

Progress

Public finance from annual site values

Proportional representation for elections

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AN OPINION: WHAT IS OUR MESSAGE FOR THE 21ST CENTURY?

Behind the problems of social life lies the problem of individual life. — Henry George

Imagine all the people sharing all the world. — John Lennon

What is our message? How do we get it across? The principles underlying Henry George's message have not changed: Abolish all taxation save that upon land values. But . . . conditions in the world have changed. Did not Albert Einstein say that the introduction of the atom bomb changed everything except our way of thinking?

Wealth is still produced by labour exerting itself upon land using some wealth as capital . . . that has not changed. But . . . scientists now know that land, the earth, is much more like an organism, of which we are a part. The Gaia-hypothesis holds that Earth is much more than "raw materials" and "natural resources" to be exploited by humanity. It is ancient wisdom that the modern industrial world forgot: Earth is our mother, and fellow species our brothers and sisters. Seems to me our message must address this paradigm shift if we are to survive into the 21st century: the shift towards being interconnected, instead of being over and against, all that lives.

For centuries our "way of thinking" told us we had a mandate from The Man Upstairs (created by men in their own image) to increase, multiply, fill, and subdue the earth — and to smite other tribes, cultures, peoples and species that got in our way. Now we wait as more and more nations, some of whom imagine a similar mandate from their "Man Upstairs", join (get?) the nuclear club.

Having once disposed of nature, the earth, as something "other" to be conquered and exploited, it is but a short step to regard fellow human beings as "other" — also to be conquered and exploited. This "way of thinking" holds that Man (i.e., the white males of the human species) was given dominion over the earth and all therein; and that among Man, as within nature, only the strongest survive. Human history is a record of the consequences of this disastrous misperception: the caste system, the burning of witches and heretics, the slaughter of native peoples in the Americas and Africa, genocide against the Jews, atom bombs exploded in hundreds of "tests" to prove something to someone, the mindless destruction of animal and plant species, the glorification of male/male violence, the drive to make "other people" "just like us" — or dead, the riot police sent in to evict squatters from public parks and empty buildings.

Hey! What about the Single Tax? Yes, indeed! And is not the Single Tax the practice of justice? Is not justice the idea that no one should profit at the expense of an "other"? George's *Progress and Poverty* showed how co-operation benefits human survival just as Peter Kropotkin's *Mutual Aid* showed how this is also true for the other species in nature. "Social Darwinism" was shown to be a "way of thinking" that justified the established order.

A synthesis of George's Single Tax

and what is called 'deep ecology' offers a way out for our brutalized world, demonstrating how freedom, justice and compassion are not incompatible, but in fact depend upon each other. Georgists understand that freedom requires equal access to the use of the earth. Ecologists understand that survival of humanity depends upon giving room for other species to survive as well. In the past, western culture has regarded concern for other species as a luxury. Now we know, as our tribal ancestors knew: We are, with all other beings, both the weavers and the web of life, and what we do to the web we do to ourselves. Deep ecology, like Taoism, Buddhism, and Native American traditions, holds that we are not self-existent entities but that we are with all things living in a dynamic interdependence or "interbeing".

INSIDE:

- Tasmanian Politicians praise Hare-Clark
- An Anglo-Irishman Abroad
- Dates for your Diaries (See Back Page)

It is time to restore harmony and balance to the human community; and, further, to restore balance to the ecological community upon which we depend for our welfare. Does not the Single Tax prevent the cancer-like expansion of suburbia into the wilderness, in its flight from the rotten urban core? Restore the core to health, and the wilderness will thrive.

If we are saying, with George, we must make land common property, then we not only have a responsibility to socialize the rent of "domesticated" land for the benefit of the human community, but also to hold in trust the wild lands for the benefit of the larger community of all beings, all species, human and non-human. If we can extend our Single Tax message to embrace a Single Earth message, we may find the key to how we can get our message across — because we will be responding to the crisis of our time.

Even now, as the politics of the much-vaunted/much-dreaded "one world" becomes reality; as the "free market" triumphs on the frontiers of Eastern Europe while it rots in the urban and rural heartland of America . . . we can become the goddess of liberty who lifts her lamp again to lead the world toward a new vision: A transformed and sustainable world political economy that "liberates production from taxation, the earth from monopoly, and humanity from poverty" — a "Geocracy" that offers justice to humanity, compassion to our mother earth and all her offspring, and freedom to create not only material abundance, but . . . a new way of thinking about "self" that is not defined or imagined as at the expense of the "other".

