

He who is silent, consents.

6049

*The
Greatest
Cause*

*- and what
you can do
about it*

HGFA

C.S.E.

CG/U.S.A.

7035

The truth that I have tried to make clear will not find easy acceptance. If that could be, it would have been accepted long ago. If that could be, it would never have been obscured. But it will find friends - those who will toil for it; suffer for it; if need be, die for it. This is the power of Truth.

- Henry George

This booklet has been submitted to a lawyer specializing in charitable gifts and bequests. He made changes in the original draft and attests to the accuracy of what appears herein. However, we are not offering legal advice and strongly suggest that you contact your own lawyer and tax adviser (we can suggest some to you) before proceeding with the more complicated suggestions proposed in this booklet.

The Greatest Cause

*- and what you can do about
it*

HGFA • C.S.E. • CG/U.S.A.
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Dedication

To all those thousands of supporters who since 1926 have contributed annually or who have left bequests in their wills to the Henry George Foundation of America, the Center for the Study of Economics, and Common Ground - U.S.A., this booklet is respectfully dedicated.

Their support helped us move millions of tax dollars annually off the backs of building owners onto landowners. They made a difference in the Real World. They gave, often large sums of money, even when the future of these organizations was by no means assured. Today, these three organizations are well established to promote the Georgist philosophy into the foreseeable future, but it took special faith and fortitude to support these organizations when their future was uncertain.

The influence of these Georgists still lingers down through the generations. We will continue to see to that.

Introduction

This Gift Booklet is being sent to you because you are a Georgist - a believer in the principle that the Earth is the inheritance of all mankind, to which we all have an equal right. Presumably you want to do something to get that great principle adopted world-wide. Once we become imbued with a great thought, it becomes our duty to act upon it.

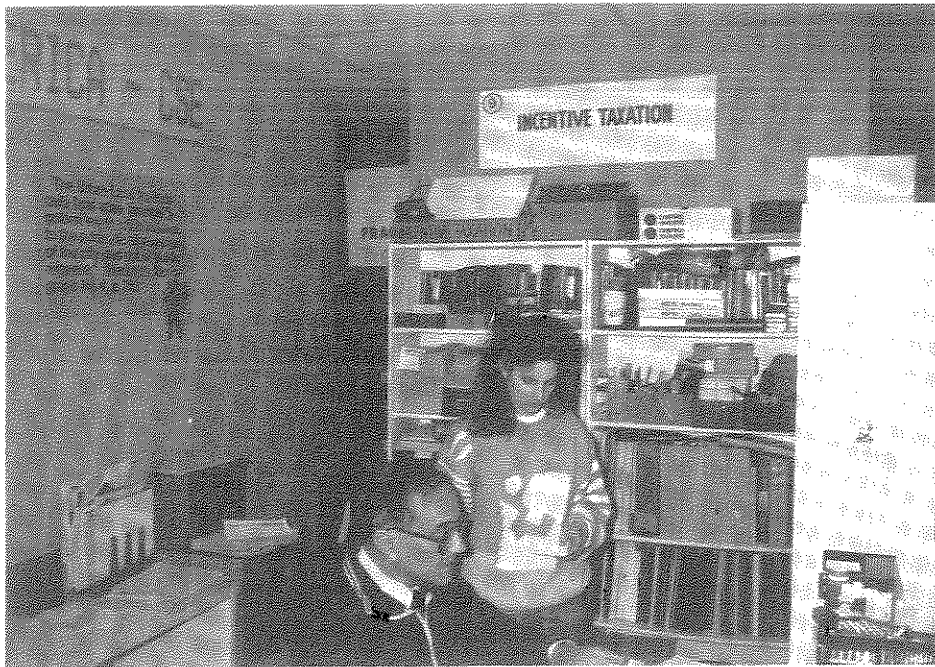
Because our equal right to the income from land is not being respected, poverty haunts the land and involuntary unemployment is an ever-present possibility for all of us.

Can you honestly say you are doing all you can to end this economic iniquity? In fact, if you have been the beneficiary of unearned income from land, you might very well be worsening this problem instead of helping to remove its cause.

One action we all can take is to support the Georgist organizations already in the field with our time and effort as well as with our annual contributions and will bequests. It is with these latter actions that this booklet is concerned. It will show how you can influence future generations and pass on your Georgist ideals to them.

This booklet describes one of the oldest of the Georgist organizations, the Henry George Foundation of America, as well as its I.R.S. 501(c)(3) educational affiliate, the Center for the Study of Economics, and its new affiliated national membership organization, Common Ground - U.S.A. Another section of this booklet describes the various programs which can be effective in spreading the Georgist Idea and with which you could be identified. The final two sections deal with innovative ways for making annual contributions and bequests in wills.

They say it is better to light a candle than curse the darkness. They say a journey of a thousand miles begins with but a single step. Our task as Georgists may be hard and long, but progress has occurred and more is possible. If we don't do our duty, who will?



C.S.E. Headquarters staff, Columbia, Maryland



Common Ground-U.S.A. Directors Meeting in Pittsburgh, Pennsylvania in October 1986.

