

Henry George News

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Peace, Justice, and Economic Reform

by Robin Robertson

"If you want peace, then work for justice." That's a bumper sticker slogan Dr. Nicolaus Tideman quoted when he spoke at St. John's University on March 18, 1997. But the apparent meaning, implying that peace is the absence of strife, is only half true, said Dr. Tideman.

"Peace is more than armistice.... Peace is unity and harmony. In a peaceful world, people are all pleased to cooperate with one another.... If you want peace for others, then work for justice." But what, then, is justice?

Dr. Tideman, Professor of Economics at the Virginia Polytechnic Institute and State University, has researched and written dozens of articles concerning social justice, land taxation, public financing ethics, and theories on voting. Editor of the book *Land and Taxation*, the former Senior Staff Economist for the President's Council of Economic Advisors was recently elected President of the Robert Schalkenbach Foundation, sponsor of the St. John's Henry George Program. Speaking before an audience of St. John's students and visiting Georgists, Dr. Tideman explained that "there are so many conflicting, strident claims for different conceptions of justice that a person might reasonably despair of ever finding a meaning that people would agree upon. Any conception of justice may seem to be no more than one person's opinion. And yet there are things that we all know about justice." He proceeded to describe five different views:

1. The conservative claim that "justice is defined by traditional rules" has an important virtue in that "it eliminates the waste of resources in fighting over who has what rights" because "there will be some situations where there is no time to secure agreement." But it "cannot be the ultimate rule of a just society" because "it would perpetuate slavery, the selling of daughters as brides, racial and sexual inequalities in civil rights, and every other historical injustice that, through our moral evolution, we have overcome."

2. Justice could also be "defined by what the majority wants," which, on first glance, may seem appealing because everyone would have a vote. But both of the two possible voting perspectives are flawed. If one votes with "selfish personal interests" the voting process may never end because "there will always be some measure that can be proposed that will (continued on page six)

Using Taxes to Save the Earth

by David Domke

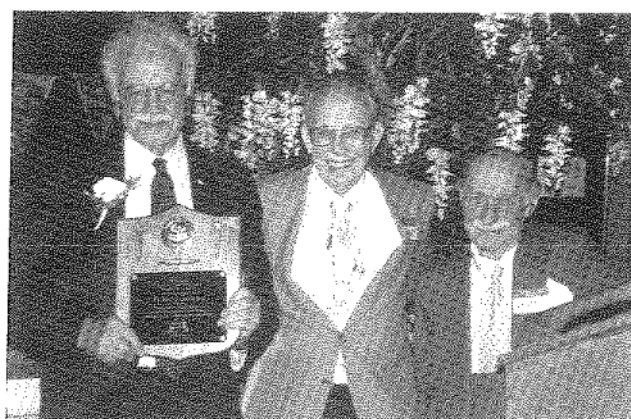
On Saturday, March 22nd, the School hosted a seminar entitled Using Taxes to Save the Earth with David Malin Roodman, a research associate with the Worldwatch Institute and coauthor of *Vital Signs 1994: The Trends That Are Shaping Our Future*.

Mr. Roodman began his remarks by saying that it is very difficult to "appreciate the scope of the environmental changes taking place now and to appreciate the speed at which these changes are taking place; we tend, on a day to day basis, to consider the world around us as essentially constant and unchanging." However, if we step back and consider how a given piece of land may have looked one hundred years ago, we can quickly realize "how rapidly we are converting surrounding eco-systems to our own use and mixing together those systems we are leaving intact."

By "mixing together" Mr. Roodman explained he was referring to biological systems imported, intentionally or unintentionally, from other countries. Many of these imported eco-systems can be quite damaging to local environments. "Chemical pollutants can dissipate or eventually be cleaned up and the environment will return, more or less, to its original state. Biological "pollutants", once transplanted, are virtually indestructible." He used dutch elm disease and other plant blights as examples of imported pollutants that have had devastating effects on local eco-systems. As a result, the extinction rate of species, both plant and animal, has increased dramatically. "The natural rate of spe-

cies extinction has been estimated to be about two species per year, world-wide. The actual rate is closer to one thousand a year, as imported biological pollutants put increasing pressures on indigenous habitats." At the same time, Mr. Roodman went on to say, "human indigenous cultures are also disappearing at a rapid rate. The number of cultures in the world is usually measured by the number of languages spoken in the world. It has been estimated that there were roughly fifteen thousand languages spoken world-wide about two centuries ago and those represented fifteen thousand different cultures. Today, it is estimated, about half of those cultures have already disappeared and ninety five per cent of those will disappear over the next fifty years.

Cultures disappear either because (continued on page four)



Happy Birthday Jack! Over seventy-five friends and fellow travelers turned out March 12th for newly elected Board Member and Master Georgist Jack Schwartzmann's 85th birthday bash.

Pictured above are (l - r): Jack; Oscar Johansen, President, HGS; and Sydney Mayers, Board Member and longtime teacher, HGS.

