shopping centers (when permitted to do so) and downtown streets (a First-Amendment right). In a few hours, six of us secured over 1,000 signatures in downtown Denver; but again, this occurred too late, and if we had been there every day until the end of June would not have gotten nearly enough signatures.

5. We needed more help. We did not have enough people to carry petitions, and this was a consequence of our late start and our small base. TEPC claims to have about 3,000 dues-paying members, but only about 100 of these are likely to show up at meetings. Of these, about a dozen to fifteen were actively carrying petitions, plus about twice that number from outside the organization, whether in El Paso County or in the Denver area. As was said by Mr. Case, our Chairman, "There is no problem about getting signers; the difficulty is to find people willing to actively circulate the petitions."

6. Certain organizations were our natural supporters. Our best support came from realtors not involved in land speculation, people in the building and construction industry, citizens' taxpayer organizations, and politically-minded in-

dividuals concerned about burgeoning governmental costs. We got a surprising amount of help by tapping people who wrote relevant letters to editors. All this support came too late; but we know that next time these are the organizations and people upon whom we must place our greatest reliance. We talked to Chambers of Commerce, but this was mostly wasted effort. Though these organizations do include many members who would be benefited by a shift of the property tax from improvements to land values, there are also powerful speculative elements among them. We did not have time to make effective contact with associations concerned with downtown improvement and maintenance, but think this would also have provided an important source of support.

7. We found no Georgists, but made some. I regret to say that, though the Henry George Schools have been around for over forty years, and at various times there have been Georgist classes in Colorado, we never encountered a single person who had previous contact with the idea. Potential signers who asked questions became quickly educated without having to take numerous lessons based on *Progress and Poverty*. At the most, we would show them a reader's letter written by one of our sponsors, and they would be ready to sign. All the money and efforts expended on the Henry George classes may have had some notable effects elsewhere, but their impact on Colorado has been zero. As a result, TEPC officers and many circulators and signers of petitions have become educated about the Georgist idea; but their education resulted from the campaign, not vice versa.

8. We had a terrifically appealing idea. Our idea, to simply let voters decide whether to exempt improvements, without complications about ratios with land-value assessments, and, of course, without any talk about "putting land in trust" or the like, proved to be hugely popular among essentially everyone who came into contact with it. Except for a few questions as to where the money was to come from, which we could readily explain in a few moments, we were only rarely confronted with substantial arguments. In innumerable instances, individuals who had heard about our campaign sought us out, or charged up to petition circulators with pen in hand, ready to sign anything that would help to resolve the property-tax problem.

9. We will do it again. As of this moment, all of us are enthusiastic and positive about starting the campaign afresh in preparation for the elections of November, 1978. We will propose the same question, without substantial revision; but we will revise the format of our campaign to accommodate itself to the lessons we have learned. Already, Mr. Case, Mrs. Wiley, Mrs. Ann Hoyt, and others who were especially active in this campaign, are talking about steps to be undertaken very

soon, not eighteen months from now, in preparation for 1978.

We know that if we get our question on the ballot in 1978, the voters will approve of it. Nor is this simply a movement for reform of the property tax. We are persuaded that if we can get improvements exempted from the property tax, we can then begin campaigns to eliminate other taxes, one by one, except for the tax on land values. I do not seriously think that we can establish the single tax in Colorado in our lifetimes; but we will make a serious beginning, and Georgists should hear more about us later! I also commend our general approach, modified by the lessons we have learned, to other Georgists around the country.

—James L. Busey

## An Honest Currency and An End To Inflation

There is a single issue on which all libertarians who lack the time or background for specialized study can effectively concentrate. This is demanding that the government provide an honest currency, and that it stop inflating. This issue has the inherent advantage that it can be made clear and simple because fundamentally it is clear and simple. All inflation is government-made. All inflation is the result of increasing the quantity of money and credit; and the cure is simply to halt the increase.

If libertarians lose on the inflation issue, they are threatened with the loss of every other issue. If libertarians could win the inflation issue, they could come close to winning everything else. If they could succeed in halting the increase in the quantity of money, it would be because they could halt the chronic deficits that force this increase. If they could halt these chronic deficits, it would be because they had halted the rapid increase in welfare spending and *all the socialistic schemes that are dependent on welfare spending*. If they could halt the constant increase in spending, they could halt the constant increase in government power.

