

AN I-YOU CHAT

Some of our friends feel that more consideration needs to be given to the international aspects of our rent proposals. They argue that the earth is the heritage of all mankind and that inequalities in land benefits should be rectified among nations as well as within a nation. Others reply that we will have all we can do to try to get our principles adopted locally without tackling it as a world problem.

The argument for internationalization as a rule comes from friends in smaller countries, whereas those in larger countries feel the local job is the important one. Presumably those in smaller countries (with populations less than many of our larger cities) feel the restraint of their borders more than those in larger countries.

The argument for internationalization makes sense when one takes an extreme case like Kuwait, a tiny country with immense oil revenues, surrounded by larger and poorer states. However, instead of immediately trying to equalize the situation for the world, one possibility might be for a grouping of smaller countries to form a union and share rent revenue: e.g. Scandinavian countries, Central American countries, etc.

There are other matters bearing on the application of our proposals about which there are varying views, some of them hinging on different situations in different nations. For instance, some friends do not think our proposal can be put across as a tax because in their country there is nothing resembling a land-value tax, but that it might make more headway if presented as a royalty payment.

Some of these points may seem remote or academic. Yet they deserve consideration because questions like these arise when our proposals come up for discussion. We would do well to be ready with some answers. They need not be definitive answers for once and for all. They can be suggestions to show that there are various practical possibilities in the application of our proposals. "There is more than one way to skin a cat." The important thing is to bridge the gap between theory and practice, even if in some cases they are experimental - or we do not entirely agree with one another - or if the practice has to vary with the environment.

It is true that some questions and objections are thrown out as "red herrings" to prevent serious consideration of our ideas. But that's another story! On the legitimate questions let us be ready with some practical answers.

Robert Clancy  
Editor

## NEWS AND MESSAGES

IF YOU HAVE NOT sent your suggestion for a venue for the next International Conference, please do so. Write to the International Union 177 Vauxhall Bridge Road, London, S.W.1. England. Proposed venues include: Ireland, France, Netherlands, England (London), Norway, Hong Kong, Kenya, Canada (Montreal and Vancouver), Belgium and Sweden. Also, should it be 1972 or 1973?

SIEBE SEVENSTER (Bennekom, Netherlands) writes: "My father became 90 years old on February 13. He retired as editor of our Georgist paper, Ons Erfdeel (Our Heritage), and I am now the editor .... Will we meet in the Netherlands for the next International Conference?"

RECENT DEATHS of IU members include: HENRY B CRAMER (San Diego, Calif., USA), who died February 10. He was a leader in many Georgist activities in San Diego and in California, including the Henry George School, Basic Economic Education, the Statewide Homeowners Association and the Incentive Taxation Committee. SELIM TIDEMAN (Chicago, Ill. USA), was a Georgist of long standing and a frequent visitor at conferences.

PREC (Public Revenue Education Council, St. Louis, Mo., USA) has issued its twentieth annual report. Among other activities, President Noah D. Alper reports the distribution of nearly 100,000 pieces of literature in 1970 to newspapers, radio and TV stations, college professors, public officials and many organisations.

KUL BHUSHAN (Nairobi, Kenya), busy as editor, reporter and educator, was assigned to reporting the elections in India. In his column in Daily Nation of March 12 he quoted another IU member, Prof. Robert V. Andelson, on the current ferment in the universities. "Let us by all means," says Prof. Andelson, "recognize that we have fallen down in a number of areas and that our society is in deep trouble." But instead of riots and disorders, Prof. Andelson recommends the prescription of Henry George: "The man who thinks becomes a light and a power .... When there is correct thought, right action will follow."

ABOUT THE NEW IU NEWSLETTER ADDRESS: The new editorial address of the IUN is Room 462-A, 55 W. 42nd St., New York, N.Y. 10036, USA. (This replaces Box 52, Jackson Heights). Inquiries have been received as to the nature of this address. Visitors have come - including Bang Christensen of Denmark - and have been disappointed not to find anybody there.

At present, the address is just a mailing address. It is the office of a Georgist friend, Bolivar Rodriguez. It is also the mailing address of COLT (Committee on Land Taxation; see page 9) and of a new Georgist organization, the HENRY GEORGE INSTITUTE. Shortly we expect to have desk space there as well as persons in attendance at specified hours. All three activities have to be undertaken in spare time as all the participants have to work at (non-Georgist) jobs.

If you have any inquiries about any of the above write to us at this address. And if you can write us in advance about a visit, we shall surely arrange to meet you as we have done even when we only had a P.O. box.