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Henry George School
of Social Science

121 East 30th Street
New York, NY 10016
(212) 889-8020

Oscar B. Johannsen
President

George Collins
Education Director

Sydney Mayers, Esq.
Dr. Jack Schwartzman
**Publications
Committee**

Max Panzner
Editor

David Domke
Writer

AFFILIATES

PHILADELPHIA

Mike Curtis, Director
413 South 10th Street
Philadelphia, PA 19147
(215) 922-4278

NEW ENGLAND

Ernest Kahn, Director
114 Ames Street
Sharon, MA 02067
(617) 784-3086

CHICAGO

Sam Venturella, Director
1772 W. Greenleaf Ave.
Chicago, IL 60626
(773) 338 - 6698

CALIFORNIA

Paul Johnson, President
55 New Montgomery #219
San Francisco, CA 94105
(415) 543-4294

Harry Pollard, Director
Box 655
Tujunga, CA 91042
(818) 352-4141

Clifford Cobb, Director
5216 Fernwood Way
Sacramento, CA 95841
(916) 331 - 1490

DOMINICAN REPUBLIC

Lucy Silfa, Director
Apartado Postal 758
Santo Domingo,
Republica Dominicana
(809) 565 - 6725

CANADA

School of Economic Science
2267 Westman Road
Mississauga, Ontario L5K 1M7
(416) 822-4694

Gaye/Gerry Shaw, Co-Directors
3017 25th Street, S.W.
Calgary, Alberta T3E 1Y2
(403) 242-4291

Venture Labor

by Lindy Davies

One of the quaintest-seeming notions in Progress and Poverty is that "Production is the mother of wages." In his refutation of the wages fund theory, Henry George showed that in all manner of enterprises, our sustenance comes not from stored-up capital but from ongoing production — what labor does. George's objective here was to show that persistent poverty cannot be blamed on any shortage of capital.

That seems evident enough until we remember that developing countries, for many years, have been borrowing from Western banks in order to develop their own capital, so as to avoid dependency on industrial nations. Dependency theory, of course, postulates the need for a "wages fund" — otherwise, why borrow money to build up capital? Economic success for developing countries sure doesn't seem to have much to do with labor; they can work til their bones are bare, and still owe billions in foreign debt. It sure would have been nice if the borrowers of all that money had invested it in the kind of productive capital that would increase productivity enough to pay the loans back — but that has almost never happened. So developing countries are left with the same shortage of capital, and all their labor just suffices to make them poorer every year. Production is the mother of wages? Sure.

Downsized workers in the United States also have a right to scoff at the notion. Here have come all these improvements in communication and transportation, making their labor a great deal more productive. They were producing like crazy — they had to, the labor market had become so competitive — until they were downsized out of their jobs. The more and better they labor, the worse off they end up; perhaps they should have just stayed at McDonalds and built up seniority.

Whatever truth there is in the economic proposition that labor produces its own wages, people seem to be moving away in droves from that belief; witness the unprecedented boom in gambling that is overtaking the US today. Combined revenue from various forms of gambling (perhaps our only true growth industry in the 90s) dwarfs that of all the entertainment industries combined. Folks who barely manage to scrape together carfare play the daily lotto religiously; when the prize goes up over ten or twelve million, anticipation is intense. The lotto is nothing but a hope for an unearned (but richly deserved, of course) windfall. Unfortunately it is also a very effective tax on poor people; richer folks manage to find less risky means of courting an unearned increment.

I'm sure the reader can think of at least another half-dozen ways in which the performing of labor is decoupled, in our fragmented postmodern world, from the wages workers get. So, how quaint, how positively Horatio Alger-ish of Henry George to say that "production is the mother of wages." In his single tax utopia, maybe — but in the real world, we want a chance at the jackpot. Work sure isn't getting us anywhere.

It might be said, though, that this decoupling of work and reward is a perception of we sophisticated pre-millennial *norteamericanos* that the huddled masses of immigrants haven't learned yet. Bless 'em, they keep coming to the United States and working very hard indeed, living six- or ten- or twelve to a one-bedroom apartment and sending money home to their families, or salting it away to start a very little, very risky, zealously guarded business of their own.

"Venture capital" is a term that is familiar to economists; Paul Samuelson defines it as "investment funds available for highly speculative or risky projects." It stands to reason that more of such funds would tend to become available as income gets more concentrated in the hands of the wealthy; that was certainly going on during the "junk bond" craze of the 80s (and in Japan's gigantic, now-burst real estate bubble).

Alas, precious little of our economy's supply of "venture capital" is made available to the small entrepreneurs who desperately need it. Most often they have to rely on venture labor, which is a term oddly absent from the economic lexicon. And although no statistics of it are kept, I'll warrant that a tremendous amount of "venture labor" is expended in our economy, and that it accounts for a great deal of the innovation and job creation that we manage to achieve. It may be that venture laborers know something that many members of our great middle-class labor force may have forgotten: that labor does precede the payment of wages, and that if our economy insists on making labor a commodity in a market, it is both possible and desirable to improve the quality of that commodity in the hope of earning higher wages.

