The Georgist Journal



No.49 - Autumn 1985

An International Journal
Serving the Movement for
Land Value Taxation and Free Trade,
Based on the Philosophy of Henry George.



The Georgist Journal

Number 49 Autumn 1985

Comment

In our last issue (No. 48) we reproduced as a Guest Editorial an article from Progress of Melbourne, Australia. Its original title was "Why the Georgist Movement Persists."

This subject also appealed to the San Francisco Henry George School, which at a Board meeting had a round robin on the question, "Why does the Georgist movement persist?" Some interesting responses were offered, among them, the philosophy's profound and central truths, its combination of the spiritual and practical, its sense of justice.

It is at least a refreshing change to have discussions on why our movement persists rather than lamentations on its sad state, decline, and why aren't we making more progress. Granted that we want much more progress, a survey of our recent Conference (reported in this issue) surely does not represent a movement in decline.

For our movement has persisted, whereas many over the years have disappeared. To the reasons given by Progress and the San Francisco group, another factor could be added as to the persistence of our movement - and that is the reasonableness of its philosophy. If we look at various philosophies and movements of past and present that have come and gone, we would see slogans and demands, many superficial, many unreasonable, many unrealistic. Also, we would see the pressure of special interests with little regard to the good of the whole society.

The Georgist philosophy is best approached by thinking it out. That could partly explain both its persistence and its not being a mass movement. Henry George in his various works admonished his readers to think for themselves. In Protection or Free Trade he even wrote, "all I ask of the reader is that he shall in nothing trust to me." Hardly the words of a blind leader of the blind! Indeed, one of the characteristics of our movement is independence of thought and deed while still sharing a common cause.

And we might add a closely related quality - a philosophy which looks to the good of all society and each of its members. That's a contrast to most movements, whether left or right, up or down, starry-eyed or materialistic.

There is evidence that the Georgist philosophy may be more influential than we can see. Our "movement" admittedly is not very large. But things keep coming to light which show that there is a great appreciation of the concepts among educators, writers, officials. Our progress may come as much from a quiet spreading of the ideas - as a little leaven that leavens the loaf - as from our own actions. So above all, let's keep disseminating!

R.C.

Contents of this issue Organizations and members 2	Recent Literature
Annual Georgist Conference 3-8 St. Louis Proclamation 8 Letters to the President 9 (Due to Conference Report, we are holding	Georgists to Nicaragua 11 The Buckley Connection 11 Georgists/Libertarians.F.Foldvarv12

THE GEORGIST JOURNAL, 5 E. 44th St., New York, NY 10017, USA. Robert Clancy, Editor. Readers are invited to submit suitable articles, letters, news, etc. for publication.

News of Organizations and Members

THE INTERNATIONAL CONFERENCE ON LVT & FT is scheduled for Vancouver, B.C., Canada, May 18-23, 1986, at the University of British Columbia Conference Center. Advise the Conference Committee promptly of your intention to attend. For information on program, rates, etc., write to the Committee, c/o Mary Rawson, 1406 Woodland Dr., Vancouver, B.C., Canada V5L 3S6.

THE 1986 ANNUAL CONFERENCE of the Council of Georgist Organizations will follow the International Conference at the same location, UBC Conference Center, Sat., May 24-Mon., May 26, 1986. Information will be disseminated in due course.

A NEW POLITICAL PARTY has been formed in Ireland, based on Georgist principles, called the Christian Social Party. Its motto is the same as that of the old Irish Land League, "Land for the People." Contributions would be welcome. The address: The Christian Social Party, 10 Lower Abbey St., Dublin 1, Ireland. (Thanks to Michael Horsman for this information.)

ON THE U.S. SIDE, the newspaper <u>Irish Echo</u> had a feature story in its issue of August 31 on Henry George's mayoralty campaign of 1886 and George's connection with the Irish land agitation and its leaders. (Thanks to John Curley.)

AMERICAN HERITAGE magazine, in its March-April issue, listed "Ten Books that Shaped the American Character." Progress and Poverty is included, along with the Federalist Papers, Tom Paine's Common Sense, Harriett Beecher Stowe's Uncle Tom's Cabin and other classics.

INSTITUTO DE CAPACITACION ECONOMICA (Institute of Economic Development) has been organized in Buenos Aires, Argentina. Dr. Hector R. Sandler is Director (he has become a member of the Henry George Institute). Dr. Robert V. Andelson, on a recent tour of Latin America, visited with Georgists of this Instituto and expressed his admiration for Dr. Sandler's work. Contributions would be helpful. Address of ICE is Centenera 134, p.b.-A, 1424 Buenos Aires, Argentina.