Mark A. Sullivan,
U.S. "Henry George Newsletter",
June-Aug. 1990.

IS THERE A BETTER ALTERNATIVE?

There is widespread talk of gloom and doom, of soft landings and hard landings, and of hard times.

Almost everyone, except some politicians in power, recognizes that we are in a recession.

Bankruptcies in small business are at a high level, rural areas are in a crisis, unemployment figures are still atrociously high. Housing access, notwithstanding a small drop in interest rates, remains very difficult.

The destructive effects of our cumbersome tax set-up are widely felt though not fully understood. The absurdity of

allowing payroll tax to continue at a time of high unemployment still continues.

The Georgist movement not only has warned of the current economic deterioration; it can offer an explanation and a remedy.

Attention to such matters as interest rates, balance of payments and various monetary levels is preoccupation with secondary matters. The primary matters are sites and resources, access thereto by "labour" (in the full classical economic sense) aided by capital (defined precisely as wealth devoted to the production of further wealth and services), and the possibility of trade unhindered by artificial man-made barriers. The associated crucial issue is a right-source, public revenue, viz. community created site values.

As Keynesianism, collectivism, monopolism, monetarism, Rostowianism and other approaches are increasingly revealed as inadequate, the need for the Georgist approach, encapsulated in the slogan "justice for all and privilege for none" becomes apparent. In particular, the folly of ignoring the fundamental role of land tenure and site rents — by the media, the politicians and the economic "experts" — is the cause of increasing and needless suffering. Provided ignorance and distortion by vested interests can be overcome, there is still hope for our ailing economy, if fundamentals are faced and appropriate action follows.

G.A.F.

10 MILLION BRITONS LIVING IN POVERTY, REPORT FINDS

About a fifth of Britain's population — among them three million children — were living in poverty in 1987.

("Age", 7/11/90)

The Child Poverty Action Group said that using either of the two most commonly accepted definitions, more than 10 million people were living in poverty at that time.

The definitions, in the absence of an official poverty line, are that people are eligible for the supplementary benefit, or on half the average income.

The group's research officer found the number of children living in situations where there was less than half the average income had increased since 1979 from 1,620,000 to 3,090,000, or from 12 to 26 per cent.

The report said that between 1975 and 1985, poverty in Britain increased more rapidly than in any other country in the European Community.

Pre-tax income became more unequal between 1979 and 1987, with the poorest fifth's share falling from 0.5 to 0.3 per cent, and the richest fifth's rising from 45 to 51 per cent. Post-tax income increased for the richest fifth from 40 to 45 per cent, and fell for the poorest fifth from 6.1 to 5.1 per cent.

The research officer, Mr. Carey Oppenheim, said: "Whichever way you measure it, poverty has grown significantly over recent years, pushing over 10 million people on to incomes which are unacceptably low, and depriving them of the opportunities which the rest of society takes for granted."

COMMENT

Perhaps some of the concern could be directed towards ascertaining the causes of poverty, and perhaps the researchers could understand land monopoly.

CRACKDOWN LOOMS FOR JAPANESE SPECULATORS

Japan's Ministry of Finance and central bank have moved towards a crackdown on real estate and stockmarket investors, which could divert huge sums of money to overseas investments.

An advisory panel to the Ministry of Finance has approved a proposed new land tax which would penalise speculators in order to bring down Japan's sky-high land prices.

The Finance Ministry panel's green light to the land tax is only the first step towards the tax being introduced but the mood within the Government and ruling party is swinging steadily behind the proposal.

The Government has vowed for several years to lower land prices but the new move against real estate speculators, and a proposal to end tax breaks for farming land, are the first teeth given to the land reforms.

The new tax would be levied on all non-housing privately-owned land, cutting into the profits of real estate speculators and making overseas investments a more attractive option for Japan's still-swelling investment funds.

A senior official criticised the banking industry, saying the major banks had been willing in recent years to fund speculative real estate and stock purchases.

"Banks should finance wealth-creating ventures but they have been lending funds for dealings that are contrary to that idea," he said.

