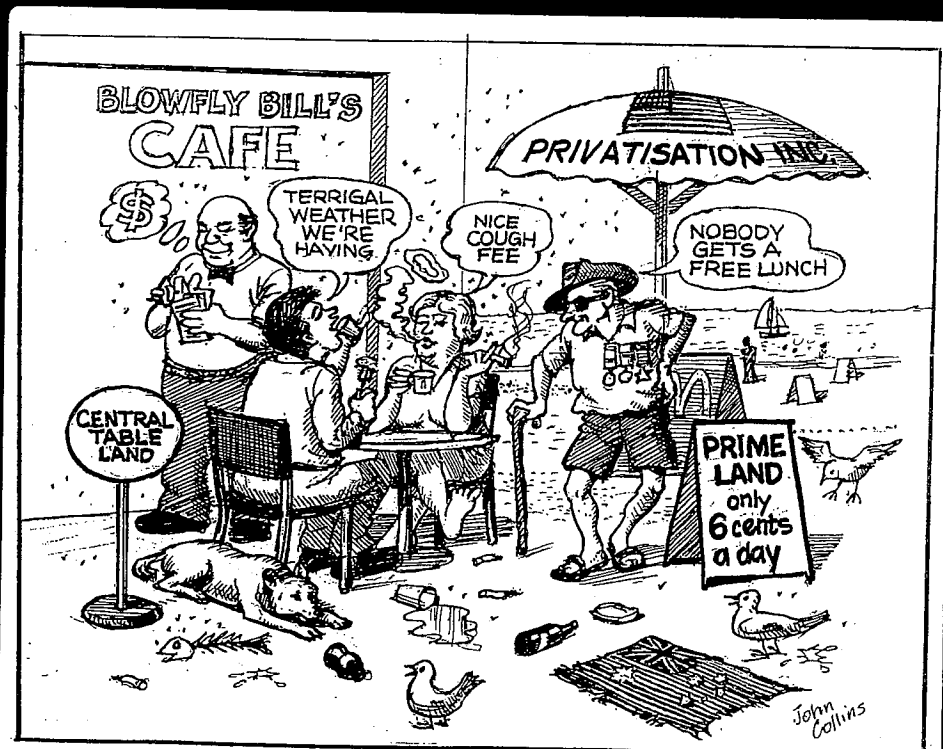


Good Government

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Good Government

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THE PROPER REVENUE OF A NATION
IS THE SITE RENT OF ITS LAND

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The Association for Good Government

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Principles of Good Government

**GOOD GOVERNMENT RESTS
ON THESE FOUNDATIONS.**

1. A democratically controlled and just revenue is available to governments by the collection of all economic rents as their proper revenue, at the same time abolishing all taxes, tariffs and unjust privileges.
2. The maintenance of peace and justice without undue interference in national or international trade or commerce, or in the private transactions of its electors.
3. A democratic system of representation by the adoption of proportional representation in multi-seat electorates and simplified provision for the referendum, initiative and recall.
4. A continuous programme of education in the economic facts of life to enlighten the electorate.

MEMBERSHIP

The OBJECT of the Association for Good Government is "to promote the ideas and principles enunciated by Henry George" (adopted 22.11.94). Any who are interested in or in sympathy with those ideas and principles are invited to become members of the Association. To become a member or to renew membership simply make application to the Association and enclose \$20, or \$14 if you are not working.

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VIEWPOINT

THE VIRTUAL REALITY WAR

There is no finer spectacle than war. In Ancient Times the Romans staged whole naval battles in the Colosseum complete with crocodiles under the boats. The battles were given names recalling great Roman victories. The spectators then knew which side to cheer. The actors in these carefully staged productions did lose their lives — but they were slaves and were quite dispensable.

But until a short while ago no one appeared to lose their lives in the Iraq War. This war seemed to be rated 'G' for wholesome family entertainment: no coarse language; no killing, and loads of special effects. Computer generated maps (with arrows and tiny explosions) and expert commentary all the way made it all easy. We even had Navy divers working with dolphins to clear shipping lanes. We even had a name for the film: *Freedom for Iraq*.

This kind of reporting got the war off to a good start. The plot was simple and had a single narrator called Tommy Franks, cast as a general. It was about a war fought in a far away country to free its people from an evil dictator who had caused the war by his cruelties and by building weapons of mass destruc-

tion. Only three nations were fighting to save the world from this evil dictator; they were called the *Coalition of the Willing*. To save the people of Iraq they sacrificed many billions of dollars in Patriot, Tomahawk and Cruise missiles as well as other projectiles, bombs and equipment.