"But why should I work any harder? The general rate of wages does not depend on productivity." No, indeed it doesn't; it depends on the worker's bargaining power, his/her value as a commodity in the labor market. But what "venture labor" does, it seems to me, is create "investment funds available for highly speculative or risky projects" from the only source available: one's own wages — which, though they may be unfairly and exploitatively low, are nevertheless above the bare level of subsistence, and thus what one has to work with.

Congratulations To The First Class of '97

Sown over twelve weeks ago, winter's seeds blossomed on the night of April fourth as the Henry George School proudly presented the graduates of the first term of the year. The auditorium overflowed with friends and families of the more than three hundred and thirty students successfully completing a variety of courses. This year's class speakers shared a vast range of style and even musical talent as they extended their gratitude to their teachers, fellow students, and of course, Henry George.



Olga Manguel

A theme running through most of the speeches was the value and importance of learning. George Collins started off by asking why we were all here, to which the enthusiastic crowd replied, "To learn!" Speaker Eli Levine, from Irving Kass' Fundamental Economics class, suggested that education, once acquired, can never be taken away. And with a fiery delivery, Olga Manuel said that if she was not given the chance to spread what she's learned she would make that opportunity herself, because an education not put to use is worthless.

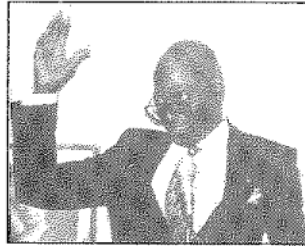
A reverent moment was shared by all as we stood silently in observance of the recent passing of



Leslie DaCosta

Elias Paulino, teacher of Economic Science in Spanish. Graduate Leslie DaCosta played *Carnival* in tribute to our missed professor on his flute, which he later put to novel use as Speaker for the Economic Science class. In a HGS graduation first, Leslie created a multi-media performance explaining the factors of production which converged to produce the flute, and the avenues of distribution which brought the instrument to his hands for the purpose of satisfying our desires.

Photos by Ramon Alvarez



George Collins



Eli Levine

Reverend Elias Paulino

The staff and students of the Henry George School mourn the loss of Reverend Elias Paulino, who passed away on February 18th, 1997. The beloved instructor and important Latin American Affairs Department member taught the Fundamental Economics course in Spanish for the past three years, after attending the school as a student of the Principles of Political Economy. He also taught classes in two community centers in the Upper West Side of Manhattan. Rev. Paulino expressed a great deal of dedication to teaching and a great understanding of the Georgist philosophy. He was well loved by his students, to whom he always made himself available.

by Manny Felix & Ramon Alvarez

Born in the Dominican Republic on July 20, 1942, Rev. Paulino was educated in Santo Domingo, where he went on to become a respected clinical psychologist and marriage counselor. In 1957 he joined the Pentecostal Church, becoming recognized as a Bible scholar and chairing religious conferences for the next twenty-two years. After moving to the U.S. in 1987, he relocated to Brooklyn with his family and immersed himself in community life, helping others with their immigration and offering social services to anyone in need. In 1989 he became a Pastor, and he was Secretary of the Hispanic Caucus. He is greatly missed.

The Angel Is Gone

In memory of Elias Paulino

The angel of the eternal smile is gone.
The magnet of tenderness,
he, who attracted the dispersed.

Implacable trainer of rebel anxieties...
Teacher of his pupils
and pupil of his disciples.

He never knew hate.
He never understood it.
He didn't have time.

It was strange to see his smile
in the midst of the tempest
when the devastating winds
tithed unfinished thoughts.

And in the center of the turbulence,
when the debris of doubt
gyrated with fierceness,
his smile remained firmly in place.

The angel of the eternal smile is gone.
When he emptied his pockets
of his last sweet
to cheer the palate of anguish.

And, upon realizing that his hands
were empty, he caressed his cheeks,
he lowered his head and
he understood.

The angel opened his arms
and smiled.
With a gigantic smile,
he smiled forever.

He left in silence,
smiling... smiling...
He had given all he had to give,
his pockets were now empty.

Ramón A. Alvarez
February 19, 1997
(translated by Marisol Espallat)

A memorial service was held at the school March 21st where those he taught, guided, and loved gave their lasting respects. Opening with a moving oratory by Reverend Hernandez, speakers included Manny Felix, George Collins, class representatives, and a musical interlude by Leslie DaCosta. Rev. Paulino is survived by his wife of thirty-three years, Orlandina Milena, and by his five children, Gabriel Elias, Eunice Noemi, Emmanuel, Isreal, and Abel.

(continued from first page) people are forced off their lands due to expropriation or are swallowed up by the dominant consumer culture."

Added to all this are the increasing pressures put on cultures by diminishing natural resources. Since the 1980s, Mr. Roodman pointed out, arable crop land has declined globally, especially in third world countries. This has been due to a number of factors impacting simultaneously. As many developing countries in the third world countries rush to industrialize, their use of natural resources expands exponentially. This, in turn, produces increased pollution, increased soil erosion, and, as farming and conservation techniques themselves tend not to modernize as quickly as the industrial sector, there is an increasing lag between industrial progress and the maintenance of agricultural stability. Coupled with these factors is an inevitable growth in population, which puts further pressures on an already fragile infrastructure.