"The West Australian",
27/10/90.

AN ANGLO-IRISHMAN ABROAD

by Ian Lambert

As an Anglo-Irishman based in the Caribbean, one of the delightful prospects for me is getting to know America and her people on first hand terms. I have visited Philadelphia, New York, Boston, New England, Orlando and New Mexico.

New York appalled me. I had no idea how run down that great city was; in England, pictures of Manhattan are always of gleaming skyscrapers and happy-go-lucky street vendors. I expected noise, filth, garish lights, bustling squalor. I did not expect cardboard tents in every street.

I did not expect to see that chilling look which the vagrant gives you – the look of someone who has gone beyond despair to the point of suppressing his thoughts in order to numb the pain of everyday living; it is the look of one of Henry George's "new barbarians".

For many, the American dream seems to be a nightmare.

There is a huge gulf today, in America as in Britain and the rest of the world, between the "haves" and the "have-nots".

One of the most puzzling features of American society is the lack of any remotely left wing, or even just plain working class, political parties or platforms. "Socialism" is still a dirty word.

In the millenium to come, the lack of any socialist ideology in American politics could prove to be an advantage while other countries venture upon the task of "desocialising". Yet, the breakdown of socialism in eastern Europe may pose a threat to the American politicians.

No longer can the "communist" and the "socialist" bogey cards be played by cheap politicians seeking to argue that, whatever their plight, the average American must be better off than he would be in any other country. Socialism has had the courage and humility to admit its failure. America now faces the prospect, in decades to come, of the eastern and other European economies, properly restructured, surpassing a debt-ridden United States in economic strength, just as Japan and West Germany have since the second World War.

The conspicuous growth in American state lotteries is an ominous sign. If you admit lotteries as serving a useful pur-

pose in a society's economy, it is a small step indeed to admitting real estate speculation.

Yet one could actually expect America to be the last home of the zero sum society.

Henry George saw the fear of poverty, not the love of wealth, as the great motivator behind the lust for acquiring wealth. Nowhere is this more true than in America today, where violently oscillating stock, bond and real estate markets can create and decimate fortunes; no-one, not even Drexell Burnham Lambert, is exempt from disaster.

The theme was never more poetically put than by Kahlil Gibran: "Is not the fear of thirst, when your well is full, the thirst that is unquenchable?"

America seems to be gripped in an unquenchable thirst for which neither capitalism nor socialism has the cure. There has never been a time when the structural problems which George foresaw, for America and the world, have become so acute.

There has never been a time when America has had so great an opportunity to send forth a prophet into the whole of mankind. All it requires is an admission of defeat; have America's politicians got the courage and humility to admit defeat?

From "Common Ground",
published by the Henry George
Foundation of America,
Columbia, MD.

The article from which the foregoing comes appeared in "Common Ground", a quarterly journal published by the Henry George Foundation of America, Columbia, MD., U.S.A. Mr. Lambert will be attending the conference of the International Union for Land Value Taxation, to be held at Ormond College, Melbourne, in January 1992.

ABILITY TO PAY?

Mr. Neubig states that a land value tax would be an abandonment of the ability to pay principle. Yes! this absurd "principle" should be abandoned. It is philosophically, logically, ethically and economically wrong. Mr. Neubig cites the case of two individuals, getting the same income, one from land and the other from wages. The first would be taxed, the second not. These two indi-

viduals are *not* equal. One earns his income from personal effort which produces satisfactions. The one who gets income only from site rents receives a perpetual tribute from the rest of the community without any effort to produce satisfactions in exchange. That is not equality—one is a worker, the other a parasite. The "ability to pay" principle is the philosophy of the burglar. It seeks to justify the taking of money by force, stealth or deceit merely because it is seen to be available. It is the duty of government to seek to eliminate and discourage stealing and not to practice stealing or to legalise it.

The question of whether a land tax could generate enough revenue to completely replace the income tax and other taxes is irrelevant at this stage. The argument is rather that any land tax increase, particularly if used to replace other taxes, will result in increased prosperity for the community as a whole, and particularly for the most disadvantaged and poverty-stricken.

