



QUICKSILVER

A NEWSLETTER OF THE HENRY GEORGE SCHOOL OF SAN FRANCISCO

PRIVILEGE FOR NONE, OPPORTUNITY FOR ALL

Late Spring 2004

Siftings

•David Wilbur traveled the ten week distance of The Henry George School's "The Fundamentals of Economics" course some twelve or more years ago, then went on his way as a CPA and tax consultant.

About three years ago, his interest in better community financing and planning burgeoned, prompting him to attend first one then a rasher of Citizen Advisory Committees. Now he sits on San Francisco's Assessment Appeals Board, volunteers with the Tenant's Union, and frequents a slew of planning forums.

But the apex, to date, of his participation as a citizen must be his leadership in founding the Housing and Land Use Working Group, part of the San Francisco Chapter of the Green Party. The stated mission of this group is to educate itself and the general Green Party membership in the economic dynamics of and political protocol and machinations involved in producing housing and land use legislation. And then to guide the Green Party in initiating coherent land use policy and either defending or challenging externally proposed legislation.

David minces no words in acknowledging the significant role George's *Progress and Poverty* has played in his thinking. "Reading that book will forever change the way you look at land use issues."

It's sweet to meet such men and women as David Wilbur for their experience confirms our labors do hold water with folk.Q

Theater and evolution, or why the Roc is no Dodo

For some of us, Shakespeare's observation that all the world's a stage and all the men and women merely players (from *As You Like It*), is triumphal. That's because we have something to say that is truthful and universal.

To be sure, our flesh, blood and bones go through changes, morphing from supple youth to saggard decrepitude. It is this physical transformation which Shakespeare had in mind. But the image of people as actors touches upon the spirit of humanity, upon a something that

daily living utterly fulfilling what it is to be itself. In contrast is the human being whose behavior constantly stirs the sensibilities of others to speak in moral terms. We speak of fairness, of justice, and of equity, meaning that some human behavior is more acceptable than other. We seek to adjust others' and our own behavior to the end of eliminating all or some measure of what we call unjust behavior in social relationships.

Theater sometimes assumes the task of officiant in

Two fifth graders, playing the ghosts of long-gone explorers Vitus Bering and Francis Drake, gasp → as they marvel at the gift that is Earth in the HGS production of Wonders Never Cease.

transcends a single, mortal life. To say there are actors is to presume an audience. To presume an audience is to acknowledge there is listening and the possibility of an effect occasioned by that listening. At its most sublime, performance fulfills a sacred rite prompting purposeful social change.

In his thin but meaty text, *The Abolition of Man*, C. S. Lewis describes something which distinguishes the human being from all other life. Whereas other beings *are*, people, at their best, *are becoming*. To illustrate: a particular species of plant or animal is in its



stirring human beings to change their behavior such that they *become* more just. In short, we human beings labor to become better human beings. Dogs are dogs and elephants are elephants, but humans become more humane.

Because some of us assert that ceremony, performance and art surpass mere exposition in guiding human spirit, the Henry George School of Northern California maintains an active commitment to performance programming.

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What is Georgism?

The term "Georgist philosophy" refers to the economic analysis and social thought advanced by the American economist Henry George (1839-1897).

Central to Georgist philosophy is the conviction that social problems must be pursued to their root causes and remedied at that level, rather than by treating mere symptoms. Quite thrillingly, this conviction is buoyed up by a scientific approach to political economy, the study of the production and distribution of wealth.

A moment's earnest consideration of the human condition will inform anyone that everyone is equally human and equally needful of access to earth in order to live. It is the aggregate human need and desire to use advantageous parts of the earth that imparts relative value to one piece of land over another. Taking these two observations together -- that all of us are equally earthlings, and that land values arise out of the social circumstance of humans -- leads Georgists to assert that the natural and proper source of revenue for meeting societal needs and wants is the annual value of land.

