



Newsletter

HENRY GEORGE SCHOOL

October
1975

IMPORTANT NEW POLICY

AND NOW, THE NEWS

The Board of Directors has voted to initiate the policy of charging for our classes in all branches starting this winter term. The charge will be \$15 for both the Progress and Poverty and advanced courses. The fee will include the book and lesson materials.

The idea of charging has been long debated, and the Board is aware that it has both pros and cons. The main drawback: finances will prevent some people from taking the courses. But we hope the advantages will outweigh this, namely that those who do enroll will commit themselves to completing the study and to placing value on what they learn. Additionally, the School will re-coup some of the rising costs of class promotion.

Placing our classes on the "open market" is an exciting challenge and surely in-keeping with the best free enterprise principles! We'll be keeping careful records of class enrollments, attendance and graduates, and will keep you posted as the results come in.

Additionally, the Board voted to try a new class announcement printed on newsprint paper. We'll be able to include more information about the School, Henry George, the class format, etc. The announcement can be an educational vehicle in itself. It will also include a (changing) column on recent economics news. If you see a news item you think would be suitable, please send it in. It should be relatively short and fully identified as to its source. Thanks.

CLASS LOCATIONS NEEDED URGENTLY!

Charging for classes this winter means we can no longer use public schools, libraries, and other meeting places. Therefore, we are NOW ASKING graduates and friends to offer their homes (apartments, etc.) for classrooms. Schools like Heliotrope already use homes in this way quite successfully. The classes can become more comfortable and convivial.

Class hosts and hostesses are not asked to serve refreshments, simply to offer the space. To protect your privacy, we will not print your specific address on the flyer.

So, friends in San Francisco, Marin, East Bay, Mt. Diablo, and Sacramento, why not consider having a class in your home this term? It's a good way to review the course yourself and to meet people who share your interests. Classes start the week of January 19, 1976, but we must go to press very shortly. Please call or write immediately if you can help in this way. Tell us what time of day or evening is best for you.

MEMBERSHIP PROGRESS

85% of the memberships expiring in September renewed for a total of \$527. And we gained 6 new members in August & Sept. bringing in \$124 more. Welcome to them!

The 1975 Henry George Birthday Picnic was held September 7 at Lafayette Reservoir Park. President Clay Berling gave a rousing speech amidst the pine trees; the HG T-shirts were displayed for the first time; and the mini-raffle brought in about \$25. Every bit helps! Thanks to the following people who either donated or obtained items for the raffle: Terry Agnew, Clay & Ruth Berling, Julie Blair, Joe Casey, Concord Auction Studio, Sandy & Lillian Farkas, Carl & Maria Frech, Allen Hayward, Im Helmy, Larry's Perry's Pizzeria, Presidio Bike Shop, Mark Schwler, and Ed Wachsmann. And thanks to those who bought the tickets.

THE FALL TEACHERS INSTITUTE

on September 13 at West Portal S&L was attended by 34 people who reviewed various teaching techniques and then heard a fascinating lecture by Martin Brown on George, Marx, and Keynes. Thanks to Charles Turner for planning this fine event, and to Martin for sharing his knowledge with us.

GEORGIIST LITERATURE AT PEACE FAIR

San Francisco's Grace Cathedral was the site of an all-day Peace Fair Saturday, Oct. 11. Terry Agnew set up a literature table and spent the day talking with people from different anti-war groups about the economic origins of war.

A GARAGE SALE

-- our first! -- was held, at the inspiration of and due largely to the labors of, MIKE TRIGG, on Saturday and Sunday, October 19-20. Mike's garage on Frederick St. made a fine location (as compared to the least productive garage-sale location in use!), and the sale brought in a delightful \$281. (Now how much of that was rent?) We sold a few baked goods in addition to the usual items. Fortunately, the predictions for rain turned out to be wrong. (How unusual!) Along with Mike, we thank all those who donated items or helped with the sale: Julie Alexander, Olga Anderson, Julie Blair, Juanita Braude, Hjordis Farnestad, Wendell Fitzgerald, Allen Hayward, Joe Husar, Lucy Kostriklin, Ward Lemon, Mark Schwler, Bob Scrofani, Mary F. Smith, Marton Sousa, Charles Turner, and Lillian Wong. Let's have another before too long!