Calling All Georgists!

Have you ever wondered what exactly a Georgist is? Or where they come from, or what they do? Every summer the curious have the chance to meet their fellow Georgists for four days of seminars, workshops, and some good old fashioned fun. For most of us in the New York area this year's annual conference couldn't be easier to take part in. Sponsored by the Council of Georgist Organizations, the events will take place in nearby New Jersey, August 7th - 10th, with a special **New York City** day on Saturday, August 9th. Planned are a series of academic lectures and debates, training exercises, education programs, and a special Georgist salon where everyone is invited to show off their creative genius. For the Saturday in New York, there will be a bus trip to the Henry George gravesite in Greenwood Cemetery in Brooklyn, followed by a tour of lower and midtown Manhattan, showcasing historic events and locations from Georgist history, celebrating the centennial anniversary of George's last campaign for mayor of New York City, while illustrating glaring examples of the effects of present day speculation. And no one should miss a special appearance by Henry George himself, delivering an exciting soapbox speech in the middle of Washington Square Park.

If you wish to help out or would like to learn more please call the school at 212-889-8020.

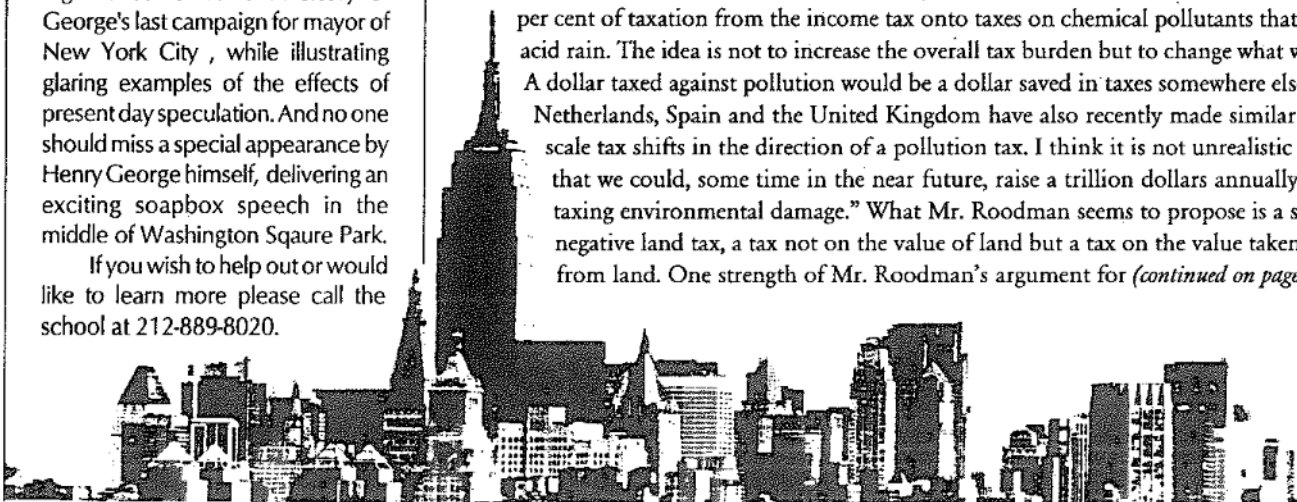
In the face of this dire news, Mr. Roodman also pointed out that, in the modern industrial nations, progress has been made in curbing many of the causes of pollution. There have been environmental regulations put in place during the last ten to twenty years that have, especially on local, mostly urban levels, dramatically decreased toxic emissions in the atmosphere and cut back on the dumping of waste in rivers, lakes and streams.

To combat these problems more effectively, however, Mr. Roodman went on to say, we have to go beyond the level of regulation and control; we have to go to a deeper, structural level. That level is the level "at which the economy and politics interface." "Those industries which pollute," explained Mr. Roodman, "profit in some way, directly or indirectly, from polluting and are very slow to change. They can have enormous political clout. It is difficult to hold polluters accountable for the damage they do."

Mr. Roodman then went on to describe a plan to use taxation as a way to discourage both pollution and natural resource depletion. One way in which to do this would be to tax air and water pollution and toxic emissions in the atmosphere. In fact, some governments are already starting to do this, on a small scale. "Sweden was the first country to do so, in 1991. The Swedes shifted three per cent of taxation from the income tax onto taxes on chemical pollutants that cause acid rain. The idea is not to increase the overall tax burden but to change what we tax. A dollar taxed against pollution would be a dollar saved in taxes somewhere else. The Netherlands, Spain and the United Kingdom have also recently made similar small scale tax shifts in the direction of a pollution tax. I think it is not unrealistic to say that we could, some time in the near future, raise a trillion dollars annually from taxing environmental damage." What Mr. Roodman seems to propose is a sort of negative land tax, a tax not on the value of land but a tax on the value taken away from land. One strength of Mr. Roodman's argument for (continued on page eight)

If It Plays In Peoria...