HENRY GEORGE DAY was celebrated September 2 in Arden, Delaware and at the Birthplace of Henry George in Philadelphia. There was a large attendance plus a good deal of press publicity. September 2 was declared Henry George Day by the Governor of Delaware, Michael N. Castle.

CHICAGO'S MAYOR, Harold Washington, also declared September 2 Henry George Day. The indefatigable efforts of Robert A. King and his colleagues have led to yearly proclamations of Henry George Day in Chicago and Illinois.

FREE ACRES, a single tax colony in New Jersey founded by Bolton Hall, celebrated its 75th anniversary on July 28 with a public meeting which was addressed by Michael K. Curtis of Arden on the Georgist philosophy. Martin A. Bierbaum of Free Acres wrote a history of the colony in the Spring/Summer 1984 issue of New Jersey History.

EDWARD J. DODSON has completed and submitted an essay for the Speiser Essay Contest on how to promote world peace. Titled "Democracy at Risk," Mr. Dodson's essay emphasized the Georgist analysis. If you hurry, there may still be time to apply for the contest. Write to Speiser Essay Contest, Council on International and Public Affairs, 777 United Nations Plaza, New York, NY 10017, USA.

TOBY ALTSCHULER spotted an editorial in the Albany $\underline{\text{Times-Union}}$ of July 30 pointing to the many undeveloped and vacant parcels of land in $\underline{\text{New York's}}$ capital city, and welcomed the decision "to increase the property taxes on those downtown parcels that are lying fallow."

ANNUAL GEORGIST CONFERENCE OF NORTH AMERICA

WASHINGTON UNIVERSITY - ST. LOUIS, MISSOURI - WED., JULY 17 - SUN., JULY 21, 1985

"The best Conference ever," said many. "But," said others, "that's only the way it should be, as we learn year by year." Be that as it may, the 1985 Conference, the fifth sponsored by the Council of Georgist Organizations, was a good, solid, interesting and enjoyable event. The host organization, Public Revenue Education Council, with Stanley Frederiksen and his colleagues, bent every effort to make it a memorable meeting, and it was. A special reason for having it in St. Louis was pending land value tax legislation in Missouri.

St. Louis is almost the geographical center of the U.S., and over 100 conferees were attracted from all over the country plus Canada. While we were there, the city did not live up to its reputation of being unbearably hot in the summer - it was bearably hot - and in any case our meeting and living space was completely air-conditioned for once. (We were disappointed on this score at previous Conferences.)

Our Conferences have previously begun on a Thursday evening. This time an extra day was provided; it began on Wednesday evening. No matter - the extra time was rapidly filled up. Prior to the Conference extra meeting time was allowed for the formation of a new organization:

Common Ground

Several Georgists met at pre-Conference sessions Wednesday morning and afternoon (July 17) to organize "Common Ground" which is conceived as a national activist group aiming at the collection by government of the rent of land and the removal of taxes on production. A Constitution and By-laws (prepared by Edward J. Dodson, with consultation) were adopted and a Board of Directors elected with the following officers: Steven Cord, President; Tom Sherrard, Executive Vice-President; Marion Sapiro, Secretary; Edward J. Dodson, Treasurer. A collaboration with the Georgist Registry, initiated by Betsy Dana, has been arranged. During the course of the Conference many conferees joined Common Ground, and it is hoped that non-Georgists can also be attracted by its general aims. Information may be obtained from Steven Cord, 580 W. 6th St., Indiana, PA 15701.

Reports from Far and Wide

On Wednesday evening the Conference began with welcomes from Robert Clancy and Stanley Frederiksen. A handsome Proclamation designating July 15-21 as Henry George Week in St. Louis by Mayor Vincent C. Schoemehl was presented by Jack Keane from the Mayor's office (see p. 8).

The meeting was devoted to reports on Georgist organizations and activities. It was chaired by George Collins who began with a report on Philadelphia, including the work of the Henry George School and the Henry George Birthplace (which has been designated a historic landmark). There is increasing favorable attention to the Georgist proposal, especially in the light of recent real estate developments in the area.

Many brief reports were offered, including: Oscar B. Johannsen, Robert Schalkenbach Foundation; Michael Gavaghen, New York Henry George School; Mitchell Chanelis, Center for Economic Justice, Boston; Charles Metalitz, Chicago Henry George School; James Frederiksen (son of Stanley) and John Kelly (of Peoria) on approaches to the Illinois state legislature on land value taxation; Michael Curtis on Arden, Delaware and classes in Delaware's Smyrna Prison; Robert Clancy, Henry George Institute; Walter Rybeck, Center for Public Dialogue, Washington, DC; Nadine Stoner, Wisconsin Property Owners League, Beloit chapter; John Burger on his activities as a member of the

Minnesota legislature; Mary Davis, Georgia League for Land Value Taxation, also the Georgist Registry; Earl Hanson on the recently formed Intermountain Single Tax Association (ISTA) covering western states; Floyd Morrow, Basic Economic Education; Stan Frederiksen, PREC; Steven Cord, Henry George Foundation of America; Mark A. Sullivan on the Henry George Research Library and American distribution of Land and Liberty; W.E. Pereira, Los Angeles Henry George School; Clay Berling, San Francisco Henry George School; Evelyn Friend, Sacramento Henry George School. These many reports revealed an impressive and exciting scope of activities and projects in the domains of education, the media, audio-visual materials, working with other groups, political action a great deal of it on a voluntary basis.

