the Henry George News

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Message To a Superfluous Man

by ROSALIE M. SCHULTZ

FROM everywhere come dire pronouncements of the world's present state of over-population, and you uneasily wonder if it was your arrival that turned company into a crowd. The air-conditioner repairman sweeps perfunctorily in and out of the house with a heavy schedule writ on him; the doctor makes polite inquiry about your family, but he's too flaccid to hold your answer, and you worry that the cares of your ailment may be what collapses him. All the market places you are dependent upon for the goods of life are crammed, and you suspect sometimes that your total effect on earth is to deplete the general store and block the aisles.

This vague sense of being a possible surplus harries even the most productive people into greater and greater frenzies of justifying activity. We all become as aged parents bent on assuming double-duty in the households of our children in order to avoid "becoming a burden." But our increased tempo brings little relief because we can hear the growing mutterings of sufferance behind us. Officialdom ever less patiently speaks of "the problem" of educating the individual, of making the room and getting the funds to discharge its duty in that regard. Finding jobs for every man is likewise "a problem." Even in this country, the providing of bare essentials like food, water and breathable air is increasingly viewed as "a problem." How can

any amount of productive activity on your part make up for all these problems your existence poses?

This long train of thought was perhaps started speeding on its way a century and a half ago with the popularity of economists like Malthus and Ricardo. Their theories, when logically extended, condemned every additional person to being nothing more than a siphon on the community. In our age their dismal sect has swept into leaden consensus. Add the weight of such a doctrine to the weight of living in a time when all the room in the body of the world seems to be already reserved, and the burden is great indeed. We feel oppressed even amidst our freedom, and diminished even amidst our steady expansion.

So now is as appropriate a day as ever there was to read Henry George and be reminded of a few things. That

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James A. Murphy

ON Thursday, June 11th, a cluster of students waited expectantly in room 44 for James Murphy, their Economic Science instructor. He had never failed to appear for his class—in fact he was always early. He was one teacher the registrar could always count on.

Thursday evening—no Jim.

Next day the whole staff was saddened to hear that he had died at his desk at the State University of New York, Downstate Medical Center in Brooklyn, where he was a research associate. Those who worked with him at the Center said they were always aware that he had divided loyalties, and they thought his greater loyalty was to the Henry George School.

No one at the HGS could remember a time when there wasn't dependable, amiable Jim Murphy to call on. He took some 25 courses at the headquarters in New York beginning about 30 years ago. In 1945 he became a faculty member and taught more than 100 classes. But that was not all. As President Arnold A. Weinstein said, "he was a man of many parts, particularly valuable, universally liked and always willing. He made his contribution to the cause of mankind."

Of late he had been writing steadily on money, his favorite economics subject, and had nearly completed a book-length manuscript. Since he spoke no less than eight languages, he was invaluable in the International Department where he was considered to be "like a school in himself." He was the only one who corrected papers in every course and every language—never refusing any request.

In 1963 he was invited to Peru to teach during the summer in a college conducted by the Marianist Fathers at Piura in the northern part of the country. The next year he returned to teach high school students in Arequipa. The three basic courses were given in Spanish and were welcomed by enthusiastic classes.

Few realized, owing to his modesty, how diverse were his attainments, ranging from concert pianist to electronics theoretician. Among his lighter interests was an attempt to teach a computer to play chess. But above all his life was dedicated to the cause of justice for all men. He never sought any recognition nor any expressions of gratitude for the time and effort he lavished on the work of the school. His labors stemmed from deep personal convictions.

Don't worry about not having called up, Jim. Your colleagues and your students, hundreds of them, remember you with love and here and there a tear.

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The Henry George News, published monthly by the Henry George School of Social Science, 50 E. 69th Street, New York, N. Y. 10021, *supports the following principle:*

The community, by its presence and activity, gives rental value to land, therefore the rent of land belongs to the community and not to the landowners. Labor and capital, by their combined efforts, produce the goods of the community—known as wealth. This wealth belongs to the producers. Justice requires that the government, representing the community, collect the rent of land for community purposes and abolish the taxation of wealth.

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Reverse the Trend—Apply the Remedy

by KENNETH N. GRIGG

WE may view the contemporary economic scene as the natural result of a long history of monopoly holding of land and other natural resources. Privilege thus capitalized has been compounded within other investments and because of the backstop which such monopolies now constitute, many forms of capital investment have ceased to be price-competitive. The capitalization of privilege, rather than the private investment of capital, has been the basic economic evil against which the bargaining power of labor remained at a gross disadvantage.