On April 8th, the Peoria City Council passed a measure to the Illinois House of Representatives petitioning the state to grant cities the choice to only tax land values in their communities. By the Illinois Constitution, the State reserves authority over all property taxes. But under Home Rule legislation individual cities may exercise great discretion regarding the rates and types of real estate and community taxes levied. John Kelly, who has rallied for LVT in Peoria since 1983, says that the political viability of the measure facing House hearings is uncertain, and that it must be introduced and passed onto the Senate before the House ends session on June 1st. But the legislation does have the broad support of the Illinois Municipal League, which tends to favor any shift toward local control of taxation. And such a move is not unprecedented: Enterprise Zone legislation, passed in Illinois twenty years ago, allowed cities to abate taxes on construction as a development incentive - a move that was extremely successful in Peoria. Now if the old saying holds true, "If it plays in Peoria..." perhaps we'll see Land Value Taxation play on ol' Broadway.



Small Steps To Giant Leaps In Capetown

Important progress toward land value taxation has been made in Capetown, South Africa. A Site Value Rating system was recently adopted by the South Peninsula Council to assess and tax the land value of the newly designated Cape Metropolitan Area. A group of six Substructures, the districts encompass thirty-nine former municipal areas with a population of nearly two and a half million people. In South Africa, Australia, and other countries, rating is another word for tax, and Site Value Rating taxes the value of the land, just like Land Value Taxation. Under the new system, revaluation of the area will be completed by the end of 1997, emphasizing land values only. According to Godfrey Dunkley, President of the International Union, should the new measures be successfully established in Capetown, more than seventy percent of the total rates collected in R.S.A. will come from SVR. Though the Council agreed to provisions that would allow for a possible return to a land and improvements valuation system, and individual municipalities could decide to give rebates and remissions to property owners, the steps taken so far are convincing and impressive.

Henry George School Makes the News

In the Tuesday, April 15th edition of the New York Daily News the Henry George School was featured in a half page article titled School Gives Ground For Land Tax, thematically timed for the dreaded tax day. Written by the City Beat columnist Bill Bell, the article provided a brief overview of the nature of the school and the Henry George Institute, and a description of the life of Henry George and the basis of his works and beliefs, built around an afternoon of questions and answers with George Collins and Lindy Davies.

Many of George's most important arguments are covered in Mr. Bell's interview. Included is *(continued on page eight)*

An Anthology of Henry George's Thought *by George Collins*

In 253 pages consisting of seven heavily endnoted chapters, a seven page bibliography, with a frontispiece of George's 1897 photograph, and an introductory essay by the author, Dr. Kenneth C. Wenzer's *An Anthology of Henry George's Thought* is a valuable compilation of George's writings taken from the pages of his newspaper *The Standard*, his personal correspondence from the Henry George Papers in the New York Public Library archives, excerpts from his books, and other ancillary sources. The book is volume one of Dr. Wenzer's "Henry George Centennial Trilogy", published by the University of Rochester Press in commemoration of the 100th anniversary of his death in 1897.

The anthology is cited as "...the first addition to George's published works in a century." And an important addition it is. It puts before even the most assiduous Georgist reader George's direct engagement with the questions of his day which would otherwise remain accessible only to researchers.

The book demonstrates that no issue, economic, social, political or philosophical, was beyond the compass of what George considered man's fundamental relationship - his relationship to the land. In these works we see both abstract principle and practical strategy brought to the service of individual liberty. George's logic, perception, and humanity can be fairly judged in the way he addresses each topic.

The chapters following the author's introduction group the selected passages from his books, articles, letters and speeches on a thematic basis. The author admits the inevitability of "...some overlapping of subjects. The second chapter, *Exhortive Works*, starts with galvanic pieces such as "Ode to Liberty" from *Progress and Poverty*, the lecture "Moses" and the *Salutatory* printed in the January 8th, 1887 debut of the *Standard*, capturing the reader at the outset with some of George's most eloquent and passionate prose. Other chapters like "On Government, Politics, and the World" contain snippets of letters to notables William Lloyd Garrison Jr., son of the famed abolitionist, on the nature of political policies, and to Patrick Ford, editor of the *Irish World*, for which George served as a foreign correspondent in Ireland, regarding the best course of action for Michael Davett, the Irish agitator, in the attempt to "...topple Mr. British Crown..."

The chapter "Georgism versus Socialism" has some of the most closely reasoned arguments for and against both ideologies that one may consider, and George's strategy with regard to alliances with those who have similar dreams but dissimilar methods or objectives. And anyone who thinks that George either dismissed or failed to fully comprehend the role of money as it applied to the economy then or would later as the economy grew must read the very short but pointed "Various Matters: On the Debt" and "Politics that Mean Something" in the chapter "On Sundry Important Matters."

In the opening preface Dr. Wenzer stated that his mandate for the anthology was to "...preserve what I consider to be George's most important thoughts with as little intrusion as possible." And he does indeed achieve that, for the selections are not edited. There are however, some descriptions of George's ideas and interpretations of his statements in the introduction and in other essays preceding various chapters which may represent a misreading of his work. Georgists are said to have "...for instance, a potent belief in God and community ownership of land." George is as well said to have had "...a steadfast belief in the perfectibility of man..." and was "reticent" about noncompensation to land owners.