## A PRACTICAL PROPOSAL

By HALFDAN HANSEN (Bergen, Norway)

Our problem is to successively transfer the capitalised land value as income in the owner's possession to the community by yearly ground rent payments. I am referring to the already established land value, most of which has been mortgaged, and therefore only ought to be transferred to the community gradually, as shown in the following table:-

Period in Years	Transfer to community	Royalty (%)	Land rent in owner's possession
1	100	10	900
2	200	20	800
3	300	30	700
4	400	40	600
5	500	50	500
10	1000	100	0

I propose to stop the rise in land values as income in the owner's possession by tax periods every five years for valuing the land for royalty payment to the community.

Where taxing land values has been practised, it has unfortunately been usually as a tax on income from land while it remains in the owner's possession for sale and mortgage, and therefore I see "royalty" as a more specific and clear name than "tax" for the transfer of land values to the community.

See as an example Denmark, where maps and statistics on the rise in land values have been prepared showing the total sales value of Danish land to be 17 billion crowns in 1960. The Danish Retsforbund (Justice Party) at that time succeeded in getting a law enacted that the rise in land value above this level shall belong to the community and be taxed as ground rent. But since then the law was stopped and never put into action. Now it is reported that by 1970 the sales value of Danish land rose 50 billions, to 67 billion crowns.

If the law had stood and the increment was taxed as royalty, at this time 50 billion crowns, or about three-fourths of total Danish land values, would have been transferred to the community. Then there could not be speculation in the capitalised ground rent as sales value. As it is, the mortgaging of this increase gives rise to an enormous purchasing power which can only be financed by billions of paper money, this being the chief cause of the inflation problem which experts have been trying in vain to solve.

Here is an important matter to debate and to give to the world understanding of our means of solving the economic problem. But time is short before a new economic crisis will cause the outbreak of a Marxist revolution as the only way out that people can see.

## COMMENT ON ARTICLES BY PHILIPP KNAB AND F.J. AULD

By MRS. S.M. WILLOT (Ceiriad, Dolgellau, Wales)

In his article "An International Challenge" (IUN No. 14), Philipp Knab made me wonder whether it might be wiser to get support for LVT in the international rather than the national or local plane. Men are moved to charity by catastrophes, and there seems to be the possibility of creating a fund for helping in such catastrophes from an international land-value tax.

"The earth is the Lord's and the fullness thereof" could be made the basis of an appeal not only to Christians. Those who enjoy the use of more fertile land should be prepared to share some of its benefits with those less fortunate. Where prosperity is the result of efficient use of natural resources, the debt owed to men of all nations and of all ages for their technical knowledge should stimulate generosity. Once the international use of this source of finance were established, people could more easily see the value of it as providing local and national revenue.

This is admittedly not the single tax, but it is a step towards it. In the postwar years Free Trade has become much more respectable than it used to be. People are beginning to realise how indirect taxes distort government policy, e.g. tobacco taxes and the danger from smoking. Inflation - a most insidious form of taxation - is receiving more attention than formerly. Once LVT is seen to be a source of revenue, it should be much easier to make people see it as the only just source of revenue.

I have not yet read Atlas Shrugged by Ayn Rand and therefore may lack a full appreciation of the argument on "Selfishness Vs. Altruism" developed by F.J.Auld in IUN No. 14. At present it seems to me that the ideal society is one where altruism is supreme, where man puts the care of others before that of himself. If he cares for himself - i.e. improves his powers, it is that he may be of more use to others.

I believe that it is possible in the present state of society for all men to do that, but for a very short time only. In order that man may advance towards the ideal society and enlarge the proportion of his life employed in altruistic purposes, I believe he must first live in a just society. This implies the single tax based on LVT. In such a society - with 20th century technological knowledge efficiently used - the lowest-skilled worker would be able to obtain as a just reward of his labour, sufficient to leave him a surplus which could, and I think would, be given to those less fortunate, the physically and mentally handicapped. The gifts could be collected and distributed by an international or local or individual agency. This is a matter for discussion, not a matter of principle. Efficiency would be the criterion. As a Liberal, I believe local action supplemented by individual action would be the most efficient. A Socialist might argue the case for a central agency, though fewer perhaps would argue that case now than formerly.

So I agree with Mr. Auld that in the present unjust world selfishness is the mainspring of action, but I hope that will change in the future.

## MORE COMMENT ON KNAB AND AULD - AND TERMINOLOGY

By W. HAROLD EMSLIE (Glasgow, Scotland).