Consider a situation in which a river town has a solitary bridge owned and operated by one man. Each time the townspeople crossed the river they had to pay for the privilege, and this netted the holder of the franchise $10,000 every year. In time he wished to realize on his assets and received a lump sum of $200,000—the capitalized value of the annual income at 5 percent. Behold the financial strength of monopoly capital. But his true capital consisted only of the bridge structure, the toll gates and ticket boxes. Their total depreciated value might be $5,000. His *spurious* capital, the $200,000, was the capitalized value of a legalized privilege.

From Henry George's analysis of a developing economy (*Progress and Poverty,* Book IV, Ch. II) we may see that rent increases both as a relative and absolute proportion of the gross national product. The summated rental value of land throughout a country, the monetary value of that bonus of goods and services which is dependent upon the differential advantages of sites, increases both relatively and absolutely with population increase, in the face of compounding social and scientific advance.

W. D. H. Cole speaks of Marx's theory of surplus value as relating to the surplus product due to the *economic* advantages of associated production. George made the signal contribution to economic thought that the real social surplus is that bonus of production inescapably related to the differential capacity of the location of land. He distinguishes, in a way that Marx fails to do, between the returns that labor and investment of capital in productive machinery might legitimately expect as rewards to skill and entrepreneurship—and the return due to the community as a whole, according to its own very presence. The real social surplus is rent, monetarily expressed, at "second remove," in the summated rental of land.

Again it is to be noted that this social bonus of rent arises as a natural phenomenon, and that it does so even in the presence of a relatively "free enterprise" economy in which the market genuinely controls the price structure.

George has stated that increase of population operates to increase rent and to reduce wages as a proportion; and that this occurs in the course of continual increase in the aggregate production of wealth. That is, rent tends to rise both relatively and absolutely as the capitalistic system develops.

In general terms, the vacant price of land may be said to be the capitalized value of so much of its rental value as has not been collected in rates and taxes, i.e., which remains attached to the possession of title. Professor Steven Cord assesses the magnitude of this capitalization of the social surplus, represented by rent, into land price, and states that it bears on the factor of rent in surplus value and therefore on the size of surplus value itself (*Henry George, Dreamer or Realist,* pp 186-195).

Today with our compounding technology, the component of the G.N.P. which may be ascribed to economic rent has grown to astronomic proportions, as measured "at second remove" in land values. Indeed the capitalization of various forms of income-from-privilege into land rentals makes land values the Ultima Thule of the process. The nature of much of what is termed surplus depends on the location of industry and commerce, which, under a different set of social values, might be oriented differently. The invention of power in industry, locomotion and road transport has been capitalized into land price as a function of "locality desirability."

The validity of George's analysis is seen in its most rudimentary form in certain countries in Asia and Africa where the only hope is that the capitalization of monopoly in the privilege of exclusive title to land free of any encumbrances or obligations to the community as a whole may not be allowed to continue as industrialization proceeds. What is needed is a reversal of the trend towards capitalized monopoly. There is no such thing as monopoly capital because, in the very nature of things, capital is expendable and replaceable, and that in a comparatively short time, as the rebuilding of Germany after World War II will attest.

A redistribution of incomes is also needed, and the solution may be found in an examination of the historical process whereby the wage workers lost the bargaining power. Laborers were virtually dispossessed in England by the time the industrial revolution got under way, and real wages were at their lowest in the first decade of the 19th century. Therefore, in order to increase the bargaining power of wage earners in trade unions and associations, what is needed first is the diversion of capitalized privilege away from the large corporations with their monopolies in land and natural resources, and the reinvestment of the income of such privileges in the public domain. This will reduce the corporate assets to their true level of plant and equipment, and it will provide government with the ever growing surplus arising from an ever-expanding technology. The (pseudo) affluent society will no longer be marked by public squalor and private wealth, and the present burden of indirect taxation bearing mainly on the wage earner will be lifted, thereby increasing his purchasing power.

In addition the price of land, with its gross speculative element, will be substantially reduced, and more people will be able to enter the competitive field in their own right. The bargaining power of labor having been increased, it follows that the share of the G.N.P. which goes to wages must rise, and the share which can be commanded by present large corporations must fall. The social surplus would be directed to social ends and would not appear in high land prices nor in the high rise buildings of corporation, bank and insurance offices, which, as seen, are the channels through which the social surplus is today so frequently dissipated.

Since in large measure the site value of land is the value of community services, the capital accounts of all developmental works and public utilities should be met from the land rental fund. Each instrumentality could be empowered to strike a rate of xyz cents in the dollar on site values, sufficient to yield the annual budgetary requirements for raising and servicing capital funds.

Our thesis is worthless unless it can be reduced to practical terms. Fortunately this is quite possible as evidenced in Australia where most municipal finance is derived from rates on site values. The first requirement is a sophisticated technique of land valuation which may be readily checked, as with land maps publicly displayed where rate payers can compare their assessments.

In a word, it is time to begin to apply George's proposed remedy. Capitalization of privilege and monopoly is an ancient wrong, its reversal should be our main objective.