The land tax proposal is not merely a matter of increase or decrease of revenue, but of a change in the type of taxation. It is taxation based on the value of benefits and privileges being received. Such a change cannot be achieved all at once but gradually. However, as soon as there is a small but continuing change, there is an immediate increase in prosperity. People cease to over-invest in privilege and invest more in productive enterprise. Profit will be from earned and not unearned income.

Sid Gilchrist, N.S.W. in
U.S. "Georgist Journal",
Autumn 1990.

CLASSES IN BASIC ECONOMICS

The Melbourne School of Economics proposes to hold classes in basic economics at 31 Hardware Street on Thursday mornings, 10.30 a.m. to 12 noon. For further information, contact the office at Hardware Street, where details are also available concerning classes at the University of the Third Age at several locations.

NEW ZEALAND SUCCESS

Our New Zealand activist, Bob Keall, reports a successful retention of site value rating in Palmerston North. The newspaper reports make exhilarating reading. Congratulations to all concerned.

PRESS LETTERS

CONSUMER TAX WILL PUSH BILLS

Having experienced Goods and Services Tax (GST), or consumption tax, whichever the politicians wish to call it, I can say they are both a vicious tax which certain politicians wish to introduce should they have a chance.

People must digest the results of paying 15 per cent on everything they buy or use.

Once this tax is introduced, up go your rates, electricity and telephone charges.

Should your present grocery bill be \$80 a week, the new tax will add \$12. May I suggest mum and dad sit down for half an hour and add 15 per cent to everything they buy or receive a service from.

The services include charges on football admittance, motels, theatre, all sporting events, dentists, lawyers, chemists, land agents and bus fares. I could go on and on, there is no escape.

The New Zealand Government pulled this one on the public saying tax reductions would compensate for the introduction of GST.

The poor pensioner was given \$6 a week rise; this money was absorbed in food alone.

Most people didn't realise that the annual rate charge of \$800 would have \$120 added for GST or Consumption Tax. The electric bill and phone additions were a real shocker.

I could go on and mention hospital charges etc. however be warned, study and discuss this tax with your neighbour or friend.

We were caught by this vicious tax in New Zealand. My wife was overjoyed to return home to Australia.

May I add that all the tradesmen's advertisements at the rear of this paper will be subject to GST or consumption tax. They will be penalised too, as they have to add the tax to the bill.

We do have one valuable asset in our community and that is the *Northern Times* newspaper. No charge, no tax.

Ex-GST Victim,
Kallangur, Qld.
"Northern Times" (Qld.).
26/9/90.

HOW FAR DO WE WANT TO GO?

Received 20 July

Of the average \$6,333 per head Australian taxation in 1988-89 (Australian Bureau of Statistics – yes, you can believe it!), \$210 was municipal rates. For the highest average income area – A.C.T. – rates were only \$187 per head of population! If merely at the national average, the extra \$6 million said to be needed to save our school system would have been more than provided at cost of about \$56 per average houseowner.

In 1989-90, despite greatly increased unearned land values, we owners were further rewarded with a rate reduction from 1.18 per cent to 1.125 per cent. This year, it has only risen to 1.312 per cent, still way below the 2.53 per cent of as recently as 1982-83, which would now raise about \$61 million extra. This just happens to be the A.C.T. Government's estimated saving over 20 years, repeat 20 years, from closing 21 schools! (CT, July 19 p.1). Each one per cent presently costs the average houseowner about \$460, raising over \$50 million.

The question must be asked: Do we really want to save our schools, and the land values they sustain, any more than we wanted to save Royal Canberra Hospital?

Bill Mason,
Pearce.

"Canberra Times", 22/7/90.

HARE-CLARK THE MOST DEMOCRATIC

Hugh Dakin (Letter, October 5) presents an argument based on several faulty assumptions about Tasmanians, voting systems and history.

Firstly, to dine with a Member of Tasmania's Lower House is not necessarily the best way to obtain an authoritative opinion on democratic processes.

Secondly, he should not assume that the objection to single-member electorates is based upon the fear of a large Labor majority. My objection to SMEs is based upon my knowledge that our House of Representatives is our best example of the inadequacies of a voting system which rarely reflects the wishes of voters.

As a Liberal, Hugh Dakin is probably aware of the fact that the party with the majority of MHRs is not the party which received the majority of votes at our last election.

