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Northern California ECONOMIST

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HENRY GEORGE SCHOOL OF SOCIAL SCIENCE

833 Market Street
San Francisco, California 94103

The Henry George School of Social Science with headquarters at 50 East 69th Street, New York City, is a non-partisan, non-profit educational institution chartered by the University of the State of New York.

Through its Northern California Extension, headquartered in San Francisco, it regularly offers tuition-free roundtable-discussion classes in basic economics, social problems, the science of political economy, money, and other elementary and advanced courses. The objective throughout is to make interesting and understandable those subjects that deeply concern the taxpayer but which are, in the normal educational curriculum, dull, technical, boring, and abstruse.

Mr. Robert Clancy, Director
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THOMPSON, MORRISON, AND TIDEMAN AT THE HENRY GEORGE DAY CELEBRATION

THE COVER

Who Pays the Piper?

On the cover is a scene from the celebration of Henry George's Birthday (Number 127) held at Noon on Friday, September 2 in San Francisco's Union Square. The piper, who opened the festivities by playing Happy Birthday to You, is Charles MacSwan, an active member of the Henry George School. This was fitting and proper because of the Scottish descent of Henry George.

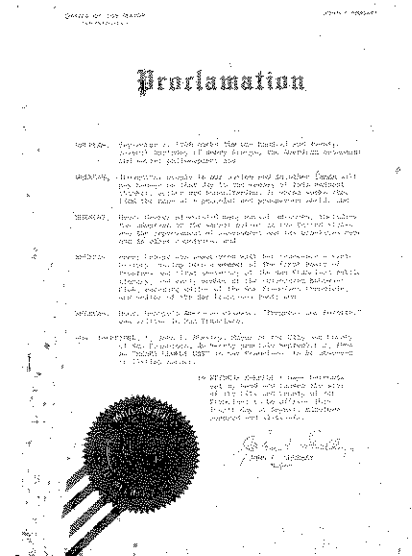
Incidentally, nobody pays this piper. Like the many other volunteer members of the Henry George School of Social Science, he contributes his time and talents to the general objective of bringing a wider understanding of the principles of political economy to concerned people everywhere.

For the program itself, Joseph S. Thompson, San Francisco industrialist and national president of the School, performed as master of ceremonies; Jack Morrison, su-

pervisor of the City and County of San Francisco, read Mayor Shelley's Proclamation of Henry George Day in the City; and Robert Tideman, executive secretary of the Northern California Extension of the School, gave the memorial address. These three speakers are shown above during a conversational moment before the program began. Opposite is a general view of the informal crowd enjoying the fine day as Supervisor Morrison reads the Proclamation.

Henry George was a native of Philadelphia and his birthplace (1839) is the headquarters for the Philadelphia Extension of the School.

In 1858 he arrived in the port of San Francisco and, after exploring some of the mining areas of Canada and California, he settled in San Francisco where he developed the economic insights that led to the writing of the most famous



THE PROCLAMATION

American-written work on political science: "Progress and Poverty."

The Proclamation reads as follows:

WHEREAS, September 2, 1966 marks the one hundred and twenty-seventh birthday of Henry George, the American economist and social philosopher; and

WHEREAS, Thoughtful people in our nation and in other lands will pay homage on that day to the memory of this eminent thinker, author and humanitarian, in whose works they find the hope of a peaceful and prosperous world; and

WHEREAS, Henry George stimulated many social advances, including the adoption of the secret ballot in the United States and the improvement of assessment and tax practices here and in other countries; and

WHEREAS, Henry George was associated with

MORRISON PRESENTS THE MAYOR'S PROCLAMATION TO THE UNION SQUARE THRONG



MAYOR SHELLEY

San Francisco's early history, having been a member of the first board of trustees and first secretary of the San Francisco Public Library, an early member of the celebrated Bohemian Club, managing editor of the San Francisco Chronicle, and editor of the San Francisco Post; and

WHEREAS, Henry George's American classic, "Progress and Poverty," was written in San Francisco:

NOW, THEREFORE, I, John F. Shelley, Mayor of the City and County of San Francisco, do hereby proclaim September 2, 1966 as "HENRY GEORGE DAY" in San Francisco, to be observed in fitting manner.

IN WITNESS WHEREOF I have hereunto set my hand and caused the seal of the City and County of San Francisco to be affixed this fourth day of August, nineteen hundred and sixty-six.

JOHN F. SHELLEY
Mayor



ASSESSOR-ELECT HICKMAN

ECONOMICS AT WORK

Sacramento's Lady Assessor

As stated elsewhere in this issue, the Henry George School is a non-partisan educational institution. This fact, however, does not keep members of the School from taking individual political action based on their enhanced understanding of economic principles — frequently derived from participation in the School's curriculum.

Dr. Irene Hickman in Sacramento is a good example. Dr. Hickman is an active member of the board of directors of the Northern California Extension of the School and ever since involving herself in this activity, she has been distressed by a number of circumstances af-

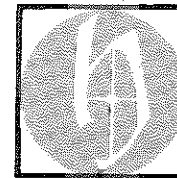
fecting taxation.