Part I

Historical Background

1926 was a critical year for the Georgist Movement. Two political efforts, one in 1920 and the other in 1924, had met ignominious defeat. The Feis Commission, after the death of its founder, was now spending its money elsewhere; Mrs. Feis was otherwise committed. Whatever Georgist organizations were left were regional in nature (like the Manhattan Single Tax Club) and in any case were seriously under-manned and under-financed. Members were dying and not being replaced. The Movement was rudderless - drifting and careening. It was in this year that a number of prominent Georgists met in the downtown Pittsburgh law office of William McNair and founded a new nationwide organization - the Henry George Foundation of America.

The founding members of the Board of Directors, twenty-one in all, were a prestigious group, coming from all over the country but particularly Pittsburgh. There was a newspaper editor among them, a magazine editor, a nationally known writer (Frederic C. Howe), a future state senator and a future congressman, two future mayors of Pittsburgh and two future councilmen, plus a number of Georgist businessmen-activists. Percy R. Williams, a future Chief Assessor of Pittsburgh, was the Henry George Foundation's first Executive Secretary and continued in office, either part-time or occasionally full-time, until his death 51 years later; Mr. Williams proved to be the guiding force behind the Foundation during all those years.

The first task the new organization set for itself was the purchase of the building at 413 South 10th Street in Philadelphia where Henry George had been born in 1839. The cost of the purchase was \$7,000. This used up the financial resources of the new organization so there was no money available for renovation; instead, the Foundation continued the use of the building as a rooming house and the revenue thus obtained was a significant part of its budget in the ensuing years. In 1957 it sold the building for \$7,000 to the Henry George School,

which renovated the building and used it thereafter as a school and museum.

The next activity of the Foundation was the purchase and placing of a plaque at the location in San Francisco where Henry George had written Progress and Poverty. Unfortunately, that building was soon torn down and the site now supports a pylon on the Oakland Bay Bridge. After all these years, the Foundation is once again looking for a suitable location for the plaque where it can be seen by many people.

Throughout the years to 1941, the Foundation sponsored an annual Henry George Congress in cities throughout America. This was interrupted by World War II; nevertheless, the Foundation continued to sponsor occasional national conferences in later years although the Henry George School became the principal sponsor of these national meetings after World War II.

*Mourn not the dead...
But rather mourn the apathetic throng -
The cowed and the meek,
Who see the world's great anguish and its wrong,
And dare not speak.*

- Ralph Chaplin

During the 1930's, the Foundation was an important political force in Pittsburgh politics. In 1932, William McNair surprised everyone (including himself) by becoming the first Democratic candidate within living memory to win election (Pittsburgh has been Democratic ever since). It was the Depression, and FDR's national victory helped McNair no little. His term in office was marked by erratic headline-gathering activities, not the least of which was his effort to make HGFA the dominant political force in Pittsburgh. The Democratic Party ultimately assumed that mantle but for many years everyone in Pittsburgh knew who Henry George was and HGFA meetings were often attended by hundreds of people (in part because the mayor required city employees to attend). Suddenly in 1934, McNair resigned his office over some dispute with Council, and when he tried to un-resign, Council refused and appointed Cornelius Scully as Mayor. Scully was a director of HGFA but was determined not to be identified with the erratic McNair (with whom he had had a personal falling-out), so he foreswore all Georgist efforts. The Foundation experienced reverses during and right after World War II.

Pittsburgh had had enough of McNair's antics and his Henry Georgism, and many of the Foundation's founding members had passed away; its finances had nearly evaporated (except for the

rooming-house income from Henry George's birthplace); with its members dwindling down to a tired few, it looked like curtains for the Foundation. But Percy Williams persisted and his efforts were rewarded, first when HGFA Director and State Senator Bernard McGinnis was able to get the State Legislature in 1951 to pass a law (revised 1959) which allowed the state's 48 cities of the third-class to tax land at a higher property tax rate than buildings; the bill was passed into law not out of conviction but out of friendship ("let's do it for ol' Barney, he really wants it"), as the Foundation marshalled all its then-meager resources to whip up letters statewide in support of the measure; there was little opposition so these letters had impact. More about this law later.

In 1958, President Charles R. Eckert, a former Congressman, died and left \$40,000 to the Foundation. This was the essential beginning of the Endowment Fund which today funds many of the Foundation's activities and the activities of its sister organizations. In 1926, the founding directors had planned to raise \$1 million to fund a roving nationwide group of salesmen and organizers; this goal has not yet been attained but during the decades following Eckert's death, many other Georgists followed his example and left bequests to the Foundation. Their influence is now extending down through the generations. The names of many major contributors, both past and present, are to be found in the Foundation's Official History and in its Quarterly Report, among other places. We speak here of Lucien Wilcox (Iowa), Stephen Cronan (Illinois), Jack Tetley (New Jersey), William Schoyer (Pennsylvania), and where else have these donors been memorialized except in the annals of our three organizations? We would also like to call to mind our many substantial current donors, such as Marion and Stanley Sapiro (California).

He who waits to do a great deal of good at once will never do anything.