This situation should concern all Australians, but there are approximately 1,110,000 who voted for the Australian Democrats and who are now especially concerned. There are no Democrat MHRs but a clutch of National Party Members sits in the House after having received several hundred thousand fewer votes than the Democrats.

Finally, Mr. Dakin argues for simplicity and wants to vote for just "one person, not an interminable list". The simplicity of "first past the post" is anathema to all who believe that votes are valuable.

The oldest, simplest example should illustrate the point: 10 candidates, 100 voters. One candidate receives 12 votes, the rest 9 or 10 each. Those 88 voters could disapprove of the candidate with 12 votes, but would remain unrepresented throughout that person's term of office.

If preferential voting does not always elect the superficially popular candidate it always elects the "least unpopular" candidate. With multi-member electorates, Hare-Clark returns candidates in quite direct proportion to the number of votes they receive.

Nothing could be simpler and more democratic.

Robert Bell,
Australian Democrats,
Senator for Tasmania,
Parliament House, Canberra.
"Canberra Times", 14/10/90.

NEW TASMANIAN STUDY

"The Effects of Land (Site) Value Rating. Municipality of Huon (Tasmania)". Prepared by Ursula Munter for Municipal Reform Group and Huon Municipal Council.

This thorough study, superbly produced with map, charts and detailed tables, shows the effects of site value rating on Huon. The benefits of this system are clearly demonstrated, and the arguments in its favour admirably marshalled. Congratulations to all involved for a top-class presentation and survey.

An Introduction to SITE REVENUE Key to Economic Sanity.

by David Spain

There is a simple yet sovereign remedy for most of the economic ills of our time. This includes big government, rich-poor gap, unemployment, inflation, currency fluctuations, unjust enrichment, high interest rates and deficit financing. For anyone prepared to meet upon the objective plain of Reason, the facts and arguments clearly indicate this assertion is correct. Here they are; judge for yourself, the ball is in your court.

The remedy is to collect the annual rental-value of all enclosed sites (ignoring their improvements) and to make this fund the *sole* source of government revenue (i.e. of public finance).

This planet was not made by humans, yet control over sites (on land and water, and in the air) is essential for the life, privacy and productivity of our species. Sites may be on land or water, or in the air, atmosphere or Space, and may be unused or used. Used sites are mainly residential, commercial, industrial, agricultural, administrative, extractive – or dumps.

When society grants private monopoly over sites then economic sanity can only be maintained by collecting the site revenue in return. This is the *only* natural and proper fund for public purposes.

The more site revenue that is collected for the nation, the more will land-prices drop towards zero and global pollution be minimized. Of course, under a Site Revenue system, a purchaser pays for improvements upon the land. Improvements would form the only source of collateral security when seeking mortgage-finance.

Site Revenue provides a severe disincentive to owning more land than one has to. It tends to force optimum development and usage of, and ends speculation in sites. Unjust enrichment from "exploiting the ecosphere", "locational advantage" and "capital gains" become impossible, since the rental-value is collected and land-price is destroyed. These sources of wealth are in no way due to the efforts of the land-owner as such. They are due to the natural attributes of the site; to its enrichment by public expenditure upon roads and facilities serving it; and to the sheer growth of the community and its

demands. Such unjust enrichment by private citizens constitutes theft, especially from unborn generations, of a publicly-created asset.

The annual rental-value of privatized sites in Australia is adequate to fund an appropriate, modern government. At present, due to heavy taxation, genuine producers in Australia are being crippled. Only welfare-dependency, government and bureaucracy are flourishing. Meanwhile, that 10% of population who own 90% of the wealth (in Australia and planet-wide) continue to skim off the cream, largely due to unrequited site monopoly.

The collection of Site Revenue, as the prime source of public finance, would replace all taxation (e.g. upon earnings) and all imposts upon productivity (e.g. payroll tax, sales tax and tariffs), thereby encouraging employment. Everyone willing to work with hand or brain would have easy access to a site, even if only for subsistence farming, or as a base for part-time work. Governments, like individuals and corporations, would be constrained to live within their budget. No longer could there be deficit financing and highly inflationary borrowings, selfishly creating more burdens for generations yet unborn.