But then the plot began to get complicated. One marine sergeant complained that, instead of cheering the army of liberation some Iraqis concealed or disguised themselves and shot at his platoon. Some even became human bombs. On the other hand dozens of coalition soldiers or their allies were killed by their own side. This was called *Friendly Fire*. Once or twice, too, instead of saying that Iraqi Divisions had become "less effective", some general's voice would break in to say that this or that Iraqi division had been "destroyed". Others talked of "fierce fighting"; it was never anything else but "fierce fighting".

Anyone who has read Alexander Solzhenitsyn cannot but be reminded of books like *The First Circle* where the Stalinist State attempted to manage every aspect of life so as to serve it up in a palatable form.

HOME EQUITY

Years ago 'equity' meant justice. Now, by a euphemism of investment it means how much of something you own.

One strange fact has emerged from recent speculation in residential property. While there has been an immense amount of borrowing against the equity in one's home — it has doubled in six years to \$400 billion — the banks' share in home equity has remained the same, about 20 per cent.

This happy result is due entirely to the large rise in the value of residential real estate. The value of

residential real estate has doubled in the same six years, leaving the proportion the same. To be specific: the value of residential real estate has risen from one trillion to two trillion dollars. That is \$2000 million!

This of course does not mean that the supply of homes has doubled. Speculation means that the property (land) prices have gone some way to doubling in six years.

How long will this speculation go on? To some extent it is being fuelled by uncertainty about the

share market (ironically, this fall in share prices suggests that the value of industrial and commercial land is going down — even while speculation was sending the paper figures up!).

However, like any other “bubble” where people are spending too much for something

this speculation is going to burst. Now when it does the value of residential land will collapse. This will then leave the banks holding maybe twice as much equity in homes as they do now. But that is a pleasant prospect only for the banks.

DISCRIMINATION AND THE CHURCHES

At the moment the churches are complaining about further extensions to the *Anti-Discrimination Act* (1977) whose effect would be almost to obliterate the exemptions from the Act which churches and other religious institutions such as Christian schools enjoy. Here the issue of homosexuality seems uppermost.

Churches also feel that the operation of the vilification laws threatens their religious teaching. Criticism has been focussed on the new Victorian law the *Racial and Religious Toleration Act* (2001).

As already reported this has already seen action taken by Mohammedans against Christians. Their exemption from the *Anti-Discrimination Act*, already removed in Queensland, is now imminent in New South Wales now that the Carr Government is returned. The Bill to do it is already being introduced by the Greens. Under it the exemptions now conferred upon small businesses, private schools and churches will be abolished.

On the face of it the Greens have a case. Why is there one law for the churches and another for the rest of us?

In their defence the Christian churches draw attention not only to ‘freedom of religion’, but to ‘freedom of association’, and ‘freedom of expression’. They suggest the need for a Bill of Rights to codify these ‘freedoms’, and thus offer them some legal defence.

While modern legislation becomes more vague in defining offences it extends the powers of government. For example, the SA legislation regarding vilification in 1996 required proof that the action was public, that it was motivated by evil intent and that it threatened life or property. By contrast, the Victorian legislation of 2001 removes the obligation from the complainant to prove anything. The onus is on the defendant to prove he has not given offence! In effect, there are no longer private actions. Everything is public and may be watched, reported, and become actionable.

Deliberately vague offences (discrimination, vilification, sexual harassment) are enforced by quasi-judicial bodies (agencies, tribunals, boards) in which fundamental legal procedures and conventions (the difference between hearsay and evidence, the right to a lawyer, the onus of proof upon the complainant) can be bypassed and indeterminate amounts of compensation awarded (often against third parties

such as employers). These frightening institutions (frightening because they must remind anyone of the Inquisition) are controlled by persons selected to favour the complainants. These can virtually have their cases prepared without cost by those who will later judge the case. It is a different story on the other side.

Persons may act from quite dubious motives (greed, ambition, envy) and be paid off after “counselling” and “mediation”. Often the amount so extorted is \$2000.

These boards and commissions attack particular “discriminations”. But in effect they attack discrimination itself.

The meaning of discrimination is *to discern*; that is, to perceive or judge differences. By nature each discerns differently and, as a result, we express different views, seek different experiences and different company. The legal protection of free speech, free association and movement allows us to behave naturally or normally.