NEW YORK SCHOOL PRESIDENT

Arnold Weinstein visited San Francisco September 29 and met informally with the Board. Our discussion included questions of philosophy and direction for both schools, class-work progress, and (naturally!) finances.

MEANWHILE, OVER IN BERKELEY

the Democratic Socialist Organizing Committee held a day-long forum October 18 on "Who Should Own California?" with panels on jobs, housing, and land reform. Terry Agnew and Cathy Covell set up a literature table and attended many of the panel discussions, wearing our HG T-shirts. It was good to see friends Mary-Frances Smith, Otto Grimm, and Charlie Smith there too!

THE SAN FRANCISCO PUBLIC LIBRARY

hosted 2 talks on the Single-Tax in October. Terry Agnew spoke at the Mission Branch on October 20, and Cathy Covell at the Main Branch October 23. These talks were part of the American Issues Forum sponsored by the National Endowment for the Humanities.

POLLY ROBERTS ARTICLE PUBLISHED

It's called "Property Taxes and Land Value Taxes" and it's in the Sept.-Oct. 1975 issue of the Real Estate Appraiser. Polly says it's a summary of her testimony last year before State Senator Albert Rodda's Committee on Revenue and Taxation. The article is readable and informative. Let us know if you'd like a reprint.

LAND REFORM IN RURAL AMERICA

is the title of a new bibliography compiled by Charlie Smith of Berkeley. It's 24 pages long in the "compact version" and it's a magnificent compilation of books, magazine and newspaper articles, and reports, as well as a list of groups involved with various aspects of land reform. 3 works by Henry George are included. You can order one directly from the Center For Rural Studies, 1095 Market Street, #418, San Francisco, CA 94103. Telephone (415) - 861-3147. They cost \$1.00 plus 25¢ if mailed.

COMMUNITY RELATIONS PROJECT

is moving along well, with Terry Agnew arranging seminars, speeches, and classes everywhere he can. Terry was interviewed on radio station KFRG for 15 minutes on October 26. He has contacted Glide Memorial Church, and is setting up a class there to begin in January, 1976. Several seminars that he has set up are listed in the next column under "Coming Events". We invite all School friends to attend one or all of these seminars. They make a nice, one-day review for you, and an excellent way to introduce a friend to George's ideas.

Cathy Covell, Editor

PSSST.....

What are you doing Sunday, December 7? Are you coming to our Annual Meeting and Banquet, and have you made your reservations yet? If you're a fall-term graduate, we're planning to give you a certificate there, so come and be honored. Call your teacher about forming a car pool.

What a gala event it will be! We wish our friends from across the country could be with us on this evening, which will include the awarding of the 1975 J. Rupert Mason Medal and prizes. Earlier in the afternoon there will be a fascinating panel discussion on land reform. This will feature a graphic presentation by Mark Lasher from the National Land for People organization in Fresno, California. Mark will use maps, charts, and a film to discuss the concentration of landownership in California. Mason Medal winner Peter Barnes will also be a panelist, along with Cathy Covell and Bob Scrofani. So...don't miss it. Hurry and send or call in your reservation.

COMING EVENTS

Sunday, December 7. Henry George School's Annual Banquet and membership meeting. 3:30 P.M. to 10:00 P.M. Need we say more??

Saturday, Dec. 13 Seminar by Terry Agnew at THETA, 301 Lyon St., S.F., 10 AM - 2 PM. \$15.

Sunday, Dec. 14 "Spirituality and Economics" a talk by Terry Agnew to the Theosophical Society, 414 Mason St., S.F., 8 PM, Donation. Saturday, Dec. 20 "The Economics of Joy" Seminar by Terry Agnew at the Unitarian Church, Geary and Franklin Sts., S.F., Kincaid Room. 1:00-4:00 PM. \$1.50 donation.