- Samuel Johnson

Percy Williams died at the age of 92 in 1977 and the affairs of the Foundation came under the direction of Steven Cord, President of the Foundation and a Professor of History and Social Science at Indiana University of Pennsylvania. Cord had authored two books and many research articles in academic journals on Henry George and land value taxation, and had been schooled in the practical aspects of LVT by Williams. He was also the editor of Incentive Taxation, an eight-times yearly news bulletin designed for non-Georgist politicians (and experts) who could possibly institute a land-value-oriented property tax at the local level.

As a result of Cord's efforts, the Foundation was able to score a

number of LVT victories among the third-class cities in Pennsylvania, based on the McGinnis Law. By 1989, ten cities in that state were taxing land assessments at a rate higher than building assessments, and more were on the way. These victories of the Foundation were the only victories the whole Georgist Movement could report in all the years since 1913, when Pittsburgh and Scranton first started to go two-rate. In addition, the Foundation could report the placement of a number of articles on LVT in a number of prominent publications, and many presentations were made before professional associations (Pennsylvania League of Cities, International Association of Assessing Officers, National League of Cities, etc.).

In 1986, Cord retired from his university teaching and became the full-time president of the Foundation (and its sister organizations, soon to be described). The offices were moved to Columbia, Maryland, and an effort was made to have a nationwide influence, in keeping with the Foundation's nationwide membership. Increased annual donations, grants from other foundations (especially the Henry George School and the Robert Schalkenbach Foundation), and good investments in the stock market enabled the Foundation to expand its activities and hire a clerk and field representative. But of course, much more needs to be done.

The wide-spreading social evils which everywhere oppress men amid an advancing civilization spring from a great primary wrong - the appropriation, as the exclusive property of some men, of the land on which and from which all must live. From this fundamental injustice flow all the injustices which distort and endanger modern development, which condemn the producer of wealth to poverty and pamper the non-producer in luxury, which rear the tenement house with the palace, plant the brothel behind the church, and compel us to build prisons as we open new schools.

- Henry George

Now let us turn our attention to the Center for the Study of Economics. It was formed in 1980 as a 501(c)3 non-profit educational organization, which means that donors could make large donations or bequests (from wills) to it and deduct those gifts for income and estate tax purposes. So, for example, a \$10,000 donation or bequest would cost the giver only \$6,700 if he or she were in the 33% tax bracket because \$3,300 could be deducted from the income tax payment. For small annual gifts, this is of little consequence; not so for larger ones. The founding of C.S.E. enabled HGFA/CSE to achieve a substantial increase in donations and bequests.

To be sure, C.S.E. funds are strictly limited to educational expenses, but this has not proven to be a problem since much of what

HGFA/CSE does is educational in nature. HGFA is a 501(c)(4) social welfare organization, and hence its funds are less limited (therefore if a donor is not concerned about getting a charitable deduction, it would be best to give to HGFA rather than C.S.E. as the gift could then be used for more diverse purposes). HGFA can give money to C.S.E. but not vice versa, in order to comply with I.R.S. regulations.

In 1985, Common Ground - U.S.A., a new organization, was established, to be administered jointly with HGFA/CSE in order to save on overhead expenses. Common Ground, whose expenses are mostly paid for by HGFA, has as its main purpose the establishment of membership chapters both here and abroad. These chapters are to include both Georgists and non-Georgists. The task is a difficult one, but it must be attempted and experimentation is currently going on to see how this goal can be reached. A number of local chapters have already been established, but more needs to be done along these lines, and more funds are needed for it. Currently, there is no other national Georgist organization attempting to do this sort of thing.

If there be any truer measure of a man than by what he does, it must be by what he gives.

- Robert Smith

At this writing, the three organizations - HGFA, C.S.E. and CG-USA - are working closely together, uniting their expenditures of money and effort wherever legally possible. A total of 60 fully committed Georgists compose the boards of directors of these three organizations, each of which has a distinctly different purpose and legal organization. It is safe to say that these Georgists will see to it that these three organizations will never deviate one iota from the Georgist philosophy. This should be a great assurance to potential donors (if by any unlikely chance, these organizations were to dissolve, their assets, according to their constitutions, would go to other existing Georgist organizations; this is an additional safeguard).

No new organizations are envisioned. These three - HGFA/CSE/CG - can do all that needs to be done. No fewer than these three will suffice.

We must face it: the triumph of a Single Tax Society is not yet in sight. But these three organizations, working together, have a plan, a Scenario, for victory. First, we get cities to tax land more than buildings via education (C.S.E.), saleswork (HGFA), and grass-roots support (CG); then we do research to show that economic prosperity follows the building-to-land tax switch; then we publicize these studies; then the mainstream experts and professional organizations start to spread this approach while we essentially cheer them on; then the Single Tax catches on more broadly, leaving HGFA/CSE/CG to

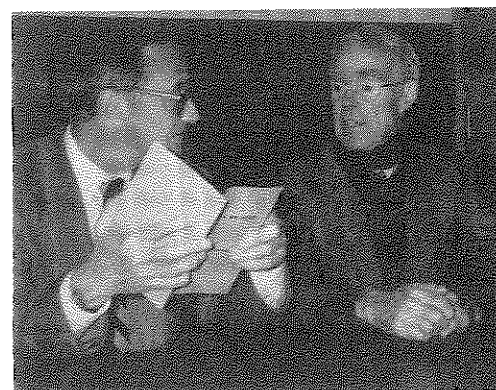
see to it that there is no backsliding.