We may have visited, let us say, our reclusive maiden aunt, where many subjects are *taboo*. If we drink or smoke that is *taboo*. If someone in the family has committed adultery and got divorced, that is *taboo*. Anything said is reduced to clichés. The family is always right, except for the “black sheep” of course, who is also *taboo*. We tolerate this because we do not want to offend someone so ill-equipped to cope with any differences of viewpoint. It is a pity that, in our community, there are groups who rather resemble our maiden aunt.

What has happened is that Big Brother has stepped in at this point to do our discriminating for us. If pressed to give a reason for this it is said that this will promote tolerance.

But despite the systematic presentation of Australians as intolerant any judgment must be that, by any standards, Australia is a tolerant society. The “free and easy” lifestyle, so much maligned, really only says this. But, now, many situations have become awkward. Not awkward so much because we are inclined to intolerant remarks; what makes the situation awkward is the feeling that “Big Brother is watching”. There is a new and uncomfortable feeling in the community.

This feeling is exacerbated by the fact that the legislation actually encourages persons to show

intolerance. We are now able to make a legal case out of our intolerance. More than that, we may help prosecute those who have views different to "my" beliefs. That is, we can assist these boards to suppress a point of view. But, because actions tend to generate equal and opposite reactions, this sort of thing can be counter-productive.

Henry George was a life-long devotee of Jefferson's view that, given the rights which are needed by our nature, there was little need

for "government" intrusion. Australia is a society whose history has so far justified this view. It has dealt with crises such as the Conscription issue in 1917 and the rampant distrust in the Cold War c.1950 by preserving its most basic freedoms. On the other hand history elsewhere shows that dictatorships are universally founded upon the limitation of these freedoms. Sadly, there is no statesman in Australia to articulate that idea of democracy.

THE LAND TAX IS INNOCENT

by David Brooks

Gee! Newspapers make up those stories so easily. But getting to the real facts is not too hard if you're a diligent reader. Of course we agree with the headline. "Huge valuations anger second home owners" (SMH 16 Feb 2003) would cause ire in a saint, particularly if he owned a second "home". But that's what the headline was designed for.

The couple in the picture own three houses, not two. The house in Girraween, the "fibro they spruced up next door", and the house they live in. I know it's easy to get carried away, and to make errors. But really, second means "two" and most of us great unwashed know that, so what's the excuse? Oh, I know! I wasn't supposed to get the headline mixed up with the photograph. Sorry about that. But when one story is nested within the other aren't they meant to be together?

So we have two stories about the "Huge valuations". Or is it three? Yes! They got a bit in about the High Court decision that was really about disputed valuation practice rather than the tax itself. But then like many articles on the subject the two matters are hopelessly intertwined. Is this old fashioned sophistry raising its head?

The couple were "shocked" by their \$12,768.25 in land tax, part of which was land tax from the past five years. The land tax is only 1.7 per cent so they owe \$8466 for the current year and the remaining \$4302.25 is what their accountant failed to tell them they had to pay in the past five years. Not exactly a big tax is it? In fact one could say that it was pitifully small. Almost insignificant! It would be lovely if our income tax was on the same scale.

"The valuations increased from \$145,000 each to \$498,000 in three years." Maybe I've missed something. Of course! The house they live in is exempt! The article didn't say that. And to own more than one house puts you way above average. They try to get rid of these trifling contributions to the state's coffers whenever they can. And the rest of us can pay income tax or GST or some other form of state rip-off. So

the story was a beat-up. Valuations are notoriously low. The two "poor" pensioners were not really poor. The sale price of their properties would be far higher than their land valuation. They just don't like paying Land Tax; they hide their wealth in the form of "assets". Would it be that the poorest in the land had as much.

The other part of the story was about a real estate agent complaining about, among other things of similar ilk, ". . . an ordinary fibro that would fetch very little in rent rose from \$97,000 to \$500,000 between 1999 and 2002." Interesting argument. But it is not the "fibro" they are valuing. It is the land the "fibro" stands upon that is being valued. And that is a far cry from some old fibro. Hadn't he noticed the tremendous increase in the sale price of "property" of recent times? It wasn't the buildings that rose in value. They still cost about \$4500 to \$5000 a square to build. So a 20 square home costs about \$100,000. anything above that is land price.

