

# the Henry George News

PUBLISHED BY HENRY GEORGE SCHOOL OF SOCIAL SCIENCE • JANUARY, 1967

## *My Canada and My Ire*

By ARCHIBALD McCOLL

WELL I am home again richer in knowledge and poorer in pelf. I have gathered a small hundred acre place on the edge of Toronto. It was too hilly for good farming, but you would be prosecuted and persecuted if you did anything else with it. The restrictions prevent dividing into less than 25 acres. Thousands of people would gladly pay me \$2000 for a one-acre lot where they can live in rural comfort in a house costing about \$12,000 with a garage and a stable for a couple of hoeses for snob appeal. But the real estate board has put through zoning laws to prevent the land being sold by anyone but a licensed subdivider.

The land tax is very high for the farmer, and his crops are assessed if he raises anything. I was going to put in wheat and make a few thousand on the wheat boom, but if I did I would double my taxes which are \$600 now for doing nothing. If I feed livestock they will get me on the buildings, the stock, and the sales taxes.

But if a real estate subdivider gets it the taxes will go down as undeveloped land. If he builds a park and a club it will be a public development and he will get out of taxes. Nobody

line the highway with signs telling that members only are eligible to buy, and those who are eligible can get in at \$5000 an acre. The suckers who rush to pay for a real estate board's schemes will own the half-million-dollar mortgage that builds the roads and clubhouse.

The farmers are the greatest victims of the smooth talking crooks who pass laws in the name of progress to keep them broke so they can get their land. Farmers are not able to resist the urban sprawl under the development planners. Most of them try to continue farming even where it is impossible to meet the tax bill. If they wanted to be "developers" they would be discriminated against by the local council, the court of revision, and the loan companies. So they usually hang on till the bailiff sells their equipment and the tax collector threatens seizure, then the "developer" gets the land for a song—a song that dooms human beings to the slavery of the 30-year mortgage.

So withers freedom's tree! The old fashioned cultivator who has produced food in peace and war for these North American nations and for our governments to give away to people who will not help themselves. (Canada is giving

# A Word With You

ONE does not have to be an economic determinist to see that economics plays an important part in our lives. The economic determinist would have it that the economic facts of life—the way people make their living and who owns what—actually determine everything else—art, religion and what-not.

Those who deny economic determinism sometimes go to the other extreme. They will not even admit that the widespread distress experienced during the depression had anything to do with the coming of the New Deal. The Welfare State, they say, was just the result of wrong-headedness on the part of some perverse professors.

But we need not go to such lengths to avoid being determinists. We can see by observing that economics *influences* our behavior; that economic stress has its effects; that bad results stem from economic disorders, and economic well-being is a good basis for progress in other domains.

And we need only look around to see that something not good is permeating our socio-economic fabric. The robust confidence in progress that was once the hallmark of America has turned into economic hypochondria. We no longer leap forward to dazzling ventures but shrink into a shell worrying about seniority, guarantees, fringe benefits and pensions.

Hardly anything is done anymore for

the sake of doing it without consulting tax tables. Invention and discovery no longer occur on an invigorating peak in Darien but are hampered by a smothering tangle of legality and monopoly.

The spectre of economic struggle has not been with us in America as long as it has in Europe. The ingrainedness of this struggle may be seen in the more honest of the European films which bring out how much an accepted, though dreadful, part of life it is.

But in America the blight is settling, too. We are all affected. Just as the city-dweller carries in his lungs the filth of city air, so do we all carry the corrosive effects of a topsy-turvy economic system in which government intervention has only compounded the problems. Every aspect of human relations is tainted—even if not “determined”—by bad economics.

People are only human, and lots of people in the struggle would dearly love to get away. But where is there to go? Forget the South Sea Islands—there's all kinds of atomic testing going on there. Air traffic over the North Pole is getting dense, and technology has hit the South Pole, too.

Instead of trying to “get away,” we had better do something about moulding our economy more to the heart's desire.

—Robert Clancy

Vol. 30, No. 1

January, 1967

The Henry George News, published monthly by the Henry George School of Social Science, 50 E. 69th Street, New York, N. Y. 10021, supports the following principle:

The community, by its presence and activity, gives rental value to land, therefore the rent of land belongs to the community and not to the landowners. Labor and capital, by their combined efforts, produce the goods of the community—known as wealth. This wealth belongs to the producers. Justice requires that the government, representing the community, collect the rent of land for the community purposes and abolish the taxation of wealth.

Publication committee: William S. O'Connor, Arnold A. Weinstein and Lancaster M. Greene, chairman. Editor: Alice Elizabeth Davis. Subscriptions \$1 a year; single copies 10c. Second class postage paid at New York, N. Y.

The Henry George News does not assume responsibility for opinions expressed in signed articles.

# *The Mail Never Stops?*

by OSCAR B. JOHANSEN

IF HENRY GEORGE had been alive to see what happened in Chicago last October he might have changed his views on the post office. Although his masterpiece, *Progress and Poverty*, time and again demonstrated the superiority of private enterprise, he said that "businesses which are in their nature monopolies are properly part of the functions of the State, and should be assumed by the State. There is the same reason why Government should carry telegraphic messages as that it should carry letters; that railroads should belong to the public as that common roads should."