"Don't Feed the Bears"

IN a "Sermon for Children" William L. Edelen, in the February Freeman, related this true story told to him by a ranger in Yellowstone Park. It caught the attention of English Georgists who reprinted it in their April HGS magazine published in London.

Each year after the tourists leave and the snows come, dozens of bears die along the roads and the park rangers carry them off and bury them. Why do they die? They are waiting for the accustomed handouts of cookies, candy and bread. Sadly they sit and wait by the side of the road, but the tourists do not come and so they die.

For they have forgotten how to prepare for winter. They do not go into the woods to dig for themselves whatever they can in order to survive until spring. The free handouts have destroyed their native self reliance.

Can this happen to people?

The author says: "There are some things in life that can't be borrowed, that can't be given to us. No one can prepare your mind for you or study for you. No one else can develop your talents for you. No one can do your praying for you or develop your relationship with God for you. No one can do your daily work for you. The most important things in life you must do for yourself."

To sit idly by the road and wait for parents or the government or the church to give things to you is to die as the Yellowstone bears die.

In a U.S. student publication, The Gargoyle (HGS of NJ, June-July), Oscar Johannsen, in "Youth on the March," observes that the young do not know what the cancer is that is gnawing at our civilization. It is the unjust system of land tenure that denies access to opportunities which should be available to all.

The older generation is beginning to feel insecure. Though not proud of the way things are going, they doubt if the young would do any better, since many of them seem to be turning to socialism.

Our society is far from perfect, he says, but so far superior in every way to socialism that one wonders how any intelligent person could consider it, particularly when the deficiencies of Soviet Russia and Red China are so apparent.

The danger he sees is that a reaction could result in repressive measures which would destroy all free dom. The people will stand just so much disorder, then they will demand action. The older generation has the money and power to enforce its will if pushed too far.

He hopes that cooler heads will prevail—that the young will learn to express their dissent peacefully in ways which will not give others the excuse to bear down with brute force. In turn the older generation should be reasonable and try to understand what the young are saying. Possibly out of such a dialogue some appreciation could come of the cause and cure of the cancer in our midst.

Bertrand Russell on Land Value

"PRIVATE property in land has no justification except historically through the power of the sword. In the beginning of feudal times, certain men had enough military strength to be able to force those whom they disliked not to live in a certain area. Those whom they chose to leave on the land became their serfs, and were forced to work for them in return for the gracious permission to stay. In order to establish law in place of private force, it was necessary, in the main, to leave undisturbed the rights which had been acquired by the sword. The land became the property of those who had conquered it, and the serfs were allowed to give rent instead of service. There is no justification for private property in land, except the historical necessity to conciliate turbulent robbers who would not otherwise have obeyed the law. This necessity arose in Europe many centuries ago, but in Africa the whole process is often quite recent. It is by this process, slightly disguised, that the Kimberly diamond mines and the Rand gold mines were acquired in spite of prior native rights. It is a singular example of human inertia that man should have continued until now to endure the tyranny and extortion which a small minority are able to inflict by their possession of the land. No good to the community, of any sort or kind, results from the private ownership of land. If men were reasonable they would decree that it would cease tomorrow, with no compensation beyond a moderate life income to the present holders.

"The mere abolition of rent would not remove injustice, since it would confer a capricious advantage upon the occupiers of the best sites and the most fertile land. It is necessary that there should be rent, but it should be paid to the state or to some body which performs public services; or, if the total rental were more than is required for such purposes, it might be paid into a common fund and divided equally among the population. Such a method would be just, and would not only help to relieve poverty, but would prevent wasteful employment of land and the tyranny of local magnates. Much that appears as the power of capital is really the power of the landowner—for example, the power of railway companies and mine owners. The evil and injustice of the present system are glaring, but men's patience of preventable evils to which they are accustomed is so great that it is impossible to guess when they will put an end to this strange absurdity."

These statements by Bertrand Russell were reported in March 1917 by Arthur W. Madsen, editor of Land & Liberty. They were republished in the London HGS magazine in April 1970. Mr. Madsen died in 1957. He was succeeded by the present editor, Victor H. Blundell.

Mr. Madsen commented that Mr. Russell was not so convincing in some of his other statements, as, for instance, when he emphasized that mere impulses were the cause of war and strife. Discounting the influence of economic conditions and their distortion of men's minds, he saw the solution not so much in improved social environment as in the diminution of desires that center round possession.

The former editor, long a brilliant exponent of George's work, made it clear that "the earth should be for all, and if each lived in it commanding no service from another unless he gave an equivalent service by his own labor or industry, there would be no occasion for strife and certainly no possible outlet for that brutal passion which Mr. Russell calls the 'possessive impulse.'"