There are no practical difficulties obstructing the implementation of a Site Revenue system. Those liable to contribute could not avoid it. The unimproved value of a site (due to its natural attributes, location-amidst-services, and its neighbourhood) can be accurately assessed by trained valuers. The machinery for this at present exists, for purposes of collecting local rates, throughout Australia. Maps kept displayed at local centres could show the variations in revenue payable by each site. Thus corruption could be avoided and the relevance of variables made clear. (Variables affecting site value are e.g. soil fertility, raw resources, block size, proximity of services and utilities, accessibility, vista and the quality of the neighbourhood).

Site Revenue does not involve the nationalization or enforced redistribution of land: it is not a communist plot! In fact, by minimizing government, and maximizing individual freedom, it is

just as often accused of being a capitalist plot! In fact, it is no more (and no less) than common sense. Full freehold title is left with the individual to sell or bequeath. The Site Revenue debt would attach to the site-title (in the same way as local government rates do at present), and payments could be postponed until death upon the security of the improvements.

There is no rational objection to the Site Revenue analysis. Politicians, entrenched academics and the wealthy usually dismiss it with angry emotion, but they will never debate it publicly.

TAXES: HISTORICAL

The unpopular poll tax Margaret Thatcher has introduced into Britain is not a new tax. Over the centuries the various monarchs and governments have imposed some unusual and always unpopular taxes.

The original poll tax was imposed in the 1300s, then re-introduced in 1641, 1660, 1677, 1694 and 1698 and was a tax on all people over 16.

Another highly unpopular tax was the hearth tax imposed on fireplaces, in 1662. The last collection was made in 1689, after which it was abolished and within no time replaced by the window tax. The hearth tax was levied according to the number of fireplaces each house had.

Therefore you can judge the status of your ancestors by the number of fireplaces they owned. Because people objected to strangers coming into their houses to count the fireplaces, the window tax was introduced. That way people could stand outside and count the windows! You'll see many buildings in England and Scotland with windows bricked up.

The poll tax was imposed in the 1300s. Other unusual taxes imposed were: the hair powder tax levied in 1797 and 1798 for wigs; a gun tax, 1870-1882, and male servant tax, 1777-1852. Silver plate taxes, ship money taxes and dog taxes were others imposed upon our ancestors at various times.

"New Idea", 11/8/90

TASMANIAN POLITICIANS PRAISE HARE-CLARK

Malcolm Mackerras asked the island state's MPs for opinions on their electoral system and found there was wide-spread support for it.

This article has been prompted by two things. The first is a recent visit by me to Tasmania where, among other things, I gathered useful further information about the Hare-Clark system. The second is the letter by Hugh Dakin of Griffith (CT, October 5) in which he argues that Hare-Clark is not the best system for the A.C.T.

Take Mr. Dakin's letter first. Among other things he writes, "The objection to single-Member electorates for the A.C.T. seems to be that it would result in a large Labor majority. This would occur only if a large majority voted Labor, in which case it seems a curious objection to an electoral system that it gives the result preferred by the majority".

Take the opinion poll by Datacol published in *The Canberra Times* on August 28. On that poll, Labor would win under any system. Under single-Member electorates, however, such a polarised vote becomes a two-party preferred vote of 65 per cent Labor and 35 per cent Liberal.

Let us divide the A.C.T. up into 17 single-Member electorates of 10,000 voters each and using a natural map. On my calculations the strongest Labor seat would divide 75 Labor and 25 Liberal while the weakest would divide 55 Labor and 45 Liberal.

Thus a clean sweep by Labor under single-Member electorates is not merely possible. It is probable (at least at the next election).

Mr. Dakin's letter also contains this comment: "In Tasmania recently I met a member of its Lower House and asked his view. Although Hare-Clark has elected him, he would prefer the directness and simplicity of a single-Member system".

Clearly Mr. Dakin and I visited Parliament House, Hobart, at about the same time. The difference is that I did not merely talk to one un-named Member. Rather, I informed a wide range of Members that a referendum is likely in the A.C.T. and I asked each for a written opinion.

From this I can say that every Green Member, every Labor Member and most Liberal Members favour Hare-Clark in Tasmania. And the few Liberal Members who favour single-Member electorates are aware of the likely result if an

election were held in Tasmania within the next six months under single-Member electorates. The Liberal Party would win 34 of the 35 seats.

