

HENRY GEORGE NEWSLETTER

Volume 56, Number 3

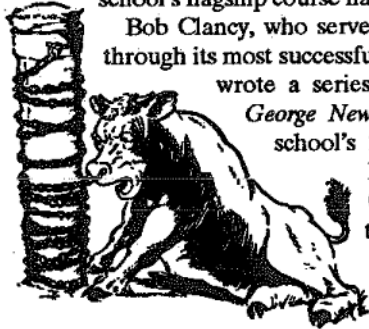


May - June, 1992

HENRY GEORGE SCHOOL: The First Sixty Years

The Henry George School of Social Science was founded by Oscar Geiger in 1932. Sixty years ago! During those years, the New York headquarters has had five locations and seven directors - and approximately 150,000 students have completed the basic HGS course over the years.

The numbers become especially impressive when we realize that the Henry George School has always relied on volunteers to do its teaching. Its staff has always been small, and its funding has always come from contributions. Through depression, world war, the McCarthy era, sixties social upheaval, seventies doldrums, and the greedy 80s, the school has managed, somehow, to keep going. It has managed to develop innovative new approaches and yet - for most of its history - to keep its core intact. That core is the school's course in *Fundamental Economics*. The syllabus, divided into ten weekly sessions and provided with supplemental readings, has been revised and updated, but its basic pedagogical approach is that of the *Progress & Poverty* course developed by Oscar Geiger. Like its classic text, the school's flagship course has stood the test of time.



"Are we Americans like this bull - IN A SPOT?" From the St. Louis HGS, 1950

Bob Clancy, who served as Director of the HGS through its most successful period in the 50s and 60s, wrote a series of articles for the *Henry George News* on the occasion of the school's 25th anniversary in 1957. In the first he spoke of Geiger's conviction that the movement needed an educational foundation on which to build:

For many years Geiger carried the school idea within him. He was an ardent follower of Henry

George and watched the emergence of a movement under its leader's guidance, saw it flourish for a while, then decline and become all but extinct. [In 1932,] the world was bewildered and chastened by a long depression. And Geiger who had become jobless as a result of the depression was living on his savings. It was thus that in this time of Georgist, world and personal adversity, Oscar Geiger made his decision and brought the school into being.

In the summer of 1933 the school moved into its first home, at 211 West 79th Street. A year's rent was paid by a student, Leonard T. Recker, and early fund drives raised enough to establish a secure financial basis for the school's survival. Through the 30s the school built a strong program of classroom teaching, correspondence courses, and support for extensions in other cities.

The school's program was diminished - but not destroyed - by World War II. Bob Clancy in 1957:

As the European war waxed, Americans were divided on the issue, and so were Georgists. Feelings on both sides ran high in the school and the controversy reached the pro-



Oscar Geiger

portions of a split, until that fateful day, December 7, 1941, took the matter out of the realm of discussion. [Teachers and students] were involved in the war effort, and so it was that 1942 to 1945 were ebb-tide years. But - and this is important - the work did go on. It was not like World War I, which crippled beyond repair the great Georgist political efforts that had been going strong prior to the war. This seems to me to indicate that Oscar Geiger was right in his diagnosis of the Georgist movement, and that the educational work was truly a solid foundation that would make continuous growth possible.

Ebb-tide or no, it was in 1944 that the school moved into its finest headquarters at 50 East 69th St. Many oldtime Georgists remember this place with pride - its spacious auditorium and classrooms, commodious library, graceful winding staircase, student lounge, and restaurant on the premises.

Since it was sold in 1980, the school has made do with progressively less space.

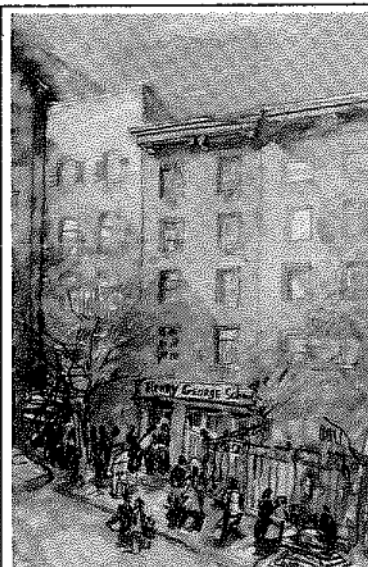
The Henry George School's programs flourished in the 1960s. Perhaps the social ferment of the times led more people to question fundamental economic relationships, or perhaps years of plodding work were simply bearing fruit, but during those years the school's activities on many fronts reached their greatest height and breadth. A perusal of the 1967 annual report, for instance, shows: daily *Fundamental Economics* classes (over 700 graduates that year in three languages,) correspondence courses (over 700 graduates in five languages,) and reports from 23 extensions, 13 of which were outside the U.S.

