

# the Henry George News

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## Florida's Recurrent LAND FEVER

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"TEN dollars down and ten a month," is the bait, and it is being cast to every comer in the country. In the big cities, deft real estate brokers corner you at railway stations. "Cape Coral" and "Port Charlotte" are as commonly heard as "all aboard" at Grand Central.

But you don't have to be in the city to catch Florida's land boom fever. Postmen are carrying the news to the remotest spots, through big, bright brochures that sport mouth-watering scenes of the things for which Florida is known — water, sun and fun. It's the land of happy, outdoor living!

More often than not, however, the actual photographs of this playland are overshadowed by the creativity of the commercial artist, who alone has the power to depict the future. All is so green, blue and beautiful, that the eye has little chance to notice the captions — "artist's conception," "as planned," or "proposed."

For those who avoid crowded stations and never read their mail, the big development promoters, relentless

in their efforts, offer the soothing words of Galen Drake and Dave Garroway, to entice us to "live modern," lest we miss our share of "waterfront wonderland."

The speculators' campaigns are further enhanced by the recent deluge of magazine articles that report what the fuss down South is all about. The April 14th issue of Look carried a series of five articles extolling the wonders of the state that in 1950 had 2.8 million people — today 4.5 million. Readers of McCall's in May saw a lengthy article, comparing Florida and California, for the restless but undecided.

On May 17th The New York Times shed light on the scene by warning mail order buyers about the tactics of some of the less scrupulous land dealers. Considered opinion seems to be, "Don't buy 'er till you see the sites of their buys."

A special report in the June 1st U.S. News and World Report asks "What's ahead in Florida's land boom?" One

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## Land Fever

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thing is certain. Real estate prices are going up, up, up. An economic writer for the St. Petersburg Times, noting the price history of a square mile of land in his city, found that in 1947, sites had a top value of \$123 per acre. By '52, the figure had risen to \$930; by '57 to \$3,000, until today the remaining land brings up to \$5,000 an acre—and that's a lot of oranges.

Some of the articles mention how the bottom dropped out of Florida's previous land boom in 1926. But, they are quick to point out the solid foundation of this one. Population influx, more than 3,000 people per week, is the big difference, they say. And industry, barely slowed by the recession, has added 80,000 new jobs to the state since 1955. But is this growth really firm? Are they buying now to use the land or to speculate? Of course, many buy land for immediate use—homes, stores, tourist attractions. But most are buying to have a place for retirement, with no intention of developing the sites for 5, 10 or 20 years. Still others buy to pyramid their savings or to dodge inflation. All are attracted by relatively cheap land.

If owners can wait twenty years to begin building, we can assume that

property taxes are quite low. And they are! Furthermore, all property carries a \$5,000 exemption. But assessments are so inadequate, that \$10—\$20,000 properties often pay no taxes whatsoever. Instead, taxes are aimed at the tourist through levies on gasoline, liquor, cigarettes, races, restaurant meals, and short term rentals. The sales tax misses no one.

To the activities of the speculators—there are now nearly 40,000 brokers and agents in the "Sunshine State," triple the number of ten years ago—add the homeowners who are watching, too, to sell today at tomorrow's prices. The sum is a sizable force obstructing the future growth of Florida. With land prices skyrocketing, the tide of people attracted to this "tropical paradise" will ebb, and a mad scramble to sell "now or never" will be on.

The awesome fact that choice waterfront sites in Miami Beach go for \$5,000 a front foot, may disguise the fact that there is no shortage of space. It is estimated, for example, that the big developers alone in ten southern countries hold enough acreage for three million lots. Even at the present rate of property growth, that would last twenty years.

Looks like more fishermen than fish from here!

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**A GEORGIST NOVEL!** We have just received from France, a copy of the prize-winning book in a contest for a Georgist cooperative novel, sponsored by the French Georgists who work closely with the cooperative movement. The author is Pierre Valentin Berthier, and the title is *On a Tué M. Système* (Mr. System has been killed). This exciting mystery-romance will be reviewed in a forthcoming issue of HGN.