A GOOD THING TO DO

Would be to nominate Henry George to the Hall of Fame for Great Americans for 1976. Mr. Robert Clancy from the Henry George Institute in New York has sent us information on how to do it: Simply write: "Henry George, NY born: Philadelphia PA 1839, died New York, NY 1897" and your reasons for nominating him. Send to "The Hall of Fame for Great Americans, 2 Washington Square Village, New York NY 10014. Deadline is April 1, 1976. Mr. Clancy says that the number of nominations will be influential in deciding the result.

ANOTHER PROJECT, THAT MIGHT WIN YOU MONEY...

is the "Toward Our Third Century" essay contest sponsored by Wells Fargo Bank and the Smithsonian Institution. ...this awards program seeks to encourage Americans to submit their perceptions and recommendations on areas of human concern that will help to achieve a better nation in the third century. Prizes total \$100,000. Write: "Toward Our Third Century" P.O.Box 44076, S.F. CA 94144.

Editor's note: Continuation of responses to Cathy Cowell's April 1975 editorial:
"Land Speculation by Georgists?" More to come.

From Polly Roberts:

I agree with Cathy that we shouldn't let land interests co-opt the School. Given the present meagre influence of the School, I consider that danger remote. Nevertheless, suspicionness towards actual and potential members may do us serious damage.

But before we even think of hunting enemies in our own house, let's at least be clear who we're looking for.

George attacked two evils. First, the growing prosperity of the country brings unearned "windfall" income to the landholding minority, making the distribution of wealth more unequal. Second, Many landholders withhold land from use, further aggravating maldistribution of wealth, and causing industrial depressions. George proposed to cure both evils by the single-tax. However, most Georgists, and to some extent George himself, confuse the two evils under the same heading of "land speculation".

Land speculation. Land speculation generally means buying or holding land in the expectation that its price will rise, that is, in anticipation of windfall income. By this definition, all holders of property, developed or not, are speculators. For the price they pay or will sell for reflects expected future income.

Land withholding. Land withholding means holding land, whether vacant or developed, that someone else would put to more intensive use. Land withholding means holding a vacant parcel in the middle of farmland, farmland in the middle of suburbia, houses in an apartment neighborhood, or a 6 story office building in the middle of 30 story office buildings. Merely keeping a lot vacant is not withholding if others would also keep it vacant.

George attempted to explain land withholding by analogy to commodity speculation: Landholders keep back land waiting for a higher price. The explanation fails for several reasons.

1. We eat commodities only once, but we can use land continuously. So there's no reason to hold land from use while waiting for the price to rise. And as I said, all property holders speculate on higher future prices, but only some of them withhold land.
2. In fact, withholding usually reduces the profitability of property investment. The owner loses the income he could have earned if he had used the land before selling. But what about the windfall fortunes speculators in raw land supposedly make? Most people who buy land expecting a big price rise pay too much and end up losing. A few do make fortunes, --if, through luck or inside information, they bought cheap where the public later decides to put a new highway or MART station. But such fortunes don't depend on withholding land from development. The owners will actually make less money if they don't develop when the highway or MART lands on them.
3. Some corporations with a corner on a resource may withhold to drive up the price of a product like oil. But to make withholding profitable, other producers, like oil cartel members, must also agree to withhold. Without collaboration, withholders lose out to the competition.
4. Many withholders don't care if prices go up or down, as they have no intention of selling. The latifundistas of Latin America pass estates from generation to generation for hundreds of years. Major corporations bottle up valuable resources indefinitely. Some of the worst withholders in this country are local, state, and federal Government. Look at all the vacant land the U.S. Army camps on in San Francisco, in the Presidio and a variety of near-abandoned forts.

So if greed for speculative profits doesn't explain withholding, what does? Withholders tend to be rich, like the latifundistas, or owners of suburban estates and downtown parking lots. Or they are bureaucratized, like government agencies. Or both, like big corporations. They don't withhold land for profits. Rather, they can't manage properly, or can't be bothered. Wealthy individuals and corporations find hanging onto property a good way to store money and increase it slowly, with a minimum of effort.