We Georgists see the natural world as a reservoir of abundance, not a battleground of scarcity. It is the hoarding of nature, induced by the privatization of land values, that produces poverty. Once land is treated as the commonwealth that it is, the obscene abuse of the earth for private gain evaporates. And just as the annual rent of land is socialized, just that soon are the blessings of society made crystal clear.

The value of land is the value of society. That may sound crass, but socialized ground rent manifests itself in a spiritual and very idealistic way. The ground rent the landlord now collects from you is enough to fund our schools, museums, rec. centers, parks, public transportation! These are, after all, precisely what he is charging you for, location.

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EDITOR -- DAVID GIESEN

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"A departure from principle in one instance becomes a precedent for a second, that second for a third, and so on 'til the bulk of the society is reduced to be mere automatons of misery, to have no sensibilities left but for sinning and suffering . . . And the forehorse of this frightful team is public debt. Taxation follows that, and in its train wretchedness and oppression."

Thomas Jefferson

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'03-'04 graduates top sixty for 2nd year

The ruts worn by the horrible wagon of false premises run deep in the road of life. Jefferson's words in the space for featured bons mots above are too true in this regard. After all, he himself perpetrated the ultimate evil type of taxation, namely slave-holding. Yikes! It takes enormous effort to cleave to the solid course of principles.

Without any smug sentiment to it, we state, delightedly, that the school year now concluding registers the second year in a row the HGS has graduated over sixty enrollees. And these students have taken their draught in full, unadulterated fashion. The political economic principles they've imbibed vitiated no one's

personal liberty and yet compromised not a whit of society's due, either.

And such graduates! Six went on from Level 1 to Level 2. And one of those is enrolled in the third and concluding sequence of HGS curriculum. Ken Noto is the first complete curriculum student in twenty years.

Naturally, we're happy to have enjoyed this comparative standard of success. Still, there is so much more we can do. That's we of the HGS and we the greater community of georgists.

Call the HGS today and get involved with the school's outreach. At minimum stop by the Vermillion Club. Check out page 7

Theater

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Art can touch the imagination in a way that linear argument finds difficult. Consider the Roc and the Dodo, for instance. Let the mythical Roc, a huge bird of fierce character, an archetype of winged power, stand for art. And against this place the Dodo, representing rational thought, a slow, unwitting, flightless bird that actually passed into oblivion on account of man's rapacity.

The former funded a story in *The Arabian Nights*, while the latter serves (undeservedly, perhaps) as a butt of mean humor.

To launch friends, neighbors and fellow citizens upon a georgist quest for justice, expect that employing the Roc rather than the Dodo, art rather than mere words, will prove more eventful.

And so, what follows is the briefest of introductions to two scripts written as georgist art. The scripts became plays at a k-8 school in San Francisco that has served as a workshop for developing georgist curriculum.

First let's take a peek at *Wonders never cease*, performed by 5th graders (and one other) for an audience of 190.

The story concerns four historical European explorers from before the 19th century uniting to lead a walking tour of the Arctic.

Sir Francis Drake, Henry Hudson, Vitus Bering, and James Cook each spent time in northern polar waters looking for an ice-free passage over North America to Asia from Europe. No such passage existed during the years they were afloat, but these men made extraordinary sightings, nevertheless. Though there was scant overlap in their careers, the renown and prestige sure to

redound to whomever found the shortcut to Asiatic markets generated a rivalry between these men, and it is the craving after fame that drives the play's plot... but from an unexpected quarter.

When Drake introduces his fellow mariners to the native peoples of the Puget Sound region he hardly expects that his undoing is at hand. Before he can object he's been stripped of all clothing but his knickers by Indians who believe he's throwing a *potlatch*. Amongst the leading families of the Northwest tribes it was customary to periodically give all one's wealth away in an ostentatious party atmosphere. These potlatches proved one's high status, but were possible because of a convention unique to the totemic peoples, namely private title to land and fishing waters! It helped that all leading families were expected to return the party favor ory and feed the landless at their own carnivals, but at bottom these blow-out festivals occurred because of Rent-gotten gain.