However much supporters of George may have favored community ownership, George was unalterably against any communal or socialized ownership. He spoke always of equal rights to and individual decisions over the use of land. He refuted all arguments for land nationalization and rejected confiscation or public purchase as methods for establishing common rights. Far from proclaiming his perfectibility, George saw man as being virtuous or villainous depending on the degree of opportunity and equity afforded him. And nowhere nor in any way does George ever countenance compensation to land owners.

But, as Dr. Wenzer says, "For the most part, George's words speak for themselves." Carefully read, this admirable compilation would, as Dr. Wenzer hopes, "answer some questions inherent in his political economy" not clear to the reader of his seven books.

If I were to wish for anything more it would be to see a chapter devoted exclusively to rights. George's supreme concern was the individual and his rightful entitlement. Liberty, he said, is justice and justice is the natural law. While that principle is everpresent and a repeated theme throughout the contents of this work, there are so many marvelous gems that could make up a separate chapter that it seemed a natural category within this structure. Its absence, however, does not render the volume deficient in its organization or purpose. Volume 1, *An Anthology of George's Thought*, available from the Schalkenbach Foundation for \$35.00, is a welcome exposure to George's broader public debates and private thoughts. It should leave every reader eagerly anticipating Volumes 2 and 3 of *The Henry George Centennial Trilogy*.

On His Way to a Life on the Margin

by George Collins

Staff members of the Henry George School in New York exchanged good-bye's and good wishes with former Assistant Director Lindy Davies on his final day at the school on March 21st. Lindy, his wife Lisa, and their first born, Eli Morris, who arrived on March 26th, will leave New York shortly to take up residence on a farm in Maine.

In a way the move represents a return to the economic margin or real margin for Lindy. He came from rural Maryland to the University of Delaware in Newark for undergraduate and graduate studies before joining the staff of the school in 1989. As a budding writer and a convinced Georgist, New York was a good move.

Perhaps the most visible aspect of his work to Georgists outside the school has been his editorship of the Henry George News. During his tenure it served to enrich the understanding of the Georgist

philosophy among past and present students of the school. It helped to draw attention to areas of concordance between Georgism and



Seated is the invaluable Lindy Davies; from left to right: David Domke, Peter Geszdorf, Ramon Alvarez, Evangelina Reusi-Liades, Carmine Crespo, Vesa Nelson, and George Collins

other seemingly disparate schools of thought from one end of the socio-economic spectrum to the other. And, of course, it has kept our students abreast of the not infrequent news of renewing interest and cautious steps toward implementation of George's reform.

The "Teacher's Corner" column which he wrote extended the pedagogical contributions and theoretical explorations that Lindy added to the teacher training programs at the school. And as an inveterate teacher, he was always learning. He applied his talents to developing new courses and used his computer skills to improve the format of most of our educational material.

Being down on the farm up in Maine will not isolate Lindy from the mainstream of Georgist work, you can be sure. True to his embrace of the advantages of the digital age, he will operate the Henry George Institute's Website, which he designed, to teach the philosophy via the internet. So as we say our New York, real world thanks and farewell, we are happy that there will follow many virtual hellos from the margin.

(continued from first page) benefit a majority at the expense of a minority." Alternatively, if one votes as a "disinterested judge" the goals of voting are ambiguous and can conflict: should the greatest utility be created? the status quo be preserved? the rate of population growth be maximized? or some combination of these or other sets of goals? Majoritarianism "cannot provide a coherent theory of justice" because it does not define the context.

3. The contractarian formulation of justice is similar to the Golden Rule. It is only after all prescripts have been set, without taking any personal circumstances into account, that official complaints can be heard. This "approach may be a good way to seek consensus" and a good guideline for arbitration. But it is not "a good way to identify justice" because "the luxury of securing complete agreement on principles" cannot be afforded and the judgments "bear on those who have not agreed on [the] principles."

4. Egalitarianism, where justice is equality, can be understood in the light of John Rawls' proposal: "the talents that individu-

als possess [should] be regarded as a common pool, so that anyone who has more than his share has an obligation to compensate those who have less than their shares." But, as Dr. Tideman says, this definition of justice should be rejected because one's talent is not acquired at another's expense and "the quantity of talent that [one has] in no way diminishes the quantity that is available to [another]."

5. Classical liberalism includes an important principle of justice: people have the "rights of self-determination." Derived from this is the tenet that we have "the right of ownership of what we produce," which Dr. Tideman further describes as, "We have the right to cooperate with whom we choose for whatever mutually agreed purposes we choose. Thus we have the right to trade with others, without any artificial hindrances, and we have the right to keep any wages or interest that we receive from such trading."

Two camps within the group of classical liberals conflict on their view of how "exclusive access to natural opportunities [are] to be established." One camp can be exemplified by John Locke who said that

"private appropriations of land are actually not [to be] restricted, because anyone who is dissatisfied with the land available to him in Europe can always go to America, where there is plenty of unclaimed land." But, as pointed out by Dr. Tideman, "Locke does not address the issue of rights to land when land is scarce."