As she put it in a recent public statement,

"Your taxes are too high. You already know that, but do you know why?"

"Hundreds of parcels in Sacramento County are not carrying their fair share of property taxes through being underassessed. Homeowners are paying about 20 per cent more than they should, for just this reason.

"During the past year, I sampled assessment figures in Sacramento County, and compared these figures with market values. In 400 parcels distributed throughout the



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REWARDS — THE PERSON WHO KNOWS economics has a clearer picture of the problems perplexing the world and of their relation to his personal life. His judgment is sounder, his influence stronger. He is better qualified to evaluate political and social trends, to read the news behind the news, to take his part as a responsible citizen.

SPONSOR — HENRY GEORGE SCHOOL of Social Science, a public-service institution. More than 30 years successful experience conducting tuition-free adult discussion groups in economics. Extensions in 21 cities of the United States and Canada. Supported by thousands of graduates and friends who believe that widespread understanding of fundamental economics promotes the general welfare. Nonprofit, nonpartisan, non-sectarian.

WHAT LEADERS SAY ABOUT THESE CLASSES

ECONOMIST — HARRY GUNNISON BROWN, Professor of Economics, Emeritus, University of Missouri: "Probably no other writer has ever made the study of economics so interesting as has Henry George. The teaching in the Henry George School of Social Science seems to me the most promising venture of our times in adult education for citizenship." **BUSINESS LEADER** — ROY A. FOULKE, Vice-President, Dun & Bradstreet, N. Y.: "Freedom of inquiry into the fundamentals of economics must be undertaken by an ever widening circle if the current trend toward collectivism is to be reversed. The Henry George School of Social Science was organized by volunteer support to fill this great need." **LABOR LEADER** — ALBERT T. LUNCEFORD, Secy.-Treas., Greater L. A. CIO Council: "In my considered opinion, the round-table study of fundamental economics offered by the Henry George School is of tremendous value to labor. It points up the sources of special privilege." **PHILOSOPHER AND EDUCATOR** — JOHN DEWEY: "Educationally sound. The textbook, 'Progress and Poverty', is one of the world's classics." **PRIEST** — RT. REV. MSGR. LUIGI G. LIGUTTI: "The Henry George School is doing a magnificent piece of educational work. When it spreads widely enough, it will save our American democracy." **JOURNALIST** — JOHN KIERAN, "Information Please": "No one should be allowed to speak above a whisper about or write more than ten words on the general subject (economics) unless he has read and digested *Progress and Poverty* (textbook of this course)." **PSYCHIATRIST** — DAVID H. FINK, M.D.: "The study of the writings of Henry George is an excellent beginning for understanding the world we live in — and consequently, for understanding one's self."

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The Voice of the Henry George School of Social Science
in Northern California

County, and apparently typical countywide, I found assessed values ranging from less than one percent of market value to one assessed at 37% of market value.

"In seeking redress for the wrongs against the Homeowners in Sacramento County, I have protested to the following agencies:

"THE SAN JUAN UNIFIED SCHOOL DISTRICT, showing them how they were losing many tax dollars through under-taxation of many parcels. They took no action.

"THE SACRAMENTO CITY UNIFIED SCHOOL DISTRICT. They declined to act.

"THE DISTRICT ATTORNEY'S OFFICE. They showed no apparent interest.

"THE BOARD OF SUPERVISORS. I brought evidence of unfair practices and requested equalization of assessments. They made the comment, 'This looks like an interesting lawsuit,' and denied my request. This even in view of Section 1605 of the Property Tax Law which says that the Board of Supervisors, 'after giving notice as prescribed by its rules, may increase or lower any assessment on the local roll in order to equalize the assessment of property on the local roll.'

"THE STATE BOARD OF EQUALIZATION. The board, I was told, was without power to correct inequities within counties, but could only equalize between counties.

"SACRAMENTO SUPERIOR COURT. In September, 1965, I

filed an action on behalf of all taxpayer homeowners in Sacramento County, demanding equalization, and showing over \$1 million overlooked taxes on only 400 parcels. The judge dismissed the action on a legal technicality, and said, 'If the homeowners are not pleased with the way they are being taxed, they should elect a new Assessor.' "

Taking the judge at his word, Dr. Hickman became a candidate for Assessor of Sacramento County. Working with a small campaign fund made up largely of contributions ranging from \$1 to \$5, Dr. Hickman won the election and became California's only lady assessor. Her basic occupation, the one that provides the title, is that of a physician and surgeon. She has been in practice since 1949 and currently limits her work to psychosomatic medicine — another unique feminine occupation.

Speaking at a recent meeting honoring San Francisco's new assessor, Joseph Tinney, she said, "The law says that property should be taxed for its full cash value and also on an equal basis. No assessor has tried this in California in 75 years. So, it will be interesting to try — and see what happens.

"I would like to see a gradual increase on taxes for unimproved land," she said, "along with a gradual decrease in taxes on building — and the elimination of taxation on personal property of all kinds. I think this would be a good idea for all of California."