But let's let the characters spell it out.

Native man #1

The local custom, young one, is for those who have lots of stuff to prove it by giving it away.

Hudson'sson

Everything?

Native man #1

Everything we've made or been given or, a-hem, taken.

Vitus Bering

Very interesting. But how do you replenish your own stuff again?

Native man #2

Well, there is one thing we can't make more of.

Native man #1

One thing we can't reproduce.

Native man #2

One thing no number of slaves nor of our renters can fashion.

Drake

Something no one can make?

Cook

AS HE STEPS FROM BEHIND AN ICEBERG Ah!

Vitus

Who's there?

Cook

I've got it!

Drake

Who is this?

Native man #2

Who are any of us -spirits without a home- without what we're speaking of?

Cook

Exactly! Land!

As Drake grows bellicose in demanding his clothes back, the natives direct him to leave their land free from European claim, return to England, and start collecting his own rent other Englishman.

When the Europeans object that their exertions are merely to nobly serve science and discover new lands, the natives retort sarcastically.

Native man #1

Call up the historians! Write up a press release! Hold the presses! Captain Cook has found Australia!

Native man #2

Utterly lost without him. And what about North America?

Native man #1

Missing, missing. Like the buffalo. No one would ever have known that buffalo existed unless one lay splayed, deboned and gutless on the cool stone floor of a mighty mansion. A rug in the marble foyer.

No glorious georgist denouement brings a warm glow to the cyclorama in the drama. Instead, the explorers disappear into the frigid

the william tell gone bad factor

Big business gets the apple, Small business gets the shaft

by Cliff Cobb

Small, independently-owned businesses have received a raw deal from economic theorists and policy makers for over a century. Theorists have assumed that there is a level playing field between big business and small business and that the gradual displacement of owner-operated stores by chain stores or larger businesses is part of a natural operation of a free market. Policy makers have reinforced the idea that capitalism favors the growth of big business by providing various subsidies to big business to make their idea a self-fulfilling prophecy.

In fact, small farms and local businesses are often more efficient on a square-foot basis than larger operations. Although there are economies of scale (i.e., so that larger size means lower unit costs), there are also diseconomies of scale, which cause unit costs to rise with size. The appropriate size for any given business is based on a balance between those two forces. There is no magic formula that reveals the optimal size for every business.

My philosophy is that a free and fair market should indeed determine which business are most efficient, and the less efficient ones should go bankrupt. My thesis is that policies have consistently favored large businesses over small ones, and that the proportion of sales and employment by small firms would grow in an economy without those biased policies. I cannot define the term "small" because it varies with the type of operation. In a retail store, it might be two or three employees

in a thousand square-foot store. In vegetable farming, it might be fifteen short-term laborers on ten acres. I won't even venture to guess what it might be in various types of manufacturing.

Some personal experiences

Two personal experiences showed me what the economy looks like through the eyes of a small business owner. It revealed to me the ways in which progressives and conservatives have unintentionally conspired to undermine the health of small business.

In 1988-89, I took over from the owner the management of a small health food store in a suburb of Los Angeles. I had no idea in advance how demanding it would be to run a small store, and I was not involved in every aspect of the business. I did learn something about the pressures on the owner of a small business, and the small margins upon which they often operate.

During the time I was managing the store, the city council decided to subsidize a "whole foods market" as part of an effort to redevelop the downtown area, about a mile and a half from the store where I worked. Sales dropped, although not precipitously, as a result of the cheaper prices the new store could offer. Eventually, the subsidized store went out of business. There simply was not enough demand to sustain it, even with a boost from the city.

