



**OUR
PHILOSOPHY**

We believe that the Earth is the birthright of ALL MANKIND.

We recognise that for most purposes it is essential for individuals to have exclusive possession and security of tenure of land.

We believe that those who have exclusive possession of land should COMPENSATE SOCIETY for being excluded therefrom.

We believe that such compensation paid annually would meet the costs of Government and permit Society to abolish all taxes on LABOUR and on goods produced by labour.

A LESSON FROM HISTORY

(The following extract is taken from "Unemployment and the Land" by W. R. Lester (1936). It was distributed by the Quaker Land Value Group, 104 Park Avenue, Wrexham, England.

England of the Middle Ages

We would not put back the hands of the clock; none the less, useful lessons may be learned from the England of the Middle Ages. Historians who record the condition of the people in those days tell us that so long as the common lands existed (they covered one-third of the country's area) there were no unemployed men. But just as the commons were taken from the people and "enclosed", so did the spectre of unemployment begin to raise its head and the "sturdy beggar" infest the highways.

Since then enclosures have steadily grown till today the commons have been practically wiped out from the map of England, and "sturdy beggars" (now called the unemployed) have steadily increased in number till they seem to be looked upon as one of our established institutions, and many of our authorities tell us there is no way out.

Natives, Settlers and Unemployment

Today this same process of enclosure, under another name, is proceeding before our eyes among native tribes in Colonial possessions, with the same dire consequences — disinherited men seeking work at any price. So long as the natives retained their tribal lands, workless men did not and could not exist. These people were under no compulsion to "look for work", for work was to be had on their tribal lands without the asking. When white settlers appeared on the scene — accustomed at home to seeing would-be workers

begging for jobs — great was their surprise. They found the "labour market" short of workers, as they expressed it. These "Blacks" seemed to be fellows of infinite leisure; they seemed to gain a living with little effort, have endless feasts and pow-wows and, from the civilized point of view, to be quite indifferent to work unless when they themselves wanted it, and then it came without the asking. Those White Settlers who wanted cheap labour and plenty of it quickly discovered the cause of this (to them) intolerable situation. They were not long in making the discovery that the tribal lands prevented them from getting cheap labour. So long as the lands are open, the native fights shy of the labour market. Being free to work for himself on the tribal lands, he is not driven by hunger to compete for wages from employers.

So white settlers have set about "civilizing" these people by destroying their tribal land system. They are taking the lands from the natives and wherever they have done so, the result has been abundant supply of "labour on the market" with wages kept down by the competition of landless men, just as they are at home.*

The denial of the right to land means the denial of the right to work, save on the terms of the landowner; and this is as true in civilized society as among primitive races, so named. The power of a section of the community to close Nature's Workshop against labour and capital is everywhere the all-sufficient

first cause of unemployment.

*This is confirmed by evidence given before the Native Labour Commission (Kenya) in 1912-13. Settler after settler came before the Commission and demanded in the most precise terms that the natives should be forced out of "Reserves" to work for wages by cutting down their land so that they should have less than they could live on. Lord Delamere, himself owner of 150,000 acres said: "If this policy is to be continued that every native is to be a landholder of a sufficient area on which to establish himself, then the question of obtaining a satisfactory labour supply will never be settled." The process of reducing men to unemployment and poverty is here stated in all its nakedness and simplicity.

Witnesses also urged that sufficient land should not be granted to provide for increase in native population. In refusing Land an "adequate" supply of labour on the market would be guaranteed.

INSIDE:

- Economics, People and Labour
- From Land to Mouth
- Dates for your Diaries
Commemoration Dinner
September 2
(See Back Page)

EXTRACTS FROM AN ETHICAL PERSPECTIVE ON ECONOMICS, PEOPLE AND "LABOUR"

By John Tippet

THE DISINCENTIVE EFFECT

In western economies at least, there appears to be always a certain fraction of the able-bodied population that, for various reasons, can neither come to terms with the current employers of labour, and nor have they the financial means or credit standing in financial markets that would enable them to buy access to a productive site. This inability to gain access exists simultaneously with land being held out of use, and so the cause of the idleness of this fraction of the population is not a shortage in the supply of land. This (small) fraction of people makes up the hardcore unemployed.