Mail delivery, of course, is not by its nature a monopoly as the telephone is. It is one of the simplest things that can be done and yet the government has made such a mess of it that it culminated in a nightmare in Chicago last October almost too incredible to be believed. Chicago has the world's largest post office. It is two blocks long and one block wide and sits astride the railroads entering Union Station. But early in October the greatest snarl ever experienced in the movement of mail occurred there. Ten million letters, circulars, magazines and parcels were crammed in the building and could not be processed. Mail sacks were piled up so precariously that it was almost impossible to walk. Trucks, trailers and railroad cars waited outside the building to be unloaded. Day after day mail sat in the post office untouched. First class mail was supposed to have been delivered, but the dividend checks of one local corporation reached Chicago area residents twenty-one days later. Advertising brochures of a department store sale were delivered weeks after the sale. Even the post office press releases announcing National ZIP Code Week arrived late.

So desperate was the situation that the postal authorities considered burning some of the outdated bulk mail. Only weeks later after taking emergency measures such as diverting mail ordinarily sorted in Chicago to cities as far away as Atlanta, Pittsburgh and Omaha, was some semblance of normality restored. The cost to business was incalculable. One department store claimed a loss of \$2,000,000 because its sale fliers were delivered late.

What was the reason for this snafu? Excuses galore were given. The post office is well located for mail coming by railroad, but trucks and planes are increasingly being used and mail on them is not processed en route as on the trains. A remodeling job left much construction equipment in the way. Personnel is of poor quality, overtime is restricted and budget limitations have hindered modernization. The true reason was summed up in one disgruntled businessman's statement, "When the post office goes stuck there's no competition to turn to."

The postal service is a monopoly, made so by governmental fiat for political reasons. There was a time when it had competition from private companies. This was before the Civil War. So efficient were these enterprises that the post office was in danger of going out of business. That was unthinkable as it was too convenient a means of rewarding the party faithful with jobs. So through legal devices the private companies were forced out of the mail business and the present monopoly is with us to this day.

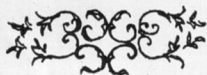
We can fly across the continent in four or five hours; we can make millions of telephone calls all over the country and have our calls completed within minutes but we cannot mail a letter to a town fifteen miles outside

of New York City and expect it to be delivered the next day.

Investigations are under way, management consultants are having a field day, so eventually some kind of order will arrive which may prevent our present mediocre mail service from getting worse. However that is no permanent solution. The only real one is for the government to dispose of the postal service to private enterprise. In a transition period of five to ten years the post office could be sold to competing companies and the money could be used to institute a program of retirement and dismissal of the present employees so as to cause as little harm as possible to the workers. Once the

mail service is operated by private businesses it will follow the same uniformly high pattern which exists in any field of competitive enterprise.

As Henry George pointed out, monopolies like the postal service are "trivial in extent as compared with the monopoly of land." But there is no reason why we have to put up with such man-made monopolies when it is so simple to correct them. And who knows, as people become increasingly exercised over our miserable postal service, and when its monopolistic features are repeatedly pointed out, possibly the way will be cleared for a discussion of the really all-important monopoly—the land monopoly.



Call it religion, patriotism, sympathy, the enthusiasm for humanity or the love of God — give it what name you will; there is yet a force which overcomes and drives out selfishness; a force which is the electricity of the moral universe; a force besides which all others are weak . . . and this force of forces — that now goes to waste or assumes perverted forms — we may use for the strengthening and building up and ennobling of society, if we but will, just as we now use physical forces that once seemed but powers of destruction. All we have to do is but give it freedom and scope.

— Henry George

Recalling the visit of Kul Bhushan Sharma from Nairobi, is *The New Era* (Magazine for Young Kenyans) reflecting his enthusiasm for Henry George's economic principles. An unsigned series on the Science of Wealth began with a definition of labor, land and capital. In clear language, with graphic illustrations, pupils were then given an explanation of money and the science of wealth.

From Australia comes a booklet, "Our Rating System—A Case for Rating Land Values and Exempting Improvements for the City of Perth." It was published by the Henry George League of Western Australia.

This is a highly condensed report that could perhaps only have been produced by Georgists, Long patient research is evident in the wide screen here presented. The League announced that it had no special interest to serve excepting as they share in believing that "what is good for the hive is also good for the bee."

There are 68 pages of results based on tabulations showing the effects of land value taxation, and since Australia has been a pioneer in this method the report should be of value to all students. The League modestly refrained from claiming that the application of U.L.V. (unimproved land value) rating would solve all the problems related to local government finance. "It is claimed however that without recourse to this system, arbitrary decisions, with consequent loss of civic rights, will often be unavoidable, and the preservation of equality and justice between ratepayers impossible."



# LVT—A Curb on Inflation

by WOODROW W. WILLIAMS

THE property tax has become really an income tax, with those who produce being taxed as they produce in accordance with *how much* they produce. Speculators in land collect from the benefits provided by the taxes levied on others. When the land holder sells he reduces his tax burden by 50 percent through use of the capital gains feature of the income tax. In the meantime his nominal property tax has been a deductible item.