A Smile For Georgists

SOUTHFIELD, Michigan became for a few years a proving ground for modified land value taxation procedures. Perhaps it should be left silently to its fate, now that things have changed. But somebody always keeps bringing it up.

Jack Woerpel is a real estate writer on The Sunday News (Detroit) who is very apt to harp on this until Detroit reluctantly learns a lesson from the precocious, fast-growing suburb.

Note how effectively his logic stirred the readers. On May 31st Mr. Woerpel advised Michigan homeowners to "Do this right now: look at your latest property tax bill or other records and check the equalized assessed value of your property. Now double that figure. Is that a fair market value for your property?"

He told them in a detailed article how to proceed, and then he told the story again about Southfield's assessing policy when the assessor (Ted Gwartney) put more emphasis on land values than on building values, and how this worked to the advantage of homeowners and building owners and to the disadvantage of vacant land owners (see p. 16).

Now that the county equalization board has increased all assessments 27 percent to make Southfield's share of the tax burden equal to that of other communities in the county, the taxpayers, he says "are hopping mad at the mayor, the assessor and the county board."

Finally in a mild pique he suggests having a panel of qualified real estate appraisers make a study and give an opinion, and "while we're on the subject, how about a law requiring all assessing officers in all Michigan cities and townships to be qualified for their jobs, not political hacks?"

Just one week later, on June 7th, a very surprised Jack Woerpel wrote in his Sunday section that according to a new law effective December 31, 1971 any assessor, even a township supervisor, would have to be certified as qualified, and that the governor had appointed a board for this purpose. A course for assessors is being introduced in two colleges.

Maybe you've heard all this before, but it was Robert Benton, then the HGN director in Detroit, who pulled James Clarkson into the HGS milieu, first as student, then teacher. Soon he became mayor of Southfield and now county judge. With such a background Benton, as an LVT enthusiast, is notorious. We use the word pridefully, for he was invited to sit with members of Detroit's Board of Assessors and discuss assessment practices and theory. Nothing like this ever happened before. Ten years ago it would have been so shocking as to cause Georgists real alarm.

LVT practices and advocates are no longer dismissed as readily as they once were. Clarkson was the first to defy warnings and include LVT principles in his campaign. He had a hard fight but he won. And in winning he started a train of events that will surely find friends who will keep troubling the waters.

It's true that other board members did not accept Bob Benton's LVT ideas, but they listened. It is also true that the state constitution would have to be changed before assessors could do so bold a thing as to assess land only and exempt buildings. But here's a line from Woerpel's copy that should make Georgists smile: "Many Detroiters have been wondering whether there might not be something to the LVT idea."

The man who works and is never bored is never old.—*Pablo Casals*

Noah D. Alper's Brief Cases

AN EARLY MONETARIST AND GEORGIST

Within the past two years, according to an article in The Christian Science Monitor by David R. Francis (Apr. 21), the "Monetarist" school of economic thought has been winning more converts, and its symbol is "the bouncy University of Chicago professor, Dr. Milton Friedman." His theory does not spring from a blank past, since earlier economists argued for the importance of money. There was Irving Fisher, who, with a graduate student, Harry Gunnison Brown, wrote *The Purchasing Power of Money*, before the turn of the century.

Professor Brown, well known to Georgist students, had in his classes at the University of Missouri a monetarist of today's generation, Dr. Beryl Sprinkel, now senior vice-president and economist for the Harris Trust & Savings Bank in Chicago. Dr. Sprinkel later studied under Dr. Friedman.

WELFARE, EDUCATION, AND THE PROPERTY TAX

Philip E. Watson, Los Angeles County Assessor, told members of the Southern California Mortgage Bankers Association that "property taxes can no longer carry the full burden of California's welfare programs and a major share of its educational costs." He suggested a constitutional amendment to shift welfare and education costs to state revenue available from other sources, and recommended that property tax ceilings be set by the state with limits that could be changed only by a majority vote within a taxing district, as reported in the Los Angeles Times.

Although he is assumed to be a tax expert because of the position he holds, he has not yet learned that the property tax when it applies to both improvements and land, is a double tax. As Professor C. Lowell Harriss of Columbia University said, "the tax on improvements can be horrible, but the other, the tax on land, can be one of the best."

NO PENALTY FOR NOISE OR CARBON MONOXIDE?

Despite the protests heard about noise pollution, Joseph A. Foster of the Air Transport Association maintains: "It is undeniable that land developers consistently seek land near airports. It follows inexorably that a new airport will inspire extensive construction around it."

A study by the National Association of Real Estate Boards has found that "both freeways and rapid rail transit systems are good for the value of nearby property. Since the voters of the San Francisco Bay area approved a rapid rail transit project in 1962, private investment in new office buildings has exceeded $850,000,000. By 1973 the total private investment will exceed the basic public investment in the system."