Not surprisingly, the Green Members are the most enthusiastic about Hare-Clark. The typical opinion is that of their leader, Bob Brown, who wrote: "Hare-Clark for A.C.T. (the world's best system!)" Labor Members are nearly as supportive. The Premier, Michael Field, wrote: "The Hare-Clark system serves Tasmania well". The last Labor Premier, Harry Holgate, wrote: "The Hare-Clark voting system is easily the most effective of all proportional representation systems".

However, Labor support for Hare-Clark does not stop at the Premier and former Premier. It is universal. For example, the Minister for Primary Industry, David Llewellyn, wrote, "The Hare-Clark system is the fairest in the world".

As indicated above, some Liberal Members would prefer single-Member electorates. None, however, indicated a willingness to campaign for single-Member electorates in the A.C.T. A typical response was from the Leader of the Opposition, Robin Gray, who wrote, "Some people call us Hare-brained but it's got to be better than what you've got now".

Most Liberal Members are more supportive of Hare-Clark than Mr. Gray. For example, the Deputy Leader of the Opposition, Ray Groom, wrote, "Hare-Clark is very democratic". The most enthusiastic Member of all, however, is Bass Liberal Neil Robson, who wrote, "You must have the Robson Rotation for the A.C.T."

The most interesting thing about the above responses is the tepid comment by Mr. Gray. Such is not surprising. He would have won the May 1989 general election if it had been contested under single-Member electorates.

Clearly such a system would not have returned any Green Independent other than Bob Brown. The Liberals with their 47 per cent of the vote would easily have beaten Labor with its 35 per cent. The Liberals would have won about 22 of the 35 seats.

Political analysts in Tasmania estimate that if an election were held within the next six months then the Liberals

would receive about 55 per cent of the vote, Labor about 30 per cent of the vote and the Greens about 15 per cent. Clearly the Liberals would win under any system.

What would the result be in seats if Tasmania were to switch to single-Member electorates? The best estimate is that the Liberal Party would win 34 of the 35 seats.

One electorate only would not return a Liberal. It would be a Hobart seat extending from the central business district to the University of Tasmania; Bob Brown would win that seat.

That would mean that Labor with 30 percent of the vote would win no seats at all. The Greens, however, with 15 per cent would win one seat.

In the light of such analysis one can understand Mr. Field's comment that "The Hare-Clark system serves Tasmania well". It also serves Mr. Field well. He could not win a seat in the House of Assembly under single-Member electorates but Hare-Clark makes him a Member. It also makes him Premier.

Thus the opinions of politicians are not disinterested. I claim to be disinterested, however, and I think Tasmania should retain its Hare-Clark system.

I found Mr. Field to be a most pleasant and interesting man. I am unable to see the merit of a system under which he could not be re-elected to his existing seat. He is presently one of seven Members for Braddon in the north-west. Divide that up into seven single-Member electorates and the Liberals would win all seven by large majorities.

When the A.C.T. referendum comes along I would be interested to see if the Labor Party asks Mr. Field to campaign here for single-Member electorates. I can assure them that Mr. Brown will be campaigning for Hare-Clark.

"Canberra Times", 10/10/90.

Have you heard about the popularity of the car sticker with the message: "I think Paul Keating is an Economic Genius"? It gives access for car parking in areas reserved for the handicapped.

IS RUSSIA READY? DA? NYET?

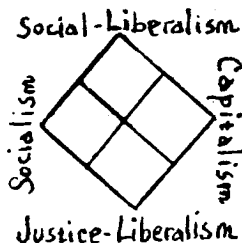
A conference was held in New York, August 22-24, on the social collection of rent in the Soviet Union. Thirty economists participated, from Britain, Czechoslovakia, Hungary, the USA and the USSR. It was sponsored by the Henry George School under a grant from the Robert Schalkenbach Foundation.

A member of the USSR's Supreme Soviet from Estonia, Dr. Ivar Raig, was present and urged a study of land value taxation as the best means of transferring economies from central planning to free markets. "We must study George's theories," he said, "because we can use them in our countries... I propose that you teach George's ideas and translate them into Russian... If you take my suggestions, you have a chance to realize your ideas in practice in Eastern Europe."

