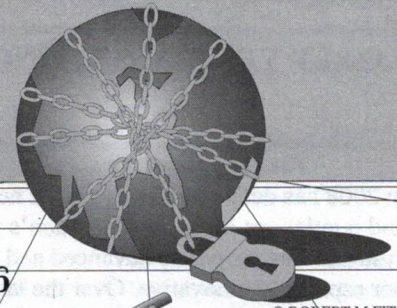


# GROUND SWELL

A BI-MONTHLY PUBLICATION OF  
COMMON GROUND-USA



DECEMBER 2014 / \$3.00

VOLUME 27, No. 6

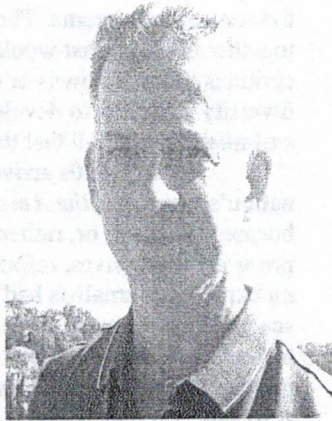
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## SMART TALK TV INTERVIEW ON ECONOMICS

By Scott Baker, New York, NY

(The following is an edited transcript of an interview of Scott Baker, president of the metro NYC chapter of Common Ground-USA by Andrew Mazzone, president of the New York Henry George School of Social Science board of trustees

(<http://henrygeorgeschool.org>) on December 5, 2014. Also see [http://www.opednews.com/Diary/Smart-Talk-Interview-on-Ec-by-ScottBaker-economics\\_Economists\\_Henry-George\\_Land-Value-Tax-141205-682.html](http://www.opednews.com/Diary/Smart-Talk-Interview-on-Ec-by-ScottBaker-economics_Economists_Henry-George_Land-Value-Tax-141205-682.html))



**ANDRE MAZZONE**, Interviewer: So, Scott, I wanted to explain to the viewers what a modern-day Georgist thinks and how you look at the economy, some of problems you think are worth really dealing with in depth, and we'll take it from there. We'll just continue based off your generalized introduction of Georgism, and then we'll go from there. So, why don't you start with why you're a Georgist, and what George would do today if he were around.

**SCOTT BAKER**: Well, I was looking around, like a lot of people, for what the cause of poverty and massive inequality is, because of course, like in George's day, I realized that there's a wide gap even though there's been so much progress. And Henry George realized this long ago in the 19th century, that even though you have tremendous technological progress, there's still a tremendous disparity in wealth, and there's so many people at the bottom at even below subsistence level. So I've been thinking about this. What would Henry George do today if he was somehow brought back? At the moment of his death he was put into stasis and then he was somehow brought back, having lived his life in the 19th century, and he looked around and he saw all of these taller buildings and these great new technological wonders, and airplanes overhead, once he got over all of that, what would he think of the world? Well, I think he would see pretty quickly, because he was a curious guy, that really things have not changed that much, and in fact there's more mechanisms, if you will, for promoting inequality, for keeping unequal and for keeping poverty going as a policy basically. And so basically you've got a situation where people who are in possession of land—and by land I mean all of natural resources, including locating—are able to monopolize that, and they're able to extract the rent out of everybody else for the use of that land. Because as Henry George realized, most eloquently, anybody who controls the land, who owns the land, can basically extract

whatever he wants, because none of us can live without land. It's indispensable to the human condition.

**AM**: Well, let me just interject right there. I mean, I'm an IBM factor, and I'm occupying land upstate, and all of a sudden I decide to move to China. So, they're not holding a monopoly position in that sense. So how would you, explain Henry George in a world of free trade, mobility, and factors of production and so on? I'm being the devil's advocate here.

**SB**: Well, a couple of things come up. First of all, you have a transportation cost, and the transportation is actually over land. The ocean is land, the ports are land, roads are land, getting from the port back to the markets that you want to serve. Now if we don't charge, if we don't collect the rent—I shouldn't say charge—if we don't take the market price of that land and, and collect it back into the local governments, then in effect we're subsidizing these international companies. So, as I wrote in one of my articles, we have all kinds of subsidies for these huge conglomerate, industrial companies that really have no national base. They're really worldwide, so that we actually are encouraging them to go overseas, to produce overseas, and we're not collecting the rent when they come back.

