

Henry George Newsletter



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Patrice McFarland, Lizzie Magie Phillips, Mike Curtis

ELIZABETH MAGIE PHILLIPS: The Real Inventor of "Monopoly"

When Patrice McFarland, a graphic artist and game historian from Averill Park, NY, attended the 1989 annual Allentown Toy Show, she had no inkling that she would uncover the first chapter of a fascinating untold story. Underneath a tattered early *Monopoly* set was the "implements box" from the original 1904 edition of Lizzie Magie's *Landlord's Game*, complete with playing pieces, game cards (each of which bore a quote by Henry George or some other prominent thinker, about monopoly, bigotry, ethics or economics), and a set of rules. There were, in fact, two sets of rules; one was the precursor of today's *Monopoly*, and the other was based on the Single Tax.

Ms. McFarland had heard of *The Landlord's Game* already. She, like many people, already knew that the popular folklore about the origin of the world's best-selling board game was a fabrication. The tale, which is still published with sets of the game, is that it was invented in 1933 by an unemployed Philadelphian named Charles Darrow, who longed to vacation in ritzy Atlantic City, on Boardwalk and Park Place. Probably no one would have questioned it had not Dr. Ralph Anspach, a California economics professor, marketed his game of *Anti-Monopoly* in 1973, and been sued by Parker Brothers for copyright infringement. (The case was not settled until 1982!) Anspach proved that the game we call *Monopoly* did not spring from the mind of Charles Darrow, but in fact had evolved from a game that had been played, and indeed was patented, almost thirty years before. That game was *The Landlord's Game*, invented by Elizabeth Magie, Lizzie to her friends, later Lizzie Magie Phillips. In all accounts she is mentioned as a follower of Henry George. Indeed, during the *Anti-Monopoly* trial, she was referred to by the plaintiffs as "a rabid single-taxer." That much of the true history on *Monopoly* has been generally known since the publication of Philip Orbanes's 1988 book *The Monopoly Companion*. Until recently, though, very little was known about the woman who invented *The Landlord's Game* (continued on page six)

WHAT IS BEING DONE:

Single Tax Synthesis Returns to Russia

Not since Leo Tolstoy advocated the single-tax on land values, has so much attention been paid in Russia to the Georgist paradigm. Not only is Soviet Union President Mikhail Gorbachev interested, so is Boris Yeltsin, head of the Russian republic. Many independent efforts have been taken to get the attention of economists, reformers, and officials in the USSR.

Recently, Claude and Dian Arnold of the Fairhope Single Tax Colony in Alabama travelled to the Soviet Union. Returning to Fairhope, they paid a visit to the New York Henry George School on October 22, 1990, where they recounted their experiences to the School staff and guests. (The group included Australian world-traveller and Libertarian Microfiche publisher John Zube -- who spent several days copying material from the School research library for microficheing). The Arnolds said they were able to talk a bit about George, and gave away a few copies of *Progress & Poverty*. A report on Claude and Dian's visit appears in the current *Georgist Journal*.

Another recent Georgist visitor to the Soviet Union was Heather Trexler Remoff, Ph.D., from Eagles Mere in Pennsylvania. Heather accompanied her husband Gene on a visit hosted by The Institute of World Economy and International Relations, designed to allow business executives to share their expertise.

While Gene gave official presentations, Heather gave away copies of a paper she prepared for the trip, "The Best of Both Worlds: A Proposal for a Free-Market Economy That Would Combine Elements of Socialist and Capitalist Systems." When asked by a visiting American executive and a Russian tourist guide "Are you a Marxist?" she explained, "...when it comes to my enthusiasm for a free market," to the executive, "I'm probably more of a Capitalist than you are. But," to the tour guide, "when it comes to land use, I may be more of a Socialist than you are."

"This exchange," she reports, "was followed by a lively discussion of land use attitudes and policies in the Soviet Union. By the way, these kinds of political and philosophical debates appear to be a common pastime in the USSR. The educational level of the people is generally very high...one of the great assets of a country blessed as well with abundant natural resources."

Although she explained the purpose of renting land from the community would be "...not to deny the people access to the land, but to guarantee them access," Heather now thinks people in the USSR would be more open to "privatizing the entire system, and then removing all taxes except those on land."

Given directions now being taken in Russia, it may be that Heather Remoff has indeed had an impact. Her last evening in Moscow was spent with a Russian economist who promised to give Heather's paper to Boris Yeltsin, a personal acquaintance.

The evidence is a report in the December 10th issue of *Commerzant: The Soviet Business Weekly*. (continued on page seven)

NOTE: Did any of our readers know Lizzie Magie Phillips? Do they have photos, or correspondence from her? Does anyone have a copy of *The Landlord's Game*? Or Lizzie's other games, *Mock Trial*, *King's Men*, or *Bargain Day*? Does anyone have information on the Washington, D.C. Henry George School, or the Women's Single Tax Club? Please help by sending any information you have to Patrice McFarland, Box 161, Averill Park, NY 12018.

Single Tax Synthesis Returns to Russia

(continued from first page)

An article by Roman Artemyev details key points to the new Russian Federation Law on Land Reform, including: " * A standard tax on land will be introduced and its magnitude and system of payment will be determined later. * All taxes on collective and state farms and on individual farmers are to be abolished with the exception of the land tax. * Land for farming will be provided by the state in the person of the Soviets of People's Deputies. * The sale or transfer of land with the exception of inheritance is possible only to the state in the person of the Soviets of People's Deputies. * The purchase of land is to be effected through the Soviets of People's Deputies. The sale of land is possible only upon the termination of a period of ten years from the date of purchase." This last clause was what tipped the balance in favor of the new law, according to Yeltsin, who pushed for its victory.