It is generally recognized that a property tax is suitable for local revenue. If it could be corrected to eliminate the favoritism to land holders, and possibly modified to reduce or eliminate the tax on personal property, it would be more acceptable. As now levied, with emphasis on improvements and bearing heavily on personal property, it tends to increase costs, and this is inflationary. An increased assessment on vacant or under-improved land would force some of it onto the market, and the cost of this most inflated item in our economy would be reduced.

Early in American history most public revenue came from the property tax which in those days was mostly on land values. The federal government took only a small percentage of total revenue, principally from custom duties, but it also received some revenue from the property tax under the Articles of Confederation. During the Civil War the government levied a property tax over the country as a whole, even against those states which were in rebellion. But perhaps the most important development at that time was the first income tax. This was the application of the Old World principle of taxation according to ability to pay. It seems to have started with the early socialists and to have culminated in

Karl Marx's slogan "from each according to ability, to each according to need."

Obviously it would be impossible to determine everyone's precise dues based on benefits. Some of the aged, the mentally ill, and the physically handicapped must be helped. But I often wonder if the present system of coddling certain welfare recipients might have gone too far. A lot is heard about extremism these days. It is said that the ancient Spartans left the cripples and aged to die just as the honey bee casts out the drones to starve before winter. From that extreme we have gone today to the other extreme of encouraging people to live without working.

When manufacturing developed following the feudal system towns and villages grew into cities. Shrewd land-owners soon discovered that the entire cost of maintaining their holdings could be shifted to the general population by indirect and hidden taxes, and much more profit could be derived from renting their land to others.

That concept grew until we now have excise taxes, income taxes and luxury taxes based on some notion that those who are more industrious are "more able" to pay. Somehow the ethical and business-like idea of the beneficiary paying for benefits received has been lost.

Up to 1910 more than half of the nation's revenue—local, state and federal—came from that part of the property tax bearing on land. Land remained relatively inexpensive, and economic depressions were shaken off without resort to massive deficit spending. But World War I seems to have brought more and more indirect taxes. Soon after that war many states began to enact sales and other excise taxes,

ostensibly to relieve the property owners.

At the same time a change took place in assessment practices regarding property. Vacant land was let off easy on the theory that while producing no income it should not be expected to pay much tax. Besides, it was argued, there was no one on the vacant lot to use police or fire protection, and no use was made of water supply or sewerage or street lights. But the fact was overlooked that the existence of these services greatly enhanced the value of such lots so the holder gained handsomely when he sold.

The financing of schools needs some careful scrutiny. It is high time for parents and prospective parents to be educated out of the irresponsible notion that the public should pick up the tab for so much extra-curricular activity in connection with schooling. But even here it will be found that a good school system makes the sale of lots or the renting of houses easier, thus the ultimate beneficiary of the public expenditure is the land holder who should be willing to pay for the benefit.

The state should limit its involvement in local taxation to a supervisory status. It would be wise to encourage the employment of trained appraisors, and to require frequent and more accurate appraisals, especially against high priced vacant holdings.

The property tax, intelligently reformed and properly applied, will provide more than enough revenue for all necessary local activities. This assumes, of course, that such services as water and sewerage should be at least partly financed by fees in accordance with usage, just as electric power and telephone service are.

There is some question in my mind as to whether the limitation on taxation is wise. The limitation on bonded indebtedness is also in question. Bond buyers and investment houses might

be the best judges of what a local unit can safely borrow. There seems to be no limit to the sales tax which now is 30 mills, compared to the constitutional limit of 10 mills on the property tax.

If allowance is made for the practice of fractional assessment this disparity is even greater. I know of some parcels of land which are assessed at less than 15 percent of their recent sales value—and a search of tax rolls will undoubtedly reveal greater disparities than that. This in itself is a flagrant violation of the constitution, yet it has been practiced for years by auditors throughout the state. And when an auditor does make an effort to comply with the constitution he may be met by angry property holders with threats of lawsuits.

The Constitution of the State of Ohio requires that property be assessed uniformly, at value. If this were done it would very likely be possible to exempt all personal property, and this would be a powerful weapon against inflation.

The effects of various federal programs are usually evident in increased values of land affected. Obviously the farm program has had a great deal to do with the skyrocketing of farm prices. A splendid opportunity arises here for local governments to benefit from federal aid by keeping land value assessments up to date on farm and urban renewal land.

It should always be remembered that there are only two items, basically, to tax: land or the natural factor, and production or the human factor (man and his production, his ideas and his management). Taxing land helps to curb speculative inflation and encourage production, whereas taxes on production tend to curb output and accentuate inflation.

**Woodrow W. Williams of Columbus Grove, Ohio, was invited to be present at a tax hearing and to offer his views which are reflected in this article.**

# Productivity Pay in Britain

by SYDNEY MAYERS

**A**MONG those who advocate Georgist principles as a remedy for economic (and social) ills, there are a sizable number who fervently believe that the ultimate adoption of these principles is inevitable—for one specific reason. The reason, they confidently assert, is that when every other scheme that can possibly be conceived by economic planners has been tried, and has failed, there will be no alternative but the free economy advanced by Henry George. In desperation, say the patient optimists, George's proposals will *have* to be applied, if only as a last resort!

Whether this concept is valid, time alone will tell. One cannot deny there is a certain persuasive logic in it. Moreover there can occasionally be discerned, though perhaps very vaguely, an indication that, other efforts having floundered, the planners do in fact turn to authentic political economy in their search for an effective answer.