The costs to the individuals of the disincentive to work that sets in upon prolonged unemployment are great, in the form of (i) lost opportunity of human development that flows from the simple attendance upon a job, and (ii) a simultaneous and obvious degeneration in well-being that accompanies prolonged idleness. In the event of, firstly, no means of support being available other than the returns from personal exertion, and secondly, the availability upon terms appropriate to their situation of suitable land upon which to work, there would be an immediate shift by this small fraction of society from being unemployed to embracing, at a minimum, a state of subsistence production. These two conditions though, are necessary: access to natural resources, and sole dependence upon personal exertion for the means of living.

While the immediate effect of charity is the obviously good and beneficial one of looking after those "unable" to look after themselves, it has another effect of opposite direction. It camouflages market failure. "The market" does not provide for everyone. It meets the needs of those who are able to comply with its terms and conditions, but it leaves rejected those who cannot. Ethical considerations do not allow for this rejection. Even if it be only a small minority, this rejection cannot morally be ignored, as morals is about right action and to leave even one in a situation of fundamental need can hardly be seen to be right action.

The work of charity in alleviating the twin problems of the deprivations

resulting from unemployment, and homelessness, is big business, and even anecdotal evidence of its extent points to a degree of market failure in our economic system. It is a strange market indeed that has people in paid unemployment.

NON-TRADEABILITY versus MARKET FAILURE

Unimproved land may be considered to be not properly a tradeable good. This is because (i) it is necessary to life (and so with respect to some minimum area per human being it has zero price elasticity of demand); (ii) its supply is without cost of production (in fact without either cost or production); and (iii) [which follows from (ii)] it has zero price elasticity of supply. All three of these criteria apply. Because of these coincidental supply and demand conditions, the term "market failure" in land is inappropriate. Rather, it might be seen as land being a special case; a factor in the market, but not "part of it" in the usual way because of supply and demand peculiarities. There is no argument here with Economic Rationalism. It is simply being suggested that land is a special case.

Non-tradeability of land was part of the fabric of the English nation up until as recent as the sixteenth century. The king acted as custodian of all land on behalf of the people. Nobody owned it; everybody lived and worked on it. However, what is tradeable, and in the interests of private incentive and hence efficiency needs to be tradeable, is improvements to or upon the land. Efficient allocation of the unimproved resource is by way of its periodic rental value. The factor in land crucial to the efficiency of the free enterprise system and stable society is security of tenure (along with private ownership of any improvements to or upon land).

TECHNOLOGY AND THE ARTS

One of the marvels of the past 30 years is technological progress. Advances in engineering are symbolised most graphically by man's journey to the moon, and that event was more than 20 years ago. At the shop floor level, 20 years ago it took 40 hours to assemble a motor vehicle; today it is done in ten.

In agriculture, 20 years ago a common workload for a wheat farmer was to grow 400 acres of wheat. Today, due to developments in machinery and farming techniques, it is easy for one man to grow 1400 acres. In services, and to take accounting as an example, the use of computers has all but completely revolutionised the manual system of recording and processing financial data.

Technology has brought about a large scale substitution of capital for labour, and men and women are simply not needed now in factories and farms as they were in earlier times. This reduced need for labour in the production of an economy's goods should be a welcome event.

It would seem a mark of progress that the toil of physical labour in the productive processes is supported, and in part replaced, by mechanical means. However, ethically it is only progress to the extent that the people released are employed in and supported by industry that provides them the opportunity for human development: to be able to work (and therefore satisfy the duty to work); and to make a worthwhile contribution in the eyes of the contributor. Of course the services area has grown significantly, and this growth has absorbed many "displaced" people, but there is opportunity here to pursue an alternative line of thought.

The material wealth of an economy is in its provision of useful goods and services, not necessarily in the percentage of its labour force "employed". It would seem that a view of technology as being a means of freeing up people for alternative occupation is both (i) highly relevant in today's economic environment of particularly troublesome unemployment, and (ii) most appropriate to an ethical consideration of economics, whereby people are seen not as "units of labour", but as individuals having material needs and at the same time possessing, albeit to quite varying degrees, aspirations toward human development.

CORRECTION

June issue, page 5, column 1, para. 2, line 16 *land tax should have a deletion rule through it (land tax).*

OUTSTANDING, BRILLIANT NEW BOOK

*From Wasteland to Promised Land.
Liberation Theology for a Post-Marxist
World*

By Robert V. Andelson and
James M. Dawsey.