We can't do the whole job ourselves, but we have a step-by-step Scenario for eventual victory. Those who want to do it all at once have ended up accomplishing nothing at all. Sure, we all want to see the Single Tax adopted before we die, but we may not be so lucky. Beware the alternatives of vast schemes on the one hand, and on the other - do nothingism. Let's prepare for the Long Haul, both psychologically and financially. Let us not fall victim to negativism and paralysis, thinking that victory will never be possible because we are so far out of the public eye now. Our step-by-step Scenario will bring us closer and closer to the time when all of a sudden, the professional experts and the populace will see the truth which we have been proclaiming all this time; the documented factual studies will convince them.

Today, we are voices in the wilderness, but suddenly some day the truth we proclaim will burst upon the consciousness of the nation, and what today is but the doctrine of a few visionaries will tomorrow become the common sense of the nation and the world. You are invited to join us to make this possibility a reality. Or you can sit glumly on the sidelines, supporting other causes which, however worthy, must necessarily deal with symptoms or superficialities, not the Basic Underlying Cause. Rather join us; we need you, and let your influence continue down through the generations.



Exhibit Booth at Pennsylvania League of Cities Convention, June 1988 (Arthur and Ginny Yeatman).



Executive Director Steven Cord conferring with Tertius Chandler at the University of California in May 1989.

Part II

What We Must Do Next

Let us assume that you're not merely a passive Georgist but an active one: i.e., you're not satisfied with merely knowing about the Georgist philosophy, rather you want to do something about it. Before you heard about it, you were of course not duty-bound to spread the word; but once having become acquainted with it, you hear the persistent call of moral obligation. After all, if we don't act, who will?

But what's to be done? How difficult it is to win a fair hearing for the Single Tax; how distant seems its universal adoption. Fortunately there are some specific do-able programs that can get us out of the Wilderness and into the Mainstream:

(1) INCENTIVE TAXATION - This publication is now our cutting edge; it has been responsible for the Real-World Victories we have already won. Wouldn't better printing, paper and typesetting be even more effective? And shouldn't we be expanding our mailing list to reach even more non-Georgist politicians?

(2) ADVERTISING CAMPAIGN - Our very own high-profile magazine of social comment like New Republic or National Review may be a little beyond us at this point since all such publications have been money-losers, but why not advertise our message in those that already circulate? We can reach hundreds of thousands of prospects that way, just for a few thousand dollars. Why not let these magazines bear the expenses (and losses) of publication; why not let them provide us with an audience? We've already run a few ads featuring our whole philosophy with a please-request-free-information tagline, and we've gotten a satisfactory number of replies, and made thousands of others at least generally aware of land value taxation. We could do more if we had the finances to do so. Many of those replying are members of our organizations now, so advertising like this holds out the prospect of being self-financing in the long run. A sustained advertising campaign could put our message before the

mainstreamers and catch their attention. Want to help?

(3) DIRECT MAIL CAMPAIGN - How about buying lists of prospects who have shown interest in economic reform, libertarianism or politics? We can send them our message in a two or three page letter and ask for contributions, just like Common Cause and other such organizations do with evident success. If we make money, that could be a big financial breakthrough for us, and even if we don't we can at least be delivering our message to many people. This project has the advantage that it could be tried on a small test basis at first.

(4) RESEARCH GRANTS - There are many useful research projects that would help our Cause. For example, how high are land values in proportion to total wealth or GNP? (It's probably higher than most people think, which shows that a land value tax can really be a single tax and that we're not raising a tempest in a teapot.) Will farmers pay more with LVT? Will homeowners? Exactly how much more profitable will it be to build on currently under-developed downtown properties with LVT in cities considering the adoption of LVT? What is the legal status of LVT in the various states - are state constitutional amendments required, or just passage of state laws? And so on.

(5) BOOKLETS AND SONGS - We need many special-subject booklets, but they cannot be realized until the funds are there. For example, we need special booklets on the ethics of LVT, on the evidence showing that LVT works, on how to stop urban sprawl into the clean-and-green countryside, on how LVT could stop inflation/recession, on true free enterprise, etc. We already get calls for booklets on these subjects, but can only give out odds and ends of somewhat un-focused literature - unless you and others decide otherwise.

Shouldn't we be subsidizing song-writers and serious-music composers to produce new sing-able Land Songs and Henry George Overtures? Isn't this one good way to reach a wide audience?

(6) PAID FIELD REPRESENTATIVE - Our experience leads us to believe that if we had a permanent paid field representative to make personal calls on mayors and city councilmen, LVT adoptions would occur at an even more rapid pace than in the past. We have a sales job to do, and so we need a salesman-educator. Such a person could also perform many useful administrative tasks for HGFA/CSE/CG.