Strategies and Projects

The Thursday morning session, chaired by Mark Sullivan, began with a talk by Colin Bonner of Calgary, Canada(in place of Morgan Harris who unfortunately could not attend). Mr. Bonner emphasized the power of public opinion and the importance of Georgists making use of modern technology, used so effectively by "plunder groups."

Jeffery J. Smith had just returned from a trip to Nicaragua with members of BEE and ecology groups, including Friends of the Land, of which he is president. He said that while the Sandinista government of Nicaragua is Marxist, they are still flexible, and Georgists are invited to return to Nicaragua to explore the possibility of a Georgist colony there (see p. 11).

Steven Cord presented a method of shifting the tax from buildings to land in a way that today's legislators under the present system can readily grasp and implement. Mr. Cord's presentation involved the percentage of shift each year so that it would be completed over five years.

The Thursday afternoon session was the annual business meeting of the Council of Georgist Organizations. Robert Clancy, chairman, reported as follows: The Council, with the cooperation of other groups, has received the acceptance of over 100 college professors and civic groups to get Land and Liberty. CGO applied for non-governmental membership in the United Nations, and although not accepted, a liaison has been established. Internationally, an Australian Georgist Council has been formed; in Korea, the Henry George Society has been re-activated; in South Africa, the Association for Incentive Revenue Research has been formed.

A proposal to send a message to President Reagan on tax reform was adopted and a draft was prepared. This was sent to the President by Mr. Frederiksen and was also used for publicity in Missouri. Earl Hanson has used it for publicity in Utah, and others are invited to do likewise. (See p.9.)

Robert Clancy and Edward J. Dodson were re-elected as CGO Chairman and Deputy Chairman respectively, and Mark Sullivan continues as Secretary. The informal structure of CGO was approved for another year.

Mr. Dodson reported on the Common Ground deliberations. Lancaster Greene referred to offerings by the Schalkenbach Foundation and mentioned the special use-fulness of The Power in the Land by Fred Harrison. John Burger spoke on the basis of effective action, using the formula MOST - Mission, Objective, Strategy, Tactics.

Economic Questions

On Thursday evening (chairman, Neal Frederiksen, another son of Stanley) speakers addressed economic questions. Speaking on "Self-Interest as the Programmer," Clay Berling said that he has observed that most people will make choices that are best for them. A simple observation confirming a known hypothesis, but one that has great con-

sequences for Georgists. Churches have difficulty accepting it. Georgists must keep it in mind in promoting our ideas.

Oscar Johannsen spoke on "Inflation and International Debt." The world debt, he said, amounts to \$750 billion, of crisis proportions. There is a feeling that inflation has been overcome, but it has not. Banking, like other businesses, should be free. The banking problem has its roots in the land question - with this solved, a sound banking system could more readily be adopted.

Michael Curtis discussed "The Origin and Law of Interest." The origin of interest is baffling and the discussion on the subject in Progress and Poverty (William and James, planes and planks) is difficult. Today's trade may be responsible for more increase that the "reproductive modes of production." The Ricardian law applies to capital as well as to labor.

Workshops and Recreation

Friday morning gave conferees the opportunity to sample the various audio-visual presentations. Don Hurford held a workshop on the use of such materials in education. Used right they can be effective tools. Amir Pirouzan spoke on and demonstrated the use of computers in education. Stanley Rubenstein showed a segment of the newly produced series on Applied Economics done by the Henry George School for educational television. There were showings of the films "A Tale of Five Cities" (about Pennsylvania) and "For the Land is Mine" (produced by BEE).

Friday afternoon was taken up with a bus tour of St. Louis. Places visited included the Jefferson National Expansion Memorial and the Annheuser-Busch brewery, the nation's largest. The Jefferson monument is a large and strking arch by the Mississippi River. This was the spot where Lewis and Clark set out on their exploration of the Louisiana Territory which had recently been purchased by President Jefferson. A fascinating museum tells the story, and it was gratifying to see the words of Tecumseh, chief of the Shawnees, prominently displayed:

"What! Sell land! As well sell air and water. The Great Spirit gave them in common to all, the air to breathe, the water to drink and the land to live upon."