One such indication appears in a recent dispatch from London, reporting that the British government, notwithstanding its current ban on wage increases, has experimentally put into effect a system providing for certain pay-rises. The new regulation establishes higher productivity as the essential basis for higher wages. Further, pay increases will be considered not on a nation-wide or industry-wide basis, but at each individual factory. For example, if it is conclusively determined that a particular plant is producing more goods with the same labor, or as much with less labor, or if production costs are lowered or labor standards raised—then the so-called "productivity pay" can be allowed. In short, if the

worker produces more, he will get more pay. As an offshoot of this arrangement, it is anticipated that consumers will benefit via lower costs or better quality, or both.

The intriguing aspect of this newly developed wage procedure is the tacit acknowledgment that wages come from production—a principle that George has constantly emphasized. Once this great lesson is learned by the British government and by Britain's workers and their unions, a long step will have been taken toward an awareness of one of the most fundamental (and least understood) economic principles: that the true and only source of labor's wages is the wealth that it produces.

Another noteworthy facet of Britain's productivity-pay experiment is that it has been adopted primarily as a deflationary measure. Inflation occurs when the supply of money is increased without a corresponding increase in goods and services. Britain is to be credited for realizing this generally ignored fact-of-economics, and for endeavoring to curb it, at least in one area. If the policy of making higher pay dependent on increased output is successful, as it should be, everyone concerned will gain: consumers will enjoy more and better goods, workers will receive more for their labor, and the United Kingdom's chaotic monetary problems will be proportionately alleviated.

It is only a step, to be sure; but it *is* in the right direction. Other steps can and will follow. And if "productivity pay" does succeed, as The New York Times correspondent says: "Britain may find itself setting an example for other countries."

Frank Chodorov, a former director of the HCS, died in New York late in December. See next month's HGN for more about this long-time Georgist.

# Noah D. Alper's Brief Cases

## DESTROYING FOR PROFIT

"So long as it is profitable to tear a building down and pave the site for parking, that is no doubt what will be done. Instead of acquiescing in the process as an immutable law of life, however, it might be well to consider what could be done to alleviate it. If the taxing power can work to produce acres of dead storage for automobiles it might also be made to work for something else—fine buildings, for example. This brings us back to Henry George who advocated high taxes on land and low taxes or none on the improvements; and it is very hard to argue with that principle."

—From an editorial in the St. Louis Post-Dispatch

## HOW IT'S DONE

A Washington service, in a special letter, called attention to the extension of the interstate highway program, pointing out that because of its inadequacy the old program will have to be readjusted and another program added. "There is money to be made . . . and lost . . . on them, depending on where the roads go. Billions of dollars will be poured into them, part to be paid by the federal government and part by the states as now."

The letter continues, "your state highway officials know about this, or they should. Check with them. The trick is to know where the roads are going in advance. Then do your planning around them. It isn't as hard as it may sound."

(When you close your first deal remember it was your friend, The Henry George News, who told you!)

## PUBLIC HOUSING—PEOPLE OR SHEEP?

"Masses of people were uprooted when landowners replaced tenants by sheep, as in England since the Tudors—or by deer parks, as in Scotland in the nineteenth century—or when famine drove families from the land, as in Ireland in the 1840's, or in China during much of the eighteenth century—or when slave raiders seized and transplanted populations bodily," writes Karl W. Deutsch in *"Nationalism and Social Communication."*

And in recent years urban redevelopment and public housing projects have done the same. The pity is that there was a much better way in which the slums and deteriorating cities and rural areas could have been upgraded along with gains in employment, production and wages. Simply collect more of the publicly earned rental value of land and untax more of the values in wealth and capital created by labor and capital providers.

## MAYOR ENDS REALTY TAX IN MANILA

Mayor Antonio J. Villegas, of Manila "has abolished for all practical purposes, all real estate taxes on residential lands and buildings.

"In an unprecedented move he directed the city treasurer to stop collecting such taxes on the grounds that taxes on such buildings and lands—and all prime essentials of life such as food, clothing and shelter—are unconstitutional," and to tax them is to tax life itself. The Mayor also points to a constitutional provision peculiar to the Philippines which makes sacred the "liberty of abode."

He declares, "if after a government employee is forced to retire at 65 he still has to pay realty taxes on his home, that would be tantamount to compelling a man to work until he dies—if only to pay taxes to the government, and that is not freedom, that is slavery."

The Mayor proposed adjusting the taxes on industrial and business realty, and imposing taxes on liquor, cigarettes, jewelry, perfume, etc. "Anyone who cannot raise money through taxation without interfering with the basic liberties of the people is not fit to be in government," said Mayor Villegas.



# Taxation's Double Standard

**"THE ASSESSOR:** His Bounty and His Victim," was the subject of an article in the winter issue of *Cry California*, by Michael Harris, a San Francisco Chronicle reporter. A tax consultant's documents had been exposed revealing extensive graft and pay-offs, and a lawyer had started legal action to recover millions in lost taxes. The story broke first in the San Francisco Chronicle, and although the situation was not new, this state-wide opening up of the scandal was the first step in attempting to deal with it.