The Land Tax is a direct tax. It impinges only upon those who own land that (a) they are not living on and has a value in excess of \$261,000 or (b) that they live in and has a value in excess of \$1.6 million. These categories put you well above the average man in the street. Many of our most hard working Australians will never be able to afford their own home. For many other "home owners" it is the mortgagee who in reality owns the property. There are many good things about the Land Tax. Primarily the land belongs to the people. The Land Tax is but a minor (1.7 per cent currently) contribution by those with exclusive use of a specific site or sites. In reality this contribution should be much higher. A tax equal to 10 per cent of the valuation would be realistic and should be levied on ALL land. The only exemptions being on humanitarian grounds. It is evident that it is a tax that cannot be evaded or passed on to others. You cannot hide either the land itself or its value. Indeed, where land value is disputed a few public auctions would soon settle the matter. And perhaps we could persuade Mr Carr to make Land Valuations public domain.

DUST TO DUST

by Henry George

This may be the only work of fiction which Henry George wrote. It may be said nonetheless to be less fiction than fact, since it arose out of an incident on board a ship taking George to California in 1858 when he was nineteen. Eight years later in June, 1866, he wrote up the incident. The article appeared in the Philadelphia Saturday Night journal and was quickly republished in the San Francisco Californian. It concerns the Assistant Engineer S.W. Martin. The story version as reported in his son's biography The Life of Henry George is as follows:

The crisis seemed past, and if his strength would only last until he neared the Cape, all would be well.

... Only one port remained to be passed before we should hail the rain and fog, and strength-giving winds — Monte Video. But when we entered that great stream, more sea than river, the mighty La Plata, on which the city is situated, young Martin was dying . . .

For some time in intervals of consciousness, Martin had been aware of his approaching end, and the only thing that seemed to trouble him was the idea of dying so far from those he loved, and of being buried where affection might never mark his resting place. It was his last and earnest request that his grave might be made on shore, where his body could be recognised by his friends, and not committed to the waves; and though it was very doubtful if the privilege could be granted, yet the captain resolved to take the corpse into the harbour, and try to obtain permission to bury it ashore.

And when night came, sadly we talked in little groups upon the deck, while the sound of hammer and plane from the gangway, told that the 'last house' of one of us was being built. Though no star shed its light, still it was not all blackness. The 'river of silver' beamed with a lustre of its own. Not alone the furrows our prow threw aside, or the broad wake we left behind, but the whole surface of the water glowed with phosphorescent brightness, and we seemed to force our way through a sheet of molten silver.

All night long we steamed up the river, and when the sun again rose — it showed us the harbour of Monte Video. Out beyond all the other shipping lay a stately frigate, the Stars and Stripes of the great republic streaming from her peak in the morning breeze — the old *St Lawrence*, flagship of the squadron . . . We were bringing them news and letters from home, and every port of the great ship thronged with faces eager to see the comer from the land they loved. Running up under her quarter, we were hailed and answered, and after the usual inquiries, our captain mentioned the death of young Martin, and his wish to have him buried on shore; but was told that it was impossible, that we would infringe the quarantine rules by even entering the port with the corpse; and was directed to steam back some miles and commit the body to the waves, before entering the harbour.

The shrill whistle of the boatswain sounded; a boat dropped from the frigate's davits, reached our side, took letters and papers, and our little steamer turned slowly round to retrace her path. We had felt sad while coming up, but a darker gloom hung over all while going down the river. It seemed so hard that the last and only request of the poor boy could not be complied with.

But swiftly down the current in the bright, fresh morning dashed our little boat, and when the lofty frigate was hull-down behind us, we turned and stopped for the last rites.

Upon the quarter-deck, in reverential silence, all hands were gathered. The large box-like coffin, in which we had hoped to commit our dead to mother earth, bored full of holes and filled up with heavy materials, was placed by the side, covered with the flag. The beautiful burial service was commenced, its solemn sentences sounding doubly solemn under such mournful circumstances — there was a pause — then came the words, "We, therefore, commit his body to the deep!" and with a surge the waves closed above the dead.

Hardly a word was spoken as the wheels again took up their task, and we began to ascend the river, but every eye was fixed on the spot we were leaving, and at the same instant an exclamation sprang from every lip as the coffin was seen to rise! The engine was quickly stopped, a boat lowered, and taking a small anchor and some heavy chain, they tried to secure and sink the box. But it was no easy task in the fresh breeze and short, chopping sea, and the coffin seemed almost instinct with life and striving to elude their efforts. Again and again they were foiled in their attempt to fasten the weights, but were at last successful, and once more the water closed above the corpse.