The early 70s brought a sea change in the school's educational program. Arnold Weinstein, elected president of the Board of Trustees in 1968, felt along with other board members that the school had to achieve greater academic clout in order to fulfill its mission. Accordingly, a prestigious academic advisory council was named, and attempts were made to hire a tenured economics professor to direct educational programs. This was not achieved at the time. The school continued to explore the land question; various modernizations and extensions of the *Progress & Poverty* course were developed.



...asked a New York HGS flyer, mid '40s

asked a New York HGS flyer, mid '40s



121 East 30th Street, New York. Watercolor by visiting Russian urban planner Prof. Yuri Bocharov, 1991

The school continued to supplement its basic teaching with new approaches in the 70s and 80s. Director Philip Finkelstein initiated the Center for Local Tax Research in 1977, to provide students and researchers with (continued on page 7)

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(403) 242-4291**EDITOR'S NOTES**

This issue marks the sixtieth anniversary of the Henry George School with a history by Assistant Director Lindy Davies. Lindy's second piece on a *Market for the Environment* shows that the philosophy and analysis the School was founded to teach has much relevance to what is seen by some to be the number one problem of the turn of the millenium. Sadly, the United States seems to have little to offer but obstruction at the upcoming ecology summit in Brazil. Is environmental destruction another legacy of Christopher Columbus? Hopefully the Georgists gathering in Santo Domingo this June will offer some hope to the world.

Bob Ringham was the photographer whose picture of the Chicago Henry George School was reprinted in our March-April 1992 issue. The photo was originally published in January 12, 1992 issue of the *Chicago Sun Times*. Our apologies for inadvertently omitting this well deserved credit due Mr. Ringham.

Homelessness: According to the Coalition for the Homeless, a wave of evictions hit New York City this past winter. "One hundred thousand homeless people are being chased from parks, subways, vacant lots and all public spaces and being told that they must enter shelters that are full of TB and crime -- shelters that even the Mayor's own Office of Homelessness admits do not work. Thousands of squatter/homesteaders who have spent years creating homes in abandoned buildings are being told that they will soon be thrown into the street. The eviction of tenants has tripled as we enter an economic recession and the Housing Court adopts procedures to legally speed up the eviction process! The people in all three of these groups are victims of a housing crisis that has been artificially created over a period of twenty years in order to rid the city of the poor and keep the rents outrageously high for everyone else."

Libertarianism & Feudalism

Our January-February issue this year included *A Model of Politico-Economic Systems*, created by Bret Barker of the Los Angeles HGS. Bret's pyramid diagram places Free Market Classical Liberalism at the top, Socialism on the left, Capitalism on the right, and Totalitarianism at the base, with a left-right Communism-Feudalism-Fascism spectrum. "Feudalism" is defined as an "historical equivalent to command economy. A modern philosophy which would

achieve this is Libertarianism." The editorial caption asks "...what would happen if all land and all government functions were to be privatized?"

Several responses were received, and we reprint portions of them below. We thank those who took the trouble to write to us, and we hope they understand our need to edit the letters to fit in the space available.

From Sam Venturella, President, Chicago HGS: I am glad to find that someone else sees what would be the practical result of the Libertarian philosophy now espoused by a majority of libertarians (I use lower case here to include both Libertarian Party members and non-member adherents of the philosophy and platform). The philosophy is very well expressed by David Friedman [son of Milton] in his *Machinery of Freedom*.

However, it seems to me that it is not only the libertarians that hold the idea of absolute private property in land, and privatization of government functions. Conservatives also hold these ideas, along with elimination of the real property tax and substitution of consumption taxes for the income tax.

From Carlotta Anderson, Glen Echo, Md.: I was a little confused by *A Model of Politico-Economic Systems*... I am somehow unable to make the leap from Libertarianism to Feudalism and totalitarianism. The encyclopedia characterized feudalism as consisting of strict division into social classes and a land-holding system dependent upon the fief or fee. The nobility were essentially a military class and the feudal system was necessary for military protection. Now what does this have in common with libertarianism?

I think words are being used very loosely and irresponsibly here..."

From Terence J. Colgan, Staten Island, New York: Feudalism... was a political and military system in medieval Western Europe based upon contractual relationships among the members of the upper classes. It is not to be confused with manorialism or seigniorialism, terms we associate with contemporaneous agricultural practices and with serfdom. [Its] origin can be traced back to the collapse of the Roman Empire. With weak central governments ... the people needed to devise a system of protection. The king made land grants to the lords in return for military service. Vassals who paid homage to their lord would receive a portion of these fiefs on which to live and work. The contract, freely entered into, bound them to the land. This era definitely had a

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SOUTHERN CALIFORNIA NOTES

"Depression - Why do we have it?" was the question under discussion at the February (7th) Friday Dinner of The Alumni Group. Gathering at Gustav's Jagerhaus in Anaheim reflected a new approach of regional supper clubs instead of centrally located meetings. This month was Orange County's turn. Cover charge for the program was \$3, with participants free to choose a dinner suitable to their palate and wallet.