(Orbis Books, Maryknoll, New York;
Shepherd-Walwyn, London.)
146 pages.

Liberation theology refers to efforts by Christians in third world countries, particularly Latin America where it originated, to cope with and change oppressive power structures, both in terms of theory and practice.

The authors are respectively (a) a professor of philosophy and an ordained Congregational minister, and (b) an associate professor of religious studies and an ordained Methodist minister, at Auburn University, U.S.A.

They use the Old Testament story of the exodus of the Hebrews from Egypt to the Promised Land as the backdrop for their exploration of the issues involved in liberation theology.

Their critique of Marxism is powerful, perceptive, and scholarly without being tortuously complicated. This is important in view of the tendency of many liberation theologians to rely, in varying degrees, on Marxist concepts, and in view of the current growing disillusionment with Marxism worldwide.

There is an excellent discussion of the currently popular theme "preferential option for the poor", in which compassion and realism are beautifully balanced. There is also an excellent analysis of the popular "dependency theory", according to which events in developing nations are largely influenced by the activities of the advanced developed nations.

There is a degree of theological sophistication, rare, if not unique, in Georgist works incorporating a religious approach.

This is well illustrated in the distinction drawn between the Promised Land and the Kingdom of Heaven.

The book contains numerous surprising factual data, e.g. the minuscule percentage of landowners who control a large percentage of land (usually the best) in various countries.

An appendix contains a biography of Henry George which is easily the best of its length that I have ever encountered.

The "footnotes", located at the back of the book, bear witness to scholarship both deep and wide-ranging; though

here, as the acknowledgements appropriately testify, the co-operation of other Georgists, on an international scale, was undoubtedly very important.

The Introduction is written by John Davies, Bishop of Shrewsbury, U.K., who has had experience in living in a third world country. The book is appropriately dedicated to Dr. Hector Raul Sandler, a Georgist, "teacher of justice and heroic champion of human rights". Two Australian authors, A. R. Hutchinson and L. Hemingway, are cited.

Of all Georgist books written since Henry George's death in 1897, this would have to be included in the top ten, and ranked very close to the top. It is very difficult indeed to find any point for criticism. Perhaps, and it is a very tentative, muted perhaps, more space could have been given to the socio-economic teaching of the Old Testament, especially as Frederick Verinder's great work "My Neighbour's Landmark" seems virtually out of print.

In this superb book Georgists will find a splendid presentation of their philosophy and its contemporary application. Those with Judaeo-Christian convictions will perceive fresh insights of their faith and its relevance for various present-day issues. People who do not adhere to a traditional religious faith will gain a greater understanding of how religion has been moulding various facets of Western culture up till the present.

"From Wasteland to Promised Land" merits the greatest possible publicity and the widest possible circulation, not only for promoting the Georgist message for a needy world, but especially for the sake of so many who suffer unnecessarily because of prevalent unjust power structures.

Geoff Forster.

Note: The book is not yet generally available in Australia. Inquiries should be directed to our Hardware Street office.

NEW BOOK ASSESSING HENRY GEORGE

"George and the Scholars. A Century of Scientific Research Reveals the Reformer was an Original Economist and a World-Class Social Philosopher". Edited, with Introductions, by Will Lissner and Dorothy Burnham Lissner, Robert Schalkenbach Foundation. 516 pp.

This book consists of 44 essays by different scholars on: Part I, George the Man and his Times; Part II, George's

Contributions to Economic Science; Part III, George: Moralist, Social Theorist and Social Philosopher. Most essays are taken from *The American Journal of Economics and Sociology*.

The book gives an excellent background to George and his ideas, and the impact he has made, not merely in economics, as the above indicates, but in other areas. Reasons for neglect of George are explored, and reasons for the perennial relevance of George are elaborated.

As would be expected, the quality and interest of the essays vary, but overall the outstanding features of George as man, observer and thinker emerge very strongly.

Tax Reform Australia has a library copy only. However, arrangements for obtaining personal copies can be made.

G.A.F.

THREATS THAT NET U.K. LANDOWNERS MILLIONS

Polly Ghazi

Major landowners are claiming millions of pounds of taxpayers' money in confidential payments for not developing Britain's most important wildlife havens.

