

Connecticut Poised to Enact Land-Tax Reform

According to a recent issue of the *Georgist News*, edited by former Chicagoan Adam Monroe, the Connecticut State Legislature is about to vote on Georgist land-tax reform. Quoting Josh Vincent, Director of the Henry George Foundation of America and the Center for the Study of Economics, the article points out that "Connecticut State Legislator Jefferson Davis has, for the past four years, been promoting the sensibility of shifting taxation off of the productive activities of the people and onto land value speculation." **House Bill #6904**, recently approved by the Connecticut House of Representatives, should soon come up for a full House vote.

The following is the full text of the bill, taken from the state's General Assembly Web-site (www.state.ct.us):

An Act Concerning Land Value Taxation.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

Section 1. Section 12-62a of the general statutes is repealed and the following substituted thereof:

(a) Each municipality, as defined in section 7-381, shall establish a uniform assessment date of October first.

(b) Each such municipality shall assess all property for purposes of the local property tax at a uniform rate of seventy per cent of present true and actual value, as determined under section 12-63. For assessment years commencing on and after October 1, 1999, any targeted investment community, as defined in section 32-222, by ordinance adopted by its legislative body, may (1) classify real estate as (A) land or land exclusive of buildings, or (B) buildings on land, and (2) establish a different rate of property tax for each class, provided the higher rate shall apply to land or land exclusive of building.

Josh himself is enthusiastic, saying that 1999 "Looks like *the* year."

From the Archives

Vesa Nelson, *Librarian*

Land Jobbing as a Frontier Skill

In researching materials in our archives for a new course I've begun teaching at the School, I ran across two fascinating books that give a provocatively different view from the traditional one of America's pioneer past and westward expansion. The first book, John W. Reps's *The Forgotten Frontier; Urban Planning in the American West Before 1890*, details the crucial role that land speculation played in the early development of our country. The second, Stewart H. Holbrook's *Dreamers of the American Dream*, adds crucial elements to the story, revealing treachery and fraud on a grand scale as land speculators bought up huge tracts of western land, often ahead of the "pioneer" settlers, and created large cities and parcels of farmland which they sold for profit to settlers coming West. Both books go against the grain of our traditional romantic and sentimental views of a West carved out by rugged individualists with "pioneer spirit" and visions of free land and a stateless society.

Filled with plans, maps and historical sketches, John Reps' book argues that planned towns built on the grid pattern spearheaded Western expansion. Agricultural workers frequently lagged behind, following after much of the land had been bought up. Town founders and their camp followers, mostly *land jobbers* (middle men between large land owners and would-be settlers seeking small plots of land), smoothed the way into the unknown West for most farmers. The towns provided services, amusement and outlets for the farmers to sell their products. While Reps confines his analysis west of the 98th meridian, or the trans-Mississippi West, he intimates that tantalizing clues exist suggesting that the same pattern might hold true for the older trans-Appalachian west.

Holbrook's work without hesitation interlaces "lurid" anecdotal evidence with scholarly investigation. One especially vivid account tells the story of Stephen Douglas Puter and what

became known as "timber fraud."

Writing his memoirs while in jail awaiting sentence, Puter styled himself as "King of the Oregon Timber Fraud Ring." His revelations of deceit astonished even veterans of the Cr dit Mobilier affair. Puter made his start working for a US Government surveying crew and made mental notes of all the potential desirable claims he ran across. Later, independently, he would offer for a fee to "locate" good claims, and for

an additional fee, erect a structure passable in law as an improvement to hold the claim against rivals.

Eventually Puter worked his way up to the batch processing of huge numbers of fraudulent claims. With the promise of a gold piece to each person Puter, recruiting in saloons and dives, would march to the courthouse with unknowing and uncaring recent immigrants- *en*



Land jobbers plotting Westward expansion ahead of the pioneers

masse. The immigrants would sign letters of intent to become citizens and settle land. Puter next took them to the land office. Here, with the collusion of corrupt officials, the immigrants transferred over a blank land claim to a recipient yet to be named and collected one gold piece. A corporation interested in prime redwood forest would pay Puter a handsome sum for each such batch of claims, filling in the necessary legal details later. The immigrants wound up with one gold coin; the corporation, at the end of the day, would have vast tracks of land and Puter would have a handsome profit.

Puter was later one of hundreds to fall in a cleanup campaign targeting land-grabbers which was spearheaded by Ethan Allen Hitchcock, a great-grandson of Colonel Ethan Allen of the "Green Mountain Boys." Hitchcock, as Secretary of Interior for President McKinley, dismissed many corrupt government officials and sent several hundred *land jobbers* to jail.

Holbrook tells another interesting story concerning one William Butler Ogden whose brother "invested" \$100,000 dollars in the "frontier town" of Chicago. As Holbrook begins recounting Ogden's story, Ogden arrives in

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