Dinner and discussion were chaired by board members Margil Wadley and Frank Titlon, respectively. In addition to discussing what went wrong with the "Reagan Revolution", a topic basket was introduced. Before the main discussion, questions put into the basket were laid on the table for consideration.

On Monday, March 30th, an Alumni gathering at Gustav's discussed "Overpopulation" versus "All Devouring Rent Theory." Was Henry George correct in positing that ever-increasing land-rent was the true cause of poverty with progress, rather than Malthus's theory of ever-increasing population? A special guest at this evening's gathering was Mr. Harry Ball Wilson, an English Georgist who is a strong advocate of proportional representation - a method of voting that gives value to every vote, not just the majority.

Most recently, on Monday, May 6th, HGS Director Harry Pollard was the featured speaker at the Albert J. Nock Forum & Southern California Supper Club. His topic was *No Barriers! No Borders! The Case for Radical Free Trade.*

KOREAN LAND SCHOOL TEACHES GEORGE

Dr. Wong-In Koh reports from Seoul that the training materials sent by the New York HGS have proven to be "very adequate" for use by the Henry George Association of Korea's Land School. Every Saturday twenty regular participants gather for a four-hour seminar and workshop, studying the unabridged *Progress and Poverty* and reviewing homework they have done using the materials sent by the HGS. A Korean dubbing of the HGS videotape economics course is expected to be completed and ready in a few months.

A threefold approach is being employed in Korea. Theoretical understanding and development is the task of the HG Association; the Land School trains experts for Habitat for Humanity, which is the third organization involved. In addition, the Association has strong

IS "BIG BROTHER" WATCHING?

On May 8th, as part of its Friday Evening Forum series, the School was host to award-winning investigative reporter Dennis King, who conducted a seminar entitled *Is Big Brother Watching?* King, most recently the author of *Get the Facts on Anyone*, began by outlining the ways in which most people leave a "paper trail", a semi-public record consisting of personal and background material about their private lives. This information, gathered on people from court records, credit agencies, federal tax lien indexes, even the Department of Motor Vehicles, is collated and fed into what King called an "elaborately organized data network." This network, made up of various organizations, the Federal Government, large corporations and private investigating companies, works through "information broker firms" which sell and trade information to anyone, including private citizens.

The amount of information and its easy accessibility is staggering. For instance, King says, the credit company TRW has data "on just about everyone in the US." Whenever a county court house updates its computer file system "there are people with portable computers lapping it all up." So intensive and up-to-date is the information gathered by corporations and private investigators, that Federal agencies like the FBI and CIA often plug into these sources for the latest info on people and organizations.

*Practice random kindness
and senseless acts of beauty.*

King's take on all this is rather benign. Taking what might be described as a laissez-faire approach to the constant circulation and exchange of personal histories, King sees a sort of equilibrium of surveillance-- if some one can get the facts on you, you can turn around and get the facts on them, providing of course you have the time and money to do so. If your landlord or local politician is engaging in some unseemly activity directed against you or your community, you can, according to King, turn the tables on them, access the darker side of their private life and threaten to make it more widely known. You can now, following King's reasoning, fight any potential information adversary to a draw -- a kind of mutual deterrence based on blackmail. King sees this state of affairs as "democratic."

In line with this commodification and marketing of information both public and private, King's book, *Get the Facts on Anyone*, is a how-to manual that promises to teach you how to gain access to just about anything about anybody-- "even the phone number of your favorite celebrity", according to the backcover. While stating in the introduction and in a few chapters that these techniques can be put to good and effective use by individuals and public interest groups fighting the abuse of public trust, much of what is actually being offered is how to pry into peoples' medical and welfare records; chapter 11 even has a sub-heading entitled "Subject's Garbage".

While none of these techniques may be objectionable in a particular moral or legal sense, one may wonder if the encouragement of widespread information-hacking doesn't lead to a general surveillance-ambience, a culture of mutual distrust. --David Domke



roots in the Christian community in Korea, and half of their students are members of the clergy. Christian perspectives are offered on Biblical Politics, Korean Reunification and the Land Problem, and other related themes. For example, Reverend Archer Torrey, founder of HGAK, recently delivered a speech on the Global Land Problem.

With the land market cooled down, "due to government policy resembling Georgist means" reports Wong-In Koh, "we believe it is proper time to start our activity again to be prepared for the reunification of the Korean Peninsula."

You may contact the Henry George Association of Korea at Suite 602, Koryo Building., 6 Yekwan-Dong, Choong-Gu, Seoul, Korea (Tel: 02-271-3701 or 02-269-4900. Fax: 02-271-3704).

Libertarianism & Feudalism

(continued from p.2)

system of justice....our[s] is basically derived from it. The Magna Carta is one of the major contributions of this period. The nobles did not allow the king to acquire too much power. The reverse was also true.