**AM**: Well, that's the point. I mean, they build up here, they use the infrastructure, the educational facilities, all of that, the freedom, the rule of law that makes it stable here. They use all that and then they can simply uplift, run to an area that environmentally isn't the best, where the labor has no protection, and they can reap a surplus for the time being until that catches up with them there. So the simple thing would be to say, "They're taking part of the land [commons] from here, over there. We tax them with the product when it comes back here, and in effect that would eliminate that kind of problem." Or China would do the same thing. China would tax its land rents, and then essentially you'd have a quid pro quo. Now, Henry George actually believed that there wasn't that much difference between people and nations around the world. So this IBM runaway problem would not have been paramount in his mind. Your comments on that.

**SB**: Yeah, well he was coming from a point of view where basically people have opportunity, and if they have equal opportunity, basically they're all going to even out on a national scale. Of course individuals vary, but on a national scale they'll all even out. So he would realize right away that the Chinese are just as smart and clever and hardworking as the Americans. They can produce whatever we can produce, but the real difference is the natural advantages. We're having a condition in America that we don't have in China, and unless we put some kind of a fee (continued on page 4)

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on that when we import the goods from China to compensate and maybe actually to encourage them to meet our standards then we're actually penalizing our own workers.

**AM:** Now of course the interesting question is, why wouldn't we have done that? And that's probably another topic. If I'm an investment banker from New York, that's the last thing I want. I mean, this is because I'm getting a nice little premium, running back and forth, and pushing labor all around the world down, and I reap that premium. I'm good; I'm good with that, as an investment banker.

**SB:** Well, you're good with that, and the politicians who you finance are good with that, and this is where the circle is. You know, this is the vicious circle, where politicians are getting their money from the people, the companies that are going overseas, who are making profits overseas. They plow a little bit back to our politicians here to keep that game going and to keep those laws in place that let them get a free ride, basically. So now this comes to another part of our discussion, perhaps, which involves public campaign financing, but not in the sense that people usually think, but in the sense that money itself is another monopoly.

**AM:** Why don't you explain how we, as up-to-date Georgists, would look at money as a very powerful monopoly class.

**SB:** What we say, and as a matter of fact what Henry George said, himself, is that money is too important to be left exclusively to the banks to create. Now we can have a little argument about the percentage of private creation versus public creation by the government. But, but clearly in George's time they had something called the Lincoln greenback, which was public money. It was money that was created during the Civil War, first created in three series during the Legal Tender Acts in 1862 through 1863, and it constituted 40% of the federal budget, and that's during the war. Actually the banks wanted 24% to 36% interest. So this kind of money, which was United States notes, continued.

**AM:** Why don't you explain? Because I think most of the American people would not understand or be cognizant of this difference. Explain the difference between the two sources of money. I think this is a key point.

**SB:** Well, basically what most of our money, 97%, is issued by commercial banks privately. And, so when they make loans, they create money in the process of making loans. Now, in a sense, the government is actually indebted to these banks and other institutions as well, because Treasury issues treasuries, and in exchange for that gets dollars, or at least electronic notations of dollars in the computer. So, in order to get more money that we don't raise in taxes into the government accounts, the government has to issue treasuries, which are bought by the central bank and by others. Actually our central bank only owns 18% of the treasuries. So it's mostly foreign buyers and institutional buyers that buy up treasuries, and that in turn keeps our money supply going, but it does it at a cost. You know, there's an interest cost. So we have to pay the interest. I mean, we, the American people, have to pay the interest

to these buyers, these institutional buyers of our dollars. So that, first of all, there's a permanent drain on our Treasury going to foreign countries such as China, which we just talked about, which is the second largest holder of these treasuries, Japan being the first. And that allows them to get an interest stream which is several billion dollars a year. And so therefore they don't have to raise that money themselves, which means that they don't have to tax their own citizenry. So, in effect, our treasuries are subsidizing their low taxation, and therefore their low prices on their goods. But the worst part of it is actually it weakens our—it weakens their currency with respect to ours. So that, in other words, if they buy a lot of dollars, then dollars become in shorter supply over here, so each dollar becomes more precious. And it takes—they put the yuan in, which means that they have to produce more yuan, so they have more yuan coming over here. So it weakens their currency and it strengthens ours when they buy treasuries.

