

Georgist Activism

by W. H. Pitt

Years ago, soon after my late wife and I moved with our young family to what then was a perimeter suburb but now is almost the demographic center of Melbourne's sprawl. The municipal revenues, like those for water, sewerage and drainage, came from charges (rates) against the annual rental value of the property. In consequence, vacant and poorly used land paid little and home-building and industry were penalised.

So, with Georgist vim and vigour, I set myself to have the value of the improvements exempted, thus to get the municipal revenue solely from the land values — i.e., from the estimated selling prices for the land. Thanks to earlier Georgist work, the legislature permitted the change, but first there had to be a Ratepayer's Demand for a Poll signed by at least 10% of the landowners and a largish deposit that we would lose if we failed by a substantial margin.

For a long time my letters to the Editor of the local paper drew little support, but after a friend built himself a pleasant home into which to retire — Georgist fashion — we decided to do something about it! We hired a local hall, advertised the meeting, got a good attendance, formed a small committee and took up a collection to cover immediate costs.

To get the necessary signatures we firstly held Sunday Morning Street Corner Meetings, with "Lower Your Rate Bill" flyers dropped a day or so before into the surrounding letterboxes. Also — a stroke of genius — we took either immediate donations or asked the householders to sign undertakings to pay our Site Rating Association for the City of Knox 10% of whatever saving would be shown by the figures for their properties — with the amounts to be calculated from the comparative statements that the city officials would issue a month before the Poll.

Additionally I approached a leading industrialist who took the gamble on an immediate large donation rather than the 10% of the saving. We were thus able to outspend our otherwise influential opponents who relied mainly on the city council — which of course they dominated — to do their work for them and to spend ratepayer money doing it! We won the poll hands down — and rejoiced at their sour looks.

My *mea culpa* is that I and my mates did not subsequently look to defence and failed to spot the moves that landlord-dominated state government quietly took against us. Little by little, they so emasculated the legislation that similar activity is now impossible. With georgist thinking still centered around the anathema that is land *price*, the activity declined and, Australia wide, public knowledge about georgism is woefully lacking. Thus our opponents now rejoice!

In happier vein, we began last year on a new (continued on page 21)

course, with a change of name to PROSPER Australia and the following Mission Statement:

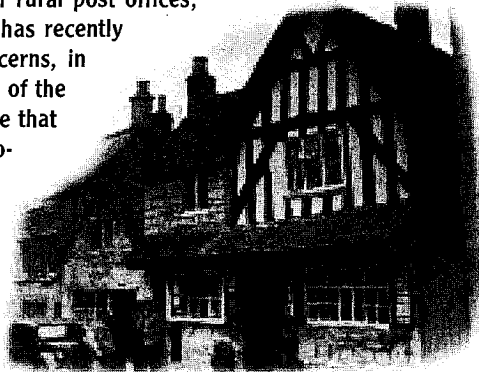
To create prosperity and full employment in a free enterprise society and to ensure environmental sustainability by collecting for public revenue the full site rental for every piece of land and other natural resources.

We feel that this swing from the old and incorrect land price terminology can, if properly exploited, bring quick public recognition of the fact that site rentals are the market worth of the facilities provided by the labour of our public servants and contractors, and it should be utilised by government for that purpose — immediately and in full.

My personal view is that the community will also see that this ends the charging of *interest* on loans, although the justifiable charging for risk insurance will of course remain. This will let the true role of the banker — the facilitating of commerce — be seen. Those who currently hate the banks as usurers then will see that the withholding of land from its proper use is the real enemy. Their support for us then will be automatic.

Just as no one can decently remedy an error without an appropriate *mea culpa*, I feel that georgism, with its past worldwide unsuccess behind it, can now move toward full remedial action. It was Dan Sullivan's *mea culpa* (GJ #92) that let me see some of the flaws in my own earlier formulations and I thank him accordingly. It is thinking in terms of land price that has held georgism back. By making our stance explicable from every aspect, site rent formulations will take it forward. GJ

You're all wrought up about the closing of rural post offices, are you? (a countryside-protecting society has recently highlighted this matter, among other concerns, in one of its circulars). Demand the collection of the land rental values in each locality — and see that their primary disbursement is **from** that locality, and then decide for yourselves if you want a local post office — or GM-free fields, or fluoride-free water! Why go complaining to central government in this childish way? We're in this mess on earth simply because we were never meant to live by centralized power systems — that paralyze people's ability to think — paralyze their common sense. And we'll stay in this mess until people have had enough of it, and realize that every community on this earth must live by taking responsibility for itself — and that there's no other way this planet can be rationally, or sustainably, inhabited.



— Shirley-Anne Hardy (from a letter to a friend, Feb. 2000)