

Henry George

NEWSLETTER

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PITTSBURGH CITY COUNCIL VOTES NEW PROPERTY TAX RATES

Dan Sullivan of the Incentive Tax League of Pennsylvania reports that on December 28, the Pittsburgh, PA City Council voted 8-0, with one abstention, to increase the tax rate on land values from 133 mils to 151.5 mils, and to reduce the rate on buildings from 32 mils to 27 mils. This marks the first time that there has been an actual shift away from the building tax in Pittsburgh. Previous land tax increases were designed to meet increased revenue needs. The council has indicated that there may be an ongoing policy of shifting the land tax as the tax was passed this time with no objection from either Council members or from the city administration.

The Council had originally voted 9-0 to increase the land tax to 168 mils and to reduce the building tax to 22 mils. There was also a proposal to abolish the mercantile tax, but it failed by a 6-3 vote. After the preliminary vote was taken and reported on by the media, two important downtown business associations protested that their members would have difficulty meeting greatly increased taxes this year. Neither of the associations argued against the merits of the land tax but in fact supported the general concept. Their principal argument was that Pittsburgh's central business district has had so much construction activity that retail trade has been disrupted. They asked only that part of the increase be delayed until next year, when much of the construction will have been completed.

Council Finance Chairman Robert Rade Stone introduced the compromise measure which was adopted. Stone also made clear his intentions to make additional shifts in the tax burden. Ultimately, the future of the tax will depend on a growing appreciation for its benefits by Pittsburghers, particularly by those who will pay more under the land tax than they are paying now.

DEATH OF GEORGE KERCHNER ANNOUNCED IN NEW YORK

The Board of Trustees, Interim Director and staff of the Henry George School in New York note, with sadness, the death of George Kerchner, Senior Research Associate of the Center for Local Tax Research in New York City. Mr. Kerchner, who was a member of the Center staff since its inception in 1975, was responsible for the statistical analysis in the annual publication, "Effective Real Property Tax Rates in the Metropolitan Area," and worked as well on a number of projects and studies. He had held research and administrative positions in New York City agencies and had served as Senior Statistician in the Office of City Administration. He is survived by his wife, Ann, children and grandchildren.

LAW OF THE SEA

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The forerunner of the Law of the Sea Treaty, ratified by over one hundred signatories recently, was a resolution passed by the United Nations General Assembly in 1970 designating the area of the deep sea bed as the "common heritage of mankind." It was recommended that an international body be established to study the feasibility of the exploration of the sea for the benefit of all mankind. With the aid of modern technology and industrial advancements, the ocean depths could be tapped for food, fuel and other minerals, presenting a rich source to meet the demands of an increasing population.

Twelve years and much red tape later, the treaty was signed at the United Nations, but the United States is not a signatory, due in part to a problematic provision on mineral rights, which contradicts the whole issue of the sea being the common heritage of the people. Recognizing that the nodules of copper, nickel, cobalt, zinc and other valuable minerals lying at the ocean's floor belong to all men, the treaty then sets out to negate that basic idea by setting up a complex global authority to mine minerals. For every site set up by a private company, a global mining company will also be set up to mine. Private mining concerns must sell their technical know-how to the global enterprise. The treaty fixes production and price ceilings so that world price structures will be maintained. The U.S. delegation felt that this aspect of the treaty, creating a powerful "Big Brother" bureaucracy, placed its entire effectiveness into doubt, not only politically but economically.

Since there is no question as to the seas and oceans which cover two-thirds of the earth's surface being our common heritage, why is it necessary to create a structure that embodies the worst features in an economic system? Haven't we learned, from the era of mercantilism and monopolistic control of our natural resources to modern day statism, that controlling production by state bodies does not aid mankind? Maintaining prices and creating semi-cartels can only lead to economic chaos.

The answer lies not in creating another powerful superstructure that can't bear the strain but rather a democratic, fair method of implementing the concept that the sea, land and all of the benefits of earth should be equitably shared. To achieve economic justice is comparatively simple--collect the economic rent for public purposes. This economic rent could be used to run agencies such as the United Nations and provide an opportunity for all countries to effectuate successful laws of the land and sea for their areas and for the world as well.