After waiting some time, to make sure that it could not float again, we started once more up the river, and this time awe was mingled with our grief. Most men who follow the sea have a touch of superstition. There is something in the vastness with which Nature presents herself upon the great waters which influences in this direction even minds otherwise sceptical. And as we steamed up the river, it was more than hinted among many of us that the strong desire of the dying man had something to do with the difficulty of sinking his body.

This time we passed the frigate, saluting, but not stopping, and entered the port. It was war time; on the Pampas some phase of the interminable quarrels of this Southern federation was being fought out, and the harbour was crowded with men-of-war. Nearly all the Brazilian navy was there, watching the progress of events; and besides these, and the numerous merchantmen, the ensign of almost every nation was displayed above some armed vessel. By direction of the officer who boarded us, we proceeded past them all, to the farther side of the harbour, where we were ordered to lie in quarantine seven days before being allowed to coal.

The new scene, the various objects of interest around and the duties of clearing up, conspired to make us forget the events of the morning, but the sun was yet some distance above the western horizon when a startling circumstance occurred to recall them to our minds.

Nearly all hands were busily engaged below, only two or three loitering around the deck, when the quartermaster, sweeping the harbour with his glass, noticed something floating in, which riveted his attention. Again and again he looked at it; then, with surprise and dismay in his face, called the officer of the deck. The whisper spread through the ship, and in a few minutes all were watching in silence the object that seemed drifting towards us. Onward it came, through all the vessels that lay beyond us — now lost to our view, now coming in sight again — turning and tacking as though piloted by life, and

steadily holding its course for our steamer. It passed the last ship, and came straight for us. It came closer, and every doubt was dispelled — it was, indeed, the coffin! A thrill of awe passed through every heart as the fact became assured.

Right under our bows came the box; it touched our side; halted a moment, as if claiming recognition, and then drifted slowly past us towards the shore.

There was an excited murmur forward, a whispered consultation in the knot of officers aft; then one advanced — ‘Man the quarter boat, boys: take pick and spades; tow the coffin ashore, and bury the body!’

It was the work of a moment — the boat shot like an arrow from our side, the ashen oars bending with the energy of the stroke. Reverently and gently they secured the box, and with slow, solemn strokes, towed it to the foot of the desolate looking hill that skirts the bay. There, breaking it open, they bore the corpse, covered with the flag, a little distance up the hillside, and making in the twilight a grave among the chaparral, laid it to rest, marking the spot with a rude cross, which, concealed from observation by the bushes, would yet serve as a mark of recognition, and secure the grave, should it be noticed, from the intrusion of vandal hands.

And so, in spite of all, that dying wish was gratified, and the body which the waters refused to receive was laid to rest in its mother earth.

HOW ‘STRATEGY’ RUNS THE GEORGIST MOVEMENT

by Richard Giles

We have a new term ‘Geoism’. It seems to have replaced Georgism and it seems to announce a new direction for the movement. But what does it mean? Someone said it is “knowledge of the earth” but, entomologically, it does not mean that. And, if it did is that Georgism?

One correspondent says the “new tack” is “bringing Georgism to politically active people who are unfamiliar with Georgist views by using topics they are interested in rather than putting out our own line . . .” So, by going in to battle for other causes, Georgists hope to gain followers.

From observation Geoism seems to stand for the “new tack”. It is a word which more describes a strategy than a doctrine. I wish to raise two issues regarding this amorphous Geoism. The first is that, after we have had Geoism for a time, will we still have Georgism?

The second issue is whether this “new tack” is the

right strategy? These are related issues since we do not want a strategy which works at the expense of the doctrine. Without a grasp of first principles the movement can easily lose its way. Geoism seems to give the freedom to do this.

After George’s death in 1897 his son, vaguely uneasy about what had already become known as the ‘single tax movement’, wrote “Mr George never regarded the term (single tax) as describing his philosophy, but rather as indicating the method he would take to apply it”. That is, already by 1900 Georgism had become more of a tax reform than a philosophy. The strategy, ‘the single tax’, was already dangerously near to excluding the principles of the Henry George philosophy.

‘GOVERNMENT ALONE PRODUCES RENT’

The relative absence of first principles soon carried the movement into what can be regarded as error. It began to be assumed that Government alone creates rent.

This view was good for strategy. Promoters of Georgism were anti-tax and took as an aim 'small government' with a small revenue. The 'single tax' provided that revenue. From here it was a small step to the idea that Government produced this revenue by the infrastructure and services it provides. And the conclusion was then that Government alone produces *rent*.