(7) ANNUAL AWARDS - For years now, we have been giving out annual awards to Georgists and others who have performed real services in the past year or decade. Often, these awards have been made in the name of Bill Newcomb of Florida, who first conceived of the idea. If this program were better financed, we could garner more

publicity with it than we already have.

(8) SEMINARS & CLASSES - We should run occasional LVT conferences attended by non-Georgist politicians. This is an excellent way to reach out to prospects. We should also run occasional weekend seminars and ten-week classes in an effort to acquaint prospects with our Whole Idea (not merely with the two-rate property tax reform). We need 100%-ers to carry on the work of our organizations.

(9) MEMBERSHIP CHAPTERS - Doesn't our Idea deserve a string of membership chapters across the nation (overseas also), with new members being constantly drawn in to become acquainted with the Georgist Concept - with these chapters popularizing the land value tax locally and winning Real-World adoptions via grass-roots advocacy? In fact, this is the announced goal of one of our organizations, Common Ground - U.S.A. To establish such chapters, we need to fund a traveling Circuit Rider. Want to help?

(10) BUILDING FUND - We can use a headquarters building to house our three Georgist organizations, plus some tenants. What a wonderful advertisement for our Idea (waiting for a proper name to be engraved on the cornerstone).

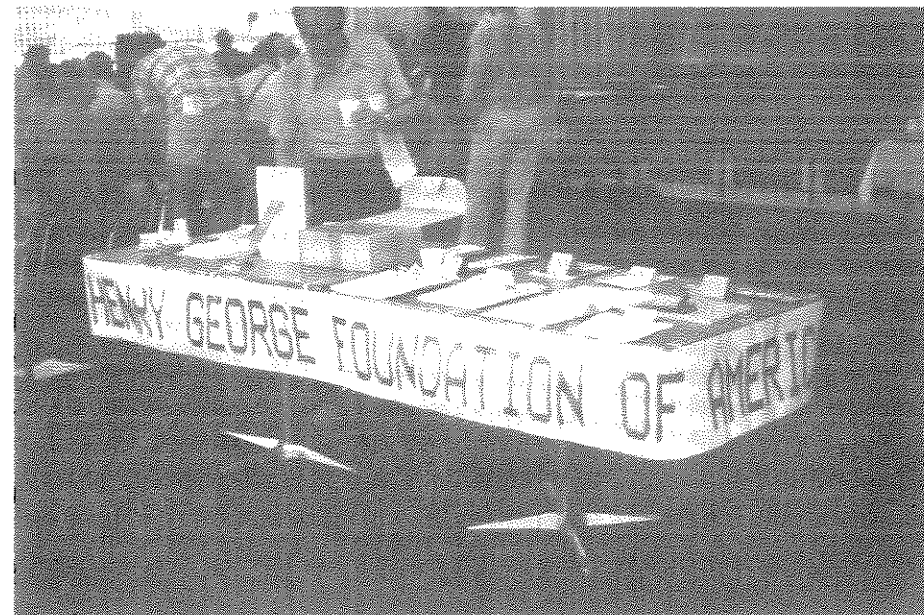
These are some of the things that need to be done if we are to increase the forward momentum that our organizations have generated in recent years. Progress beckons, but money is lacking - unless our members help with their financial as well as moral support. Annual contributions are needed, but bequests above all.

If you have suggestions for additional programs, we would be delighted to hear from you about them.

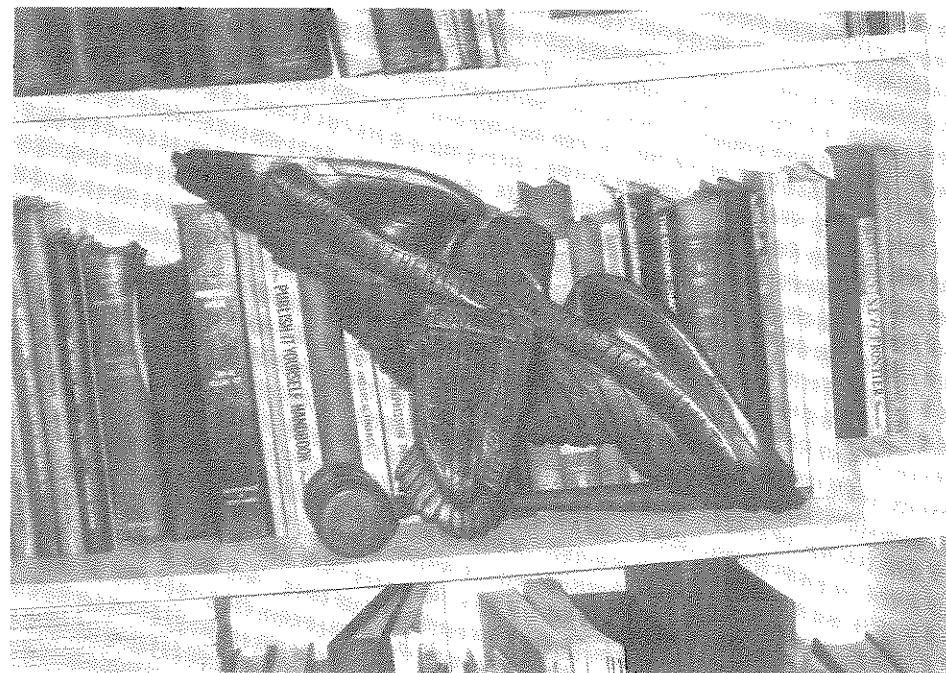
Communists and terrorists the world over risk their lives in dedication to evil ideas. Should we - you and I - be any less dedicated to the spread of the doctrine of equal rights to life, liberty, labor and land?