*If the welfarist-socialist-inflationist trend of recent years continues in this country, the outlook is dark.* It is a prospect of mounting taxation, snowballing expenditures, chronic deficits, a budget out of control, an accelerating rate of inflation of the kind endemic in Latin America, a collapse of the dollar, increasing world currency chaos, and more and more ruthless price, wage, and exchange controls, leading toward a regimented economy and dictatorship. And if this trend is interrupted temporarily,

Continued on page 6

## CHICAGO CONFERENCE

Continued from page 1

"Teaching Georgeism by Mail," and proposed a mass mailing to specialized mailing lists such as educators, journalists, editors, lawyers, accountants, doctors, business executives, theologians, etc.

Theodore Swain, Deputy Chief Assessor of Chicago, spoke on the role of the assessor. Illinois law requires land and improvements to be assessed separately, but the courts only recognize the total property. Assessment levels are different with various classes of property — e.g., commercial property is higher than residential property; the justification is that homeowners bear the tax cost but businesses shift it.

Nadine Stoner, President of Beloit chapter, Wisconsin Property Owners League, told of a campaign for land value taxation in Wisconsin. It was found in 1969 that there were great variations in assessments and the League filed two lawsuits, with assistance from the International Union for Land Value Taxation. In 1971 and 1973 optional land value legislation was introduced and approved by the legislature, but action was deferred until the next legislative session.

Activities in Nebraska were reviewed. Everett Gross, of Crete, Neb., is now studying for a master's degree in economics at the University of Nebraska. Gary Carlson of the Housing and Community Development Dept., Omaha, told of a report he prepared on the impact of a graded property tax in Nebraska. As this aroused difficulties in the state's 93 counties, another study was made limited to Douglas County and its largest city, Omaha, where population of the state is concentrated. A recommendation for land value taxation was made. An amendment will be introduced in 1978, permitting a tax rate on land no higher than the current rate on land and improvements.

On Friday evening, Perry Prentice, President of the Robert Schalkenbach Foundation, spoke on what that organization is doing to promote property tax reform. A Regional Committee has been formed consisting of persons working in the various sections of the country for land value taxation, working closely with them and offering whatever help is feasible in consultation; literature, etc. He announced the imminent retirement of Miss V. G. Peterson as Executive Secretary of the Foundation, a position she has filled with distinction for many years.

Floyd Morrow, City Councilman of San Diego, told of the activities of LEAF (Land Equality and Freedom) which has been established as an ac-

tion organization in California to serve Georgist ideals. Meetings have been held with Governor Brown and other state officials. A conference was recently held in San Francisco, in conjunction with the Henry George Schools.

### ACTIVITIES AND IDEAS

Idaho was represented by William Onweiler, a member of the State Legislature, who presented a slide program on Ada County (which includes Boise) that he had been showing to groups in Idaho. It shows the amount of under-used property and builds up to a proposal for land value taxation. The International Union has assisted Mr. Onweiler.

Russel Conklin, former Mayor of Great Falls and now County Auditor, advocated a crash program for Montana, which is now the only state that has statewide assessment. He believes there may be enough support in Montana to enact a permissive bill, but it would require professional lobbying and political organization.

At the Saturday session, John Weaver, Assistant Secretary of the Henry George Foundation, reviewed the Georgist movement in Pennsylvania, noting that two former Pittsburgh Mayors, William N. McNair and Cornelius D. Scully, were prominent members of the Foundation. Dr. Steven Cord is very active as President of the Graded Tax League of Pennsylvania, in promoting a graded tax plan for various cities under the present optional state legislation. Harrisburg has already taken the first step. Meadville has shown a favorable response and other cities are being approached. The Department of Public Affairs of Pennsylvania has drafted a series of bills introduced at the current session of the Legislature, which would provide optional graded tax to the boroughs, townships, counties and school districts throughout the state.

Woodrow W. Williams, an Ohio farmer, spoke of the difficulty in convincing farmers of the benefits of land value taxation; they do not appreciate how they would gain by the abolition of other taxes. Mr. Williams has corresponded with Ohio's Lieutenant Governor Celeste and has contacted the Farmers Union.