In the early 1990s, I attended the annual meeting of the California Chamber of Commerce. What I observed helped me understand why small business receives such poor treatment in the U.S. today, despite all of the lip service paid to it by

by both political parties. Big businesses are well-organized politically and small businesses are not. As a result, the Chamber of Commerce is dominated by the interests of large firms. As soon as I entered the registration area for the meeting, I was bombarded with information about the need to oppose a health-care initiative on the state ballot that would be "bad for business." What struck me immediately was that the ballot initiative posed no significant threat to small businesses. (As I recall, they were explicitly excluded from the provisions of the proposed law.) It was purely a concern of large corporations. In similar fashion, the were panels dealing with tort reform and environmental regulations, both of which are major issues for giant corporations, but far from the daily problems of small business. Noticeably lacking was any concern about workers compensation, permits and fees that often bear no relationship to services, reporting requirements for dozens of laws and a regulatory environment that functions like a thousand tiny paper cuts, slowly bleeding a small business to death.

A dirty little secret

Large corporations control the agenda of public debate about business issues. They are in a better position to do so because they can afford to hire lobbying firms in Washington, D.C. and in state capitals. They can send representatives to meetings where important regulatory decisions are made. Around the country, they control the state Chambers of Commerce and other business-oriented groups. Small businesses are left with no choice but to go along with the big business agenda.

In addition to the disproportionate political power of big business, the press colludes in allowing corporate giants to set the agenda for debate. To the extent that major newspapers or television networks run business stories, they deal with

continued next page

national legislation that impinges mostly on big business.

I did discover one bit of "intelligence" through reading, however. A few economists have recognized that seemingly neutral environmental regulations are in fact biased in favor of larger firms. A cumbersome set of regulations actually increases the competitive edge of large companies because they can spread the cost of compliance over a larger base of sales. Despite the complaints of big business about environmental regulations that interfere with production, the "dirty little secret" is that big business actually benefits from those regulations. As they put it, "we can live with the rules." What that really means is that the high fixed costs imposed by complex regulations and reporting requirements create a barrier to entry to small, new firms that could lower real costs. Many federal regulations regarding health, safety, and the environment have the consequence of creating monopolistic conditions for big business by blocking competition. The solution does not lie in eliminating regulation entirely; it involves recognizing that the precise method of regulation is important.

The general principle

Although the experience with regulation at the national level does not apply directly to the problems of small, local businesses, it is possible to derive a general principle that has broad scope: "Any law or regulation that imposes fixed, up-front costs rather than variable costs that are paid for over time has the effect of decreasing the competitive position of small business."

What is crucial about this principle is that it deals with relative, not absolute costs.

Many small business owners, looking only at their own books, complain about policies that raise their costs. However, if a policy raises costs in a manner that affects all businesses equally (a rare event), then their competitive position would remain constant. What is ultimately harmful to a business is a rule that helps one business at the expense of others.

A tax that hurts small business

The ways in which state and local regulations impose burdens on small businesses are generally fairly straight-forward. A programmatic approach to dealing with those burdens would be to evaluate them, determine which ones are burdensome, and develop strategies for modifying those regulations. This would be a more effective approach than dealing with them sporadically and on a piecemeal basis.

The choice of taxes (sales, business, property, etc.) is among the most important ways in which government imposes differential burdens, helping one business at the expense of another. No one ever likes paying taxes, but the issue for small businesses is how different taxes affect them in ways that distort free market choices and consequences.

To understand the impact of taxation on business, it is necessary to consider the question of location. Imagine one store at a busy intersection and another at a location with few people passing. Let's call the first location "central" and the second location "peripheral." In general, large businesses control the best (i.e., central) locations within any metropolitan area. The reasons are complicated, but they stem from the political connections that help big business in many other ways. As a result, a tax policy that helps "central" businesses and hurts "peripheral" businesses is automatically biases against small owners.

The sales tax is highly destructive of small businesses in peripheral locations. An example can explain why. Imagine a business in a

<u>Before sales tax</u>	<u>After sales tax</u>
•\$2M in annual sales	• \$2M in annual sales
•\$1.6M in annual costs	•less \$.12M (6% tax)
•\$.4M net	•\$.280M net (\$\$.4M-\$.12M)

In this example, the sales tax lowers the net proceeds of the business from \$400,000 to \$280,000. Note that the tax rate on the net return (\$120,000 is 30% of \$400,000) is five times greater than the 6% nominal rate on gross sales. That feature of the sales tax is five times greater than the 6% nominal rate on gross sales. That feature of the sales tax is not obvious to casual inspection. Nevertheless, in this particular case, the high original margin is enough to provide a cushion to absorb the effects of the sales tax and stay in business.