County Assessors found themselves uncomfortably exposed, but let it be said that even with the best of intentions it is hard to interpret the assessment laws with justice to all. The assessor is a man (or in Sacramento, a woman) who determines each taxpayer's share based on an evaluation of the land, improvements and personal property.

In San Francisco, says the author, "there is a double standard of taxation, frankly acknowledged by the assessor." A group of residents in a newly redeveloped center, where horses and goats were pastured until some ten years ago, complained that they were required to pay higher real estate taxes than owners of luxurious older houses. As a result their lawyer managed to win a 15 percent cut in assessments. The assessor, Mr. Wolden, held however that older properties will generally be assessed at a lower value than those newly constructed, and he believed this to be entirely fair since it results in uniformity of assessments, and since "depreciation and high maintenance costs of older structures are plain facts recognized by assessors."

Some assessors say however that they have found no legal way to take depreciation into account. The formula adopted in San Francisco has left the

community's redevelopment agency in a state of angry frustration just as the city is attempting to rebuild and refurbish structures rather than destroy them.

But where San Francisco's assessor has chosen to subsidize the old time residents at the expense of newcomers, there are other counties where the opposite standard is followed, and where no amount of bribery will persuade assessors to favor new industries. A practice of allowing a tax exemption for a beginning period of ten years has been followed in New York and elsewhere at times in the past, but this proposal has never won support in California, where "an industry that can't pay its way is regarded as a poor addition to the community."

A situation existing in Sacramento County was described as typical. Assessors often function unintentionally as land-use planners, though they have no guidance or authorization for assuming that role. When an assessor regards a piece of land as too valuable to continue being taxed as a farm he creates a threat to the farmer "as severe as a plague of locusts." In many cases good farms have been taxed into mere subsistence operations, with no choice left to the farmer but to look for a subdivider, speculator or industrial user to buy him out. But real estate developers are not as plentiful as might be supposed, and they are prepared to buy only a small fraction of the farm land on the tax rolls. The Sacramento County assessor later resigned, the implication being that the assessment code is "clearly unworkable." It was at this point that the newly elected Dr. Irene Hickman took office (see Dec. HGN).

Property taxes in California have grown so large that practically no one regards them as fair. The farmers and elderly persons are especially vulner-



able, although the possibility exists now thanks to The Statewide Homeowners Association organized in San Diego at the suggestion of Sidney Evans, for group efforts at tax reform. An unusual proposal for tax relief to elderly residents on fixed incomes was made by the chairman of the Marin County Board of Supervisors, but was not adopted by his colleagues. It suggested a loan arrangement under which unpaid property taxes would be deferred until the final settlement of the pensioner's estate in probate court.

What is bad for the homeowner is even worse for California's farmers, writes Mr. Harris, as loss of agricultural land in the state has begun to approach 150,000 acres a year. "Projected estimates of withdrawals to the year 1975 indicate conservatively that approximately one-fourth of the land suitable for agricultural use will be converted to non-agricultural use." Prime agricultural land in the Los Angeles basin was "gobbled up years ago by urban sprawl." Much fertile land has been permanently withdrawn from production in the process. Farmers who would like to produce the much needed food supplies are being forced out by tax bills that cannot be met.

A mistaken assumption is that the farmer is free to sell his property to a subdivider or other urban-use developer—he is free to sell only when there is a demand for the property at the price level established by previous sales. It has been suggested that farmers could be protected by having their land zoned for agricultural purposes only, with taxes set on the property's value for farming. If a farm in this protected status should later be sold for a subdivision or factory, the farmer would be required to pay back the savings he had gained in taxes for a fixed period—five years or perhaps ten.

However, a constitutional amendment in 1962 designed to protect owners of farm land by zoning it as

such, was defeated. Farm organizations supported it, but it was mainly the big suburban holders and builders who sighed with relief when the measure narrowly lost at the polls. Speculative purchases of farm land are responsible for the familiar urban blight known as leapfrogging. To the rapidly rising property tax bill paid by farmers is added the increased cost of public services, in newly developed areas.

The basic problems are hard to solve says Mr. Harris. "It has been urged that redevelopment of cities could be encouraged by taxing only the land and not the improvements on it—the 'single tax' proposed by Californian Henry George in *Progress and Poverty*. The approach does, indeed, serve to encourage property owners to replace slums with new housing and to substitute garages for parking lots. But unfortunately the farmers fear that a tax system based entirely on land would increase the burden.

It has also been argued that not the land but the income from land should be taxed; or that a ceiling should be imposed on property taxes; or that assessment laws should be revised on property taxes; or that assessment laws should be revised drastically to take away much of the discretion that assessors now have which make it difficult if not impossible to appeal.

But in all the welter of differing opinions there is agreement on the fact that reform is necessary. This could aim toward revision of the tax law, with more uniformity between counties; or it could mean that Irene Hickman of Sacramento is right in saying the present law should be upheld (though it never has been) to tax land at full value, based on its location—the Henry George method. No one can be sure this would not work like a charm because no one has fully tried it. But where it has been even partially in effect the striking results have caught the attention of alert planners.