.... This is not an arrangement which libertarians would be ashamed to be associated with... On the contrary, they strongly advocate it. The attempt to limit the power of the king (central government) would also please them....

It is not necessary to think what would happen if all land were to be privatized since this has basically been the situation for centuries.... with the state as the cause of one segment of society holding the upper hand and of class conflict and class status (see Franz Oppenheimer's *The State*), why advocate the maintenance of what we have?

....Also, feudalism is referred to as the equivalent of a command economy. Since commerce was very limited, as was the use of money, and since a command economy exists where the government has direct control over the economy, it is too extreme to associate feudalism with a command economy."

From Fred E. Foldvary, Alexandria, Virginia: It is incorrect [to classify libertarianism as feudalism] on three counts. First... under feudalism, the serfs were tied to the land. In a libertarian society, they would be free to leave any territory...

Second, libertarianism is identical to classical liberalism and the free market... it makes no sense to then put libertarianism under the opposite category, command economy.

Third, if all government functions were privatized, land values would collapse. How is this "feudalism"? Billions of dollars of tax money is spent on public goods that subsidize rent. If these services are privatized, the burden for streets, police, parks, etc., would fall on landowners. Thus they would not only get much less rent but pay more out of rent for services, which would result in a crash of land values.... much more Georgist than the current system, yet by opposing libertarians, so-called Georgists favor today's more feudalistic system....

The diagram shows no understanding of markets. Proprietors gain income from providing access to land and services, and they compete to do so.... people need to be located in land, but the title holders would compete vigorously to provide that service - precisely because it generates rents!... only by allowing use

can a landowner obtain rent. Therefore, power and authority would be exercised by everyone, including workers and consumers. ...land hogs would pay dearly for holding idle land, since they would have to bear the costs of protecting their land title and obtaining access to utilities such as roads.... Rent, not land itself, should be common property. Land title consists of a bundle of rights, of which rent is only one. Having land held in private titles does not contradict the concept of land holders being stewards.... true free-market libertarianism requires compensation for the use of land, but the diagram does not distinguish true geo-libertarianism from the incorrect statements of those writing in the name of liberty....

Even if the diagram refers to mistaken pseudo-libertarianism, the claim that such a philosophy would result in a totalitarian society is unproven and unlikely... [because] land values would most likely collapse if land titles were no longer recognized, protected, and subsidized. Indeed, implicit in the anarchist abolition of land titles is the recognition that land is inherently common.

Bret Barker replies:

We thoroughly appreciate the criticism our diagram has attracted. The criticism centered around our association of Libertarianism with feudalism, or a landlord directed command economy.... Let's be perfectly honest with respect to property in land: *If no mechanism exists to redistribute the economic rent which private*

landholding accumulates, a society will develop in which a minority control the natural resources upon which everyone depends for existence.... The serfs of the European Middle Ages are but a classic example of this phenomenon. (The widespread poverty in Latin America and the US today point to the persistent problem of absolute property in land without justice.)

Because Libertarianism does not effectively promote justice with respect to landholding I feel it would lead to nothing other than a neo-feudalism. Serfdom is not libertarian, but where libertarianism ignores the effect of absolute private property in

land, feudalism will return as sure as the landed estates of Ancient Rome contained the germs which brought the citizens of its empire slowly to their knees! The word landlord should not be taken lightly.

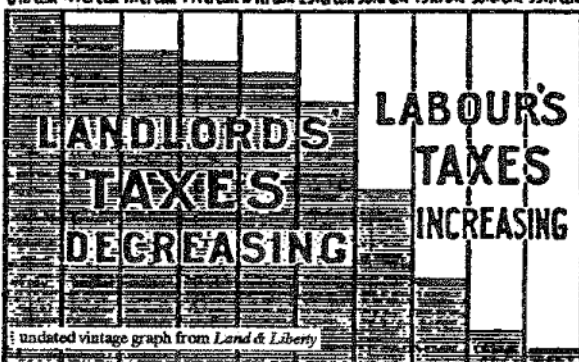
Georgists, on the other hand, emphasize liberty and justice for all. By liberty we mean a condition of individual freedom that is tempered by accepted restrictions which are sensible - and apply equally to all. By justice we mean that people should own the results of their own exertion and have an equal right to natural resources... absolute private use of land with compensation to the community in proportion to the value of land held. As Thomas Paine once said: "Men did not make the earth... It is the value of the improvement only, and not the earth itself, that is individual property... Every proprietor owes to the community a ground rent for the land which he holds."

Henry George said it best in *Progress and Poverty*: "There is but one way to remove an evil - and that is, to remove its cause. Poverty deepens as wealth increases, and wages are forced down while productive power grows, because land, which is the source of all wealth and the field of all labor, is monopolized. To extirpate poverty, to make wages what justice commands they should be, the full earnings of the laborer, we must therefore substitute for the individual ownership of land a common ownership. Nothing else will go to the cause of the evil - in nothing else is there the slightest hope."