A UPI dispatch clearly indicated that "the effect of not building freeways results in a comparative decline in value, while land served by a well-planned freeway will appreciate in value."

ALL MAY BE LIFTED

"National prosperity is the inevitable companion of individual prosperity, provided only that the individual's prosperity is founded on production. In this situation we have economic health and assurance of growth. No other system has ever been suggested which gives even a promise of comparable results. The present system works. It stimulated enterprise and distributes its benefits to all, including the un-enterprising."

—From The William Feather Magazine, Jan. 1970

Letter From Australia

by WILLIAM H. PITT

BECAUSE of a now rectified mailing error, I have this week had the pleasure of reading all copies of HGN back to last July—a marvelous and encouraging story of accomplishment and promise, but showing a couple of weaknesses where strengthening would help.

First, there are attempts (unsuccessful) to so define "wealth" as to exclude those fruits of labor that come in the form of services [Oct. '69, p. 11 and Mar. '70, p. 5]. It seems to me inevitable that any such definition must be a failure for, when people speak of the wealthiness of a person, they have in mind the command that he has over what together are spoken of as goods and services.

Since the object of all economic exertion is the satisfying of some desire, it is clear that both goods and services are produced for this same essential reason. The difference is that, while with services the satisfaction given by the labor is enjoyed immediately, the satisfaction given by goods results from the outcome of the labor being stored in material form so that the satisfaction it will give may be enjoyed later.

Wide enough to embrace both, I therefore suggest the definition: WEALTH, all goods and services that are exchangeable in the market.

I make special hoo-hah about this because the question very closely concerns the origins not only of wealthiness but also of both value and price, and errors at an early stage can make for awful difficulties later.

We value a thing, in subjective fashion, because the satisfaction for each of us will, like our thumbprint, differ a little from that of anyone else. We then give objective expression and measurement to our evaluation by establishing its exchange value, or price, in the market. This process is followed irrespective of whether the item for exchange is what is called a service or if, being of material substance, it comes under the heading of goods.

For example, first consider yourself at a clearing sale where a nice old kitchen chair is about to come under the auctioneer's hammer. You will hear him say, "What am I offered for this sound old piece. It has years of service in it for the lucky buyer."

Perhaps as a heavy-weight for whom the chair's construction looks a bit light, you will keep your peace. But if you have tried the chair beforehand for its comfort and know that for you (subjectively) the statement is true, you will then bid for the satisfaction that enjoyment of the chair seems to offer.

Next, consider yourself as needing tonsorial attention. You desire (!) to look elegant or to feel neat and tidy. So, you do the job yourself with the aid of two mirrors and patience, or, through the operation of the market, you exchange a product of your own exertion for the satisfaction gained from the hairdresser's exertion.

With the haircut the satisfaction is transient and another few weeks will find you again feeling scruffy. With the chair, the satisfaction is similarly transient, but the period over which it will spread is likely to be years.

It therefore seems to me that the definition which I use—you will probably find that George himself gives it somewhere—ties in with the simplest forms of language and fits exactly into position with subsequent definitions for wages, capital, rent etc.

My other major point concerns land value taxation. Here I see need for simplicity and clarity so as to bring conflicting views into agreement, for there are those who, even though they subscribe to journals that advocate LVT, bluntly aver that all taxation is bad.

Unfortunately, there seems no word as short as "tax" to cover what people mean when they speak of government revenues. Economy of effort is therefore bound to ensure that the word stays with us, probably forever. Hence it behooves us not to be narrow in our usage of it and I think we can see to this by clarifying the term "land value."

For this, it is easiest if we go direct to George's "the value of land is its rent" and then turn our social science course into everyday language by saying that this is what the occupier is constrained to pay because of his desire—and the desire of those who will compete with him—for the additional wealth that the economy of effort inherent in the convenient location of his land will proffer to its titleholder.

Together, these wordings lay out exactly what LVT is about. Moreover, they do it in everyday language that leaves no room for argument among ourselves or for quibbles by opponents. This is the advantage over wordings that refer to land price, that hideous perverter of public morality and of reformist thought. Land price is a secondary evil that is mounted upon the appropriation of land rent to private advantage instead of the public enrichment. The less we say about it the better, for it has no place in the Georgist scheme of things.

It seems to me that we will immensely *simplify* our LVT proposals if we will construe the term land value as referring only to the rental value. And for safety's sake, we should always seek to express our ideas in everyday language rather than in terms which, because they themselves require elaboration, tend to confuse rather than clarify. Thus I am brought to suggest that the Georgist proposal can with complete accuracy be: that the rental value of land should be appropriated to public revenue in lieu of arbitrary taxation.