If you wish, your bequest can specify which of the above programs you would like to finance. Also, for bequests above \$10,000 we will be happy, if asked, to set up a separate fund, to be administered by one of the three organizations of your choice, under your name or under the name of someone you wish to memorialize. This fund would be accounted for separately from the rest of our Endowment; it would appear separately on our Quarterly and Annual Financial Statements.

There is much we can do, if there is the will to do it.



Director Steven Cord checking book sales money at Annual Georgist Meeting, St. Louis 1985.



Member R.E. Morris carved this beautiful eagle, on display at HQ (that's dedication!).

Part III

Gifts During Your Lifetime

All the wonderful programs mentioned in the previous section will remain a mere "wish list" if our generation of Georgists gives them lip service only and then fails to support them financially. In fact, our generation may be the last generation of Georgists capable of creating a genuine long-lasting organization (letterhead organizations aside).

Now let us see what you, the reader, can do to convert these wishes into reality.

First, you must decide which of these organizations you prefer to support. If your main interest is in founding a grass-roots movement, if you think that is the prime task we face, then you will want to support our newest organization, Common Ground - U.S.A., whose main purpose is to establish membership chapters around the nation (or world) composed of Georgists and Georgist sympathizers who will then promote our Idea locally, as well as supporting a central organization. CG - U.S.A. also publishes Groundswell.

If your main interest is in bringing our message to city officials and winning Real-World Adoptions - if you think this is the way to get on the Public Agenda - then you will want to direct your contributions to the Henry George Foundation of America, which already has a successful track record in this sort of enterprise.

Most urban experts, city officials and economists want to see research on who pays more, who pays less, before they would seriously consider advocating land value taxation or the single tax. Other objective research studies are useful also, such as evidence that construction spurts have followed the adoption of land value taxation; and Incentive Taxation must be regularly published. If you would like to further these efforts, then direct your support to the Center for the Study of Economics.

There is another distinction as well: C.S.E. is registered with the I.R.S. as a Section 501(c)(3) non-profit educational organization, so that contributions to it are tax deductible exactly as if you were to

give to a church or university. If you are in the 33% federal tax bracket, plus 5% for your state income tax, then a contribution of \$100,000 to C.S.E. would give you a tax deduction of \$38,000, in which case your \$100,000 contribution would cost you only \$62,000! Thank you, Uncle Sam. In addition, this contribution might lessen your estate taxes by removing otherwise taxable assets from your estate (important if it will exceed \$600,000).

C.S.E.'s most recent I.R.S. 501(c)(3) determination letter is available to you or your attorney upon request.

CG-USA and HGFA are both registered with the I.R.S. as 501(c)(4) civic leagues like Common Cause, Sierra Club, etc. and while contributions to them are not tax deductible, they can be put to a wider range of uses. For this reason, it would be best for you to contribute to either CG-USA or HGFA if tax-deductibility is not important to you or you cannot use such a deduction. (If your estate will not exceed \$600,000, then giving to a 501(c)(3) organization will be of no extra advantage to you.)

Gifts of Real Estate (esp. Land)

Many Georgists have made land-speculation profits, particularly on the sale of their own residences. They bought their houses years ago at low prices and now sell them for much more; isn't the difference between current price and original cost due to land appreciation? (The building probably depreciated in value over time.) Perhaps the land-speculation profit was unavoidable; the home had to be sold, but if you believe that such a land-speculation profit is morally akin to slavery, then you will feel impelled to put that profit, or at least part of it, to a use which will end the iniquitous system. And Uncle Sam can help you do this.

Property - not property in the legal sense, for that may be anything which greed or perversity may have power to ordain; but property in the ethical sense - is that which carries with it the right of exclusive ownership, including the right to give, sell, bequeath or destroy.

To what sort of things does such right of ownership rightfully attach?

Clearly to things produced by labor, and to no other.

- Henry George

You could always make a contribution to C.S.E. equal to the whole or part of your land-speculation profit; in fact, most of our current Endowment has been accumulated in exactly that way: land-speculating Georgists have felt impelled to donate some or all of that kind of profit to our organizations.

But there are now other ways to accomplish this purpose. Let us

say you own a lot worth \$100,000 today although you bought it for \$20,000. If you sold this lot on the market, then after a typical 8% broker's fee, 3% closing costs and 2% transfer tax, together with 33% federal income tax and 5% state income tax on the profit, you might end up with only \$61,540. But if you had made a charitable contribution of this lot to the Center for the Study of Economics, then you would get a massive tax write-off and C.S.E. would put the entire \$100,000 to work for you. Feel free to verify this with your accountant or lawyer. Let C.S.E. transform your ideas into reality.