Beneficiaries include Viscount Cranborne, a former Conservative MP who stands to inherit one of Britain's largest aristocratic fortunes, and Lord Thurso, a leading Liberal Democratic peer.

Around 1,750 landowners have received more than £40 million over the past decade after threatening to damage protected Sites of Special Scientific Interest, which cover eight per cent of Britain.

Their identities and the size of the payments - made by the Government's nature conservation agencies - have remained shrouded in secrecy. But an investigation by today's *Observer Magazine* reveals four cases where leading landowners either have, or are about to, profit handsomely by threatening to develop protected landscapes.

The combined payoffs are likely to be more than £19m.

The revelations demonstrate how huge payments to a small number of landowners are seriously undermining nature conservation in Britain by starving protection agencies of funds.

U.K. "Sunday Observer",
5/4/92.

LETTERS TO THE EDITOR

LAND TAX

I refer to Syd Gilchrist's letter ("Progress", Feb. 1992) that rent, when collected as public revenue, is a tax, which could be introduced gradually.

Fifty to sixty years ago this matter was the subject of a bitter quarrel between the 'step-by-steppers' (Allan Hutchinson) and the 'whole-hoggers' (Fred Hodgkiss), with the latter coming out the victors.

Early this century, a British government passed a step-by-step bill, beginning by *taxing* land values at one halfpenny in the pound, but it was thrown out by the following government. This revealed the weakness in the step-by-step argument. Unless the instituting government was in power until the reform was complete, a change in government could mean that it would never be completed.

According to the whole-hoggers, to be successful, you had to accomplish the action in one bold stroke. As Henry George said: 'The first thing on Monday morning'. The step-by-step method would create violent fluctuations in rents which would be almost impossible for valuers to follow. But, either way (step-by-step or whole-hog), we would be up against the time factor, and the shorter we made it, the more likely we should be to complete the reform. And whole-hog is shorter than step-by-step.

Even so, the establishment would try every ruse possible to thwart it, as they have always done.

Arthur Cannon,
Kennington, Vic.

RENT

I agree with Dorothy Davies (*Progress*, April) and Syd Gilchrist (February).

It is not reasonable, for instance, to expect a farmer, having just paid a million dollars for a farm, to accept that rent must be paid for the use thereof. Described as a tax to end all taxation, the proposition becomes more acceptable.

Lazy perhaps, but it does save teaching each succeeding generation the theory of rent. Stripped to basics, the problem facing us is to make farmers realise that they are not landowners per se, but professionals using land as a tool, whose brain and brawn are more important than the land.

Some of the confusion Dorothy Davies refers to comes from the fact that

there are two forms of rent: economic rent and rack rent. Economic rent is the product of the land. Rack rent is the product of the labour of the tenant.

Our farmers have been bankrupted over the last twenty years by governments extracting rack rent by the use of indirect taxation and usurious interest.

Unfortunately only a Georgist can comprehend that.

John Fry,
Whyalla, S.A.

RE FRANK BRENNAN:

A Legal approach for site value collection. (*Progress*, March 1992)

Mr Brennan states that fee simple confers land ownership upon the person so favoured. While agreeing with Mr Brennan that a jurist is likely to favour this opinion, nevertheless land is nature given and is the absolute property of no one; although one may possess or hold it. At most, the incumbent owns a land title. A covenant between the holder and the state, which defines the rights and privileges the former obtains and the duties he has to perform in order to hold the land.

A state depends for its power upon the use of, or threat of force. Without such it could not function. For instance, who would pay taxes? However, the legality of land possession contract depends upon many possibilities, and the matter of ownership is open to debate, with many diverse cases. For instance: a traitor may have his titles abrogated without compensation. Hence ownership is not absolute.

Why concentrate on the opinions of legal authorities arguing about moot points? Why favour this course over the welfare of millions of frustrated people who suffer and die of starvation and disease caused by injustice, while a whole civilization slides down the drain?

The imperative obligation is that we should put justice and the welfare of the living and posterity before the old and unsatisfactory statutes of the dead. Our efforts would be much better concentrated upon swelling the numbers who agree with us. The most promising group are the disillusioned young people, particularly those in the higher secondary colleges who see no worthwhile future for themselves in the present system.

In a few years we, the older generation, will be dead and gone, while the young are just coming into adult life. They are the hope for the future.