Notes From Readers

As if destined to allay fears of famine owing to population growth, a report comes from the U.N. Food and Agriculture organization via London, stating that the Malthusian catastrophe will be avoided for the present. Introduction of new strains of crops, aided by fertilizers, irrigation and pesticides will, in some cases result in a surplus, mainly of cereal food.

Msgr. L. G. Ligutti, a Georgist friend, has been active and prominent in the FAO since the beginning. He was largely responsible for introducing American "miracle grains" in under-developed countries.

The Cape Cod Standard-Times writer, John Kerr, (May 18th) recalls that early settlers regarded the salt marshes as a good source of hay for their livestock. The areas were divided evenly among the settlers who shared in the good and poor yield portions. Outright ownership was rare but the "haying rights" had a legal connotation in the event of claimed ownership.

Now the salt marshes are valuable property. Though the hunters, fishermen and naturalists have long cherished them, the land developers and builders have been after the spacious marshes for the past decade, because building land on Cape Cod is becoming scarce.

Professor Robert C. Wood of the Department of Political Science at Massachusetts Institute of Technology, recently stated that lowering taxes on structures encourages new construction and rejuvenation. Lowering taxes on site values has the opposite effect, invites speculation, raises land prices and discourages construction. He subscribed to the emphasis placed in the Douglas report on the desirability of shifting taxes from building to site values. "A strong move in this direction," he said, "would help to renew our cities."

Don Marcellus of Middletown, New York, after reading Oscar Johannsen's article "Land Reform Comes to Vietnam" (May HGN) fashioned a letter from its contents for the local newspaper. Middletown has a Taxpayers party and Don Marcellus is the party's candidate for mayor. He has researched a large number of local properties and shows many cases of under-assessed vacant land. Urging proper assessment, as required by law, he points to the Southfield experiment as an example of what his town might accomplish.

Letters to editors are invaluable in spreading the word. The Christian Science Monitor of June 6th used an extensive letter on "Land Taxation" by Herman C. Zwart who took issue with a statement by another writer who claimed "it's too late for site value taxation." Mr. Zwart affirmed that land could not be hidden since it was constantly being appraised, though he questioned whether assessors really know land value when they see it. He mentions seashore land in Marin County that was bought for $58 million and adds, "I am positive that the same property has not been paying its taxes based on the $58,000,000 value."

From an Indian School bulletin in Montana we learn that the idea of land ownership was foreign to nearly all Indian tribes. "Land and its produce, like the air and water, were free to the use of all. A tribe, band, or village might claim certain land as its territory for farming, hunting and dwelling, but it was held and used communally. Nothing caused a greater clash with the Indian than the white man's concept of land ownership. Some regarded the earth as the mother of all life. Tribes in New Mexico may still be seen taking shoes off their horses and walking about in soft-soled shoes in the spring, because they believe the earth to be pregnant at this time of year and they must not harm their body."

In response to "The Pearl in the Oyster" and Noah Alper's suggestion (May HGN), I can report that I was introduced to the philosophy of Henry George in the 1930's when I was organizing women's groups throughout Massachusetts for the Taxpayers Federation. In connection with this work I wrote a pamphlet on taxation which the organization published and circulated.

Mrs. LaRue Brown of Boston suggested that because of my interest in taxation I visit a class of the Henry George School which was just starting up in Boston, where my home was at that time. I went to the opening session, taught by John Codman, and continued through the ten-week period. Following that I took the advanced courses also.

On the first night in the fundamental course my mind was illuminated as if by a sudden flash of lightning. I saw at once the importance of taking the rental value of land instead of the taxes that are imposed on us. It gave me an insight into our whole tax problem.

I was very grateful to my friend for her introduction to the subject and, needless to say, this knowledge has been a tremendous factor in my life ever since, explaining, as it has, our economic difficulties. What a pity our leaders do not see the solution!

DOROTHY WORRELL
Centerville, Cape Cod, Mass.

My attention was first turned to Henry George by a man who said nothing at all about Henry George and *nothing* about economics. I was managing a small company, and a salesman was trying to sell me a piece of office equipment. I have my own theory of depressions and had steered the conservation around to my favorite subject. He listened attentively and then invited me to come to lunch with him and "a couple of friends who will be interested in your ideas." I took the bait. That was sixteen years ago. My life was enriched by that one invitation more than I shall ever be able to repay.

His friends were Robert Tideman and Harlan Trott. The lunch conversation was stimulating. Not a word was said about Henry George or what he stood for. They wanted to know about my views on money. After much questioning and probing they asked if I would teach a ten-week course on the subject to their faculty (by that time I had discovered that Tideman taught courses in economics and had trained several others to do the same).

I accepted the challenge. It was a fascinating experience. One of the men in the class had a Ph.D. in the subject and was in the Research Department of the local branch of the Federal Reserve Bank. They liked the course and asked if I would continue teaching it for their school.