Now, imagine a similar small business in a peripheral neighborhood without that margin and examine the effects of the sales tax on its operations.

<u>Before sales tax</u>	<u>After sales tax</u>
•\$400K in annual sales	• \$400K in annual sales
•\$350K in annual costs	•less \$24K (6% tax)
•\$50K net	•\$26K net (\$50K-\$24K)

In this case, the initial margin of \$50K gave the owner just enough to keep the store open. (Let us assume the owner could make \$40K in an alternative job.) By lowering the net return to \$26K (an almost 50% tax rate on the net return), the sales tax can be observed by driving through any low-income neighborhood: rows of service businesses such as beauty parlors, barber shops, and so on, but very few stores selling taxable merchandise.

The surprising benefits of a tax on land values

We have just seen how a tax on sales eliminates a small business but only damages the larger one in a more central location. A tax on the value of land (like the property tax, but without the tax on buildings) has exactly the opposite effect. It encourages the development of small business and eliminates the implicit subsidy to big

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business. It does so by shifting from up-front capital costs (which favor big businesses with access to credit) to variable costs that can be paid out of the annual profits of a business. The main reason this is the case is that small businesses generally use space more efficiently and produce more value per unit of land cost than a large business. Thus, in a competitive environment, in which market forces compelled each owner to utilize space optimally, small business would be able to expand its share of the national economy by a large percentage. Many apparent economies of scale would disappear under those conditions.

Although it is impossible to create a realistic simple example of the effects of land value taxation two businesses, I will continue with the examples above, while asking you to keep in mind that oversimplification distorts important features of the situation. Let us suppose in the example above that the centralized business is located on land worth \$2M because of its prime location. The peripheral business is on land worth \$100K. Let us imagine that the tax is equal to 10% of the original land value, before the tax is imposed. (The actual math is more complicated because the price of land would fall as the tax rate rises [thus absorbing more of the land rent, *ed.*], but we need not concern ourselves with that here.)

The large, central business now pays \$200K in tax (up from \$160K, and the small, peripheral business pays \$10K (down from \$24K). The small business is still able to operate at that profit margin, so the shift from the sales tax to the land value tax has increased its competitiveness against the

large, central business.

It might seem from this example that the land value tax is arbitrarily biased against the large, central business and that it would encourage the decentralization of business. That is not the case. By raising the cost of holding central locations idle (like empty lots used for parking in or near the business district) a land value tax would promote intensive redevelopment of core urban areas. The "bias" is in favor of allowing people to return to cities from which they are currently excluded by speculative land-holding.

Conclusion

For over a century, economists, historians, and social critics have been telling the American public that big business dominates our economy because it is more efficient than small business. But that is not true. Giant corporations control an increasing proportion of market share in many fields simply because of their political advantages and their differential access to credit. They have been able to create a regulatory climate that excludes new entrants, they have maintained local political connections that allow them to own the best locations for business in metropolitan areas, and they have succeeded in promoting tax policies that differentially destroy small businesses while only marginally harming large ones.

There have been dozens of efforts by citizen activists to rein in the power of big business. Most of those efforts, such as regulations and efforts to subsidize small business, have unusually had the inadvertent effect of helping large businesses instead.

One of the few effective means of restoring the rightful place of small business in the U.S. is by creating a tax system that is genuinely neutral in its effects. The centerpiece of such a tax reform would be the introduction of land value taxation. One consequence of that reform would be the elimination of the largest implicit subsidies that big

businesses have always enjoyed--relatively low taxes on their land holdings.

