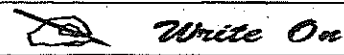


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July– August 2011 GroundSwell



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GroundSwell is devoted to the economic and social principles of Henry George, author of Progress and Poverty, and to people who want fair taxation, economic justice, and prosperity.

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COMMENT posted by Bill Batt, Albany, NY to Aug. 21, 2011 article in The Janesville Gazette, Janesville, WI, "Janesville business owners question assessment increases."
<http://gazettextra.com/news/2011/aug/21/janesville-business-owners-question-assessment-inc/>
Post Aug 21, 2011 by AlbanyGeoist @gmail.com

The key to understanding your assessment is in knowing that it is really two taxes to an economist, one on the building, one on the land. Buildings typically depreciate at about 1.5% per annum; land typically increases in value, but is subject to (even responsible for) economic bubbles. Land values reflect the extent of economic vitality in an area, and are due to what your neighbor does more than what you do. Therefore, the key to understanding your assessment is to look first at the land valuation and if you do a GIS land value map, it will show whether the assessments follow a pattern or whether they look like colored confetti scattered over a region. For more on this, see urbantoolsconsult.org, and centralresearchgroup.org. The best thing we could do for fostering economic activity would be to untax buildings and shift the rate solely to the value of the land<<

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RE-SOLVING THE ECONOMIC PUZZLE (from page 4)

Is the Georgist remedy, as some claim, too good to be true? Because land and nature's gifts touch all economic elements, Rybeck details how the unethical misappropriation of land values impacts a whole range of social ills. He offers specific corrective land policies that remove the current obstacles to creating jobs and affordable housing, to reviving cities and halting sprawl, to empowering local governments and to achieving a sustainable economy.

Re-Solving the Economic Puzzle is published by Shephard-Walwyn, London, 238 pp., paperback, 2011, distributed by the Robert Schalkenbach Foundation, New York. [Search words cited: Joblessness, Blighted Cities, Crumbling Infrastructure, Homelessness, Environmental Abuse, and Recession.] Also available from Amazon and Barnes & Noble. To access the book on the Internet:
Schalkenbach: http://www.schalkenbach.org/store.php?cm=83&rn=651&action=show_detail

Amazon: http://www.amazon.com/Re-solving-Economic-Puzzle-Walter-Rybeck/dp/0856832812/ref=sr_1_1?s=books&ie=UTF8&qid=1311944274=1-1

Barnes & Noble: <http://www.barnesandnoble.com/w/resolving-the-economic-puzzle-walter-rybeck/1100481643?ean=9780856832819&itm=1&usi=re%2bsolving%2bthe%2beeconomic%2bpuzzle>

WALTER RYBECK OPENS CGO CONFERENCE

Lessons from American history can be used to support the Georgist remedies for joblessness and affordable housing, said author Walter Rybeck at the August 2, 2011 opening of the Council of Georgist Organizations conference in Minneapolis.

Taking the audience back to his days as a foreign correspondent in Ecuador while in his 20s, he said many young Ecuadorans were communists, saying they had tried capitalism and it didn't work. What he saw was not capitalism but excessive landlordism or feudalism. A few families owned the nation's valuable farmland. In Quito, the capital, the Jijon family owned almost the whole downtown so shopkeepers had to pay 50% of their income in rent to that family. Rybeck said the gap between the wealthy few and the impoverished masses reminded him of his home state of West Virginia. Later, when he was a reporter in Columbus, Ohio, Henry George School teacher Kathy Shoaf threw light on the causes and cures of poverty, in America no less than in South America.

Referring to the nation's persistent high unemployment, Rybeck said too few recall why early America enjoyed full employment. The key factor was the availability of free or extremely cheap land for farms, homes and workshops. This was a great attraction to landless Europeans. Can we replicate that pre-condition for full employment? Yes, he said, urging economists to spread the word that robust land value taxes can bring land prices down to restore opportunity and jobs for all.

Many blame the Great Recession on a housing bubble. Rybeck cited data showing there was no housing bubble. It was a land price bubble. Calling it the wrong thing led to the launching of scores of federal, state and local housing programs, none of which deal with the need to check runaway land bubbles.

These remarks were based on Re-solving the Economic Puzzle, Rybeck's new book (see March-April 2011 GroundSwell article by the London publisher, Shephard-Walwyn, and Bill Batt's review below). He recognized that the book's central message was familiar to many conference attendees. Yet he expressed hope that his non-technical approach would help attendees in their efforts to persuade others—officials, the media and religious leaders—to take the Georgist approach seriously.

Rybeck's book was endorsed by Father William J. Byron, St. Joseph's University Professor of Business & Society and former president of Catholic University in Washington; ex-Congressman William J. Coyne of Pittsburgh; Stephen R. Reed, long-time Harrisburg mayor; and Ken Hechler, former White House assistant and West Virginia secretary of state.

(Walt Rybeck may be emailed at walttrybeck@aol.com) <<

RE-SOLVING THE ECONOMIC PUZZLE, by Walter Rybeck

Reviewed by Bill Batt, Albany, NY

Just out is Walt Rybeck's treatise on how restructuring our economy can solve our current economic malaise. It is part autobiography, part explication of the Georgist paradigm, and always an argument for its implementation. Walt has had a remarkable life, with his adulthood beginning with service in the Second World War, followed by a rich and inspired education at Antioch College, and afterwards as a journalist in Latin American and then for the Cox Newspaper chain. Some excerpts follow.

"A serious injustice permeates our country. Laws allow individuals to appropriate values created by other people's work, depriving those who created these values of a fair return. This 'legalized theft' sets off a chain reaction that has been a factor in the nation's repetitive boom and bust cycles. It blocks job creation. It eats away at our enterprise system. It infects our democratic institutions. It diminishes social unity and harmony."

"The distress following the latest economic meltdown—all the lost jobs, lost homes, lost savings, lost businesses—underscores the need for systemic reform. Only by confronting the underlying economic distortion infecting our system can our nation live up to its lofty ideals and its promise to its own people and to the world at large."

In thirty-two short chapters, each as much a page-turner as the one before, the book unfolds to reveal both continuity and conviction. The continuity of Walt's Georgist orientation has clearly served him well, and provided an integrating and moral perspective on all his reporting.

As Washington Bureau Chief for the Cox news syndicate, he was stirred by many challenges. But the role of Assistant Director of the National Commission on Urban Problems, a newly created investigatory body chaired by Senator Paul Douglas, weaned him from journalism. The Commission produced a compelling body of work, bringing political, business and academic leaders to offer innovative perspectives to problems of the 1960s. Frustrating to Walt, strong recommendations for property tax reform were left to languish as others were put into practice.

Still, he found opportunities to be effective in later roles—as Editorial Director of the Urban Institute and assistant to two congressmen, Henry Reuss of Milwaukee, then chair of the Committee on Banking, Finance and Urban Affairs, and William Coyne of Pittsburgh, a member of the powerful Ways and Means Committee. Walt had opportunities to write research reports of considerable import, one of which showed that the new land values generated by creation of the Washington Metro could easily have been recaptured to pay the full costs of its construction.

As the book unfolds, it becomes less about Walt's career and more about his observations on our nation's economic health. He writes of missed chances by our leaders to enact more effective policies. Ever the optimist, he points to instances in the U.S. and abroad where policies of a Georgist nature have had positive results, examples that show the path to future progress. (concluded on page 3)