## Zoning — Another Volstead Act?

WALT DISNEY'S contribution to his time was immeasurable. Because of his success and his integrity he was the bidding enterpriser selected by the government to develop California's Mineral King in the Sierra Mountains. The good news leaked out in 1964—a perfect demonstration of how free enterprise can function successfully on publicly owned land. The effort will be well repaid by the favorable results destined to occur.

However, in Three Rivers, a town some 35 miles from the development, a good backfires into an evil, observed W. E. Pereira, Los Angeles correspondent — and under our present system of taxation, using archaic laws, the "evil that men do lives after them." For land speculation and all its attendant evils have so impregnated the minds and hearts of the people that friendships of more than a quarter of a century were broken, people who have been friends all their lives are fighting, and a county supervisor said, "you are not the people I used to know, this battle has changed you into something to be ashamed of."

It is reported that realtors moved in and property began to change hands with prices soaring in some cases to five times what they were a couple of years ago. A 37-acre parcel sold three years ago for \$80,000 was resold for \$459,000. One acre was sold to an oil company for \$40,000. Another parcel of 27 acres sold for \$75,000 three years ago, was resold for \$127,000, and six months ago was sold again for \$235,000. It is said to have a market value today of \$500,000.

The County Director of Planning

feels a plan is urgently needed. Zoning was proposed, but there was no master plan to follow. As to zoning, we could categorize it as another case of the evil that we do which lives after us. A cousin to speculation and fellow-traveler with it on the road to inflationary disaster, Wolf Van Eckardt wrote in the Los Angeles Times, October 9, 1966:

"Zoning is somewhat like prohibition in its day; it is a noble experiment that has failed. As an act of government, it was meant to assure virtue, but zoning invited the vices of bribery and profiteering.

"Worse, it plainly has not curbed the country's current binge of rampant, reckless and ugly urbanization. This is a fact that must be faced if we want to stop not only the increasing corruption of suburbia's local governments but also the increasing pollution of our land.

"Yet while we read quite often about a builder or local official (who obliges by being both at the same time) making zoning deals, we read far too little about the intricacies and inadequacies of the zoning game itself. It is time the discussion got started."

Is it any wonder that following a wave of rampant speculative rises in land prices, labor and capital, already heavily burdened by taxes on their honorably earned fruits, cannot afford to invest themselves? The umbrella of protection makes land speculation legal. Like zoning, it seems to be an experiment that failed, because not taxing land values heavily denies the most natural source possible for revenues to communities.

The battle with the slum began the day civilization recognized it as her enemy. It was a losing fight until conscience joined fear and self-interest against it. When common sense and the golden rule obtain among men as a rule of practice, it will be over. The two have not always been classed together, but they are plainly seen to belong together.

— Jacob A. Riis



It was good news to learn of the new Hong Kong extension in the December HGN. Perhaps your readers would like to know what "seeding" produced this.

A nurse who took the course at St. Louis went to Hong Kong to serve with the Lutheran Hospital there. Although there was no response from her over the years to indicate interest on her part, our school material followed her.

It happened that she lived in the same complex of apartments occupied by Dr. Wong Po-Shang\*, and no doubt feeling he was a better repository of this material than a waste basket she passed it on to him, after learning that he was an economist. Later she asked that his name rather than hers be placed on our mailing list. We did not remove her name however.

From that time on publications of various kinds were sent regularly from the school and the Public Revenue Education Council. Correspondence and friendship grew, and Dr. Wong became a very good pen-pal.

Everyone loves Johnny Appleseed who planted apple trees wherever he went. Georgists too can be seeders of economic knowledge. Some of the seeds will take root.

NOAH D. ALPER  
St. Louis, Missouri

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\*Dr. Wong's name was misspelled in the announcement last month. He is Dr. Wong Po-Shang and he is director of the newest Henry George School extension.

It is difficult to single out particular important parts of that remarkable book, *Progress and Poverty*, because

almost every paragraph contains an important truth. Henry George's evaluation of, and his insight into, human nature are important because they enabled him to present cause and effect in a manner that is sincere and convincing.

This is more than a book on political economy. It is also a good study of the problems of our times from a psychological and philosophical approach. The idea of a single tax is the most creative and therefore the most important part of the book. It is revolutionary and at the same time conservative — revolutionary because it renounces injustice, conservative because it preserves equal rights on which our constitution is founded.

I think that Henry George's idea of a single tax is a sound one and it should be considered thoughtfully by all, and in particular by our leaders.

RUSSELL LORD  
Biddeford, Maine  
(A correspondence  
course student)

I enjoyed reading Kate de Fremery's article in the October HGN, "An Appeal to Youth." It had some interesting ideas. In the area relating to the religious influence of the parents upon young children, the Bible, coming out in modern publications now, has created a new interest and resurgence in Biblical literature and ethics. After all, where did Henry George go for his fundamental concepts on land but to the biblical source? I found the children in a Sunday School class of mine very interested in the Jubilee and Sabbatical years with regard to land ownership. I may not have made Georgists but who knows — as Robert Clancy says, "a seed is sown." At any rate, it makes for very good discussion.

HELENA KAVALIER  
Wethersfield, Connecticut

# *The Henry George School in the News*

**SAN FRANCISCO** enjoyed its winter banquet on December 16th with everybody turning out to hear and applaud Dr. Irene Hickman. By this time Georgists around the world surely know that Dr. Irene Hickman is the first woman ever to have been elected an assessor, and that she endorses Henry George's principles. So when she spoke on "Why One Hundred Percent," her audience was with her one hundred percent. Whoever would have imagined the dismal science could arouse so much interest? She was introduced by Hon. George R. Reilly, Chairman of the State Board of Equalization.