Following the bus tour, there were several small discussion groups: Jeff Smith on Nicaragua; Lawrence Clark on the Rand McNally survey of cities; Robert Jene on a Cook County (Illinois) tax study; James Dorenkott on the BEE program; and Craig Cringan with a film on a tax study of Peterborough, Ontario. There was also a report from Claude Arnold on continuing trouble from a small group of lessees of the Fairhope Single Tax Corporation who want to dissolve the corporation (see p. 11).

Religion and Economics

The statement of U.S. Catholic Bishops on economic problems was the subject of a panel discussion Friday evening, chaired by Joe Casey. Special guest was Monsignor John Shocklee of St. Louis, introduced by Don Killoren. Msgr. Shocklee had made a thorough study of the Bishops' statement and pointed out that this was not the first time the Bishops had spoken out on social questions, having previously issued less known statements on racism, rights, peace and justice. The recent statement starts with the theological premise that the earth is the Lord's and we are its stewards. All persons have rights in the economic sphere and society has a moral obligation to ensure that no one goes hungry, homeless or unemployed. Conservative critics of the statement are mistaken in considering it anti-capitalist; it is not, it simply wants to broaden the share of people in its benefits.

Walter Rybeck said that the central theme of <u>Progress and Poverty</u> is in the national dialogue. The Bishops' statement has aroused discussion and it is important

to keep the dialogue going with participation by Georgists. Fryda Ossias told of periodic meetings of religious leaders at the New York Henry George School, not only Catholic but from other Christian denominations and Jewish. This is one way of continuing the dialogue.

Michael Gavaghen mentioned Georgist reactions to the Bishops' statement, especially carefully worked out responses by Walter Rybeck, John Kelly (of Scranton) and Nadine Stoner. The Bishops' statement is close in spirit to the Georgist viewpoint in seeking to eliminate poverty with respect for human dignity.

Following this panel, David O'Brien reported on "A Pilgrimage to Rome" undertaken in April by seven Georgists - Mr. and Mrs. O'Brien, Mr. and Mrs. Stanley Sapiro, Mason Gaffney, Nicklaus Tideman and Robert Scrofani. The purpose was to make a presentation on the Georgist philosophy to the Peace and Justice Commission of the Superior Generals (of the various religious orders); also to the Pontifical Commission on Peace and Justice (appointed by the Vatican). The presentation quoted from Progress and Poverty and told of present-day applications and their beneficent effects. Acceptance would have led to world-wide distribution, but after deliberation the Commission did not accept the Georgist presentation, one reason being that it was not sufficiently pastoral. A future effort would be worthwhile but should be more pastoral and factual and the preparation should be multi-lingual.

The Farm Problem

Three Georgists who are or have been active in farm work and research outlined present farm problems. They were Charles E. Byrne of Missouri, Woodrow W. Williams of Ohio and Robert P. Willis of Iowa. Mr. Byrne said that farm debt has tripled. Non-farmers are buying farm land for investment and speculation, thus decreasing opportunities for working farmers. Government subsidies prop up land values but do not help the working farmer.

Mr. Williams said that most farm organizations in Ohio consist of landowning families and the operating farmer has no time to lobby. Younger farmers are finding it more difficult to get started.

Mr. Willis said there are big technological changes in farming. There are fewer working farmers but they are there and they have skills. They could cope with technology but not with land monopoly. Nearly half the land in Iowa is owned by non-working farmers. The major problem is to get land prices down.

Mr. Willis also made a presentation showing how a land value tax can permit abolition of other taxes. He prepared a chart showing statistics on land holdings in Iowa and pointed out how greatly the shift in taxes to land would lighten the burden on production and improvements. It is not just a theory but can be demonstrated.

Academic Deliberations

Saturday afternoon brought together four professors from the various campuses of the University of Missouri: Donald Phares (St. Louis); Walter Johnson and Edward Metzen (Columbia); and Robert Brazelton (Kansas City) - all sympathetic to the cause of land value taxation and all familiar with the work of the late Harry Gunnison Brown who included it in his teaching at the University of Missouri. (Prof. Brazelton was a speaker at the Cambridge Conference in 1984.) Moderator was Irene Hickman.

Prof. Phares spoke on evaluation of tax reform: Can the tax be collected? What is the effect on economic efficiency in the private sector? Do different levels compete? Is it certain? Is it fair? An empirical study of land value taxation with respect to these questions would help in future legislative efforts.

Prof. Johnson spoke of the "Dr. Jekyll and Mr. Hyde" dilemma in politics. Dr. Jekyll wants to do the right thing but Mr. Hyde wants to win. More effective education is needed on land value taxation so that textbooks will not dismiss it. The Georgist movement should be allied to other movements working in the right direction.