The Landlords Threw off their Taxes

AS FOLLOWS:-

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Feudalism broke down in England when the "nobles" decided to keep more & more of the rent for themselves, not paying their dues to the crown. Then they took more lands for themselves, evicting the peasants, and enclosing the commons in order to graze sheep, for a greater income. Were they just responding to market forces? The peasants, no longer tied to the land, were now "free" to starve in the cities, be executed for pickpocketing, or work for subsistence wages.

Ground rent...is the tribute which natural laws levy upon every occupant of land, as the market price of all the social as well as natural advantages appertaining to that land, including, necessarily, his just share of the cost of government....Those who actually receive ground rent, or who could receive it if they would, form the class which we call "landlords." ...Year by year they assess the value of the privilege of occupying the land.... Everyone runs after the landlord, to tell him what his land is worth....The landlord...is Nature's elected tax-gatherer. But Nature does not compel him...to pay over to the state what he collects. This must be done by the state itself.

*-Thomas Shearman,
Natural Taxation (1895)*

ALANNA HARTZOK CAMPAIGNS FOR LOCAL & GLOBAL REFORMS

Alanna Hartzok continues her personal campaign for peace and social justice. As staff writer for the newspaper *Public Opinion* in Chambersburg, Pennsylvania, she had a recent feature on the front page of the Home section of the February 19, 1992 issue. "Municipalities seek fair tax rates" explains how some seventeen Pennsylvania communities are taxing land values higher than building values, to the benefit of most homeowners.

Ms. Hartzok opens the article by taking on the Franklin County commissioners who think a local income tax is fairer than a real estate and property taxes because "they have no bearing on a person's ability to pay." The commissioners said they were not familiar with the two-tier property tax that eases the burden on most homeowners (and almost all tenants). In response, Ms. Hartzok marshals the evidence presented by Dr. Steven Cord of the Center for the Study of Economics.

Another concern dear to Alanna's heart is *Building a More Democratic United Nations*, which happens to be the title of a new book to which Ms. Hartzok contributes a chapter. Her chapter and the others are the proceedings of the first international Conference on a More Democratic U.N. (CAMDUN). Her fellow contributors include George-supporters Dr. Harry Lerner (Convener of the Peoples Assembly, a UN NGO, non-

As reported in our last newsletter, our guest economists from Moscow learned a lot about how Americans make a living. In turn, we learned how Muscovites have fun. Our bon voyage reception featured a delicious spread of food donated and prepared by trustee Fryda Ossias. Wonderful gifts, such as a Russian samovar, were presented by our guests to show thanks to the many volunteers and staff persons who welcomed them. A surprise birthday cake was presented to Prof. Jack Schwartzman in honor of his 80th birthday. As spirits rose, so did voices, Jack's included, in Russian song. The celebrating and farewells continued into the night at volunteer Lynn Yost's apartment, where Muscovites and New Yorkers joined in playing and singing American as well as Russian favorites -- quite an ending to an unforgettable three weeks.



governmental organization), and the late Elizabeth R. (Betsy) Dana (a World Federalist and founder of The Georgist Registry).

Addressing the proposed Second Assembly of the UN (representing people rather than governments), Alanna suggests that it be based on fairly sharing the earth. She suggests that revenues for the Second Assembly programs come from a "common heritage fund" rather than adding any more burdens upon labor and productive capital. To begin with, writes Alanna, the 500 population regions, from which the proposed 500 representatives are to be drawn, need to be delineated. These boundaries, then, would not be based on existing nation-state territorial monopolies.

Connecting global public finance with the problems (such as war) associated with inequitable control of land, Ms. Hartzok cites colleague Susan (not Henry) George's book, *How the Other Half Dies*: "The most pressing cause of the abject poverty which millions of people in this world endure is that a mere 2.5% of landowners with more than 100 hectares control nearly three quarters of all the land in the world - with the top 0.23% controlling over half" (Penguin Books, 1976, pg. 24).

Building a More Democratic United Nations, which is over 300 pages, was published in 1991 by Frank Cass, c/o International Specialized Book Services, Inc., 5602 N.E. Hassalo St., Portland, OR 97213.

COSTING THE ILLTH: A Market for the Environment

Perhaps people with busy schedules can be excused for missing an article on page 45 of the Saturday *New York Times*, but on February 8th, that page held a very interesting article, headlined *U.N. Group Offers Plan to Control Pollution Through a Quota System*.

Now just wait a moment, you might ask, why would Georgists be interested in such a thing? What do quotas for pollution control have to do with making land common property? The article is subtitled "A proposal to put a price on carbon dioxide and other global pollutants." Here, we're getting warm - which is a good thing, because the earth's atmosphere is, too - uncomfortably so.