The other camp, "Geoists," who have been inspired by Henry George, believe that "all of the rental value of land should be collected in taxes, and all other taxes should be abolished," thus ensuring that natural opportunities do not end up belonging to those who happened to claim them first (especially since land titles can be traced back to days when violence determined ownership), nor to those who claim more than their share.

Dr. Tideman reminded us that "if you want peace for others, then work for justice. Work for freedom. Work for the elimination of all taxes on the productive things that people do. Work for equality in the right to benefit from natural opportunities." But there's also a personal side to this recommendation. He ended (continued on next page)

Popular Education: What Good Is It?

For many years the advocates of the Georgist philosophy have been debating tactics. Again and again the question is asked, "Why spend all this time and money on education, when what we really want and need is activism? Other movements don't do this! How wrongheaded and misguided are we Georgists, educating and educating and educating, while society's need for the reform we advocate grows more desperate by the hour.

Undoubtedly we need more activism toward real-world application of the Georgist remedy. But consider for a moment: what action are our activists to take? What is it that they are to "toil for... suffer for... if need be, die for?"

The cause is: "to abolish all taxation save that upon land values," and in so doing to establish a just and prosperous economic order! But that seems quite a lot to tackle all at once. We need a first step, something concrete, something do-able.

Traditionally we've been given two alternatives: 1) Two-Rate Property Tax Reform, and 2) Something Else. Let's examine each of these in turn.

It might be observed that two-rate tax reform lacks that certain something that political consultants would call "sex appeal." The claims made about it in *Incentive Taxation* are perfectly true and important. They are also spectacularly uninteresting, save to a particular audience: officials and planners in cities, without too powerful a real estate lobby, in states whose laws permit differential taxation of land and improvements.

But that is not a problem in itself. Teams of diligent, well-organized Georgists have made the plan interesting enough to mayors and city councils. Collecting more land rent and lowering taxes on improvements is perfectly sexy to Georgists, after all. The problem comes when we start to believe that two-rate reform, by itself, is enough. It isn't — not until it actually begins to reduce land speculation and raise wages. In fact, if a two-rate tax creates, through stimulating new construction, a higher percentage increase in land values than its increased levy on land rent, it will actually make land speculation more profitable.

So ought we to stop working for two-rate reform? Heavens, no! Let's just be clear about what we're actually accomplishing. Dr. Steven Cord, for years the leading expert on two-rate reform, has never said anything less in his published work; he has always held that two-rate is the first step toward the goal of full collection of land rent by the community and abolition of taxes on wages and interest. (Whether most people listened when he said that is another matter.)

So, then, what about the other option for Georgist activists, 2) Something Else?

It has been argued that if we're really interested in the public collection of land rent, we ought to be lobbying for an increase in the capital gains tax, since the lion's share of so-called "capital gains" is actually land rent. (It is counter-argued, however, that land speculation won't be deterred by such a measure, since it collects the rent after the fact.) It has also been noted that green taxes, that seek to charge the social cost of pollution to the polluters (rather than to

the society at large) are also a form of public rent collection, since our common right to the earth includes a right to breathable air and nontoxic groundwater. And we can go on in this fashion, showing the vital importance of "the land question" to every social and economic problem you can think of. All this would argue for working to link our movement with other groups whose goals are (more or less) compatible with ours. And, many courageous and capable — and underfunded — Georgists have been working hard to do that.

Still, we have something absolutely vital to offer to all of those other movements. And some Georgists stand a zealous guard, lest in seeking "linkage" we dilute our message beyond recognition.

The fact is, we must educate people, because people don't understand what we're saying. So, the second option, the "Something Else" for Georgist activists, is education. In our movement, at this point in history, education IS activism.

Ah, but no sooner is that point is conceded (if it is!) than a whole new debate starts up about who we should educate. And here again we are offered two basic options: 1) Anybody Who Will Listen, and 2) Important and Influential People.

The Henry George School, in its traditional role of teaching general-knowledge courses based on Henry George's works, has often been criticized as being merely a "folk school" whose programs are ill-designed to reach the Powerful and Influential people we need to reach.

Indeed, the so-called traditional Henry George School program has not been consistently practiced at the HGS over the last 25 years. Various efforts to court the favor of Great Ones have been made by the School and by other organizations in that time, by commissioning research, underwriting scholarly conferences, etc. Although most of these efforts were sincere attempts to make headway by the efficient tactic of "teaching the teachers," nearly all of them became so compromised in their pursuit of academic respectability that they lost focus, becoming diffused and irrelevant.

Efforts to court academic respectability have not destroyed our movement, it's true, and have done some obvious good. Nevertheless, we'd do well to remember that in the late 60s the "folk school" program at the Henry George School saw over 600 students per year complete the *Fundamental Economics* course in classrooms, while each year some 600 more took the course by correspondence, in five languages, and the school maintained active extensions in 22 cities in North America. What might have happened, had that kind of momentum been allowed to continue through the 70s and 80s, rather than being cut off in a vain attempt to seek a more "influential" class of students?