There are still other ways to donate land-speculation profits to the Georgist Cause. You can donate part of your property to C.S.E., or you can sell the property to C.S.E. for less than it is worth; in either case, you could retain some property use or sale income for yourself, and give only part of either the property or sale income to C.S.E.

Yet another approach is to give a "remainder interest" in your home or property to C.S.E. Here's how to do it: you live in the house as you are now doing; you sign an agreement with C.S.E. stating that it becomes the owner when you (and your spouse) die. You can take an income tax deduction now - which could save you many tax dollars - for your contribution of the remainder interest to C.S.E., even though C.S.E. does not receive the house until you (and your spouse) die, which could be many years into the future. The only change from what you're doing now is that you can legally collect a substantial tax reduction from Uncle Sam! Ask him, or your lawyer, or us, for details.

Don't bemoan the "system" so long as there is something important that you can do about it.

Interest-Free Loans

A very attractive way for you to support HGFA, CSE or CG-USA is to make an interest-free five-year loan. The recent federal income tax "reform" renders this a very simple action.

Here's how to do it: you make a loan of up to \$250,000 to C.S.E.; the loan has no income or gift tax consequences. You do not have to pay taxes on the interest you have foregone. The principal remains untouched. Whenever you specify, the principal goes back to you.

Gifts of Life Insurance and Pension Benefits

Your life insurance policy offers yet another way for you to make a substantial gift to C.S.E. and get a substantial money-saving tax deduction now. Here's how to put money in your pocket today: give a paid-up policy to C.S.E. (if you no longer need it) and receive a deduction equal to the policy's replacement value or cash surrender value.

If you can give a policy on which you are still paying, then you can

receive a deduction for the cash value, and also get additional deductions for donating the annual premiums.

If you give a new policy, then you can receive a deduction each year for the amount of the annual premium payments.

Depending on your tax bracket and life expectancy, your life-insurance gift to C.S.E. can amount to many times your cost! Once again, see your tax adviser or us.

Another way by which you can make a large gift at no current out-of-pocket cost is by making C.S.E. beneficiary of whatever I.R.A., Keogh, 403(b) or 401(k) retirement plans you may now have. This could save income taxes now and estate taxes later on.

Charitable Remainder Trusts

This kind of trust offers you an excellent way to make a contribution to the Georgist Cause and increase (not decrease) your income at the same time.

Here's how to do it: you transfer cash (or other assets) to a trust which pays you an income from the assets for your life (and for the life of your spouse or other beneficiary, if you wish). Upon death, the asset goes to C.S.E. This has many advantages for you:

- You get an immediate charitable contribution deduction.
- You get a lifetime income (so does your spouse or other beneficiary).
- The asset is removed from your estate (lowering estate taxes and lawyer fees, as well as immediate payout).
- Relief from all management burdens associated with the asset.
- Satisfaction of knowing that upon termination of the trust, the assets held in trust (which may be highly appreciated in value) will pass to C.S.E. for the furtherance of Georgism.

All of these suggestions concerning annual contributions of substantial size are easy to do. You could handle them yourself, or your income-tax or legal adviser could advise you on the tax deductions you would be entitled to.

In the end, it is up to you to decide whether you will pay the I.R.S. or C.S.E. Will you support the income tax or the single tax? Not to act is an act in itself. Some Georgists work a whole lifetime to accumulate assets, and then by choosing not to act, their hard-earned assets go by default to the I.R.S., which is contrary to their whole economic philosophy.



Common Ground Directors Meeting in Pittsburgh, Pennsylvania, October 1986.



HGFA Directors Joseph Casey and Frank Nelson (v.p.) confer at Baltimore meeting, March 1988.

Part IV

Leaving a Bequest in Your Will

Did you know that 7 out of 8 Americans die without a will?

Why write a will? To make sure your property is distributed according to your own desires. Without the benefit of a will, your estate will be distributed according to the laws of the state in which you reside ("one-size-fits-all"); your estate, which you labored for a lifetime to put together, would likely be divided in ways you wouldn't approve of. A well-written will guarantees that your assets will benefit those people and those causes you most care about.

Recently, federal tax laws have been changed, causing many wills to become obsolete. Be sure to have your will reviewed if you haven't done so for some time, or if these things have occurred:

- Change in marital status
- A new child or grandchild (through birth or adoption)
- Death in the family
- Need to change guardian of minor children
- Need to change executor of estate
- Inheritance or any substantial change in assets
- New plans for retirement
- Purchase or sale of business or new business venture
- Move to another state
- Major changes in state or federal tax law
- Desire to change beneficiaries

Misconceptions about wills abound: "my wife (or husband) and I own everything jointly, so we don't need a will." First of all, it is unlikely that this is entirely accurate. Often overlooked are company retirement and death benefits. Moreover, in some states, the laws of community property may take precedence over joint tenancies.

Secondly, if all of your assets are indeed owned jointly, a potential estate tax problem may result. A competent tax advisor should

therefore be consulted.

Another misconception: "my estate is too small." But your net worth may be more than you realize. Add up the value of your home and furnishings, your automobile and other personal property, bank accounts, insurance policies and pension benefits, and you'll see that your estate is probably worth more than you had imagined.