Most only implied this without specifying it as doctrine. Clearly, it was not doctrine since as doctrine it had some problems. For example, do not institutions other than Government produce rent? Has not the community a claim to have a part in rent creation? And what happens after privatisation has taken away most public utilities from Government? And, could not rent arise without Government?

Finally, hasn't this view ignored the very *rent* paradigm used by Ricardo: those farms that have differential production due, not to Government, but to varying fertility?

In other words, the strategy had produced a problem in doctrine. Let us assume that the theory could overcome the problems so far mentioned, there was still however the problem of overcoming the first principles of Geogist philosophy.

Rent is a surplus return for the same exertion — surplus that is to the return on some marginal site. We are forced to look for something that will account for this surplus. In our corrupt society it can be government legislation (that creates a monopoly or gives some privileged group a tax break). That is quasi-rent. However, in truth the 'something' is either some aspect of *nature* or of *human cooperation*. They separately or together account for rent.

Yet this means that true *rent* is a natural phenomenon (rent can arise because humans by nature are gregarious and given to cooperation as a way of saving effort). Rent belongs to a realm *beyond* Government or any other institution. They are but forms which human cooperation can take. Strategy had led to false doctrine.

'THERE IS NO RENT ON HOME SITES'

Some time ago it was vigorously argued that no rent occurs on vacant land and on home sites. Rent could only occur in the 'economy'. Homes were not part of this economy. Vacant land was not part of this economy.

Its proponents added that Georgists (and George himself) had always explained rent in terms of production; but there was no production on home sites or vacant land.

Whether intended or not the view did have some advantages as a promotional strategy. The hardest nut to crack had always been the home owner. Now, the 'single tax' need not be levied against homes. Vacant land however was still a problem since

promotion always stressed the evil of land speculation and vacant land was the most obvious way this speculation manifested itself.

Like the first theory this one presented doctrinal difficulties. For instance, how is residential land value or the value of vacant land to be explained? It had to be explained by drawing in another concept altogether. Some said that was a "ransom" from those who need land to those who have it.

But rather than pursue this, let us once again turn to first principles. In fact, let us turn to the same first principle as before. *Rent* is a part of nature. Thus, it must have as little to do with the market economy as it has with Government. The market economy is an institution, just one form in which rent manifests. *Rent* arises wherever differences in nature or in human cooperation lends special advantages to some land and to some landholders.

In the well-known teaching example of the beginnings of settlement on a plain found next to a river no market economy is involved but there is still rent. Due to varying fertility the yields of the farms differ. That is it. It would be the same if we had been dealing with domestic vegetable gardens.

Finally, let us visit a new housing subdivision. It was once a farm overlooking the sea. As yet no houses have been built. As one goes up the hill and gets closer to the best vantage point (from which the sea is most fully able to be seen), the value of lots increases. Thus, due to a variation in nature (similar to a variation in fertility) those on the better sites receiving a surplus return for the same exertion. That is *rent*.

'GEOISTS SHOULD SUPPORT ECO-TAXES AND CONGESTION CHARGES'

Some say we should adopt various eco-taxes and congestion charges. As a way of promoting the movement 'initiatives' like eco-taxes and congestion charges seem to have merit. We would then join the in-crowd and not look like "dinosaurs" (as one *Geoist* puts it). There is even the hint here to play down the revered 'single tax'.

Previously we looked at congestion charges (eg beach fees) showing, I think, that those charges (which arise from the concept of joint rights in land) are inconsistent with the basic principle of equal rights in land. It could be added that the joint ownership of land is also inconsistent with the principle that nature is given not produced. (The Association is producing the relevant Chapter from George's *A Perplexed Philosopher* which may be ordered from the Association.)

Now let us turn to eco-taxes. Eco and other taxes recommended by some Geoists are meant to discourage certain harmful activities — harmful that is in the perception of those who want them!

George was a devotee of Jeffersonian democracy. That, when one thinks about it, is less a theory of democracy and more a theory of natural rights. Human nature encompasses certain basic desires. In the *Declaration of Independence* Thomas Jefferson enumerates them as "life, liberty and the pursuit of happiness".

Natural rights are those rights which allow human beings to express or fulfill their nature. George believed in a society which achieved happiness and fulfilment through the provision of those rights.

Now eco-taxes and other behaviour management regimes — called social engineering — are a far cry from this. They work from an entirely different basis. They work 'from above' and not 'from below'. Here the happiness of society comes from ever more extensive social control. The clever and inventive devices of experts (eco-taxes, tradable rights, etc) rest upon an appeal to selfishness not to unselfishness.