The most important point to keep in mind is that small business is naturally vigorous and competitive. Reform should not aim at giving any special privileges to small businesses. They don't need any. Small businesses simply need an even playing field that enables them to show that they are more efficient in many cases than the giants who currently control the economy. Q

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the idea of the whole earth being subject to socialized land rent startled him. But that was hardly, itself, astounding given that though the Green Party claims among its ten key values Sustainability, Social Justice, and Grass Roots Democracy, it doesn't recognize the economic value of the earth as a wholly social quality and quantity.

It is appalling, really, that the one U.S. political party that explicitly names its key values, and which bears the aroma of connection with nature (surely the name Green Party was not selected to convey an association with greenbacks) expresses a profoundly stunted appreciation of what constitutes The Commons.

My intention is not to project invective, but to invent projection. Henry George was fond of using the term "mind experiments," meaning to use the imagination in constructing scenarios with variables successively substituted. In this way, though a particular political economic policy measure may never have been implemented in real life, still the power of imagination could suggest the effect.

Imagining process is considerably more difficult than imagining a condition or state of being, I have come to believe. And to believe with palpable sadness. Is it this facility, apparently quite rare, which largely distinguishes georgists? Q

Vermilion Club will paint the town incarnadine

by David Giesen

Where do georgists go when they dye? Why to the Vermilion Club to silk screen T-shirts, of course. Now that you've got something of the theoretical sense of georgist analysis in mind from reading this newsletter, perhaps you're wondering what you can do besides objecting to friends' and acquaintances' half-baked explanations for outrageous housing prices, a shoddy economy, and the need for social interventions to keep kids and their families out of poverty.

Join georgist-minded San Francisco Bay denizens for a monthly Action Pow Wow where performance pieces get brainstormed, letters to the editor get written, magazine articles get designed, and both legislative and political campaigns get underway. Georgist advocacy is not mere rhetoric. It has a living pulse that quickens when there's a quorum. So join HGS graduates and georgist fellow travelers in a group known as the Vermilion Club.

The Vermilion Club? The name is a pun, you see. Vermilion is a bright red, and red is for revolution -in this case, a revolution in thought. What's more, buried in vermillion is *vermi*, the Latin root for worm -in this case the red worm which excavates whole cities! What's that, you say? Well, yes, the humble earthworm has excavated whole cities, or so thought one Englishman

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No glorious georgist denouement brings a warm glow to the cyclorama in the drama. Instead, the explorers disappear into the frigid arctic fog of the realm called history. And rather than a politically correct bashing of the explorers ringing down the curtain, a triste, lilting song celebrates the adventurous spirit of humanity that has us want to know all about this world we inhabit:

*Over the water to where I don't know
Like a duck on the wing I blow.
No place in partic'lar I care to call
home*

*For the world, the whole world, the
round world takes me back,
Yet it's now, it's now I can't return
To the tropics where fruit falls
Like stars spin towards dawn
And it's gone, it's gone where I'm from.*

Seven 10 and 11 year old boys learned those lines and that song. In the rest of their lives, the world remaining the same, what's the likelihood that they'll get a dose of hard-nosed land economics and, what's more, have it served up as anything more than one of a dozen risible Laffer Curves?

But those costumes and those words! They wore them and spoke them before a full house. They moved kids and grownups to smile and guffaw and gasp and to ask *what did it mean?*

The thrill of performing brought those young thespians back to the boards this past March. This time the scene was a circus. Yet a strange circus! Filled with giraffes, lions and elephants, to be sure, but also a T-Rex, a sabre-tooth cat and an orca. The theme seemed to be evolution, which is to say the changing shape of lifeforms on our planet but, much more, the play's sublime theme was "it takes acting like a good human to change social affairs."

For its first twenty minutes Circus is a torrent of species succeeding, displacing, and pursuing one another. The actors snatch up animal masks and predate one another. But then a curious

clown enters from Stage Left. He gropes for speech, for food, for meaning, and, as he seizes Center Stage, he gropes for control of land.

MAN: It's right about here that I'll plant a crop and build a village and raise a family.

DEER: See! That used to be my neck of the woods.