In the 60s and 70s, the first flowerings of the modern environmental movement were essentially local in focus. Efforts were undertaken to improve air quality in specific cities, to protect the integrity of specific water tables, or to responsibly deal with the disposal of waste (recycling, of course, whenever possible). The only anti-pollution laws to be enacted on a national scale were those over which the local community could have no control, such as auto-emission controls.

Protecting the environment is always an uphill battle, because air and water have always been free goods. Legislation to protect them merely confers a small benefit upon each individual air-breather and water-drinker. In other words, such laws impose costs on polluters without conferring (economic) benefits upon anyone. Thus, those who advocate environmental regulations are portrayed as Enemies of the American Way. More importantly, the only countries likely to enact them are those which are affluent enough to absorb the resulting disincentives to production.

In the 90s, however, with the advent of global warming and widespread desertification, pollution has become a global issue. Air and water are no longer free: they have attained market costs, which are (or will soon be) as real as the costs of wages, maintenance, or health insurance. When something has a price, it will be traded. It is widely known that the easiest way to make something happen on a large scale is to make it profitable.

So, the United Nations Conference on Trade and Development has released a plan that would set national quotas on emissions. Writes Marlise Simons in the

New York Times, "It would for the first time put a worldwide price on one or more of the pollutants blamed for global warming." Nations that produce less, per capita, of the pollutant in question (the program would probably start with carbon dioxide, since it is quite easy to measure) would be able to sell credits to richer and dirtier nations. This would amount to an environmentally benign form of foreign aid, and place a market value on reducing emissions.

The UN commission acknowledges that such an agreement would be difficult to negotiate. As long as wealthy, heavy-polluting nations can meet their own environmental standards by farming their industries out to hungry, marginalized foreign workers, they will do so. Indeed, third-world nations should have no problem with this aspect of global free

trade. There may, however, be something in it for everyone. Rich industrial countries already have relatively stringent environmental regulations. Further pollution reduction may be quite expensive for them; pollution credits would be a better bargain. The revenues poor countries gain from pollution credits would be a welcome substitute for the revenues they would have gotten from doing industrial dirty work. Thus, the net amount of harmful emissions would be reduced.

Of course, to achieve its potential, the policy depends on strict - and strictly enforced - pollution-control laws in the western industrial nations. These regulations are the primary way in which pollution is made expensive. The United States economy can afford this: for example, automakers were perfectly able to meet California's stringent emissions requirements. The alternative was to lose a huge market.

Developing nations, however, who are struggling to industrialize, raise living standards, and meet interest payments to western banks, cannot afford the "luxury" of imposing the additional cost of cleanliness on industry. They want the jobs. Multinational corporations are faced with a choice between high-priced labor and costly pollution regulations at home, or getting away - sometimes literally - with murder in the third world. Union Carbide paid a large settlement on one of the worst industrial disasters in history in Bhopal, India - but from a cost-effectiveness point of view, the company did quite well. What might Union Carbide have been forced to pay for killing, say, four thousand Pennsylvanians?

Many people recoil from the notion of trading in "pollution credits" because they feel that such a system would somehow legitimize polluters - would confer upon them, for thirty pieces of silver, the right to pollute. That may be so, but only if we realize that polluters would pollute anyway. If we make it too expensive for industry to befoul our back yard (the United States), we create an incentive for industry to relocate to a place that needs the jobs. Let the Mexicans pass their own laws if they want clean air.

Developing countries have the opportunity to avoid the environmental mistakes of the industrial revolution. Emerging technologies in conservation, recycling, sustainable farming and forestry, and renewable energy could be the basis for the industrial infrastructure that developing nations are desperately trying to build. But if developing nations cannot raise the start-up costs of innovative, clean technologies, they will industrialize without them - in other words, they will do the dirty work for western companies. In that case, our environmental regulations will amount to nothing more than a global NIMBY policy.

From a Georgist point of view, the policy of trading in pollution credits offers a special bonus: it amounts, after all, to the charging of rent for economic land. Everyone has the right to healthful air and unpoisoned water. Up until now, the costs of pollution have been borne by every member of society: in health-care costs, in taxes that clean up toxic wastes and taxes that subsidize autos and highways. Up until now, the ability to pollute the air and water and not pay for it has been a windfall for landowners and a tax on consumers. The right to pollute and not pay has enhanced the rent of industrial land. The policy of international trading in pollution credits will have the effect of charging polluters some of the cost of polluting.

-Lindy Davies



POSTSCRIPT ON RERUM NOVARUM

Vincent Ponko, Jr. presented a paper on "Henry George's View of *Rerum Novarum*" at the First International Conference on Social Values. The paper, sent to us by the Robert Schalkenbach Foundation, indicates that the conference was held this past Summer at the Von Huegel Institute of St. Edmund's College, University of Cambridge, England, and that the co-sponsor was Iona College, New Rochelle, New York.