We should try and create a substantial body of propaganda with them that will be an influence in politics. Assuming they gather enough strength to make our land policy popular, the jurists are likely to change opinion and see the question of land holding from our angle.

If the ancient custom of landholding as a tenancy was altered by cunning persons trying to escape their obligations, why can it not be altered back again?

Arthur Cannon,
Kennington, Vic.

PRESS LETTERS

GST BLAMED FOR BACKLASH

Recent reports indicate that support for the Mulroney-led Canadian Government, 16 months after they introduced a seven percent goods and services tax (GST), is running at 14 percent.

The New Zealand National Party Government, admired so much by John Hewson for the introduction of so-called industrial and social reform, apparently has the support of an unbelievable six percent of the voters.

These figures would indicate that a coalition platform, including a 15 percent GST, will face certain rejection by a majority of voters at the next federal election.

K. Gibson,
Chermside, Qld.
"Sunday Mail"
24th May, 1992.

BETTER WAY THAN BY-ELECTIONS

By-Elections to fill casual vacancies in the House of Representatives are usually given a great deal of attention by politicians and the media.

There are almost as many interpretations of the significance of by-elections as there are commentators.

In cases, the result is unsatisfactory to nearly half the voters. With final figures for by-elections, we can be certain that nearly half the votes are valueless.

Years ago, a much better method for filling casual vacancies was introduced in Tasmania as a refinement of the Hare-Clark system of proportional representation. The votes counted for a vacating

member are re-examined to find which of the unelected candidates is the next preference of the voters.

If the members of the House of Representatives were elected by a quota-preferential system similar to Tasmania's Hare-Clark system, not only would general elections give more effective representation but the disruption and cost of by-elections would be avoided.

R. B. Excell,
Hon. Secretary,
Henry George League.
"Caboolture News", 27/5/92

RENTS ARE SET BY DEMAND

It is ironic that Tony Brighton (Letters, April 30), like so many others, blames land tax or rates for rent rises when they are the sole exception to that general consumption-tax rule.

The other 96 per cent of Australian taxes are actually designed to be passed on to consumers by reducing production to what can still sell at the higher prices necessary.

Compared with allegedly impoverished landlords, few seem concerned about the millions unemployed and below the poverty line as a result, who genuinely cannot afford these taxes on prices.

They are 96 per cent of the \$6930 average tax per man, woman and child in 1990-91, reported in *The Canberra Times* on April 26. That is almost \$28,000 tax for an average family of four!

Land is the gift of the Creator and not produced by human endeavour, so the supply cannot reduce. Rents are thus entirely dependent on fluctuating demand as measured by vacancy levels.

Tony actually concedes this, having just denied it. "The (rent) increases were far from reflective of increases in (high interest) costs."

Why? Obviously it is because larger rent increases then would have triggered vacancies, which are even more to be avoided when landlord costs are high, whether from interest rates, taxes or whatever.

B. Mason,
Pearce, A.C.T.
"Canberra Times", 7/5/92.

• 72 landowners hold 92% of all the privately held acreage in Hawaii, according to a June 1984 New York Times article.

AQUINO'S PEOPLE POWER LEAVES ELITE UNTOUCHED

Along the MacArthur Highway – past a bridge washed away by floods, past ragged bands of beggars, past shanty towns carpeted in volcanic ash – guards in blue uniforms and a large sign announce the more ordered world of Hacienda Luisita, the family seat of President Corazon Aquino.

There is no talk of "People Power" here. What counts is manpower – cheap, plentiful and undisturbed by calls for change. Like most private estates in the Philippines, Hacienda Luisita is a one-family, one-crop affair. The boss is Pedro Cojuangco, Mrs Aquino's brother; the crop is sugar, planted and cut by 7000 landless workers.

Up a gentle slope on one side of the estate stands the family mansion, Villa Alto, built by Spanish settlers. On the plain below, beyond an 18-hole golf course, stables and the stock of prize fighting cocks, lies the source of the family's wealth – a sugar mill and 6800ha of cane.

Compared with more rapacious landlords on other islands, Mrs Aquino's family is generous. It pays a statutory minimum wage of \$A3.20 a day and provides health care, rice allowances and bus tickets for children going to school. It also allows a (tame) trade union.

But the plantation, patrolled by its own police force and troops from the presidential guard, remains a potent symbol of Mrs Aquino's biggest failure in office: the enduring power of a land-owning oligarchy rooted in the feudal privileges of the past.

