The Henry George News

published by

Henry George School
of Social Science

50 East 69 Street
New York, N.Y. 10021

Lancaster M. Greene
Chairman
Publications Committee

Philip Finkelstein
Director

Louise R. Pulini
Assistant

Volume 44 Number 5

Subscription $5 per year
For Change of address:
HGN 50 East 69 Street
New York, N.Y. 10021

AFFILIATES

Long Island

63 Cedar Drive
Plainview, N.Y. 11803

Pennsylvania

Philadelphia

413 S. 10 Street
Philadelphia, PA 19147

California

Southern

Box 655
Tujunga, Ca 91042

Northern

833 Market Street
San Francisco, CA 94103

5616 Fernwood Way
Sacramento, CA 95841

Canada
Schools of Economic Science

Alberta

3017 25 Street
Calgary 7

Ontario

344 Willard Avenue
Toronto M 65 3R2

NO GAMBLE IN LAND

It should come as no surprise to our readers that some of the bigger windfalls of Atlantic City are not made at the casinos. The disclosure that city officials and others are profiting from the extraordinary land boom underlines the fundamental corruption not of gambling as a means of supplying public revenue but of allowing the profits of land speculation to escape public control. The added twist of planning, zoning, and other officials lining their pockets with the proceeds of higher land prices as a result of their own manipulations of local land use regulation suggests only that the public as well as the private sector knows how to multiply its unearned increment.

In the dormant decades between its heyday as a glamorous resort and the new gaming glitter, that narrow island off the Jersey shore suffered a decline in land prices, reflecting the decline in its fortunes. Those in the know, however, found they could afford to hold or even acquire whole chunks of valuable property, playing the game of Monopoly which is, after all, based on Atlantic City real estate, with real money. The poor, who remained in the city, and those who still came for the pleasures of the past, were no beneficiaries of the new bonanza. Anyone may theoretically win at gambling but profiting from the monopoly control of land is no gamble. It is a sure thing, and despite the legalization of craps, roulette, and blackjack and other games of chance, the only game in town the smart money plays.

Localities looking to gambling for fiscal salvation ought to beware not just the influence of organized crime in this, one of its traditional enterprises, but the corruption of the very fabric of society, including government, in the scramble to get something for nothing, the popular term for the unearned increment.

WEALTH FOR ALL

By contrast with Atlantic City, Alaska is taking steps to return some of its natural resource wealth to the people. The rebates announced in the form of payments on the basis of years of residence in the state acknowledges the principle that all should share in the value of natural resources.

While some might prefer a beneficial public ownership that goes beyond the state line, there has been at least a lowering of other state and local taxes in an economy already hurting. The model of Alberta's heritage trust fund, which provides a future resource for the people out of mineral wealth, is likewise caught up in the Canadian tussle between national and provincial forces. In either case, a forthright taxation of land values might be a better way of collecting the economic rent. It is still better to collect some of it for the people than to let it all be converted into higher and higher prices for land and all natural resources.