Ponko starts with the observation that the interpretation of Pope Leo's intent, in *Rerum Novarum*, was divided within the Roman Catholic Church at the time, 1891, and even remains so today. Citing the article by Dr. J. Brian Benestad in the January 1986 issue of the *American Journal of Economics and Sociology*, Ponko goes on to a detailed exposition of George's response, *The Condition of Labor: An Open Letter to Leo XIII*.

Ponko notes that "George demolished Leo XIII's contention that what is purchased by rightful property is rightful property by noting that the same argument could be used in the buying and selling of slaves." He goes on to note the demolition by George of several other papal assertions, including that private property in land deprives no one of the use of land (George lists historic examples to the contrary). George also makes the distinction between secure possession and private property.

As Ponko details, George even questions the religious assumptions of Leo's arguments, quoting George: "you give us equal rights in heaven, but deny us equal rights on earth." George notes that the early Christians did not separate words and actions, in their hope for the speedy reign of justice and "Thy Kingdom come on earth."

"The stars in the courses fight against Sisera, and in the ferment of today, to him who hath ears to hear, the doom of industrial slavery is sealed. Where shall the dignitaries of the Church be in the struggle that is coming, nay that is already here? On the side of justice and liberty, or on the side of wrong and slavery?" This question, cited by Ponko, that George put to the Pope over one hundred years ago, is even more relevant today... as the dispossessed workers of the world are being caught in an ever-tightening net of global economic monopoly and political domination.

There were, in George's day, clergy who chose the side of justice and liberty. On is reminded of Dr. Edward McGlynn, the Roman Catholic priest in Irish New

York who was temporarily excommunicated by the Vatican for supporting the Single Tax cause. That the upper levels of Roman hierarchy are more concerned with maintaining power and privilege is nothing new. The Middle Ages saw the Crusade against and slaughter of the Cathars in southern France. The Cathars denied papal authority as well as the Biblical imperative of sexual reproduction. It seems that while the pope wanted to protect his power, the feudal lords wanted to stamp out this threat to a growing labor force that would generate a growing feudal tribute. There are good reasons, if you are a landowner, employer, or member of the church hierarchy, to act to ensure that the birth rate is kept as high as possible. More people means more tribute, and competition among workers means lower wages. Even Saint Francis, who led a popular movement devoted to voluntary poverty, was almost excommunicated.

Today, there is a lot of evident and active concern for the poor and dispossessed among Roman Catholics. For example, there is the Catholic Relief Services "Operation Rice Bowl." This 1992 Lenten program "reflects the close links between caring for the poor and caring for the environment.... when we examine the ecological destruction of our planet... we realize that a disregard and abuse of the environment reflects the inequitable distribution of the world's resources. The poor have access to limited resources and are therefore sometimes forced to misuse these resources to meet their basic human needs." So reads a flyer put out by Catholic Relief Services (209 West Fayette St., Baltimore, MD 21201-3443).

The flyer includes data from such organizations as Worldwatch Institute (e.g., there are now more than 13 million refugees in the world, due to political, economic and/or ecological conditions). Among the telling quotations is one from the Guatemalan Bishops, who call for compensation, as a matter of justice, for centuries of "neglect" suffered by the peasant and indigenous groups of their country.

A small box delineates the "Effects of Skewed Distribution: • landlessness leading to poverty and hunger • migration to already overcrowded cities with high rates of unemployment • frustration among the landless poor leading to armed conflict • destruction of rain-forests by people who desperately need land • deforestation leading to soil ero-

sion and extinction of species • overcultivation of existing croplands • exploitation of tenant farmers and sharecroppers who work for large landowners."

While the conclusion of this pamphlet does not mention the method George proposed, it certainly is in the spirit of justice that inspired his vision: "Let us be good stewards by caring for the earth and respecting the rights of all people to share in its many gifts."

- MAS

HENRY GEORGE SCHOOL

The First 60 Years (from first page)

relevant statistical analysis on the land question. Several years after Prof. Finkelstein's death in 1982, the Center's work was taken up by the Center for the Study of Economics, in Columbia, Md., under the direction of Prof. Steve Cord.

Under the direction of NY-HGS director Stan Rubenstein, and Northern California HGS Director Bob Scrofani, an ambitious high school program was begun. Twenty-three semi-annual high school urban workshops have been held, in cooperation with the NYC Council on Economic Education at Baruch College. Over 4000 teachers nationwide have used the school's *Land and Freedom* high school lesson materials and videos.

In 1989, an international conference celebrating the 150th anniversary of Henry George's birth was hosted by the Philadelphia HGS. This extension is housed at 413 South 10th St. - the birthplace of Henry George. At the 1989 conference, the birthplace was re-dedicated. Lovingly restored to its appearance and dimensions at the time of George's birth, the building has received a number of awards for excellence in restoration.