Is being a "folk school" something bad? Not at all! Why have Great and Influential people not been willing to treat with us? Because we — gasp! — deign to teach political economy to working people? No, let's get it straight before we waste another twenty years: politicians and academics have ignored us because there was nothing in it for them — because there was no energized grass-roots constituency who understood the nature of land monopoly and called out for justice! And to establish such a constituency, a "folk school" is exactly, precisely what is called for.

TEACHERS' CORNER



by Lindy Davies

(continued from previous page) with the provoking thought that "If you want peace for yourself, you can have it, at any time.... Whether you are treated justly or not, you are a part of the being that is all humanity. Each person's joy is your joy. Each person's grief is your grief. You don't have to wait until you are treated justly to see this.... If you want peace for yourself, simply have it."

(continued from page four) a pollution tax is, as he says, "we use taxation from other sources now to deal with pollution, taxes on wages and production, for instance."

"What we would be actually taxing would be the hidden costs of pollution, the costs to society as a whole," Mr. Roodman went on to say, "and this path can be good for the economy in general. For example, the Netherlands began a set of water pollution taxes in 1970. Rather than straight regulation, the government there decided to adopt rather stringent taxes as a disincentive to pollute and an incentive to come up with their own ways of reducing pollution. Some of this tax was passed on to consumers, who reacted by switching their consumer allegiances to those companies who polluted less. This in turn produced a growth industry based around finding new technologies to lower pollution levels. A tax on pollution, rather than regulation, seems to be the path of least economic resistance. One company in the Netherlands has since become the world leader in producing one kind of this technology."

Mr. Roodman further stated, in summing up, that these sorts of taxes would bring our economy "much closer to a natural eco-system; a system that would be self-renewing, self-cleansing and naturally efficient. Ideally, all materials would be recyclable, allowing the economy to be self-regenerating and our society independent of the inefficiencies built into a system based on disposable products and non-renewable sources of energy."

(continued from page five) the fact that land values are created by the society, though only the landowner benefits from such values, and that all taxes save a land value tax should be eliminated. Also, according to George, he writes that "...a land-only tax also would force development of unused land and, by abolishing taxes on buildings, encourage construction as well as improvements of existing buildings." And no one would disagree with George Collins' claim that "There's so much distortion and dysfunction in the system now, nobody understands it", arguing for the simplicity inherent to a land tax system. Hardly a developer, financier, or tenant would not take interest in these words, though certainly such proposals may seem

Springtime in New York

Basic Courses

Fundamental Economics

Monday, Dan Kryston, Esq., 6:00 - 8:00
Tues., Mr. George DeShields, 6:00 - 8:00
Weds., Mr. John Alexander, 6:00 - 8:00
Thursday, Dr. Paul Kahane, 6:00 - 8:00

Understanding Economics

Tues., Mr. George Collins, 12:30 - 1:30

Progress and Poverty (in Spanish)

Thursday, Ms. Melba Campbell, 6:00 - 8:00

Advanced Courses

Applied Economics

Tuesday, Mr. Alton Pertilla, 6:00 - 8:00

Economic Science

Monday, Mr. George Collins, 6:00 - 8:00

A Philosophy of Life

Monday, Mr. Vesa Nelson, 6:00 - 8:00

Great Decisions '97

Tuesday, Mr. Jim Brian, 6:30 - 8:30

US History & Government (in Spanish)

Weds., Mr. Manuel Felix, 6:00 - 8:00

Public Speaking

Weds., Mr. Sydney Mayers, 6:00 - 8:00

Classical Analysis I

Thurs., Gerald Paone, Ph.D., 6:00 - 8:00

Friday Forums (7:00 to 9:00 pm)

Land in the Movies

April 11th, Howard's End — Anthony Hopkins and Emma Thompson star in E.M. Forster's moving saga.

How Wall Street Works

May 30th, Frank Sposato — Sources and methods to help you understand investment decision-making.

The Determined Doctor:

Social Reform and Catholic Doctrine
June 6th, Rev. Alfred Isaacson — The author of a new scholarly biography of famous Georgist Priest Edward McGlynn.

Saturday Seminars (1:00 - 3:00 pm)

Mongolia: Survival in a Changing World

May 17th, H.E. Enkhsaikhan Jargalsaikhan — The UN Ambassador reviews the development challenges that face the fiercely independent people of his country.

The Monopoly Experience

May 3rd, Mr. Lindy Davies — A very realistic economic simulation game for workers, landowners and capitalists of all ages.

New Strategies for Urban Revitalization

June 21st, Mr. Alton Pertilla — Why does the market tide flow against affordable housing? How can we go with the flow?

too good to be true to some New Yorkers, especially considering the generally increased cynicism around tax time. And the piece does suffer somewhat by not providing any concrete examples of speculative land ownership and its corresponding effects throughout the city.

But the nature of the column tends toward human interest stories, which in this case is the story of Henry George and

land value taxation - a name and an idea now more familiar to as many as 730,000 daily New York readers. Perhaps this will offset what Mr. Bell discovered to be the only problem that Lindy Davies could find in the body of George's ideas: "I set out to find flaws in his theories... the only flaw I found is that not enough people know about him."

Henry George School of Social Science
121 East 30th Street
New York, NY 10016

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