Such an approach is not Georgist. One is again reminded about the joke from Stalinist Russia in the 1930s of someone who is told about all the delights of life under the Five Year Plans. He agrees it will be paradise but says he would not want to live there! We are fast approaching that situation in the West.

CONCLUSION

Without a painstaking absorption of first principles alien ideas enter more easily. The current renaming of the movement as *Geoism* can help to take it

farther away and faster than ever from its first principles.

But this leads us to ask why not make the first principles of Georgism the strategy? Certainly Georgists have to be aware of them. When Georgism first appeared the best way of defeating it was, as Tolstoy suggests, to ignore it. How much worse is it when Georgists ignore Henry George? If asked when they had last read a work of Henry George, his biography or an authoritative study of his philosophy, almost all Georgists would have to say decades ago, or never!

But why not give the tax case a bit of a rest and give some attention to the basic principles of Georgism? After all, most opponents of Georgism are opponents not because they cannot accept land value taxation, but because they reject its underlying principles. Plying the tax case gives opponents an opportunity to conceal what they are really rejecting.

Do most social problems come from our claim to own land? Is this claim wrong? Then why not say so? After all, slavery was not removed by talk of its "externalities". It was wrong in principle and abolitionists said so!

While ever teaching is subsumed under some promotional strategy we are going to have Georgists who are not in touch with basic principles — and who may in fact not accept them. How easy it is for such people to end up running the movement!

LIONEL BOORMAN'S PASSING

It is still hard to accept that one of our closest associates, Lionel Boorman, has passed on. Lionel died on 4 March, 2003, aged 92. The son of a country school teacher, he joined the Georgist movement in 1939 while working as an intelligence officer (Warrant Officer) at the Cowra POW camp.

As well as advising those who made a television mini-series *The Cowra Outbreak* — the largest in history — his close connection with events drew military historians to his doorstep. It might be said that, by virtue of playing chess with some of the Italian inmates, he became aware of the impending outbreak and informed the camp commandant. Unfortunately, beyond bringing in much-needed equipment the warning was disregarded.

Lionel was admitted as a solicitor in 1938 and was a life member of the Law Society. He became a partner in the city law firm of Booth and Boorman after the War and served as honorary solicitor to both the Association for Good Government and the NSW Henry George Foundation Ltd for over 50 years until his retirement in the early 1990s. Lionel also served as honorary solicitor to the Eastwood Bowling Club for 27 years. Lionel was also a long time member of

Amnesty International. Lionel passionately believed and was a keen advocate of the philosophy of Henry George, principally writing letters overseas to colleagues and to the newspapers. He supported Fred Harrison's Russian campaign and, recently, land reform through the Scottish Parliament, sending much information to Scotland about our rating system.

Lionel contributed a long Affidavit to the NSW Attorney General regarding the origins of the NSW Henry George Foundation Ltd and was interested in the outcome of the Carr Trust case. The judgement in favour of the charitable status of that trust owes much to Lionel's efforts.

Lionel loved music, his favourite composer was Beethoven. He also composed music — one of his pieces was played at his funeral. Lionel had a full and happy life though the loss of his wife May and of his daughter Nancy at a relatively early age were blows which struck him hard. Throughout his life he valued a sense of humour and once told me that he was always a little wary of someone who had no sense of humour.

I am indebted for much of the information above to

the fine address given by Lionel's surviving daughter, Judith. She concluded her address this way to the large gathering who attended the funeral. "Of Lionel Brownhill Boorman, who was a husband, a father,

father-in-law, grandfather, great-grandfather, a brother, an uncle, colleague, adversary and friend, may your memories be happy ones."

— Richard Giles

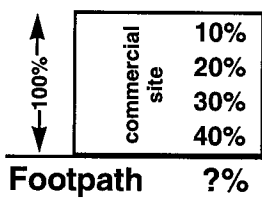
FOOTPATH DINING FEES

by John Collins

The following short article was originally in the form of a letter to members of the Gosford Council 10 February, 2003:

Cafe owners have lobbied Gosford City Council to reduce the fees for footpath dining. Councillors must decide in the public interest what is the appropriate revenue council receives from the Australian and foreign wholesalers and retailers who profit from the commercial exploitation of prime public land.