Prof. Brazelton complained of universities' "benign neglect" of Henry George. Histories of economic thought give short attention to George. Econometricians know more mathematics than economics. But Georgists should not neglect economists either. "Kick us!" he said.

Prof. Metzen reiterated the need for more empirical evidence in support of land value taxation. What is the effect on housing? on parks and playgrounds? What about sub-surface values? How is highest and best use determined?

Conference Banquet

This culminating and best attended Conference event, with Stanley Frederiksen as toastmaster, feature Missouri political leaders who are favorable to land value taxation. An invocation was given by Rev. W. Wylie Young. A plaque was presented by Steven Cord to Elizabeth Read Brown, wife of the late Prof. Harry Gunnison Brown, honoring her for her many years of service to the George cause. In addition, a Resolution was presented to her, passed unanimously by the Missouri House of Representatives and signed by Bob Griffin, Speaker of the House, applauding Mrs. Brown for her many contributions to the betterment of society.

Thomas B. Curtis, former U.S. Congressman from Missouri and former member of the Board of the Lincoln Foundation, spoke, criticizing the failure of the Federal government to solve the tax problem. We must have a government of laws, not of men and of special-interest lobbying. Fairness to all and setting our house in order involves proper real estate taxation.

Walt Mueller, Missouri State Representative, spoke next. He has been in the fore-frontin introducing local option in taxation in the Missouri legislature. It came close to passing in the legislative session just ended than previously, and it will be reintroduced at the next session. The measure will require a constitutional amendment, so after passing the legislature, there will be a referendum on it. Mr. Mueller said a change of this sort is difficult, but we are making progress and must continue. A plaque was awarded to Mr. Mueller in recognition of his work.

John Poelker, former Mayor of St. Louis, said he became acquainted with Noah D. Alper, "and you can guess the rest." (The late Mr. Alper was the founder of PREC.) He said he has worked for land value taxation and we must keep trying. The job is to get people to know more about it.

Conclusion

At the final CGO session Sunday morning (Robert Clancy, chairman), the Conference was evaluated as outstanding. Plans for next year will involve coordination with the International Conference to be held in Vancouver, Canada, May 19-23. For 1987 an invitation was extended by the Georgists of San Diego to held the Conference there. For 1988 another mid-western location is contemplated, and 1989 is already in place - Philadelphia on the 150th anniversary of Henry George's birth.

There followed a meeting of the Henry George Foundation, chaired by Steven Cord. An election of officers took place. A review of the past year's work included promotion of the film "A Tale of Five Cities," about land value taxation in cities of Pennsylvania; success in getting the city of Duquesne to make a shift toward land value taxation; securing a state marker for the Birthplace of Henry George in Phila-

delphia; many trips and consultations by Mr. Cord. One setback has been the issuance of an unfavorable report on land value taxation in Pittsubrgh, bo which a response is being planned. Other plans include advertising and servicing Common Ground.

Conference Highlights

To the report of this Conference it should be added that the audience was by no means passive! Each session had its questions and answers and animated discussion, with widepread participation.

Each evening following the sessions a convivial social hour was held, with libations, conversations and music, hosted by Neal Frederiksen and Joe Casey. Neal was also busy taking photographs throughout the Conference.

Available tables were loaded with literature, much of it free. The Schalkenbach Foundation had a display of its literature, serviced by Susan Klingenhoefer. Noting that this was a Mark Twain anniversary year, the Henry George Institute reprinted a satire by him, "The Story of Archimedes," showing the power of land monopoly.

There was advance press publicity and a good feature story appeared in the St. Louis Globe-Democrat by Charles E. Burgess (a contact of Alice Davis). There was also a leading story by Journalist Jim Wolfe of Jefferson City about the Georgist movement and the Conference in the Kansas City Business Journal. Another bonus: a sign at the airport welcoming the CGO to St. Louis.

Previous Georgist Conferences were held in St. Louis in 1950 and 1966. It was a great idea to have it there again in 1985!

Proclamation

WHEREAS, the Council of Georgist Organizations, which fosters the economic principles of the great American economist, Henry George, and promotes real property tax reform in accordance with those principles, has chosen St. Louis, Missouri as the site of its July 17-21 national Joint Georgist Conference; and

WHEREAS, the participants of this Conference seek the economic means to address current real property taxation inequities, and to provide significant new options for deriving public revenue for the city of St. Louis and other jurisdictions throughout our state and nation; and

WHEREAS, the broad concepts and economic education emanating from this Conference will most certainly stimulate economic thinking, leading to greater liberty, more perfect justice and strong economic growth in our city, state and nation,

NOW, THEREFORE, I, Vincent C. Schoemehl, Jr., Mayor of the City of Saint Louis do hereby proclaim the week of July 15-21, 1985, as HENRY GEORGE WEEK in St. Louis.