Benjamin F. Smith, of Ada, Michigan, presented a thesis on "Negative Land Values", illustrated with charts. He said that land value reflects everything, "malefits" as well as benefits. He gave examples of land in his community where conditions were so bad that the combined value of land and improvements is less than the value of the improvements — an illustration of negative land value.

Leonard Huckabone spoke of Georgist efforts in Michigan. The Committee for Better Cities had sponsored mailings to legislators. A resolution has been adopted by the Unitarian-Universalist Church petitioning Congress to study land value taxation.

Robert A. King of Chicago spoke on his journalistic work, including a newspaper column entitled "King's Row."

Claude W. Arnold, of Fairhope, Alabama, told of recent developments in the Fairhope Single Tax colony. Reassessments have been undertaken, and though they have been objective, protests and legal actions have resulted. The present situation is critical but so far the colony has sustained all these difficulties and has also found that the single tax has more friends than was previously supposed.

Executive Secretary Percy R. Williams highlighted 50 years of Henry George Foundation history. It was begun in 1926 in Philadelphia when the Birthplace of Henry George was acquired. National headquarters have always been maintained in Pittsburgh, and its Presidents throughout the long years have been George E. Evans, Pittsburgh City Councilman; Charles R. Eckert, Congressman from Beaver, Pa.; Judge John R. Fuchs of New Braunfels, Texas; and Attorney William E. Schoyer, of Pittsburgh, one of the original incorporators and trustees still serving. Many distinguished Georgists have served on the Board of Trustees. Annual conferences were initiated in 1926 and continued until 1941. There were also national conferences in 1949, 1951, 1958 and 1962. The Georgist Groups turned over the conference program to the Henry George Foundation at the Pittsburgh Conference in 1974, Bryn Mawr in 1975 and Evanston in 1976. Mr. Williams concluded that the movement is "alive and well."

Julian Hickok of Philadelphia, spoke on "Henry George and Free Enterprise" and showed how mistaken it is to confuse Georgeism with socialism. George wanted to abolish "boom and bust" cycles, but in a free enterprise atmosphere.

William O. Ranky, of Chicago, spoke on "The Persistent Problem of Inflation." He cited German and Hungarian inflations which were used as political weapons, and quoted Lenin that the surest way to overthrow capitalism is to debase the currency. Money that is "recurrent" (issued to pay taxes and federal notes) is not inflationary. Money that is "non-recurrent" (issued over the above purposes) is inflationary. To stop inflation the Federal budget must be balanced.

At the Sunday session, Richard Noyes, editor of the **Salem Observer**, was the first speaker. He said that New



## "Monopoly"

### Game Georgist Inspired

"Monopoly," the popular parlor game, was originally called "The Landlord's Game" and was invented by a Georgist to demonstrate the evils of private land rent ownership.

On Jan. 5, 1904, a Quaker woman named Lizzie J. Magie was awarded patent number 740,626 for the invention. The rules of the game changed slowly over the years. And one of the early players of those years, Priscilla Robertson: "It was considered a point of honor not to sell it to a commercial manufacturer, since it had been worked out by a group of single taxers who were anxious to defeat the capitalist system." Ms. Robertson should rather have said "monopoly capitalist system."

In the 1930's, Parker Bros., the manufacturers, paid Ms. Magie \$500 for her claims to the game.

The real estate in Lizzie Magie's game had names like Poverty Place, Easy Street, Lord Blueblood Estates and the Soakum Lighting System. (Information from a column by Nicholas von Haffmaan, Wash. Post, 6/4/76, quoting Burton Wolfe, S. F. Guardian, 4/23 and 4/30/76.) — Steven Cord

### CHICAGO CONFERENCE

Continued from page 5

Hampshire is the only state that has neither sales nor income tax, and that the word "proportional" in the state constitution has helped to keep it that way. A recent Constitutional Convention failed to adopt a Georgist amendment but it is hoped that another effort can be made next time.

Wayne Berry, of Spring Hill, Florida, told of the Free Land League founded by Gaston Haxo, and invited all present to become members.