With reference to the article "An International Challenge" by Philipp Knab, while his "fundamental axiom that the globe belongs to all men" may be correct, it does not necessarily follow that this "must be brought home to all peoples" unless he is referring to the indefinite future. Georgists have enough difficulty in persuading the members of their own countries of the need for land reform without embarking on an infinitely more difficult task; in fact, one might say an impossible task, unless they have started practising nationally what they are recommending internationally. While it is reasonable to prohibit the claiming of exclusive title to parts of the bottom of the sea at a distance from their own coasts, the present assumption that a certain land belongs to the members of that nation is on quite a different footing to claiming that the land belongs only to certain members of the nation. This latter claim could reduce individuals to serfdom whereas the former would not: at the most it could give certain countries some advantage over others but quite possibly the difference would be found to even out so that a country that seemed to be superior in mineral potential might later be found to be sadly lacking in recreational facilities enjoyed by another country. With the free exchange that Georgists recommend besides the single tax, any member of the human race could enjoy the benefits provided by any country.

With reference to the article "Selfishness Vs. Altruism", I think Frederick J. Auld may be confusing license with freedom. Before shackling and muzzling a country communists claim that they are going to liberate it. Because socialists boost their claims by a false altruism is no more reason why we should discard altruism than the fact that communists claim to liberate when they intend to enslave should make us decry freedom. The desire for freedom is strong and we can give what communists only promise to give.

Human beings have more than just the obligation to look after themselves, and altruism does not necessarily detract from the power to fulfill the above obligation; it may enhance it, for "he that saveth his life shall lose it."

The preaching of Georgist principles is to a large extent altruistic though we expect to benefit along with others. The Georgist claim for equity is altruistic and altogether antagonistic to Mr. Auld's claim that man's only obligation is to look after himself, which might be described as the law of the jungle and would very considerably lessen his power to look after himself.

I would also like to comment on one possible reason for "the lack of progress for the Georgist movement and for LVT." It seems to me a fault that Political Economy uses common words in a specific sense. If words have not their common or usually accepted meaning then let completely new words be found. For any one studying Political Economy it is not difficult to remember the specific meaning assigned to common words, but if a stranger were to hear a discussion on Political Economy he might assume that he knew the meaning of the terms used and consider that rubbish was being talked, while in fact he did not appreciate the specific meanings.

In common parlance "land" may be used in contradistinction to the "sea" but in Political Economy "land" includes the sea, the fish in the sea, the sun, the rain, the wind, the wild beasts of the earth. The same holds for practically every major term used, even to the term "capital". Some may consider that wealth includes godliness with contentment, and that our definition is a very materialistic one!

The advantage of a completely new word is that the hearer would have time to learn its meaning when he had not heard it before. We may not be able to improve on Henry George's Political Economy, but we may possibly improve on its presentation by the finding of new terms for its ideas.

MANY WAYS By J.J. POT (Slikkerveer, Netherlands).

In reply to D.B. Ascher ("Our Ultimate Goal" IUN No.13), indeed there are many ways of achieving our goal:

- (a) Giving away land as the Shah of Iran does so wholeheartedly.
- (b) Cranking the tax machinery by taxing, taxing, taxing the land.
- (c) Buying the land as proposed in New Zealand in the nineties.
- (d) Confiscating land by a dictator or a revolution.

Perhaps the ultimate method will be a mixture of more or less of the above methods, depending on whether the country is agrarian or industrialised, valuable or not, densely or sparsely populated, etc.

Commenting on the discussion "Pro and Con the Term 'Land Value Taxation'" in IUN No.13:

Mr. McCarthy, please avoid the term "value" for it is time and again confused with "price." "Site rent" is much better. But may I ask, has "rent" something to do with produce? If so, it is wrong, for a duty must be levied irrespective of produce. Perhaps "site duty" is better.

Mr. Hickok, indeed I wrote "no value left" purposely, to stress the general confusion. To explain the notion of "value" (price), you need 9 lines, twisting our brains around rates, limits and infinity. So please avoid the term "value."

Henry George in Progress and Poverty, page 405, writes: "By leaving to landowners a percentage ... etc." Unbelievable how George could spoil his principle by leaving a percentage! Apart from the fact that his opportunistic reasons are not valid, nobody should spoil his case by deducting a "percentage" of his moral principle!

As I see it, Mr. Hickok, your point is: LVT requires no change in the form of government and it embraces the institution of title deeds to land, the right of private property and the preservation of free enterprise. But the wrong of taxation is thereby continued, also the wrong of the institution of title deeds to land and the wrong of private property in land.