MAN: And now it's Deer Creek Crossing Estates. A subdivision with homes starting in the low 400s.

CIRCUS MASTER: Laddies and mothers, we have reached the highlight of tonight's show. Sit back. Relax, Stay on the edge of your seat. And watch how, for since the dawn of agriculture and cities, human beings gave determined who will get to use habitat!

Then there follows a military tattoo capped by one soldier slapping on a judge's wig and exclaiming,

JUDGE: Property rights! The earth belongs to IN A WHISPER who's paying my salary? ALL RAISE THEIR HAND BUT ONLY ONE HAS A WALLET. Him!

The lines were spoken with experiential vigor by boys who relish playing the game of RISK where the winner takes all. And yet, inside the vaudevillian fun of territorial emperium, were more words

CIRCUS MASTER: Children of the earth! Adults, yourselves former children! Call that yours which you have made, but call that ours which no man made and which, in its entirety, is home to each and all.

And then more pratfalls. Still, those words of righteousness were learned and spoken aloud before an audience. How else but in the arts and in performance can we hope to have the public meet truths which calculating reason and misreason would eschew? Q

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Vermilion Club

some time ago I was reading a selection from Charles Darwin's backyard observations and came across his hypothesis that in chewing through earth and depositing the tailings at the surface, earthworms might well, by infinitely modest turns, undercut abandoned cities, interring them as gently as the proverbial unwitting frog is heated and cooked in water slowly brought to a boil.

What a masterful image for georgists, thought I. Earthworms slowly deposing the entire absurd edifice of private property right in the earth and its rent. And so was born the Vermilion Club. A place where high-minded, creative folk expound a vision which appears to the dulled of heart as just a shaggy-dog story.

But wait, there's more punning yet (punning, sometimes referred to as the lowest form of humor, puts the lie to georgists' extended family claims that they've no time for small talk but are forever heavy-breathing their land squawk).

The Latin word for *land* is *terra*, isn't that so? Which could confuse certain folk into believing georgists are terra-ists!Q

Green Party staggers under weight of neglecting political economy

by David Giesen

I've just come from the second session (I didn't attend the first) of the San Francisco Green Party's "Transportation Summit." The two Sunday afternoons played host to well-informed professional and lay discussants taking up issues ranging from foot traffic, to bicycling needs, to car parking, to motor vehicle circulation. The upshot, I feel confident, is that the SF Green Party will, at minimum, advocate for speed bumps and greater police rigor in enforcing speed limits while, at maximum, the SFGP may endorse a platform plank calling for no less than four units of housing for each new housing development parking space in the city.

The latter will indeed dissuade many a City dweller from acquiring a vehicle, which will mean there will be more bicycling and bus riding. But it won't dent the automobile congestion that currently exists.

The general consensus was that there were too many cars in the city. Dave Snyder, Director of the non-profit The Livable City,

impressively detailed how upgraded permits could recapture a bit more of the market rate rent of the land now dedicated to neighborhood permit parking. In order to not merely issue the equivalent of a hunting license (Snyder's clever analogy) in looking for a parking space, the number of permits per neighborhood would be calibrated with the number of actual parking spaces. But the law prohibits the City collecting anything more than the cost of collecting the permits.

Halfway through the three hour session the visiting Vice Mayor of the tiny East Bay city of Emeryville piped up with the notion of not penalizing commuters nor car parkers of any sort with restrictions on their cars but, rather, using improvement assessment fees to collect the land values arising due to public infrastructure.

Startled by this good sense, I turned in wonder. He was serious, and, I later learned, had arrived at his position quite independently of any explicitly georgist explication. In fact,

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PROGRAMS

Georgist Walking Tour-
 San Francisco history and land economics. Leaves from 312 Mason St. (American Youth Hostel) Mondays at 6 pm. Call 415-452-8860 to confirm.

Economics classes- New term begins in September. Call for a schedule, or visit henrygeorgest.org

Special programs include retreats at Camp Hank, movie nights, soirees. Don't be shy!

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