A Conference evaluation was conducted by Mina Olson, Executive Secretary of the Chicago Henry George School. Plans for 1977 were also discussed. Floyd Morrow proposed that next year's conference be jointly sponsored by LEAF and the Henry George Foundation, and if possible, the Henry George School. The delegates assented to this. A location and tentative dates were set: Lake Geneva, Wisconsin, around the Fourth of July. Mr. Morrow volunteered to be Conference coordinator, and Nadine Stoner to assist with Conference arrangements.

Thanks were extended to the Henry George Foundation and to the Chicago Henry George School — which provided a welcome interlude of entertainment on Saturday evening by a family of folk singers. And so ended the 1976 Conference!

## WHAT CAN WE LEARN FROM HISTORY

Continued from page 2

paings were repeatedly undertaken in the state of California, and there was also noteworthy political and legislative activity in Pennsylvania, where mandatory graded tax legislation for second class cities (Pittsburgh and Scranton) survived an attempt to repeal in 1915 and became fully effective by gradual steps in 1925. And the Henry George Foundation of America was launched in Philadelphia in 1926.

But after the Great Depression struck in 1930, there was a tendency to retreat from political action to stress academic education, based on the theory that the time was not yet ripe for Georgist political action, together with the fact that the federal income tax had become such an important factor and thus had a tendency to divert larger financial donations and bequests from political activity of any sort to support activities that could be classified as strictly educational. Thus the educational arm of the movement was expanded considerably and many students were converted to the faith, yet the net results were hardly commensurate with the investment of time, money and effort. So recently there has been a marked tendency to emphasize the thesis of Henry George that political activity and action are not only the ends we must seek, but the most effective means to promote popular education in economics.

What then can we learn from history — the history of the Georgist movement as contrasted with the history of competing movements related to efforts to solve the great social and economic problems of modern times? What has happened to our great crusade?

Most Georgists still retain a firm faith in the cause which they have espoused and believe that it will ultimately triumph. Yet as we approach the 100th anniversary of the movement, and pause to celebrate the 50th anniversary of the Henry George Foundation of America, we face the fact that for some reason or reasons, no great victories have yet been won, and despite many valiant efforts to win popular support, no great advance actually has been achieved. If we have the only true remedy for our social, economic and political ills, why has the single tax proposal been so neglected? It is apparent that there is no easy road to victory. Therefore many Georgists feel that it is high time to seriously consider what can be done to make our movement more effective.

— Percy R. Williams

## AN END TO INFLATION

Continued from page 4

it may be by riots, assassinations, and a breakdown of law and order.

But it is within our power not only to avert this nightmarish prospect, but to restore order, justice, constitutionalism, limited government, economic and personal liberty, internal peace, and stable prosperity and growth.

The present appalling power and omnipresence of government must be forced back within tolerable limits. Traditional liberals since Adam Smith have agreed on only two indispensable functions of government: first, to protect the nation against aggression or invasion from other nations; and second, to protect every member of the community from the aggression, injustice or oppression of any other member.

Some libertarians would add other functions: the provision of sewage, water, and other health and safety services in cities, the construction and maintenance of streets and roads, and for the national government, the provision of a trustworthy monetary system, the setting of standards of weights and measures, and the collection and publication of certain kinds of information.

What can be said with confidence is that every extension of the functions and powers of the State beyond its primary duty of maintaining peace and justice, should be scrutinized with jealous vigilance. Precisely because the State has the monopoly of coercion it can be allowed the monopoly *only* of coercion. Only if the modern State can be held within a strictly limited agenda of duties and powers can it be prevented from regimenting, conquering and ultimately devouring the society which gave it birth.

The solution to our problems is not more paternalistic laws, decrees and controls, but the restoration of liberty and free enterprise, the restoration of incentives, to let loose the tremendous constructive energies of 200 million Americans.

— HENRY HAZLITT

*Man vs. The Welfare State*, 1969

### How to Reduce the High Price of Land

If land values were more heavily taxed, it would press property owners who do not develop the land themselves to sell to someone willing and able to put the land to better economic use. In this way, higher land taxes **get capitalized into lower prices** for the land, and are not passed along — **they cannot be passed along** — to the user.

Dr. Dick Netzer,  
New York University

### HELP WANTED!

May we urge all contributors or subscribers — don't forget to renew for 1976. **Equal Rights** and the Henry George Foundation depend upon your continued generous support.