## CANBERRA IN CRISIS

(The system of public renting of land in Canberra, Australia's capital, in operation for many years, has been virtually abolished by the government, and in effect the system has been converted from leasehold to freehold. This change was excoriated in the Dec. 1970-Jan 1971 issue of the Melbourne journal Progress - especially as it was a Department of Interior decision with no parliamentary debate. Now comes a new book, Canberra in Crisis by Frank Brennan, giving a history of the system and recommendations for the future. It is published by Dalton Publishing Co., Garema Pl., Canberra 2601, price \$4.50 Australian. The book was reviewed by Bruce Juddery in the Jan. 22 issue of The Canberra Times from which the following excerpts are taken.)

Actually, I doubt if it is in my interest to commend the book at all.... For if Frank Brennan's proposals were ever taken up seriously I would end up paying much more for my recently occupied piece of dirt in Weston than I would like .... For Mr. Brennan is a disciple, implicitly at any rate, of Henry George, the "single tax" prophet of 80 years ago. So were the founders of Canberra, King O'Malley and the rest 'way back when ....

The burden of the George thesis is that the root of all evil, economically speaking, is the "unearned increment" on land that, as values rise as cities are raised, concentrates wealth and power into the hands of speculators. The system must be so ordered, he argued, that his increment would fall to the community as a whole. In the case of Canberra, that means to the Commonwealth. Hence the leasehold system, which was considered the ideal means of applying Georgean theory and which had such useful by-products as making town-planning easier, and the land rental which was abolished last December 31.

Of course, the whole scheme proved to be a mess. The speculators were not discouraged. Indeed, by pegging unimproved valuations on land for 20 years at a stretch, the Government virtually guaranteed there would be a growing disparity between the basis for its rents and the "real" or market value of leases ....

Frank Brennan's major prescription for this sorry state of affairs is in effect a Henry George revivalism. Not only would he retain rates, he would - implicitly again, for he is resolutely unquantitative in his approach - increase them. He would even call the present rates for municipal services "rent" and lump them into the overall charge ....

What set Interior's wheels turning three years ago was the approaching second 20 year reappraisal of a number of residential leases in Forest, many of them, after 40 years, occupied by old-age pensioners. Some of these people faced new land rentals of as much as \$7 a week. To the top men of Interior, and they are mostly a humane lot, such an imposition was unthinkable.... So they decided it would be better instead to just forget all about land rent ....

... It is impossible to deny that the philosophical concept on which this city was founded and administered, albeit sloppily, for 50-odd years, has been chucked out the window.

## KEEP TRYING

Sometimes it seems that discussion and letter-writing produce little result, so all-pervading is the propaganda of those who utter meaning-less words and with them justify demands for the socially harmful action....

A letter to Sun columnist Alan Fotheringham resulted in the following quotation appearing February 12 in a very prominent position in that paper: Winston Churchill, in The People's Rights, 1909: "Roads are made, streets are made, railway services are improved, electric light turns night into day, electric trams glide swiftly to and fro, water is brought from reservoirs a hundred miles off in the mountains - and all the while the landlord sits still. Every one of those improvements is effected by labour and at the cost of the people. To not one of those improvements does the land monopolist as a land monopolist contribute and, by every one of them the value of his land is sensibly enhanced. He renders no service to the community, he contributes nothing to the general welfare; he contributes nothing even to the process from which his own enrichment is derived."

A few days later, this quote was requoted by Municipal Assessor James Gardner of West Vancouver when British Pacific Properties Ltd. appealed against assessment of 2,783.2 acres of undeveloped land. Gardner said, "Churchill's words are just as applicable today in British Properties."

Come along, friends, take up the pen and call someone's attention to social injustice!...

Here are some hints on writing. Choose an issue that is to the fore and which will not have blown over in a week. Take your time if you are not very experienced. First know the policy and alignment of the paper. The letter must appear to side with this .....

The message to come across must be loud and clear, and a little unobtrusive repetition improves the chance of success. The temptation to be expansive or comprehensive must be resisted. One point well made is better than a dozen confused ideas. A little humour helps, but not the smart-alec type. The prose should be carefully composed, and after a preliminary draft has been made it should be put away for 24 hours and then re-read. It is surprising how different it seems after a short period. It is a good plan to ask an acquaintance to check it for punch and literacy. He feels flattered and the message gets across to at least one person. Finally the whole thing is amended and retyped. After mailing, the best thing to do is to forget it, otherwise there is likely to be some disappointment.

If you write to newspapers, you are showing your concern with social topics. So if you read the letters column, you will be getting the thoughts of concerned individuals. It is a good plan to write personally to these contributors discussing their thoughts and making suggestions for further considerations. Success has been achieved this way in the past. However, select those to whom you write very carefully. Certain groups are merely repeating catch-phrases and won't ever learn.

- From Freefolk (Aldergrove, B.C. Canada) Feb. 1971.