Mrs Aquino has never denied her own good fortune. Born a Cojuangco – a pillar of the country's mestizo elite – she married into the Aquinos. Between them, the two families monopolised the entire province of Tarlac.

Ironically, it was in this alliance of family, money and land – an alliance cemented by a shared sense of noblesse oblige and contempt for the nouveau riche kleptocracy of Ferdinand Marcos – that People Power was born.

When she came to power in 1986, swept on a surge of hope and goodwill, Mrs Aquino vowed to break with her privileged past. Land reform, she declared, would form the cornerstone of her administration. But with only six months left in office, Mrs Aquino's cornerstone seems more an abandoned tombstone.

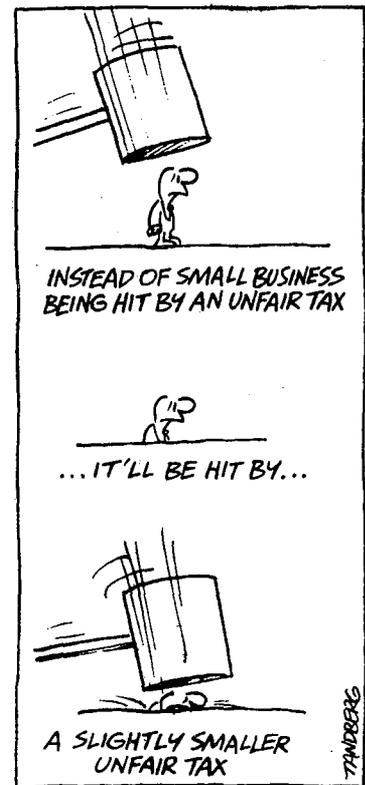
People Power removed Marcos and sent many of his cronies into exile, but

has done little to uproot the resilient power of the landed elite. While Mrs Aquino's family controls thousands of hectares, all but two million of 12 million farmers have no land at all; nearly three-quarters of the rural population still lives below the poverty line.

Instead of fulfilling a promise to break up the large estates early in her term, when she still enjoyed huge popularity and the power to rule by decree, Mrs Aquino left the task to Congress, which was dominated by large landowners. The result was a land-reform Bill bold in rhetoric but riddled with loopholes, many of them engineered by another of Mrs Aquino's brothers, Jose Cojuangco.

Compared with what came before, even this is an achievement. Over the past six years, the Aquino Government has redistributed five times as much land as Marcos did in two decades – but this just shows the magnitude of the problem. For the time being, there will still be weekend golf and cock-fighting at the Hacienda Luisita.

"Canberra Times",
December, 1991.



FROM LAND TO MOUTH

By Herbert Meyer

Recent events in the Horn of Africa, Bangladesh, Sudan, Ethiopia, Iraq, Eritrea and Somalia have raised the spectre once again of famine and starvation throughout the so-called 'Third World'.

Almost like clockwork, apologists arise saying that of course the main problem with the 'Third World' is one of massive over-population, resulting in poverty, distress, famine, starvation and death and destruction.

It is important that such neo-Malthusian balderdash is scotched at once. The fact of the matter is that the main problem in all Third World countries, as indeed throughout the world, both developed and undeveloped, is not "over-population" but landlessness.

To take one simple fact: the cadastral surveys of Bangladesh most recently carried out in 1974 for World Watch Limited indicated that there were then 11 million households in Bangladesh. 75% of these were then landless. At that time 11% of the entire population of Bangladesh owned over 50% of all the land. I do not know what the most recent indications are as to the relative number of households or relative proportion of landlessness, but I would be surprised if in fact the proportion of landless has not vastly increased, or else why would millions risk their lives squatting on tidal delta lands?

In Africa only 22% of the arable land available for crops throughout the Continent is ever under any form of native cultivation for indigenous food supplies. Instead the arable land is devoted almost entirely to cash crops for exportation to the 'developed' portion of the globe. This exportation of cash crops, including coffee, cocoa, carnations and avocados, is necessary to pay for the massive debts thrust on the so-called 'Third World' by the International Bankers Cartel. Interest payments by the poor to the rich in 1989 amounted to circa £25 billion more than all 'aid' given by us to them.

It is incredible, with all the demands made on us by the charities cabal, that no-one appears to speak out demanding that the root cause of these continual disasters be treated seriously and a radical solution found for these avoidable catastrophes.