Prof. William Vickrey

Mikhail Gorbachev, on the other hand, has tried to put a brake on the rush to land privatization. His call for a nationwide referendum on property rights was endorsed by the Congress of Peoples Deputies on December 24th. Perhaps Mr. Gorbachev was influenced by a letter to him signed by thirty US economists, including three Nobel prize winners. The letter, dated November 7, 1990, was initiated by Professors Nicolaus Tideman (Virginia Polytechnic Institute and State University) and William Vickrey (1992 President-elect of the American Economic Association). The Nobel prize winners are Franco Modigliani (professor emeritus) and Robert Solow (Institute professor of economics,) both from Massachusetts Institute of Technology, and James Tobin (Sterling professor emeritus) of Yale University.

The letter claims that the immediate needs of the Soviet Union would be best met by retaining land in social ownership and making it available to individual users on the basis of leases for suitable terms, at rents set at market levels independently of the manner of use. The rent paid to the community would finance social expenditures and reduce and maybe eliminate the need to tax wages and profits in ways that would impair incentive. "In the Soviet Union today, the problem is to encourage people to work hard and manage efficiently. You don't do that by taxing their wages and profits," explained Vickrey. "Gorbachev has a unique opportunity to establish the Soviet economy on a rational basis. The referendum on land ownership will be the first chance ever, in modern times, for a nation to make a rational choice over the ownership and use of natural resources." Calling for a "third way" synthesizing the best of private and public ownership, Vickrey concluded: "Land is already in public ownership in the Soviet Union, so the quickest way to stimulate growth and free enterprise is to allow people to get hold of the land they need without requiring them to pay money up front. The high cost of acquiring land is a major obstacle to starting a new business in the West and would be even more of an obstacle in a nation where many enterprising individuals do not have access to substantial funds. Gorbachev can get around this by making land available, on payment of a market rent to the community."

According to the letter sent to Gorbachev, this method has advantages to selling

land outright at auction: it will avoid an extreme depression of land prices resulting from so much land being offered at once, and a later unearned speculative profit on the resale "resulting in needless inequity and dissatisfaction"; it will provide land to those with limited access to credit; it will enable citizens in future years to capture the benefits of future good public policies; and it will reduce the risk to investors who would otherwise avoid the uncertain politico-economic climate in the Soviet Union. The letter may be summarized as saying to Mr. Gorbachev: The land of the Soviet Union has value, and it should be used to benefit all the people.

For a copy of this letter, please contact the Robert Schalkenbach Foundation, 41 East 72nd St., New York, NY 10021.

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BUT WE DO!

"They say Mitterand has 100 lovers. One has AIDS, but he doesn't know which one. Bush has 100 bodyguards. One is a terrorist, but he doesn't know which one. Gorbachev has 100 economic advisers. One is smart, but he doesn't know which one."

--Mikhail Gorbachev, quoted in Newsweek

GEOGREEN FORUM:

"BEYOND RIGHT & LEFT"

A mailing went out in early December to enthusiasts of the GeoGreen Forum (see our last issue). Just in the formative stages, the GeoGreens are Georgists who are also active in the Green movement. They are planning a January newsletter called *Geode* to be sent to about 50 GeoGreens and 40 members of the Green Libertarian Caucus. It goes without saying that George's political economy can serve as a foundation for a synthesis of Green and libertarian ideas and visions. In fact, pointing out that "GeoGreen" is redundant, Jeff Smith has proposed the "Free Green Forum" which connotes a union of concerns for both liberty and land.

Included in this mailing was a position-paper by Boston's Mitch Chanellis entitled "Beyond Right & Left Greens: Values & Strategies for a Future that Works." Mitch criticizes the current drift he sees toward a Green embrace of advocating localized governmental ownership of the means of production. Seeking to rescue the Green motto "Neither Right nor Left, but In Front!", Mitch makes a pitch for "voluntary association in equality," and an examination of the land-based models of Native Americans, Tom Paine, Henry George, and Leopold Kohr (author of the -- now we know -- prophetic book, *The Breakdown of Nations*). Mitch points out that heedless industrialism, practiced by capitalist, socialist and

"developing" countries alike, is what devours the planet's ecosystem, not capitalism *per se*. He calls for "A VIBRANT ALTERNATIVE to the Business-As-Usual crowd; AND the naive, worn out, & marginal OPPOSITION politics of the Left....A genuinely MAINSTREAM position can be ours; if we speak to the heart, THE RADICAL CENTER, of ordinary people's concerns - for survival and their children's future."

For a copy of this and future mailings from the GeoGreen (Free Green?) Forum, please contact Hanno Beck, 2000 Century Plaza, #238, Columbia, MD 21044 (Tel: 301-740-1177).

While Russia fought the Korean war by not participating officially in it at all and letting the Chinese do most of the dying, we were in it up to our necks. Though we called it a United Nations war, the armies involved, even those of other countries, were equipped with material not from the United Nations but the United States, and the soldiers dying were in the main American soldiers, not those of the agency in whose name their battles were fought...

-- Leopold Kohr, The Breakdown of Nations, 1957, pg. 207.