Now, in 1992, the Henry George School endeavors to keep juggling most of the plates it has successfully thrown in its 60-year history. Adult classes at the headquarters and extensions, returning to the tried-and-true HGS curriculum, are gathering momentum. The high school program continues to expand in

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Henry George School Directors

Oscar Geiger 1932 - 34
Norman Fowles 1934 - 35
Otto Dorn 1935 - 36
Frank Chodorov 1936 - 42
Margaret Bateman 1942 - 46
Robert Clancy 1946 - 68
Arnold Weinstein 1969 - 74
Philip Finkelstein 1976 - 82
Stan Rubenstein 1975, '83 - 89
George Collins 1989 - present

BOOK NOTES

From Poverty to Prosperity By 2000

Review by the Editor

As the subtitle of this study indicates, it deals with *prospects for reviving West Virginia's economy*. Edited by Walt Rybeck, this 63-page large format paperback offers a Georgist perspective on this Appalachian state. The paradox, like that of progress and poverty, is "That an area so richly endowed with natural and human resources is so economically depressed."

In his preface, Rybeck makes a sobering observation in this era of cold war victory: "Many nations, after decades of mindless bureaucracies and centrally-dictated production, hasten to call for free markets. Then, as they take a closer look at capitalism, some ask if this means they must face the poverty and high unemployment seen, for example, in Appalachia. We can't sell what we haven't got. If we have no answer for the poverty of West Virginia, how can we sell an answer to Russians or anyone else?"

And so, in December 1990, in Charleston, seventy West Virginian economists, business people, labor leaders, public officials, religious leaders and community activists met with twenty national experts to examine the obstacles to progress and the steps to overcome them.

This thirteen-chapter account of the proceedings covers a wide and deep range of issues: the problems and strengths of West Virginia; the state's poverty in the midst of its rich natural resources; how subsurface wealth has been taxed and how to make appraisal more equitable; efforts to update property taxation; basic rules of good taxation and how to raise revenue from land and natural resources without depressing incentives for work and prosperity; and tax issues related to school funding, farming, timber and housing.

Among the ninety participants, several familiar Georgists are quoted in this study, including George Collins, Steve Cord, Ed Dodson, Mason Gaffney, Ted Gwartney, C. Lowell Harriss, Sein Lin, Richard Noyes, Arthur Rybeck, Erika Rybeck, and John Strasma.

This work is dotted with nine case studies, or success stories. For example, Success Story #6 by John L. Kelly tells

"How It Plays in Peoria: Everybody Knew Plan Would Not Work, But It Did". This, perhaps, sums up the experience of site value taxation over the years. Everybody knows it won't work.... This book explains how and why it does!

Trying to Change the World

Review by Susan Klingelhofer

"The mayor of New York City, David N. Dinkins, proclaimed Sunday, September 1990, as Henry George Day." This is the opening sentence in a chapter

devoted to Henry George in the new book by Peter M. Rinaldo, *Trying to Change the World*. The author, a graduate *Summa Cum Laude* of Bowdoin College, discusses the lives of George and other reformers as a way of introducing his own program for reform.

George is in good company in this book: Rachel Carson, Moses Cotsworth, Margaret Sanger, Frederick Douglass, Susan B. Anthony, Randall Forsberg, and Ralph Nader. "Would you like to follow in their footsteps?" asks Rinaldo.

Chapter IV, "Henry George: Tax Reform", is an accurately detailed biography of the son of Catherine Vallance and Richard Samuel Henry George, "the second child and oldest boy." Rinaldo sprinkles the history of young Henry's life with such details as, "He also started a program of self-education... as well as attending popular science lectures at the Franklin Institute." And in reference to his early writing career, Rinaldo cites

George's second published piece, "a stirring article about President Abraham Lincoln's assassination entitled 'Sic Semper Tyrannis.'"

Most of George's subsequent writings are named, with special attention to *Our Land and Land Policy*, *Progress and Poverty*, and *Protection or Free Trade*. Unfortunately, the author fails to mention the success of *Progress and Poverty* as a classic of political economy, but compensates by carefully citing dates and numbers with regard to George's 1886 New York mayoral campaign, and later, his funeral in 1897.

Rinaldo writes about the "Single Taxers" conference in New York City in 1890, and names the inspired supporters of late years: Joseph Fels, Carrie Chapman Catt, Oscar Geiger (founder of the Henry George School), and Robert Schalkenbach. At the end of the chapter, meritorious credit is given to George's ideas with citations as recent as the fall of 1990, including the recommendation "that the Soviet Union put into practice Henry George's theory."

Henry George School at Sixty

(from page 7)

both breadth and depth. Efforts to integrate the Georgist philosophy with professional economists are bearing fruit, e.g., this year's intensive seminar for a group of economists from Moscow. The school has survived depressions, doldrums, and divisiveness. Speaking to the 7th Henry George Congress on the founding of the school in 1932, Oscar Geiger said, "If truth were the goal of our Schools and Colleges, ...our task, as our master's, would have been done." That day has not come, but the HGS's longevity, and its current vitality, make it likely that the school will continue its work until that day arrives.

- Lindy Davies

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