**AM:** It makes the exports cheaper, and of course it makes it harder for us to compete on a fair basis. But also, when we create money that way, there's no guarantee that that money will be directed into infrastructure or useful projects. That money could be directed overseas very easily, and as the current situation demonstrates, the quantitative easing, where that money has basically stayed with the banks, because they say there's no investment opportunity in America. And it ends up in the securities markets, trading back and forth, making an enormous amount of commissions for the bankers and the hedge funds connected with that, and essentially the remaining American industry and public basically suffered greatly because of that. Now, the greenbacks would have a different effect. If I recall correctly, Lincoln financed the Civil War by direct issuance of currency.

**SB:** That's right.

**AM:** So he bought all his military supplies, and not only that, he supplied currency to industry. Because at the end of the Civil War, the United States had three times the industry that it had at the start. It financed a massive military campaign for four years, and when the Civil War was over, the United States exploded into becoming the most dominant in the world 20 years later. So, bringing back, you know, a direct issuance, correctly, and especially in the national interest, has tremendous power. We've lost that today. Any comments?

**SB:** I would only add to that Lincoln was actually an infrastructure builder. He helped the railroads connect across country at the same time the Civil War was running. People tend to forget that because the war was going on. But he was like FDR. He was doing massive infrastructure projects, and so this was money directly put into the economy, in the real economy.

**AM:** Plus he subsidized all the robber barons building the railroads. So, I mean, that's the negative. So you'd have to say—

**SB:** That's true. (continued on page 5)

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**AM:** It became a real pot-boiler in terms of grabbing concessions. I guess you would have argued that it was worth the price to industrialize with the freebooters, but he didn't recapture that money that was created.

**SB:** This was the issue. He didn't capture the money, or rather the localities, perhaps, didn't capture the land value tax, which is, of course, what Henry George is mainly known for. So we say, okay, you can issue money into the economy directly, but in order to prevent that rent seeking, which is going to enrich the one percent, or one percent at that time, we should have recaptured that money, basically the land monopoly over the railroads, for example. We basically gave away the land. We had this checkerboard policy where we would give them an acre for every acre they bought. And so we were giving away vast amounts of land to these railroad magnates, and they, of course, would own that. And then people would build along the rail lines and make a lot of money, and not pay the increased value of those locations back to the government. So the government was, in effect subsidizing those fortunes, either by local buying property, or the railroads selling off the property to people so that they could make a profit on that along the way.

**AM:** Now let me take a little different viewpoint on that. You could argue that the fact we had an open frontier, and we had unlimited land, at least for a while, relieved the pressure of land monopoly, because essentially you could continue to move west, move west, move west, and in effect, bypass wherever the land monopoly might really bite. But of course there's a limit to that, and of course the limit was reached in Henry George's time. By 1890 all of the "good farmland" was taken up, and a lot of the good city land. And then the law of rent really started to bite. And if you look at the history of America, if you looked at 200 years of history up until, let's say, the 1970s, you could say that open frontiers allowed, or prevented rent gouging up until the 1890s. And then, of course, we were fortunate enough to be the active seller of war merchandise in two world wars, which, in effect, created a synthetic open frontier twice. So the American people and the American worker were beneficiaries of things that Piketty is now documenting some anomalies that allowed America and American citizens to have quite the life up until 1970, before land rents really start to bite. Your comments.

**SB:** I finished Thomas Piketty's book recently, too, and the Georgist consensus, and not just among me, but among people like Mason Gaffney and so forth who review it, is that Piketty confuses land rent with capital. He conflates the two, which a lot of neo economists, the neo modern economists do, as opposed to the classical economists like Henry George who separated land and capital into two distinct categories. So when you do that and you don't recognize the rent on the land as something distinct from capital, you really can't have an economic science, because land is created by nature. It appreciates in value because of population pressure. It's finite, it can't be moved. Capital is basically the opposite of all of that. You can move capital anywhere in the world. It's manmade. It depreciates, because it wears out, it becomes obsolete. So if you conflate the two, you really have a confused field of study.

**AM:** Well, he argued—he would have argued, to be fair to Piketty, that he couldn't disaggregate it. The GNP accounts don't make that an easy thing to do. So he's essentially saying, "Look, I can associate great wealth increases with bad income distributions," and on that basis, by taking a massive amount of data for 200 years, he kind of makes the point that there's something inexorable about the system that creates this. And I think that's what makes his impact. You can't argue with the statistics. Of course his solution can't be implemented, to the very point you make. He's going to be taxing the wrong thing to try to correct that.