**DETROIT** graduates came out on a snowy night for the graduation exercises at the Whittier Hotel on December 10th, when Robert Clancy, the school's director from New York, was the speaker—Robert Benton, Michigan director, presided. Among out of town guests were Mr. and Mrs. Benjamin Smith of Grand Rapids. The headquarters of this Michigan extension are in Royal Oak where activities are conducted from a handsomely appointed office. A new promotion circular has been prepared whereby prospective students may indicate their own choice for a class location.

**BOSTON** held its commencement in the Arlington Street Church on December 12th. William Camargo, Head of the Spanish Division of the HGS in New York spoke on the international work of the school. Sanford Farkas was the chairman. The Boston director, Mitchell S. Lurio, has been conducting basic classes for some time in

this church near the Boston Common, and will soon begin a class in Applied Economics.

**NEW YORK** advanced classes begin the week of January 9th with three in Applied Economics and one in Economic Science; also, History of Spain, Public Speaking, History of Economic Thought, Money and Credit, and Introduction to Linguistics. The basic course, *Progress and Poverty*, begins January 16th with classes Monday through Friday. Economics classes in French, Spanish, Italian and German begin the week of January 23rd.

Lancaster M. Greene, investment counselor and treasurer of the Henry George School, will begin the Fridays at Eight series on January 6th with his ever popular market message. On January 27th Dr. Pasquale Cerasoli will discuss "The Chiropractic Approach to Health." January 13th and 27th will be film nights.

The first faculty and friends dinner of the year will be on January 7th at headquarters. A discussion will follow at 7:30 on "Russia Today." Professor Ellsworth Raymond of New York University will speak, also Jack Schwartzman; and Nathan Gish will show color slides. Sydney A. Mayers will preside.

Newsletters in three different languages have been launched at headquarters for graduates of the foreign language divisions: Bulletin Georgiste (French), Georgist Nachrichten (German), and Notiziario H. George (Italian). These will be issued periodically and everybody is invited to send in news items which may be of interest to readers abroad.

**1967 marks the 35th anniversary of the Henry George School.**



## *"Come One Come All to Montreal"*

**D**URING 1967 you will be hearing a lot about a large bilingual region to the north known as Canada. And considering the traditional modesty of our sister country we should welcome the chance to listen and learn about its hundred years of history and culture.

With this in mind it was kind indeed of the Montreal extension to invite the Henry George School to hold its annual conference there next summer when the international Expo 67 will be in full swing. A colorful folder printed in French and English, promises great sights and wonders: "Habitat 67" for instance will show a complex of dwellings in which the roof of one house forms a garden for the one above—Canada's answer to rising land prices?

The conference of the Henry George School will be held from July 26 to July 30th at College Jean de Brebeuf. It is centrally located, and modern accommodations at low rates are available for those who reserve early. A world's fair city is always a crowded city, and only the far sightedness of the Montreal Georgists made possible the use of this meeting place.

Among speakers who have already consented to be present are the Hon. A. W. Roebuck, Canada's famous Georgist Senator, and Archibald McColl, engineer, sheep raiser (see p. 1) and humorist, both of Toronto.

Strethel Walton, though officially "director emeritus" is on the scene and will keep everything on course. Louis Girard, a new member of the Montreal staff, will also be on hand. Classes are being conducted in French and English. Harry Payne, President of the Board of Directors, and others, have been carrying on the school program.

Over in Toronto classes in Economics and Social Philosophy are in progress at ten libraries and YMCA's, with

registration limited in each case. This is a 12-week course with fees of \$35 for individuals and \$45 for couples.

This is Toronto's thirteenth year of reactivating the School of Economic Science, with discussions of natural laws, distribution of wealth, overpopulation, socialism, capitalism, international trade, money and inflation, slum clearance, monopoly and price mechanism. A similar course began in the YMCA in Oakville, a suburb of Toronto in September. Laurie Mannell, successor to director James Ramsay, lives in Oakville where he makes plans for Toronto's Georgist activities.

The Fridays at Seven are dinner meetings the first week in every month, which are proving popular with couples who enjoy good food in pleasant surroundings at the Commercial Travelers Building. At the December meeting Clive Goodwin, Executive Secretary of the Ontario Conservation Council was the speaker, and gold stars were handed out to last year's teachers to add to their diplomas.

On January 6th the annual election of officers will take place and the speaker will be the distinguished Georgist, Dr. Ernest J. Farmer. Visitors are welcome as always, but only Alumni Group members will vote.

On Thursday, January 5th, a class in Political Economy will be started at the Coxwell YMCA. This will be a 10-lesson course with a fee of \$10.

James Ramsay now lives at 702 15th Street S.W., Calgary, Alberta. He has started three classes there and with the help of Don Freeland, a college student in Edmonton, he expects to have classes going in Edmonton soon.

These are "free wheeling" round table discussions held usually in the evenings. On Tuesdays and Thursdays however, there are luncheon meetings at the YMCA where students bring their lunches and are served coffee.