Then, and not until then, Bob Tideman started feeding me books and pamphlets about LVT. I had many questions. He patiently answered every one—usually by throwing questions back at me that made me see the answer to my own question.

It took time but Tideman was patient. I have been a Georgist ever since, although I still deny that tax reform will solve the problem of depressions.

ROBERT DE FREMERY
San Anselmo, California

Truth can never be told so as to be understood and not be believed.
—William Blake

To a Superfluous Man

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which is basic always tends to get sludged over until man is standing on a completely artificial vantage point and viewing the scene from a distorted angle. Somewhere beneath the modern quagmire of pessimism are buried just such basic realities of society. George dredges down to these first principles in his classic nineteenth century economic analysis, *Progress and Poverty,* and exposes them plainly for each new generation to firmly ground *itself* in. From this truer perspective it can be seen that if the individual is not unconditionally an asset, neither can he ever be dismissed as irrevocably a liability.

George reminds us, for example, that the sparsely populated, disconnected country can never achieve the *largesse of civilization for its citizens.* By the term "civilization" one doesn't refer to the existence of any particular kind or degree of technology, but simply to the ability of a society to satisfy its member's manifold needs, hopes and wishes. The lone person in a scattered land may be able to eke out enough to meet his bare physical requirements; however, where can he realize his wishes for a varied, intricate experience of life, and what can come of his hopes for a knowledge of the larger whole. He can't let any such luxuries divert him, for he must narrowly keep to the labors at hand in order to meet the minimums of existence. Thoreau may have led a sublime life isolated at Walden Pond, but only because he was heir to the abundances of the roaring civilization around him. He left society in order to quietly mull the complexities of a mind forged in it, much as a child would steal away to the garden's end to privately examine the baubles in his mother's jewel box.

No, the truly backwoods and frontier dweller leads a blunt, *little* demarcated life. Only as more settlers come to populate the area can his world begin to open up. Henry George for all times makes the point in his famous Chapter Two, "Savannah" passage. As a community begins to build, tasks can be assumed by specialists or shared, so the individual no longer has *to do everything for himself.* The range of goods and ideas available to him steadily expands. But perhaps not so important as what a person can now get is what he can now give. In the growing theater, his work can benefit many besides himself and his small family. And when the audience gets large enough, it will be able to elicit what is particular in him. A born home-run hitter in a region of few and far between would spend his life at the same common chores of survival that would occupy all his sparse fellowmen. Only among a great conflux of people would his special talent find a demand and an opportunity. It takes quite an aggregation to support the uncommon, and to give every man a chance to do what only he can do.

So already George's philosophy turns our thoughts more hopeful. He shows each person to be of essential value to a community. The process is constant and effortless—another human being, another set of skills, experiences, ideas—another thread to make the texture of the society yet richer.

Rosalie M. Schultz, at 22, is a student at Northwestern Illinois College, majoring in anthropology. She won first prize the essay contest conducted by the Henry George Woman's Club in Chicago. She was a pupil in The Fundamental Economics class taught by Mrs. Mina Olson two and a half years ago. In a brief graduation report at that time she wrote (HGN Jan. '68) that she had spent her time "gayly dropping Henry George's name," and she looked forward to following up this enthusiasm with a serious probing into the validity of what she had read and discussed.

But the question persists. However much an individual may deposit to society's account, don't his needs compel him to first and foremost withdraw from it an even larger sum?

For this, Henry George reminds us of what has so long been obscured by bad economics, namely that "with every mouth comes a pair of hands." That's of course a metaphorical way of pointing out each person's greater capacity for contributing than for consuming. More specifically the phrase refers to each person's having the wherewithal to proportionately expand the resource pool from which he draws his subsistence. Even such eminent thinkers as Adam Smith failed to see this obvious welcome to mankind. So, throughout modern history, one of the most prevalent impelling assumptions has been—the more people, the more minutely wealth has to be divided. Such implicit notions are what have carried much of the bitter competition between men into our own lifetimes. Every newly arrived flock that has ever demanded entrance into the labor force has been viewed as a threat, in the form of a driving wedge that would inevitably leave smaller pieces for everyone.

This conception of the nation's capiital stock as a pie, baked hard into shape and set, is erroneous. Wealth is not a fixed quantity. It's not as a dead man's estate on which the more distant cousins make claims the less there will be for any one of them. Neither is it as a father's bank account on which the child can draw and draw with only idle future intentions of repayment. Far from having this finished, *deus ex machina* quality, wealth is something continuous and manmade. It is generated and maintained only by men's labors; its quantity is limited only by the extent of men's labors. And man's reward is forever contingent upon his first having fruitfully labored.

