



# QUICKSILVER

A NEWSLETTER OF THE HENRY GEORGE SCHOOL OF SAN FRANCISCO

PRIVILEGE FOR NONE, OPPORTUNITY FOR ALL

SUMMER 2002

## Siftings

• Bert Anderson is coming back to the HGS Board. Bravo! Bert has served the world as an architect, working in Hong Kong, New York City, and Rangoon, among other cities. He assisted the U.S. Dept. of Housing and Urban Development generate "self-help" and American Indian Housing programs. Bert joined that Department at its inception. The HGS welcomes Bert and his voluminous skills.

• Kate Kennedy, the long-time San Francisco school teacher and principal (1857-1890), who knew George and advocated his ideas before working men, may yet get her due in popular history. Her story, including most of her known writings, have been submitted to the Women's Museum in Dallas, Texas. Among other accomplishments, Kennedy won security for public workers with her landmark test case of 1890 which established that civil service workers could be fired only for cause, not for off-the-job activities. . . . Kate rankled the old-boys by running for public office and costing one of them election! Go Kate!

• Here's a street map to guide you to the July 21 Georgist picnic at San Francisco's Aquatic Park.



## Georgist Picnic July 21

## And You're invited

5849

You don't have to go for a swim in its chilly, albeit sheltered waters, but please do join other Georgists (and shy persons too) for a sunny, happy time at San Francisco's Aquatic Park on Sunday, July 21, from 11 am to 3 pm.

You'll want to be there at 11 am because our special guest is Henry George himself. Well, as portrayed by David Giesen. Giesen was recruited by the San Francisco Labor Festival to bring his newest incarnation of George to the festival on board the *Balclutha*, the three-mast tall ship moored at the Hyde St. Pier. The pier serves as the display case for the San Francisco Maritime National Historical Park.

Following the lively performance, George will lead the way to the picnic site just a short walk away. On the grassy slope behind the beach we'll share lunch (soft drinks and nibbling food supplied by the Henry George School (HGS). . . bring your own main meal) and good company.

Badminton, Frisbee (trademarked), and, whadya know, pin-the-Georgist -insight on the unwitting passerby (kind of just joking(maybe people will ask who we are, are we going to remain silent?)) are some of the games we'll have at hand. Along about 1 pm, those interested in doing something explicitly Georgist-related this next year will be invited to brainstorm ideas. Common Ground members are encouraged to attend. Everyone's welcome to join the kibitzing circle.

Although neither the HGS



David Giesen portrays George aship

nor the Labor Fest are charging admission to the George performance, the Maritime Museum is. Adults pay \$6 to gain admission to the pier, and kids are \$3. That fee gains you access to the wharf for a full week. Giesen's portrayal lasts about forty minutes and is followed by Q & A, in character. The play is set in San Francisco in 1890 just as George was set to steam away to Australia.

Bring friends, family and acquaintances to this first annual mid-summer Georgist picnic by the Bay, and don't be shy about it! Questions? Call the answer man at the HGS, 415-452-8860.

## What is Georgism?

The term "Georgist philosophy" refers to the economic analysis and social thought advanced by the American economist Henry George (1839-1897). The name George traces its meaning to *Geo* - earth and *Erg* - energy; indeed the name means 'farmer', and that's quite appropriate in a discussion of political economy when one reflects that every tangible thing which people use and enjoy is a combination of earth modified by human exertion.

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 dealing with 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. Land values, in short, are a 'whole people' created value and are therefore the natural and proper source of revenue for meeting societal needs and wants. Moreover, the complete socialization of land values offsets the need to tax labor and industry. Where no one has power and income from mere land ownership, labor and industry are necessarily, in the course of exchange, fully socialized, albeit in a way breath-takingly free of intrusive agency.

Georgist philosophy acknowledges the need to rigorously ensure equality of access to the natural opportunities the earth affords, while at the same time championing labor as its own reward and as most productive when left most free! We counter greed, but celebrate ingenuity.