As the guardian of public assets, council has a duty to the public to charge at least the full market rent per square metre at commercial rates for commercially exploited public space. Any competent valuer can estimate the rental value of a commercial site bearing in mind its location and other factors such as relative advantages provided by the community. When estimating the rental value of *public land* adjacent to commercial premises, it is helpful to consider the relative value of different sections *within* the commercial site.



This diagram gives an approximation used by valuers for this purpose. One hundred per cent equals the total rental value of the whole site.

Relative advantage puts the rental value of the front quarter of the shop at 40 per cent of the rental value of the whole.

It follows from this that the rental value of a square metre on the footpath far exceeds the rental value of the best square metre in the shop. Most cafe operators concede this and some even openly admit (or claim) their businesses would not be viable without a publicly funded subsidy in the form of cheap or *nil* rent.

Such subsidies encourage further encroachments and give the recipients an unfair advantage over their competitors who provide *al fresco* dining on their own private land. It would be wrong for council to reward those who enclose the common for private profit.

When a council gives the owner of commercial premises "rent assistance" to exploit public land for private profit, it is making a gift that enhances the resale value of the commercial premises. The tax office might be interested in the accountability of this unearned windfall.

REAL ESTATE PRICES SOAR

by Frank Pinder

At the present time "advisors" aplenty are alive with their seminars inviting you to secure your financial future by investing in real estate.

The price is escalating, stimulated by the banks and moneylenders advancing up to 100 per cent of the purchase price. The constantly escalating real estate prices brought on by this avalanche of credit helps to safeguard their loans.

Those desperately optimistic people moving into home ownership seem blissfully unaware that future job uncertainty in the ongoing years of mortgage repayments may leave them victim to the banks and moneylenders, the mortgagees.

Johnny Howard's jubilant statement that 'Never was there a time so opportune for people to own their own home for now the interest rate is so low' avoids the mention of the alarming rise in real estate prices.

"I believe that Henry George was one of the really great thinkers produced by our country."

— Franklin D. Roosevelt

Read

Progress

official bi-monthly journal of
PROSPER AUSTRALIA

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Melbourne, Vic, 3000
Telephone: (03) 9670 2754
Facsimile: (03) 9670 3063
Email: prosper@vicnet.net.au

Queensland

Site Revenue Society

David Spain

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Gold Coast Mail Centre 9726

Telephone: (07) 5574 0755

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Telephone: (08) 8278 7560 or

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Telephone: (08) 9367 5386

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New Zealand

Mr. R. D. Keall

43 Dominion Street,

Takapuna, **Auckland.**

Telephone: (09) 4861271

Miss Betty Noble

6/83 Washington Avenue,

Brooklyn, 6006

Wellington NZ

Internet

The development of the internet has brought one of the most popular forms of communication ever developed. Certainly Georgists have put it to good use. Below are the internet addresses we know of that are Georgist or directed toward the subject of freedom. If we have missed someone out please let us know. If there are some wrong ones please let us know at:

davidsb@tpg.com.au

Addresses.

www.progress.org

www.henrygeorge.org

[www.geocities.com/Rainforest/
3046/#start](http://www.geocities.com/Rainforest/3046/#start)

www.smart.net/~hgeorge

[www.envirolink.org/orgs/
earthrights](http://www.envirolink.org/orgs/earthrights)

[www.geocities.com/Athens/
Acroplolis/5148](http://www.geocities.com/Athens/Acroplolis/5148)

<http://geolib.pair.com>

www.multiline.com.au/~georgist

www.slonet.org/~jwsmith

www.landvaluetax.org

www.emagazine.com

www.thegarden.net

www.igc.apc.org/cvd

[www.mcn.org/a/indigoa/
henrygeo.htm](http://www.mcn.org/a/indigoa/henrygeo.htm)

www.crctaxation.org

www.kroyer.com/gns

[www.mtncom.com/cip/
econinqu.htm](http://www.mtncom.com/cip/econinqu.htm)

www.interstudent.org

[www2.tpg.com.au/users/
davidsb](http://www2.tpg.com.au/users/davidsb)

www.taxpolicy.com

www.envirweb.com/earthrights

[http://members.aol.com/
geonomy/contents.html](http://members.aol.com/geonomy/contents.html)

Gopher://echonyc.com:70/11/
cul/hgs

The Proportional Representation Society of Australia

(NSW Branch)

Welcomes people interested in ensuring effective representation in parliaments and other elected bodies through the use of quota preferential method of proportional representation.

For a free copy of the pamphlet

'Towards Better Government'

write to:

G.P.O. Box 3058, SYDNEY 2001

Telephone (02) 9960 2193