Stan Rubenstein

SCHOOL NOTES

LONG ISLAND

Current issues such as an huge government deficits, foreign trade problems and lack of tax incentives coming from supply-side economics, form the core of an interesting and informative course, Contemporary Problems, offered to graduates of the Progress and Poverty course given on Long Island. The course will be offered at the following locations:

Freeport High School-Tuesday, February 22

Syosset High School-Wednesday, March 2

In addition to the successful one-day seminars on assessments and the property tax which have been held over the past few months on Long Island, a new subject, "You and Reaganomics," has been added. These one-day seminars will be held at the following locations:

Kennedy High School-Bellmore-Merrick-Thursday, February 3

Macarthur High School-Levittown-Monday, February 28

East Meadow High School-Thursday, March 10

PHILADELPHIA

Eighty-seven students and friends of the Henry George School in Philadelphia attended a benefit performance of "The King & I" at the Falcon House Dinner Theater on Sunday, December 5. The show featured George Collins, H.G.S. Director, as the King of Siam. Over \$600 was raised from ticket sales and direct contributions.

A total of sixty-eight students completed courses for the fall term. Graduations programs were held at the H.G.S., Wilmington, Newark and Smyrna, DE.

BOSTON

Director Mitch Chanelis reports that the bill to reform the property tax, which was introduced last year into the state legislature, has been resubmitted. Legislative strategies planned by the school include showings of the film, "One Way to Better Cities" before legislators and invited guests, a series of informal meetings to promote the bill and targeting the House and Senate leadership for favorable consideration of the bill.

SAN FRANCISCO

Education Director Alanna Hartzok reports that the school will run a full day session at the CA Council for the Social Sciences Annual Conference on March 10 on "The Land Question in History: A Perennial Search for Justice." Dr. Jack Nelson, a visiting scholar at Stanford, will join Hartzok, Bob Scrofani, H.G.S. Director, and Robert Baugh, a Santa Cruz, CA high school teacher.

LOS ANGELES

Director Harry Pollard reports that the monthly "First Friday" meetings have evolved into the "Final Friday" meetings, as the group of regulars felt that it was easier to "spread the word" and gather at the end of the month, rather than the beginning. The January 28th meeting, held at the Los Angeles Press Club, featured Byron Foote, who has been waging a one-man war with the I.R.S., as well as Terence Dwyer, Senior Economist to the Australian National Treasury, Dr. Mason Gaffney, and Raymond Kornfield, a C.P.A. who discussed his experiences with tax collection.

LAND USE LESSON PLAN SERIES RELEASED IN NEW YORK

The Robert Schalkenbach Foundation is in the process of issuing a series of self-contained lessons in land use, "Land and Freedom," for high-school American studies classroom instruction. When the series of twenty lessons are finished, probably in March or April, high school students will be able to learn more about the role that land has played in American history. Written by Stan Rubenstein, a social studies teacher for more than twenty years, and edited by Pat Aller of Schalkenbach, these lessons are self-contained. Any high school American history teacher can use these lessons within a normal classroom period.

Each lesson lists theme and subtheme, concepts, performance objectives and related texts. A one-page summary of historical background on the particular subject matter is presented, and then three activities are given, in which students follow directions and answer questions. It is through these activities that the Georgist philosophy is introduced. The first five lesson plans are:

The Dutch and the New World: The concepts of patroon, trading corporations, quit rent, feudalism and landed aristocracy are explored.

Indian Land Ownership: The concepts of common and individual ownership, treaties, culture and land tenure are explored.

Imperialism in Central America: The concepts of "Banana Republics," dollar diplomacy, imperialism, land grants and multinational corporations are explored.

Irish Immigration: The concepts of the "Great Famine," second-class citizens, one-crop economies, welfare and the Malthusian doctrine are explored.

Panic of 1837: The concepts of the Specie Circular, land speculation, inflation, recession and panics and the money supply are explored.

The five lessons are available to any high school teachers or social studies chairmen, or anyone in the movement who would like to pass them on to an interested educator, by writing to the Henry George School or Schalkenbach in New York.

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