**SB:** Right. He's taking the wrong thing, and he's not recognizing why what his version of capital is appreciates so much more than the growth of the nation that produces it. He's got this formula  $r > g$ , where  $r$  is the rate of capital growth, and  $g$  is the rate of the growth of the country or the community maybe. So that  $r$  is always greater than  $g$ , because according to him, capital appreciates faster. Well, if you include rent among the things within capital, that's true. We would argue that if you disaggregate the rent, and we would argue you can do that, that you can actually capture that rent back, and then you'll have a more equilibrium-type of formula, where  $r$ , true capital, is pretty much equal to the rate of the growth of the country.

**AM:** With no financialization, without loaning on real capital. You know, with unlimited money and unlimited money creation,  $r$  could never exceed  $g$  for any continued length of time. So I mean that's really the bottom line. The real bottom line here is that once you create a land monopoly, or other monopoly—but land is kind of the big one, or natural resources, oil—and you can start lending money on that, and you can start speculating on it, and you can start bidding on it, the nominal wealth of everybody rises tremendously. And if governments, in effect, push interest rates down as they can, well, this capital will just explode in terms of nominal value. Not necessarily real value, but it's nominal, because if you sell it, you can spend it, you can take the money and you can essentially run somewhere and perhaps buy real capital. So there's an argument about Piketty in the sense that he demonstrated what people intuitively know; there's a tremendous maladjustment of income, and it seems to be systemic. Has he proven why that's so, and has he come up with an answer of what to do about it? I don't think so.

**SB:** I would agree with that. I mean, he wants basically a wealth tax, and it's a tax not only on income, but on imputed income, so that if somebody holds stock or if they hold land, he would tax it even while they're holding it, not just upon the sale. So this is a very difficult thing to do, and even he admits, to figure out what people own and hold all over the world—and it would have to be worldwide, because otherwise people would escape the tax—to do that is virtually impossible. The records a little better now than historically. He was collecting—it goes back 200 years or so, but they're not that good, and besides, the temptation for the Cayman Islands or Switzerland or whatever (continued on page 6)

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to not have that kind of tax would be overwhelming. It's already high, but if you had, for example, an optimistic situation where you had the big countries, like America and Japan and most of Europe, actually imposing such a tax, the money would flee like mad to any of these smaller regions that didn't have such a tax. Already, according to the Tax Justice Network, \$32 trillion is invested in offshore accounts by the — actually the one percent of the one percent, not even the one percent.

**AM:** Let's talk about the amount of monopoly rent. We'll generalize land rent into land rent, resource rent, and to a certain extent, a rent on the commons. For example, you could explain a Microsoft commons, let's say, or a Google commons, where just by the nature of network effects it reaches a critical mass, and then everybody has to use their formulation simply because it becomes a massive thing, and it doesn't pay to do anything else. But let's—we'll leave that out. We'll just talk about land and resource rents. A number of Georgists have done studies, just on the United States, to identify just how much money are we talking about. What percentage of the GNP are we talking about here? Are we talking about two percent, one percent?

**SB:** Well, it's far more than that, because if you look at Nick Tideman or Mason Gaffney, they're saying more than one third of the GDP is actually in some sort of economic rent. There's a video on the OpEdNews which I put up there, with Fred Harrison where they talk about \$5.3 trillion of economic rent, which is obviously more than one third of our \$17 trillion [fee]. Now it's not all in obvious places. I mean, some of it may be in radio spectrum and airplane slots and congestion in the city and so forth, but the point it, we're not collecting that. If we did collect that, which is collected privately anyway, it wouldn't hurt the economy, and in fact it would allow us to untax actual production in terms of wages and true capital sales, that kind of thing. And so therefore people would have more incentive to work. They would have more opportunity to buy. They wouldn't be penalized for commerce. So we would have a greater velocity of money, and you would have greater opportunity for people to earn money. And so if we collected this rent which is now privatized, and put it in the public purse, you would also have an opportunity for a citizens' dividend, which is actually just, because it's actually our collective demand for these things in the commons, including land that drives the price up in the first place. This is an important point that people really have to understand. If you build a skyscraper in the middle of New York City, the value of that skyscraper is because of the location. And if you move that location from the middle of New York City to the middle of New York State, well, it's basically going to be worthless at that point, because you have no infrastructure. You have no population. There's no point in doing that. But it just goes to show how valuable the location is. And this is not something the developers created. This is something that they took advantage of.