In witness whereof, I have hereunto set my hand and caused to be affixed the seal of the City of Saint Louis, this 15th day of July, A.D. 1985.

/s/ Vincent C. Schoemehl, Jr. Mayor of the City of Saint Louis

(The original of this Proclamation is displayed at CGO Headquarters, New York.)

Letter to President Ronald Reagan

Dear Mr. President:

The Council of Georgist Organizations, at its annual North American Conference in St. Louis, Missouri, this July 18, 1985, hereby commends you and your administration for your sincere and diligent efforts to correct the complications and inequities of our present federal income tax system.

However, we point out that the income tax and almost all other taxes penalize human effort, expropriate wealth from those who earn it, and thwart production and enterprise. We submit to you the concept we espouse - that productive human effort should be <u>rewarded</u> - not penalized!

Accordingly, we ask you and your administration to undertake a study of an alternative system to generate public revenue - one which rewards human labor and provides for legitimate charges to be levied for government services rendered. It generates all needed public revenue through appropriate charges on the value of locations ("land") and natural resources. It enables the reduction and abolition of punitive taxes which penalize human labor and the production of real wealth. It implements the principles enunciated by America's greatest economist, Henry George.

Here are some brief arguments which unequivocally support our proposal:

- 1. Labor and its products are rightfully the property of the "laborer", be he or she a "wage"earner or a "salaried" person.
- 2. No humans created any locations upon the surface of the earth.
- 3. Locations are given their values, great or small, by the community around them not by the title-holder.
- 4. Charging location title-holders gives them precisely what they pay for exclusive possession of their locations. And their payments go to the community (government) which did create the values!

Please give thoughtful and serious consideration to this proven method to raise needed public revenue. It invokes the Site Value Charge to replace penalty-type taxes (including the income tax) on human labor and its products. We invite your in-depth investigation, and will send you volumes of supporting information, as you or your designates may request.

Most respectfully, Stanley A. Frederiksen, Executive Director Public Revenue Education Council for the Council of Georgist Organizations

(Excerpt from a letter of July 28, 1985 to President Reagan)

Mr. President:

You are quoted: "Every village, town, municipality, state has a budget, yet the greatest economic entity in the world does not have a budget. How can the country go forward without a plan?" ... A "new idea" - alternative sources of public funds - has been around for a long time... There must be a shift back to sources of public funds that can neither be passed on to another person nor to the consumer...

Archie V. Gerard Lt. Col., USMC, ret.

Recent Literature

Latin American Political Guide, 18th edition, by James L. Busey. Robert Schalken-bach Foundation, 5 E. 44th St., New York, NY 10017. Paper, \$5. Hard cover, \$7.50.

This latest is the most thorough in the long series by Dr. Busey (Professor Emeritus of Political Science, University of Colorado). It covers the last 25 years of economic and political development in each of the Latin American countries, with an outline of the historical and geographical background. There is emphasis on the land question. An indispensable guide to an important area of the world that is too often neglected.

Henry George and Contemporary Economic Development, edited by Stephen R. Lewis, Jr. Williams College, Williamstown, Mass.

A symposium on this subject was conducted at Williams College under a grant from the Schalkenbach Foundation. Among the papers are, "Three Mysteries about Henry George" by Roger Bolton, "Progress and Poverty in Developing Countries" by Robert F. Conrad and Malcolm Gillis, and "Free Trade and Economic Development" by C. Lowell Harriss. It may be ordered for \$3 from the Schalkenbach Foundation.

Appalachia, USA: A Case Study.

A recent study in the New York Times reported that after 20 years of federal aid, poverty still reigns in Appalachia (a large area in the eastern U.S.). Georgists know why. An update on Appalachia gives data on absentee landlordism in the area and points to the Georgist remedy. This study is available from the Henry George School, 3410 19th St., San Francisco, California 94110. Single copies free with SASE. \$35 for 110 copies with teacher's guide.

Also available from the San Francisco Henry George School is the presentation made to the Commission/Peace and Justice in Rome. Price \$5.

Seeing Green: the Politics of Ecology Explained, by Jonathan Porritt. Basil Blackwell, 108 Cowley Rd., Oxford OX4 1JF, UK; or 432 Park Ave. S., New York, NY 10016, USA. \$6.95.