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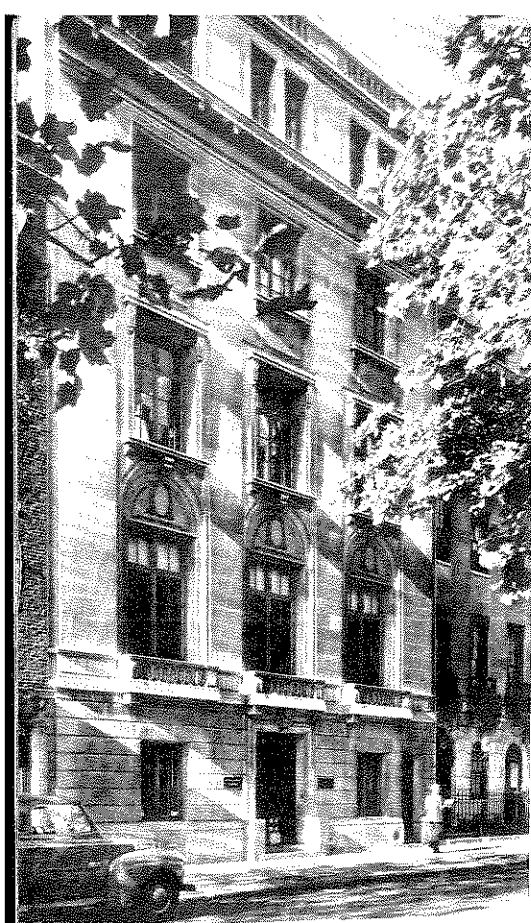
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CONSERVATION

Can Land Disappear?

Conservationists are becoming increasingly apprehensive of developments in our burgeoning society and searching for answers. Often, their search seems to neglect an understanding of economic principles — those iron-clad forces that ultimately determine what society does with what it has.

For example, the Burlingame Advance Star recently headlined its editorial page, "375 Acres of Land

Are Disappearing Every Day." The student of elementary economics would instantly recognize the fallacy in the idea that even a single molecule of land could either disappear or, conversely, appear. Given the proper economic definition of land, its basic character is the fact that it has been strictly limited in quantity ever since the creation of the World, whenever that was.

What happens to land is that it gets used in ways that either please or displease any particular individual or group. And what governs how it gets used is economics, expressed particularly in the form of taxes.

Two members of the Henry George School recently spoke to the San Francisco Commonwealth Club on this subject — especially pointing out the disadvantages of State Proposition 3, scheduled to be on the November ballot and intended to cope with this supposed disappearance of land. The two were Robert Tideman, executive secretary, and Robert deFremercy, San Francisco industrialist and past president of the Northern California Extension of the School.

Proposition 3 aims to by-pass Article 13, Section 1, of the State Constitution, which provides that all property shall be taxed in proportion to its value. Under the present law, a county is able to acquire development rights to farm land, thus preventing it from being developed without re-purchase of the rights from the county. This firmly locks the land to farm use and the assessor is required to

value it on that basis. In other words, the permanent surrender of development rights has actually reduced the land value and thus its assessment, at the same time keeping it "open."

Proposition 3 would remove the public protection of this part of the Constitution by saying that the assessor is to consider no factors other than those specified by the Legislature. As long as the Legislature leaves the factor of value untouched, the situation will remain exactly as it is at present and the new proposition might as well not exist. On the other hand, if the Legislature instructs the assessor to disregard true values, it is giving the owner a subsidy by low taxes on land that can later be developed with increased speculative profits.

Although the taxes would be low, nevertheless the actual market value of the land would reflect the potential for later development. A public body, such as the State or the county, would be forced to pay this higher price if it wished to acquire the land for park or *true* "open" use.

Rolling vistas of distant farmland may lend enchantment to the view. But barbed-wire fences and "No Trespassing" signs certainly keep it from having any directly practical value to the public. The recommendation made by Tideman and deFremercy to the Commonwealth Club was that conservationists who think the whole situation through should vote against Proposition 3.

ECONOMICS AND YOU

How to Understand Social Problems

California cities are battling shortages of money, requiring the contemplation of such remedies as bedroom taxes; planners and engineers are struggling with problems of smothering traffic; scavengers are combing the area for new places to get rid of growing mountains of garbage; slums are expanding in the hearts of the cities; developmental builders are being forced to locate new housing remote from existing centers and often in primarily agricultural land; and there are many more such blemishes on the picture window of the "Great Society."

What simple set of economic principles runs through the foundation of all these problems? And, if there are common principles involved, can you visualize how an understanding of them would help you to be a better citizen and have a unified outlook on the problems about which you are frequently asked to vote?

One of the best solutions we know is to participate in some of the tuition-free Henry George classes. Times and locations vary from class to class and often a series can be organized around specific groups of interested people.

If you will simply fill out the accompanying card and return it to us, we will see that you are kept informed on forthcoming activities. Plans are now being made for a group on Basic Economics for the Winter 1967 Term.