Among other speakers were Alexander Mendorff from Moscow, Prof. Dick Netzer of New York University Prof. William Vickrey of Columbia University and from the U.S. Department of Agriculture, Gene Wunderlich and Kenneth Cray. Also familiar friends: Steven Cord, Fred Foldvary, Ted Gwartney, Nicolaus Tideman.

There will be follow-ups: A trip to Eastern Europe by Ted Gwartney to explain land assessments; and the setting up of educational programs. Claude Arnold of Fairhope, Alabama is also travelling to Eastern Europe to explain land assessments.

The Danish Georgists are also active in approaching Eastern Europe. A large meeting was held on Bornholm (in the Baltic Sea), with representatives of several countries including Russia, Poland, Estonia, Latvia and Lithuania. A presentation on Georgism by Einar Pedersen has been translated into Russian. To convey the choices before Eastern Europe, the following logo is used:



(The choice of Justice-Liberalism represents the Georgist choice.)

U.S. "Georgist Journal",
Autumn 1990.

THE CAMERON DIARIES

Clyde Cameron's diaries for the years 1976/77 cover the period of tumult within the Australian Labor Party's Federal parliamentary section after it had been dismissed from office.

One might perhaps expect recrimination and worse, but in the 866 pages that detail the actions and reactions not only of Mr. Cameron and his Party confreres, but also of those who had supplanted them in government, his every criticism is accompanied by a generosity of praise. For sheer humanity it rises far above the ordinary, and the volume is worth the reading for that alone.

Entry after entry breathes of an ingenuous patriotism, of a deep concern for the truth and for ideals even if this means admitting to personal error. It shows also a sterling practicality. For instance, towards the end of the volume, a Labor Party senator comments that the Australian electors had been a lot of greedy pigs. The Cameron response was to say that this was what the Party was all about – "accommodation for more pigs at a Labor trough than at the Liberal trough. In fact, that is what socialism is all about – the greatest good, or greed, for the greatest number".

How fortunate that when the thieves stole the rest of the diaries these two were the ones they missed. Why these in particular? Because at the very opening an entry records that in 1974 he had been urging the Caucus towards the taxing of the profits that arise from speculation in land price.

The diary note then continues "one... reintroduced as a principle, it could be extended later". Although short-sighted confreres rejected the thought, it shows that Mr. Cameron was aiming as Henry George had aimed – at a process whereby the *ideals* of socialism might be achieved.

A deep usefulness lies ahead for the Diaries. They are a first rate exposition of how a truly patriotic but fun loving parliamentarian should behave – responsible to his electorate and in charge of, rather than subservient to, the Department of government that he comes to serve.

More than that, the Diaries are a textbook that future students of the political art will study with joy and that grandfathers whose memories go back to the 1931 Depression will quietly draw to the attention of their grandchildren.

Readers of this should order their copies through Tax Reform Australia – to the mutual benefit of us all. \$49.95 inc. postage.

W.H.P.

RECOGNITION

Sydney's sewerage system is clearly inadequate. Investment in it has been neglected and run down by N.S.W. State Governments for 20 years or more. The Australian taxpayer should certainly not be lumbered with the bill for that neglect. It should be born by property owners in Sydney who have been the beneficiaries of enormous land price appreciation. Henry George was not wrong about everything.

Senator Peter Walsh, in
"Financial Review", 9/10/90.

UNFAIR SOCIETY

The facts are these. In the seven years that the Labor Party – the party of reform and restitution – has been in power the common wealth has been redistributed away from the poor and towards the rich in massive amounts.

Last year the World Bank reported that Australia is now the most unfair society in the developed world. The top 10 per cent of families here command 30 per cent of household incomes. The bottom 20 per cent make do with 5 per cent of incomes.

Between 1984 and 1987 the richest people in this country trebled their wealth from \$7.3 billion to \$24.9 billion. All under the policies devised and implemented by the Treasurer and the Prime Minister, representing "the great body of Australians".

Terry Lane, in
"The Sunday Age", 21/10/90.

The dilemmas of Australia's Federal Treasurer.



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- Executive Meeting: 7.30 p.m., Thursday, February 14th.
- Annual meeting Tuesday, February 19.
- Georgist Council Conference, Adelaide, January 12/13. Contact Richard Giles (02) 744 8815.

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