The Question

Although initially it seems relentless in its demands, this realization also proves to be a reassurance to man. We now see that what we honestly earn comes not from some all too readily exhausted reservoir, but from our own labors. We see that our reward does not lessen the reward of another man nor increase the apprehension with which we must regard him. Our wages are seen as value received for the value our exertions have added to the natural materials with which we started. Ah, but still the question pursues us—what when man becomes so numerous that he exhausts the natural resources and exhausts the world's ability to make a place for him?

Is that time upon us? Is that time inevitable in its coming? Some say it is, in the same breath with which they quote to us the fact that two-thirds of the people in the United States live on two percent of the land. And then Henry George reminds us of a few things. To him, predicting our future population based on our present rate of birth is like predicting that a child will become a gargantua based on his first month's explosive rate of growth. All rates are explosive in the first days of a thing's being, and mankind is surely yet in his first days. There eventually occurs a tapering off. In the case of man's birth rate, this tapering will occur when he reaches the maturity to provide himself with a satisfying life. A man desperately proliferates himself only in order to see a progeny that have something he had not, that do something he did not, that are something he was not. When a person can realize a complete life himself he need no longer hope in children for completeness. If people do one day crowd and crowd until they really are nothing but problems for each other, it may be because they never found wisdom enough to achieve such a life.

The Answer

Or, Henry George reminds us, it may be because they were circumscribed, plugged up into one small corner of the full range of possibilities. The latter certainly describes the circumstance of our present mad jostling. We have to strenuously squeeze ourselves into place each day; we can know no ease of motion—not because there are too many of us on earth, but because there are too many of us forced along the same narrow corridors. No part of the still great stretches beyond these can be had for our own either cheap or easy. Every beckoning opportunity seems locked up in escrow. The man who would build for his family a house on pleasant country terrain, finds he must become an executive and earn until retirement before he can bid on the site. The man who would start a business finds he must first know and have a great deal, because he will be paying too dearly to risk failure. Oh, land, land everywhere, but not an acre to grow on!

There's a great optimism revealed here none the less. If a man in this time and place feels himself a heavy problem on the shoulders of his fellowmen, it is not because man always and everywhere is a problem. It's because something in his group's social organization has cut him off from all means of independence. The problem is grown in the social system, not inherent in the man. And since social systems can be changed, their problems can be solved. Henry George's solution is to levy a single tax on citizens, equal to the full value of the land they presently own.

This action would have a very specific relevancy for our time. By forcing the valuable land fringing all down-town areas out of the slum landlord's hands, it would give a chance for mass squalor to be replaced by individual business. By freeing land from the speculator's disinterested ownership, it would make space available to people's life-long dreams. The uneasy jobless could readily obtain land on which to launch their own ventures. The black man, the Indian, would have alternatives to life in the mainstream. They would have a place to do things their way.

But however urgent his economic cure, it's still George's underlying philosophy that is most compellingly relevant to our age. Implicit in his words is a message to our growing sense of being surplus, of being unneeded pebbles thrown at the foot of a mountain. He speaks to the fears of us all. To the man who feels insignificant amidst the dazzling riches, George says, "It is you who make the wealth." To the man who feels unjustified in asking for some room, George says, "You have a claim." To the man who questions if he can really add anything, George says, "You can." To modern man who craves so to be needed, George says, "You are."

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San Francisco friends celebrated the 21st anniversary of the Henry George School on June 19th at the Athletic Club, with a civic dinner and a discussion of how proper taxation can improve various communities. The guest of honor was the president of San Francisco's Board of Supervisors, Dianne Feinstein. Ed Hart, a news analyst, was the master of ceremonies on this all-woman program which included Mrs. Jean Barnard, Mrs. Ilene Weinreb and Mrs. Winifred Frederick, all active in civic affairs.

Go East, Young Man!

Irene Hickman, County Assessor in Sacramento, has been teaching Henry George classes for a good many years, and now it appears she is also good at training people for important careers.

Ted Gwartney joined her department after receiving a bachelor of science degree at San Diego State College and a certificate in real estate at the University of California at Los Angeles, where he majored in appraisal. He resigned to take over the spectacular assignment in Southfield, Michigan at the request of S. James Clarkson—becoming the youngest assessor of a major metropolitan area at age 26. It was in Michigan that he met his bride. He also received wide recognition for his assessment program. After an election shift he returned to Mrs. Hickman's department, but only briefly.

Beginning July first he will be known as the City Assessor of Hartford, the capitol of Connecticut, at 550 Main Street. Though he's a west coast native he's looking forward to living in the east, and it will be nice to have the Gwartneys in nearby New England. Let's hope Dr. Hickman will turn out more such geniuses.

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Your next HGN will reach you in September with a report of the annual conference of the Henry George School at Calgary, Alberta. The August issue will be omitted.