An excellent presentation of Green perspectives on peace, ecology, freedom and human relationships. In a chapter on land, Porritt writes: "...the Liberals have given up trying to get across the ideas of Henry George. And that's a pity, for it strikes me that the only way to break the monopoly of landownership would be the introduction of some form of land tax... Instead of our present rating system, a Community Ground Rent, assessed according to the value of the land, should be paid annually to the community. Nobody would want to pay the Community Rent on land they were not using, so it would cease to be an investment proposition, and land speculation could be brought to an end. The benefits of the land would derive solely from sustainable, ecological use. If we accept that the land is part of our common wealth, then part of the wisdom of the land is to ensure that many more people have access to it than they do today."

Ohio Lands: A Short History, prepared for the Citizens of Ohio by Thomas E. Ferguson, Auditor of State.

A little-known 1985 bicentennial is the passage of the Land Ordinance in 1785 by the U.S. Continental Congress. This was based on a 1784 plan drawn up by Thomas Jefferson for the settlement of lands to the west, and it was implemented by the Northwest Ordinance of 1787. This first land reform in the United States may be considered to be the most important contribution of the Continental Congress which was superseded by the Federal Constitution of 1787. Ohio was an important key in this legislation as it was one of the first areas affected by the Land Ordinance, and led to its statehood, also setting the precedent for other states. The Ordinance provided for the surveying of land, its division into rectangular sections and townships, and the terms of settlement. One interesting provision was that revenue from the central sections of townships be used to support education. The system was plagued by land speculation - they should have known about land value taxation!

Support Fairhopei

The Fairhope Single Tax Corporation has been operating a successful single tax colony in sourthern Alabama since 1895, leasing land and paying public expenses from the rentals. However, a small group of dissident lessees have been trying to dissolve the Corporation and gain freehold title to the land. They have pushed their case time and again in the courts and the legislature, and though turned down each time they keep trying. The case will come up again, most likely in November. It could help if friends sent letters of support to the Corporation. Address: Charles Ingersoll, President, Fairhope Single Tax Corporation, 340 Fairhope Ave., Fairhope, Alabama 36532.

Georgists to Nicaragua

In July a group of ecologists and Georgists visited Nicaragua, including Jeffery J. Smith of Basic Economic Education, San Diego. Talks with government and university officials resulted in an invitation to return to Nicaragua for further explorations on the Georgist philosophy and its implementation. One possibility is the formation of a Georgist colony there. Although the Sandinista government is Marxist-oriented, Jeff Smith feels that their attitude is flexible enough so that they will listen to new ideas. Interested Georgists are invited to join him and his associates in a trip to Nicaragua, January 6-20, 1986. Costs for the two weeks will range from \$700 to \$1100. Knowledge of Spanish would be useful. If interested in going - or in helping the expedition with funds, Spanish materials, etc. - contact Jeffery J. Smith, Projects Coordinator, Basic Economic Education, 2200 Morley St., San Diego, California 92111, USA.

The Buckley Connection

William J. Buckley, Jr., host of the television program The Firing Line, Interviewed Roger Starr of the New York Times on the occasion of the latter's new book, The Rise and Fall of New York City (see GJ No. 48). Mr. Buckley chided Mr. Starr on not giving more prominence to Henry George's remedy of land value taxation; whereupon Mr. Starr said he does promote it and mentioned that the Henry George Institute presented an award to him at its dinner in 1984. Both men agreed that more attention needs to be paid to this remedy.

Mr. Buckley is also the editor of <u>National Review</u>, and in its issue of August 23, the following comment appeared:

"People laughed when a recent survey named Pittsburgh the nation's most livable city, but those familiar with the local tax codes were not surprised. Pittsburgh, along with five other Pennsylvania cities, has instituted innovative tax formulas that encourage downtown renewal while at the same time giving relief to most homeowners. This is done by taxing property at two different rates. Compare two properties, both valued at \$100,000. One is a vacant lot, the other has 80 per cent of its value in a new building. Under a conventional 2 per cent property tax, both would incur taxes of \$2,000 a year. But in Pittsburgh, where land taxes are four times as high as building taxes, the owner of the vacant lot pays a substantially higher tax bill than the owner of the building. The code thus creates an incentive to develop the downtown areas. By the third year of the plan, construction in Pittsburgh was up by 60 per cent. These reforms are described in a new film by the Center for Public Dialogue, in Kensington, Maryland. City managers from around the nation would do well to give it a screening. And, by the way, Henry George (1839-1897) told us this system would work a hundred years ago."

Neal Frederiksen had a letter supportive of land value taxation in the $\underline{\text{National}}$ Review of August 9.

Georgism and Libertarianism

By FRED FOLDVARY

The national Libertarian Party held its convention at Phoenix, Arizona in August 1985. I attended and took part in a debate on the existence of natural rights, taking the side affirming moral rights. My opponent was Hans Schroeder, publisher of The Pragmatist. I believe my case for natural rights withstood the challenge of the pragmatists.