*(Continued from page 1)*

\$75 million in wheat, flour, dried peas and beans to India), must continue to produce under a tax load that would set his U.S. cousin to screaming louder than he does now. India has millions more cows than we and maybe they will send us some of their "religious" cattle before we starve to death.

Some reward for trusteeship should go to the freedom loving farmers who with strong backs and oxen built the one-room schoolhouses that educated the next wave of immigrants. Then they showed the third wave of immigrants how to drive horses and operate machines. They took them into their homes and taught them the language and the decent, beautiful life of freedom. The "hired man" who never got less at the table than his employer, became a person of importance and often started a farm or business with a small loan from the farmer.

Yet these old fashioned cultivators did not appreciate the freedom they found here. They are voting now for the Nazi-ism of real estate developers, and are doing it in the name of progress.

There are laws that farmers cannot shoot the wild life, so the pastures fill up with deer and wolves to the detriment of cattle, and the hills abound with marmots dangerous to all livestock. Weasels and skunks are "cute," but gone are the flocks of turkeys, peacocks and guinea hens that kept the grasshoppers under control on every farm in Ontario. So down with freedom, up with food prices. Exterminate the farmer, boost the real estate developers.

Sheep are destroyed by roving packs of loving little family pooches who "would not hurt a thing," but their yapping and barking are death to the sheep, for you can't run with a heavy woolen overcoat without getting a heart attack. So Canada imports "lamb" from Australia, and more than 60,000

carcasses from the U.S. And now our weed controllers are gone, for the sheep are browsers, they clear the fence lines of weeds and keep the woodlot as clean as a park. The veterinarians, graduates of our Department of Agriculture schools, make millions with dog hospitals, but they haven't time to come out to see a cow that may have eaten deadly nightshade or had udder contact with poison ivy—all of which would be eliminated from the face of the land by sheep. I still keep some sheep. It makes the old place look pretty good to have land clean of weeds. Of course I could buy chemicals and kill the weeds and all the birds too, but I believe in freedom for birds and sheep, even if it is unpopular.

The highest priced land is in cemeteries because it is so hard to get a permit to start one. Around Toronto you pay about \$4000 for a family plot, but if you neglect to use it for 40 years they can take it back from you. In any case it can be expropriated for progress, such as making a concrete parking lot for the public good. But I have a sneaking suspicion these cemetery salesmen are in with the developers who want to get plenty of people to starve to death and fill up their cemeteries.

I think I have got it! I will start a dog cemetery and will sell 4' by 2' plots on my hilly farm with \$25 as the basic price. If we conduct the funeral of the dog from his home to his last resting place we will charge \$50, with music and hymns in our chapel, which we will later develop. These cemetery developers get land tax freedom for giving perpetual care. Maybe I can bamboozle enough dog lovers to come to the aid of the dog burier to influence the vote so I too can be tax free. Well, as this country is trying to go to the dogs anyway, why not?

But we are so rich and have so much to steal that we hardly miss the take

for the politicians, the land grabbers, the planners (who want to run our lives), and the welfare and social workers (who want to manufacture poverty to keep themselves in a job and supply a reserve threat to the workers who dare ask for better wages). So we speak of poverty as something that occurs in the hinterland of New Brunswick, or among the quaint starving Indians of the James Bay region (who are not resourceful nowadays, in spite of the efforts of a \$10,000 a year Indian Affairs agent who hands out the treaty money and makes sure they do not get out of the rut so he can keep the job).

Or maybe poverty exists only among the indigent Eskimaux of the shacktown of Whitehorse, Yukon, or among those happy booze drinking Algonquin chiefs of the Muskoka who guide tourists in the summer to pleasant hunting and fishing grounds and do not have sense enough to provide for the winter and pay taxes. They just laugh at us, produce an old parchment from some ancient box of junk, show us a great red seal and the signature of King Charles II (he was a happy drunk too) or Queen Victoria (she was not), and

"Arch" McColl, bridge builder and fifth generation Canadian, was the project manager for the Chatham Bridge (3,817 feet). He has lived and worked in North, South and Central America, also in Greece, French Africa, Nicaragua and Haiti. While in the Miramichi area of New Brunswick he made many friends and often spoke out against the tax inequities, trying to make local people aware of their tremendous natural advantages. (See HGN Jul. & Nov. 1964; April. p. 11, '65; Jan. p. 6, Jun. p. 11 & Aug. '66).

then go buy more booze with the treaty money. None of them have ever gone to the bughouse for trying to figure out an income tax form.

Well, let them laugh and drink. They live in the richest country on earth. There are monopolists who own much of the world's copper, practically all of the nickel, all of the asbestos and most of the potash, not to mention oil. Canadians already use more power for man-hour of work than any other country. There is an abundance of land in Canada worth \$5 million an acre paying a tax of only 5 cents an acre, and there is still plenty of opportunity for freedom lovers to get some of it before it is all gone.

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If you are the type who talks to strangers in restaurants or buses you can repeat anything you read in The Henry George News and gain attention. And if you are a \$10-a-year member of the Henry George School your News comes to you free for twelve lovely months. Aren't you glad?

Mr. Robert Clancy,  
33-53 82nd St.,  
Jackson Heights, L.I., N.Y. 11300