**AM:** I could argue the other way. There was a great land tax captured maybe 50 years ago. Joseph Stalin

was collecting all the land rents in the Soviet Union, and it didn't turn out so well. Do you have any comments about that? I mean, that's a good argument. Why would a libertarian say "Okay, we understand that monopoly is not a competitive return, that if made capitalism run the way it should run, with no monopoly, and you prevent the monopoly, whether you broke up corporations or anything, to keep it so that all the factors were competitively earned, it would be a very balanced system and it would work indefinitely." Okay. So now we collect the rents, and government has to disburse them, or somebody has to disburse them. Now, Joseph Stalin collected the rents, and he disbursed them according to his own will. I know that's being unfair here. He not only collected the land rents, but he collected output from industry and so forth. He collected everything that was a surplus.

**SB:** I mean, basically, all the property was owned by the government. The communist system is that the government controls the means of production from beginning to end. So that's not the Georgist system at all.

**AM:** Why don't you explain the difference, why—well, first of all—but we still have to answer the issue, if a central group of very smart guys—for example, I appointed—and I hate to use any particular name—but let's assume I use New York investment bankers to manage this collective land rent. Uh, they can think of all kinds of things.

**SB:** That's the last thing I would want to do.

**AM:** Okay, to take this, create investment pools. We're going to invest over here; we're going to do that.

**SB:** That would be a circular movement. You'd be taking the rent and putting it back into more private collection of rent. That would be the last thing we'd want to do.

**AM:** So how would you do it, then?

**SB:** I would have first the government—some Georgists will disagree with this, but I would say if we're going to fund the government through taxation, then we should take the land rent and use that as the basis of that. And we believe that there'll be enough left over from that for some of a citizens' dividend. For example, Alaska has the citizens' dividend from their oil riches, and I think that's about anywhere from \$1,500 to \$3,000 a person per year, depending on the price of oil. So we could have something like that, and it would be a consistent dividend that would go back to the people after the government has [spent] through all of its expenses. Now, further, I would argue that we don't—we wouldn't have this kind of investment banker relationship, because there wouldn't be any need for it. Its government was truly funded independently, either through land rent and/or through issuing its own money via greenbacking, direct issuance. There would be no dependence on the corporations, and they would truly be able to represent the people. They wouldn't have this dependence, really, basically on the corporation to continue feeding them money, or the campaign—

**AM:** Eliminate campaign financing privately, and that would close the loop, and (continued on page 11)

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you'd probably have a [virtuous] circle that would actually work. But big boys in New York wouldn't be having the same amount of fun.

**SB:** That's for sure.

**AM:** And they're living good here.

**SB:** Yup.

**AM:** I mean it's—every night we're going to town, and life is good in Manhattan.

**SB:** But, see, you put your finger on the reason why we don't have Georgism today, and Henry George would certainly have realized that. Were he to reawaken today he would be shaking his head, he would be very disappointed, but he would understand, even from his brief 58-year lifespan, that power corrupts, and the money power and the land power are the most corrupting.

**AM:** I'm going to argue for the one percent here.

**SB:** Okay.

**AM:** I'm going to say, look, the beauty of the one percent is, although it's hardening into kind of a hereditary [thing], again, because generations can now leave money, but the argument would be, coming out of World War II, up until the 1970s, there wasn't the immense amount of wealth concentrated that you see today. This is a relatively short phenomenon. And you could also argue that the people who got a lot of this wealth—and I'm thinking of George Romney as a good example—these are guys that went to Harvard, met a lot of smart guys, were in the right place at the right time, and collected people of their own nature and their own understanding, and all pretty smart and capable people. And, as Adam Smith said, when businessmen get together—... and conspire and the opportunity is right, they simply can outwit a lot of people. And as that feeds on itself, then all the smart kids from all around the country say, "Hey, the opportunity is in New York or Boston." The Harvard class, or half the Harvard class is going to say, "I'm not going to study the classics anymore. I'm going to New York and get in on this gravy train." And you have this wealth of brains coming to one place with their levers on finance, [figuring] all kinds of, in effect, gambling instruments with which to separate everybody from their money, essentially. They offer all the pension funds and so forth. "Look we can up your returns, because we're pretty smart people, and we figured out how to play the markets, and we'll get you a better return." So everything, especially in a world of outsourcing, where there's downward pressure on wages, all of these funds are looking for an extra return. Now, the fact of the matter is, these people are so smart that if we looked at hedge funds as a representative sample of it, I think in the last 12 years I was reading a statistic that they've collected over a trillion dollars in fees.