Libertarianism is primarily a philosophy of life, espousing liberty, especially from government interference. It is important to distinguish the broad libertarian movement from the Libertarian Party (LP). Many libertarians are not members of the LP and some are opposed to it. Whereas the libertarian movement has been gowing at a healthy rate over the last decade, the LP seems to have peaked out in 1980 and has declined ever since, suffering a major decline in numbers and votes in 1984. There has been much soul-searching among libertarians, just as there has been among Georgists concerned with the question, if our program is so great, why are we such a tiny minority?

Libertarian pragmatists have become a growing element of the libertarian movement as well as of the party, and have claimed that one reason the LP has shrunk is that its philosophical basis in ideology and morality is an error, and that by presenting pragmatic reasons for liberty, the movement and party would be more attractive to nonlibertarians.

The pragmatists do have a valid point in that the ideological foundation of most libertarians, for the most part based on the ideas of Ayn Rand, is faulty. They are also right in saying that we should provide pragmatic, practical reasons for what we advocate. But it does not follow that we should also throw out all moral notions overboard. In my writings and appearances I have attempted to show how there can be a rationally derived natural law, without which liberty becomes meaningless.

Like Harry Pollard, I have also spoken out on the missing dimension in libertarian economics: the fact that there are significant economic differences between land and capital, a notion not appreciated by the Austrian school which dominates the libertarian movement. An appreciation of the role that land and rent play in economics would also provide a missing element in libertarianism: the natural source of public revenues. I think this is why the LP has gone downhill: people want to know where the money would come from for government once we eliminate taxation, and the libertarians have had no good answer. The LP also does not understand the origin of poverty and depressions. If libertarians understood and incorporated Georgist economics, they would then have a complete program which would be much more digestible by the public, as well as being more correct.

Georgism itself has suffered from a missing dimension, with less of an excuse. The focus has been so much on land and rent that Georgist free trade and liberty have been neglected, leaving a gap which the libertarians have now claimed as their own. The vision of liberty and total freedom is what attracts the young to libertarianism. A geo-libertarian merging of liberty with Georgist economics would provide an unbeatable philosophy and movement. When will the two get together?

(In GJ No. 47 we listed Mr. Foldvary as President of the San Francisco Henry George School. We were advised that he was no longer President but rather Treasurer, which we duly recorded in GJ No. 48. We have since been advised that he is no longer Treasurer. As far as we know, however, he is still a member of the Board of the San Francisco School.)

Address	UH RIMIKE
SignedName (print)	3200 Tales (mg).
To the Henry George Institute: I hereby apply for membership in the Henry G stitute. I am in accord with the aims of the Institute as stated above and support them. I enclose annual dues of \$10.	eorge In- agree to
In accordance with the philosophy of Henry George, the Henry George Institute holds that all men have a right to the use of the earth and that a have a right to the fruits of their labor. To implement these rights is proposed that the rent of land be taken by the community as public a enue, and that all taxes on labor and the fruits of labor be abolished. The Institute believes with George that "liberty means justice and just is the natural law," and that the social and economic ills besetting the world today are the result of non-conformance to natural law. The Institute pledges itself to bring this philosophy to the attention of the public all suitable means.	ill tev- ilce e itute by
STATEMENT OF PURPOSE OF THE HENRY GEORGE INSTITUTE 5 E. 44th St., New York, N.Y. 10017, USA	
	1986/2006/act-hillimeron 214-billedenteshapparane
Signed was a superior of the s	M-Administry Production (AA)
To the Secretary: Please enrol me as a member of the International Union for Value Taxation and Free Trade. I agree to support the objects of the Union above and enclose my subscription for the current year. (Annual fee £5 or 1)	
To stimulate in all countries a public opinion favourable to permanent peace and prosperity for all peoples, through the progressive removal of the basic economic causes of poverty and war, as these causes are demonstrated in the writings of Henry George. Specifically, towards the realisation of these objects, the Union favours the raising of public revenues by taxes and rates upon the value of land apart from improvements in order to secure the economic rent for the community and the abolition of taxes, tariffs, or imposts that interfere with the free production and exchange of wealth.	
OBJECTS OF THE INTERNATIONAL UNION FOR LAND VALUE TAXATION AND FREE TRADE 177 Vauxhall Bridge Rd., London SWIV IEU, England	
333 460 457 466 257 7337 CDC 3379 4797 476 536 440 535 444 345 425 437 538 437 438 439 439 439 439 439 439 439	1993 AMA ANGE
THE GEORGIST JOURNAL is distributed to members of the INTERNATIONAL UNION I LAND VALUE TAXATION AND FREE TRADE and the HENRY GEORGE INSTITUTE. It is a available on a subscription basis for \$4.00 a year. One may join either or zation by filling out the appropriate form below and mailing with remittance	ilso

		,