"I don't have an attorney." This can easily be remedied by seeking recommendations from people you know who have been pleased with the way their attorney handled the drafting of a will. Also, most local bar associations maintain a referral service, and they (or we) will be happy to provide you with the names of several attorneys in your area who specialize in wills and state planning. Or you can write to us and we will send you a Will Kit and you can then proceed to write your own will (if it is reasonably simple).

An army of principles will penetrate where an army of soldiers cannot. Neither the Channel nor the Rhine will arrest its progress. It will march on the horizon of the world and it will conquer.

- tombstone inscription

If you already have an adequate will, then consider writing a codicil to your will. This is a simple addition (amendment) to your will, written on an ordinary sheet of paper, listing whatever changes might come to your mind. It is best to have the codicil witnessed in writing by someone else. By all means, consider leaving the major part of your estate to your own spouse and children, but if by chance they don't support your economic or social philosophy (or even have scorn for it), it would not be wrong to consider leaving a bequest to HGFA, CSE or CG/USA to perpetuate a part of yourself down through the ages that perhaps your children will not. Many other Georgists before you have done so.

So - writing a will can be both easy and inexpensive. For your own sake, be sure to do it.

If you decide, after careful consideration, that you want to help get our Georgist Bandwagon rolling, here is how you can proceed:

(1) GENERAL BEQUEST - You can specify in your will that a certain sum be given outright to either HGFA, CSE or CG-USA.

You or your attorney could incorporate this sample clause into your will: "I give and bequeath to the Henry George Foundation of America (or the Center for the Study of Economics, or Common Ground - U.S.A.), a non-profit foundation with headquarters at 2000 Century Plaza (238), Columbia MD 21044, the sum of _____ dollars to be used for the furtherance of the Georgist philosophy as determined by the Board of Directors of HGFA (or CSE or CG/USA)." Or instead of specifying a certain number of dollars, a percentage of your total net estate could be specified. Or such

non-monetary assets as real estate (esp. land) could be bequeathed.

(2) RESIDUARY BEQUEST - This would dispose of those estate assets which remain after the payment of debts, expenses, taxes and all general bequests.

If this is what you choose to do, you or your attorney could use this clause: "All the remainder of my estate, both real and personal which I shall be entitled to dispose of at the time of my death, I give and bequeath the Henry George Foundation of America (or the Center for the Study of Economics, or Common Ground - U.S.A.), a non-profit foundation with headquarters at 2000 Century Plaza (238), Columbia MD 21044, for the furtherance of the Georgist philosophy as determined by the Board of Directors of HGFA (or CSE or CG/USA)." Instead of "All" there may be inserted a particular percentage or fraction.

(3) CONTINGENT BEQUEST - enables you to designate HGFA, CSE or CG/USA as an alternate beneficiary in case one or more of your named beneficiaries does not survive you.

All bequests are noted in a special book in our headquarters which record all the principal donors of our organizations down through the years; a full page is devoted to describing each such member. Bequests in excess of \$10,000 are accounted for separately, named after the donor and appear on a special line on our Quarterly and Annual Reports. Such funds could also be named in honor of another person at the request of the donor ("in memoriam").

Obviously, a bequest in a will doesn't preclude annual gifts made during one's lifetime. If they are large enough, they will also be entered in our Donor Book and on our financial reports. Such contributions of, say, \$10,000 might cost you less than \$6,700 (a federal tax saving of \$3,300 if you are in the 33% bracket, plus a further saving on state and local income taxes).

Afterword

You can give money to the poor, you can support anti-poverty agencies - yes, you can rail at the wind and order the sea to turn back, but all to little avail unless you get at the Root Cause of Poverty.

But if you want your influence to be felt down through the generations, then act upon the suggestions made in this booklet. How else can you convert your vision of economic justice into reality? If Georgists of our generation don't act, then others will, and for more transitory and less exalted purposes.

The triumph of Economic Justice is not yet in sight. The way seems long and tortuous. But suddenly, we will finally gain the attention of the mainstream experts, we will burst upon the consciousness of the nation, and what today is only the doctrine of a few visionaries will tomorrow become the common sense of the nation. That may be how it will happen, but for now it is for us to persist, to build our case statistic by statistic, popularizing, teaching, until the floodgates open.

We have no choice. We who know this basic economic truth have a duty to work for its eventual world-wide application. To know, and yet to do nothing, is morally derelict.

It is fitting to conclude with this well-known quotation from Henry George:

"Let no one imagine that he has no influence. Whoever he may be, and wherever he may be placed, the man who thinks becomes a light and power....Whoever becomes imbued with a noble idea kindles a flame from which other torches are lit, and influences those with whom he comes in contact, be they few or many. How far that influence, thus perpetuated, may extend, it is not given to him here to see. But it may be that the Lord of the Vineyard will know." (from Social Problems)

He who struggles for that recognition of justice which, by securing to each his own, will make it needless to beg for alms from one for another, is doing a greater and higher work than he who builds churches, or endows hospitals, or founds colleges and libraries.

- Henry George