The reason that no-one demands the inspection of root causes is that to treat

the root cause of famine and starvation is to prove that all famines and disasters are caused by poverty. No-one wants to admit that poverty is the source of the wealth of the rich.

As an aid to indicating that this is not merely my favourite hobby-horse, let me crave in witness a recent book produced on the land question. The book, by Sir Richard Body, Conservative M.P. for Boston-with-Holland, entitled "Our Food, Our Land" is a devastating exposé of the disaster caused the world by the abandonment of the cheap food policy of the United Kingdom in return for joining the Common Agricultural Policy of the so-called Common Market.

Sir Richard graphically points out that the entire cause of the poverty of Africa, Asia and Latin America is in fact the Common Market and the exclusion of all world cheap food from the United Kingdom and the European mainland. Until you tear off the CAP you condemn your fellow human beings to famine, starvation and death. Sir Richard graphically points out that the "protection" of the Common Agricultural Policy for the United Kingdom farmer has in fact not protected the majority of British farmers whatever. When the United Kingdom joined the Common Market in 1973 there were, in round figures, 500,000 United Kingdom farmers. Today there are, again in round figures, 200,000 and in Sir Richard's words "it looks as if the policy has been of little help to at least half of them".

He also gives the reason why 'protection' results in unemployment and destitution:

"the reason is found in the law of economics, it is this: if the State artificially raises the price of the product, the initial benefit to the producer in the form of higher income is nullified by a rise in the value of the asset out of which the product comes. The asset we are concerned with is our land; out of it comes our food; so the price of land rises when the price of food is increased by State action and it rises in aggregate terms as much as the aggregate increase in the price of food. This is what happened with the Corn Laws in the first half of the 19th century, hence the distress and starvation in the countryside, which only became worse when the levies on imported corn were raised still higher." (abridged)

THE FINE PRINT

By Frank Wilshire, 1991

Liberty has never come from government . . . always from the subjects of it. It is a history of resistance.

Woodrow Wilson.

Mr. Wilshire is a broadcaster who disparages the media for its distractive attention to scandal and trivia rather than to party platforms – "probably the only written indicators of the politicians' sworn intentions".

His 1992 book, two hundred easily read pages, raises alarm at the disappearance of liberty through the growth of big Brother, connived at by our senior politicians, concealed in buildings ostensibly designed for Telecom and controlled by international bankers, multinational traders and the transnational 'Establishment' that now sees world government within its reach.

Although not explicit, the chapters about public health and the availability, given investigation that does not now occur, of far more efficacious 'natural' remedies, provide a buttress to such suspicions.

That site rentals should be taken totally into the public treasury, gets attention by default. Mr. Wilshire worries that international mortgagees are currently foreclosing on debtor properties and that the international bankers in poorer countries are accepting 'equity for debt'. This 'equity' of course is title to vast areas of land, that one day will become valuable, and the governmentally owned facilities that get sold for a song.

The book is a good read. Perhaps Mr. Wilshire might write another specifically on the benefits that 'site rental revenues' would bring to the nation. Readers then might more easily dismiss the fears that he raises.

If you cannot get it locally, send \$14.00 to Box 209, Round Corner, 2158.

Reviewed by W. H. Pitt.

NETWORKING WITH RUSSIANS

A Seminar in New York

A group of 22 Russian economists were the guests of the New York Henry George School from March 16 to April 3 for an intensive seminar on "A Political Economy of Freedom and Justice". They are associated with the Institute of World Economy and International Relations, Moscow, which cooperated with the School. The initiative of Heather Remoff, new Henry

George School trustee, was instrumental in launching this project.

Daily sessions covered the basics of economics with a Georgist orientation and application to current problems. Among the discussion leaders were George Collins, Stan Rubenstein, Lindy Davies, Steven Cord, Jack Schwartzman, William Vickrey, John Marlin, Lowell Harriss, Oscar Johannsen, Nicolaus Tideman, Edward Dodson, and economists from various institutions.

Part of the program included field trips to various organizations connected with the economy: the Federal Reserve Bank, the New York Stock Exchange, the Commodities Exchange, the New York Assessors Office and the Bronx Terminal Market, the largest distribution centre for produce anywhere. This last visit was reported in the *New York Times* of April 4.