# Quicksilver

A NEWSLETTER OF THE HENRY GEORGE SCHOOL OF SAN FRANCISCO

INTERIM EDITOR -- DAVID GIESEN

## IN THIS ISSUE

<b>GEORGISTS VEG-OUT ON JULY 21</b> <i>come get healthy at a bayside picnic</i>	<b>1</b>
<b>CAMP HANK'S ALIVE!</b> <i>a georgist retreat and educational center opens</i>	<b>2</b>
<b>DISTRIBUTION AND THE INTERFERING TAXMAN</b> <i>an extract from an Ian Lambert essay</i>	<b>3</b>
<b>HOUSE OF SAND AND FOG</b> <i>book review</i>	<b>4</b>

---

"If you rent a piece of land and work on it, it is quite clear that the landlord is living on your earnings; and you cannot prevent him, because the law gives him the power to turn you off the land unless you pay him for leave to use it. You are so used to this that it may never have struck you as extraordinary that any private person should have the power to treat the earth as if it belonged to him, though you would certainly think him mad if he claimed to own the air or the sunlight or the sea."

George Bernard Shaw, *The intelligent woman's guide to socialism and capitalism*

---

**QUICKSILVER** is a free publication of the Henry George School of San Francisco. The school is a 501(c)(3) whose mission is to educate the public as to the principles of political economy and their relation to social justice. Contributions are welcome.

**BOARD OF DIRECTORS:** Wayne Luney, Wendell Fitzgerald, Ingo Bischoff  
P.O. Box 420664 San Francisco, CA 94142 [www.henrygeorgesf.org](http://www.henrygeorgesf.org)  
415-452-8860

## Camp Hank's Alive! - get your tent!

At last there's a quasi-paradisiacal place for Georgists to gather. A place to encamp, renew the spirits, and gather force for singing the wondrous liberating message that equality in association delivers spontaneous good to the community.

Camp Hank is 27 acres of Sierra foothill manzanita and digger pine in close proximity to the American River and its wild water. Immediately adjacent are the 700,000 acres of El Dorado National

Forest which scale the Sierras to Lake Tahoe.

Camp Hank is the educational brainchild of David Giesen, and is intended as a summer camp for kids and families, a resort for non-profits, businesses, and political parties, a site for music and dance festivals, and as an institute for teachers. Each set of clients will get a swallow of good georgist cider, Giesen avers, served up in

Continued on page 4

## Distribution and the interfering taxman by Ian Lambert

This is an abridged excerpt from Lambert's presentation in July 1990 at the 10th annual Council of Georgist Organizations. The whole piece may be seen at [progress.org](http://progress.org)

Another misapprehension concerns the nature of "distribution". Ever since John Stuart Mill (and even before) it has been presumed that, while there may be scientific laws of production, distribution is a matter solely of human law:-

"The laws and conditions of the production of wealth partake of the character of physical truths. There is nothing optioned or arbitrary in them. . . .

"But it is not so with the distribution of wealth. That is a matter of human institution solely. The things once there, mankind, individually or collectively can do with them as they like. They can place them at the disposal of whomsoever they please, and on whatever terms."

That from Mill's *Principles of Political Economy*.

George considered this argument to contain a logical fallacy:-

"The question that Mill is arguing is whether what is called in political economy the distribution of wealth is a matter of natural law or a matter of human law, and what he does is to cite the fact that in what is called human law the distribution of wealth, mankind can do as they like, and assume from that that the distribution of wealth in the economic sense of the term is a matter of human law - 'a matter of human institution solely'" The *Science of Political Economy* (SPE)

Production and Distribution were

two sides of the same coin. Distribution was the process whereby production (or its proceeds of sale) was divided among those (the providers of the factors of production) who had produced it. People produced wealth in order that it might be distributed. Long before "supply side Reaganomics" and Laffer with his famous tax curve, George demonstrated that interference with the natural laws of distribution only resulted in a diminution in production:

"...production in political economy is not to be conceived of as something which goes on for a while then stops, when its product wealth has been brought into being; nor is it to be conceived of as something related only to a production that is finished and done. Both production and distribution are properly conceived of as continuous, resembling not the drawing of water in a bucket but the drawing of water through a pipe - or better still, in the conveyance of water over an elevation by means of a bent pipe or siphon, of which the shorter arm may stand for production and the longer for distribution. It is in our power to tap this longer arm of the pipe at any point below the highest, and take what water is already there. But the moment we do so, the continuity of the stream is at an end, and the water will cease to flow.