Since 1927 I have devoted most of my avocational life to promoting land-value taxation. During part of that time I was employed in the Georgist movement: Henry George School, Land and Freedom and Progress Guide.

After I got into the building and real estate business in Melbourne, Florida, the thesis of land-value taxation became more meaningful than ever. Every day I see events that should be told in articles, fiction, plays, movies, television and cartoons. I have urged professionals in these fields to tell the land-value tax story, and have urged foundations to devote part of their funds to some facet of land-value taxation.

More recently, I have seen to it that the Schalkenbach film, "One Way to Better Cities" was shown in the south, from Fairhope, Alabama to Miami. I subscribe to Ralph Nader's Property Tax Newsletter (Public Interest Research Group, 1025 15th St. N.W. Washington, D.C. 20005) and to other publications and memberships which I believe will advance political and economic verities.

To this end I recommend membership in Common Cause, 2100 M St. N.W. Washington, D.C. 20037. This is a "people's lobby" sort of group formed by a former federal official, John Gardner, and it has aroused widespread interest.

#### REPORT ON COLT

In may 1970, COLT (Committee on Land Taxation, Robert Clancy, Chairman) issued a small edition of a duplicated book, The Application of Land-Value Taxation. This was intended to be a working draft of a manual dealing with ways and means of applying land-value taxation and attempted to gather under one cover in condensed form as many ramifications as possible: a survey of land-value taxation in practice, assessment of land values, ways of applying the tax, natural resources, public lands, franchises, legislative problems, etc. By its nature, much of the information had to be technical. Still, many friends read it through and offered constructive suggestions for future editions.

One unexpected bonus was that the draft found its way into a couple of listings of literature on the subject. The result was that a flurry of orders was received from various institutions, including many universities around the USA and some from other countries. The edition was soon exhausted. Some extra copies were run off and these rapidly disappeared. Orders continued to come in and they still remain unfilled.

COLT has decided that, rather than repeat the arduous job of further duplicating from worn-out stencils, the job now is to revise the manual to include suggestions and corrections that have been made and to offer up-dated information and hopefully, to get it out in somewhat better form. It is hoped that this could become a periodic handbook that could keep providing the latest information on the application of land-value taxation and that COLT could serve as a sort of clearing house on the subject. Whether this can still be done remains to be seen.

## LAND-VALUE TAXATION AND ESPERANTO

By PAVLOS GIANNELIAS (Lyon, France).

The Federal President of Austria, Dr. Joseph Jonas, inaugurated in August 1970 the 55th Universal Congress of Esperanto by a discourse in Esperanto. He said therein: "Esperanto is not only a proposal for daily living, but it is eternally tied with high ideals, with the joint responsibility of nations, with the progress of humanity, with the peace of the world."

And the President of the Universal Esperanto Association, Dr. Ivo Lapenna, said at this Congress: We Esperantists are much more experienced than others on the discord between the great successes of science and technology on the one hand, and the failure of the co-existence of humanity on the other. We should therefore support the most sincere and honest tendencies, regardless from which side they come, aiming at the betterment of relations between every camp."

This once more encouraged me to attract, verbally and by writing, the attention of Esperantists to the best method of taxation as proposed by Henry George in the short phrase: "Abolish all taxation save that upon land value." This remedy is founded on the strict distinction between the three factors of production, land, labour and capital.

On the program of the Congress was a discussion on the theme, "Is the conflict between generations a reality or a pretext?" On this occasion I said that this conflict is one of the numerous pretexts which are always used - either by unwitting heedlessness or by self-interested parties - to escape from answering the problem as to the basic cause of the poverty of the major part of mankind. In all discussions on the subject, the distinction between land as the gift of nature and wealth, the produce of labour, is nearly always concealed by cleverly confusing the terms.

During the Congress I referred to the similarity in the aims of Henry George's land-value taxation and of Zamenhof's Esperanto. I mentioned how Leo Tolstoy enthused over his reading of Progress and Poverty and wrote to his wife: "This is the happiest day of my life. I didn't stop until I finished reading it through." Not only did Tolstoy translate many of George's works, write pamphlets and articles but he also sought to apply George's principles on his own estate by having peasants cultivate the land for their own use, paying a rent to a common fund.

It is interesting that Victor LeBrun, once secretary to Tolstoy and ardent follower of Henry George, is also an Esperantist. Tolstoy himself praised Esperanto for its simplicity and ease.

But Esperanto meets the same difficulties and obstructions that Tolstoy experienced in trying to disseminate George's idea. It is important, in order to bridge the "generation gap" for young people to learn a common language - the logical language of Political Economy as outlined by Henry George as well as the common language of Esperanto.