The Russian economists showed an interest in continuing the contacts made and the knowledge acquired. Related educational programs at the Moscow Institute are being explored.

An Australian Contribution

A pilot project will be set up to introduce the New South Wales system of land titles to Russians.

Known as the Torrens Title system, it is named after Captain Robert Torrens who was Surveyor General of South Australia in the 19th century (then a colony).

The Georgist Journal (U.S.)
Spring, 1992.

BUY AMERICAN

We used to worry about selling the farm; now we should worry about selling what is in our shops. Many of our best-known companies – our family silver – are being sold to foreigners at an alarming rate.

Last year saw such cherished Australian icons as Speedo, King Gee, Stubbies and Bundaberg Rum sold to overseas conglomerates.

And last month Melbourne toolmaker

Sidchrome, a symbol of Australian ingenuity for more than two generations, sold out to the US company Stanley Tools.

The invasion has quickened in recent years because of the parlous state of the Australian economy, but it's been going on for many years, and many will be shocked at some of the "Australian products" that aren't.

For example, if you thought you were doing the country a favour this morning by spreading Vegemite on your Tip Top bread, think again.

Vegemite is owned by the Americans and Tip Top by Canadians. It's enough to make you weep into your Kellogs Corn Flakes – but of course they're owned in the US, too.

Other "Australian products" that aren't include Kraft and Coon cheeses, Bushells and Billy Tea teas, Heinz baked beans, Rosella soup, Cottees cordial, Aspro and Drizabone.

Who do we blame: our managers?

Former Australian Democrats senator John Siddons, chairman of Siddons Ramset, the former owners of Sidchrome, argues Australian managers are as good as, and probably better than, those overseas.

The chief executive of the Victorian Employers Chamber of Commerce and Industry, David Edwards, agrees, but says overseas managers have access to advantages their counterparts here do not.

Both groups blame government policies for the great brand-name sales, and say unless policies are changed to make it easier for businesses to survive, the consequences could be dangerous.

Herald-Sun, 1/2/92.

BEHIND THE LOS ANGELES RIOTS

Between 1973 and 1986 the average earnings of American men without tertiary education in the 25 to 34 age group dropped by a massive 21 per cent. The average income of the richest fifth of American households grew by 24 per cent in real terms, but the income of the

poorest fifth plunged by 11 per cent. The well-off averaged \$US68,775 the poor \$US5107.

By 1986 the top 20 per cent took home 46.1 per cent of US income. The bottom 20 per cent took home just 3.8 per cent. More recent estimates show that 60 per cent of the increase in American wealth since 1978 has gone to the top one per cent of income-earners.

Almost half the black children in America now grow up in poverty. Most have no father at home. Several million Americans are now millionaires, yet the descendants of the slaves generally toil for less than \$10 an hour, can never own a house and spend most of their lives near or below the poverty line. Many live in conditions so depressed that the only neighbourhood role models with money are the drug dealers.

But blacks are not the only Americans living in poverty. On the contrary, most poor people in the US today are white, although they number less than one in 10 whites compared to one in three blacks.

These are the victims of the inability of the American system to spread the good life at all. They are the workers laid off by corporate America's obsession with reducing labor costs; the citizens unrepresented in a political system institutionally corrupt; the fathers and mothers of broken homes in a country with a divorce rate twice that of Australia; the students who were promoted every year at school even if they learnt nothing.

Tim Colebatch
"The Age", 8/5/92.

COMMENT

The foregoing was predicted by Henry George in "Progress and Poverty" unless radical social justice in terms of land tenure and just revenue was implemented.

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- Lunch-hour videos, Series, 12.30 p.m. 1st Monday of month.
- Executive Meeting: 7.30 p.m., Thursday, August 13th.
- Melbourne School of Economics - 10.30 a.m. Wednesdays.
- Commemoration Dinner Wednesday September 2, 6.30 p.m. Dallas Brookes Centre, East Melbourne. Speaker - Richard Giles, Association for Good Government. Cost \$25.00.
- BYO Lunch Sunday August 16, 12.30 p.m. at 31 Hardware Street. Videos followed by visit to Speakers' Forum, City Square.

DEADLINE FOR PROGRESS:
Noon on 12th of previous month.

The views expressed in articles are those of the writers and not necessarily of Tax Reform Australia Inc.

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