"Production and distribution are in fact not separate things, but two mentally distinguishable parts of one thing - the exertion of human labor in the satisfaction of human desire. Though materially distinguishable, they are as closely related as the two arms of the siphon. And as it is the outflow of water at the longer end of the siphon that is the

cause of the inflow of water at the shorter end, so it is that distribution is really the cause of production, not production the cause of distribution. In the ordinary course, things are not distributed because they have been produced, but are produced in order that they may be distributed. Thus interference with the distribution of wealth is interference with the production of wealth, and shows its effect in lessened production." SPE

Taxation on production means an alteration in distribution. What was otherwise apportioned among the providers of the three factors land, labor and capital has now to be apportioned among those persons and, in addition, the sovereign. Those of us who have trained and practiced as tax practitioners in the U.K. will be well aware of the interfering effect of the Taxman. As George points out, distribution is the cause of production. Until people know what is going to be distributed to them they are not prepared to produce. Thus, the returns to the factors of production and the government have to be determined with sufficient certainty at the outset for production to take place at all. This is why there is always virtue in taxation which is fixed and simple.

.....

In addition to the disincentive effect of any taxation on production, and the literal demoralization caused by the government's inability to control its own finances, there are massive costs in levying modern taxation. . . .

All taxes on production are taxes on distribution and interfere with production as a result. We need to impress upon government both the efficiency and justice of a tax which is not levied on what is actually produced but on a quite different basis: a tax on the economic rent of land, which cannot be shifted to the other factors of production and does not act as a disincentive to produce, because it is levied on the rent that a site commands regardless of what that site's owner does or does not do in the way of production on site. Q

## BOOK REVIEW

HOUSE OF SAND  
AND FOG

The truth shall set you free, the saying goes—attributed to a guy who reputedly walked on water. Skepticism is in order, don't you think? All of us whose bodies abide by the laws of physics raise an eyebrow, at least, when someone says someone they knew skipped? hopped? dunked a basketball on liquid water. So what about this knowing the truth thing?

Georgists hold that there is at least one irrefragable combination moral and biological truth in all the world, to wit, everyone is equally an earthling. Equal with all other human beings in having physical need of access to the earth to sustain life. Break that access, or weaken it, and life begins to crumble for the individual as well as for community.

To have heard of this truth does not set one free, to grasp what it means just might.

Consider the characters in the 1999 novel *House of Sand and Fog* (HSF) by Andre Dubus. Their ignorance of the irrefragable truth above leads to excruciating pain and anguish which in turn lead to murder and self-destruction. The *tragedy* of

this novel are three common folk. They could be you or me. They suffer because though the truth is known it is not spoken, and is not taken to heart.

The Greek word for goat is *tragos*, and it was from the ancient ritual slaughter of a goat to excuse a community's collective sins that *tragedy* was born. This is the source of the original 'scapegoat.

Set in the SF Bay Area, HSF takes up the cultural sacrifice of a former colonel in the Iranian Air Force forced into diaspora with his family by the 1979 overthrow of the Shah, a psychologically brow-beaten American woman hapless before the orderly lives of her mother and brother, and a lanky sheriff's deputy who craves a spasm of genius.

Through an impersonal bureaucratic glitch the woman's home is seized by the county and auctioned off. The buyer is the Colonel who seeks to right his life by speculation in the real estate market. The would-be white knight is the deputy who evicted the woman but finds in her company a sympathy for his own muddled life.

All three withhold truths from their spouses. All three, following societal norms, predate

their neighbors and loved ones. And it all has to do with moral and economic speculation in home ownership. The colonel supported a land thief, the woman is not smart enough nor good enough for her family, the deputy deceives his wife.

The author provides no epilogue that salves the reader's exhausted emotions following the inexorable yet gripping cascade of blood sacrifices. Instead, his first-person, up-front, and voyeuristically close story-telling of the tragedy next door is an alarum to speak the truth aloud and in that speaking be set free from cultural inertia that kills. **Q**

## CAMP HANK

continued from page 2

a goblet of entertaining education.

The site will be served by a stand-alone photo-voltaic system and feature permaculture construction.

"Consider it a kibbutz for Georgists, if you like," offers Giesen, "there's room and opportunity for a host of community ventures."

Camp Hank (that's Hank as in Henry) is located just outside Georgetown about an hour's drive from Sacramento. Each first weekend in June and November the site will play host to Georgist activists plotting cat sightings for the general public. **Q**

## 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 class-

The summer session ten week fundamentals of economics class begins Wednesday, July 10, 7-9 pm. Two sections: one meets in downtown SF, the other in the Outer Mission. \$25 includes the textbook.

HENRY GEORGE SCHOOL  
OF SAN FRANCISCO

PO Box 420664

San Francisco, CA 94142



Mesa Nelson/ HGS-NY

121 East 30th Street

NYC 10016