But the cure for withholding remains the same. The single-tax would quickly force most private withholders to "use it or lose it". And those who continued to use land less intensively, -- for example as a garden on an urban lot -- would pay the full social cost and therefore do no damage. (Public withholders are a separate problem.)

To repeat, all holders of property, developed or not, necessarily speculate on future price increases. Most persons of any means engage in some withholding, either indirectly by owning corporate shares, or directly by holding land that they cannot or do not want to manage as intensively as poorer people would manage. The better-off members of society inescapably benefit from and help perpetuate the status quo, by receiving windfall income, and by withholding.

In deciding who the School should accept support from, I think we should clearly distinguish passive beneficiaries and perpetrators of the system, -- the entire class of well-to-do people -- from active supporters of the system. Obviously, we shouldn't accept money from people who oppose our goals. But such people won't offer money until they consider the School powerful enough to threaten them. Also, I don't think we should accept money from people who use public office or political influence to make private profits, from land deals or otherwise. But such people behave unethically by any standards, not just Georgist.

However, I think we would be very foolish to try to prevent "land speculators" from supporting the School. Unless we arbitrarily and incorrectly define speculators as merely holders of vacant land, we would exclude all persons of any means. Aside from decimating our resources, such exclusion would be insulting to many of our most dedicated members, making them guilty by association. To me, what counts isn't the degree to which people benefit from the system (provided they benefit honestly), but their determination to change it for something better.

Polly Roberts

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Dear Cathy, Your pitch for screening out "tainted" school money was great in all respects. I admire your resoluteness. It's got a moral ring to it that in these days of credibility gaps, people up front in the parade could use. But I have doubts, Cathy, and, what comes to mind especially is the distinction Churchill makes in his book "Liberalism and the Social Problem" where he said in the Glasgow speech, I believe, something to the effect it is not men who are bad, it's the system that's bad. We should not rebuke men for doing what the law allows, we should alter the law, etc. I can think of many Godlike qualities you express in your stand, but one I waver on is the quality of wisdom in this instance. Is it wise, practical or even altogether just? Think of what the Lincoln money has done to support studies by thinkers like Gaffney and thinkers and doers like Prentice, too. Would you have John C. Lincoln wait outside the Kingdom of Heaven with the Scribes and Pharisees just because his free enterprise profits grubstaked his Phoenix land ventures! Your stand is strong and courageous, and who am I to say it will not work the way Cobden felt a non-interventionist policy would work for Britain. Cobden insisted if Britain renounced Imperial Wars in favor of free trade and land reform, the other nations "would all turn moral in self defense." History never gave Cobden a chance to test his point. "Of how many cases of intervention by England," Cobden asked, "does not every Englishman now admit that they were monstrous and inexcusable blunders?" And of how much better off England would have been to have been doing the work of government well at home. And now here we are in 1975 facing the same questions as we pull out of Vietnam. You may make us all turn moral, too.

Harlan Trotter

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Cathy, You would have found a sympathetic reader of your April 1975 editorial, in Abraham Lincoln, judging by the words credited to him by Dr. Robert F. Browne in his Abraham Lincoln and the Men of His Time:

Offered the opportunity by his friend Gridley, eager to help him, of the purchase of a quarter section of land, which his friend assured him would double in price within a year, Lincoln said:

"I am as thankful to you and appreciate what you do for me in so many unselfish ways that no one knows of save myself. Nevertheless, I must decline this kind offer of yours, which would no doubt profit me and harm no one directly, as I view it. I have no maledictions or criticisms of those who honestly buy, sell, and speculate in land, but I do not believe in it, and I feel for myself that I should not do it. If I made the investment, it would constantly turn my attention to that kind of business, and so far disqualify me from what seems my calling and success in it, and interfere with the public or half-public service, which I neither seek nor avoid."

John Monroe