**SB:** Well, as a matter of fact, the top 25 hedge fund managers each make almost a billion dollars a year at this point.

**AM:** Okay, but let me the comment. They collected a trillion dollars, but their investors only collected six per-

cent of that trillion dollars. So, this is a case of clever, smart people really racking it up. And of course on the Piketty formulation, once you get a tremendous amount of capital, all the good spots to find new opportunities are yours for the asking, and the thing just multiplies.

**SB:** Okay. Well, I agree with you that that's the path of least resistance that people traditionally take, including the smart people. Now, the problem is that they're not producing anything. They're shifting piles of money around. They're creating phantom money, basically, or virtual money. Michael Hudson has written about this a lot. He says we're de-industrializing America, and that's the fact. They're basically taking companies or leveraging them, and then they're cashing out on their assets. It's corporate raiding, but now they call it private equity. So, this is not a sustainable path. And I think if people realize—and I think they do realize that it's bad—but if they realize that there's another way, for example, collecting the rent on the land and having endogenous money created by the government itself for its own needs. If the people understand that the land rent is really theirs, and they're giving it away, and the people who are getting it, even though they wear fancy suits and they drive around in Maseratis, have not really earned that money. They've basically stolen it. If they really understand this on a fundamental gut level, then you will have a different kind of reaction, and you'll have people who are electing people who want to collect the land rent, and who realize that you can have a productive and thriving economy, in fact a better one.

**AM:** What am I going to say to my little old aunt living in Queens? And she's got her house, and, and it's all paid for, and you're going to come by, and she has only Social Security for income, and you're going to tax the land under her house. Now, why is she going to get all excited about that?

**SB:** Well, in the first place, the Georgists have an answer to that, which is basically a deferral. If you have somebody who is cash-poor and land-rich, and they've already put all their money into land, we say, "Well, okay. They're old and they're on the end of their life. They're not going to be earning any money. They're getting a small stipend from Social Security, whatever." So we say, "Okay, fine." So defer the land tax until they either die or they pass that property on to somebody else, and then whoever gets that land afterward has to pay that back tax or the estate if that person dies.

**AM:** Let me ask you. Why don't you explain why it's still a private property system.

**SB:** Well, we're not against private property. Georgists believe that everybody has a right to own the land legally. So your legal right is not affected. All we're asking for is the economic rent. We're not changing your rights to your land.

**AM:** It's not at full value, though.

**SB:** It's not at full value, but on the other hand, we would untax the building. So most people would find that they have a small amount of (continued on page 12)

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land and an efficient building that's using it efficiently, that their taxes wouldn't go up. They might even go down.

**AM:** You also say you can keep all your income, and all your invested income that's invested in serious investment, not necessarily speculation. So that, in effect, in addition, you get no income tax, no sales tax, no excise tax, no capital gains tax. So if you net it out, most people would be way ahead, plus the productivity would be spread throughout the economy. And inducement to do business would just multiply. So we believe, as Georgists, this has tremendous rebound effects, and it would be a system that ultimately is going to have to prevail sooner or later. Why don't you explain, before we close, what the Chinese are doing in that regard now.

**SB:** The Chinese have a big land bubble, and they realized this a few years ago. By the way, Michael Hudson and Ted Gwartney who was the assessor of Connecticut, have both been active in trying to persuade the Chinese that they need to tax their land. So now they're actually starting to have a property tax—it's not a land value tax, but at least it's something—to deflate that it's speculation in land. Because, especially in their cities, they've had this enormous bubble, particularly in the government headquarters, the capitols and so forth, where a lot of government officials are basically allowed to purchase land and speculate on it, and make vast fortunes. So, they're rolling that back. They're putting in a property tax, first in the big cities, and now they're going to roll it out into the smaller cities where most of the value is. So they're going to deflate their land bubble slowly and deliberately, and this is what they should do.

**AM:** Also, there were a couple of examples, small examples, in prior years of land taxing really helping economies. I believe Taiwan and Singapore, in effect, had the land tax concept—not fully, but close—and those economies boomed. And even if you look at Germany, in a disguised way they have a similar thing. They suppress speculation in land through the banking system, and the net effect is the German economy is, is the most productive in Europe.

**AM:** Scott, thank you so much for joining us on Smart Talk.

**SB:** Thank you.  
(Scott Baker may be emailed at [ssbaker305@yahoo.com](mailto:ssbaker305@yahoo.com)) <<  
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### **BENJAMIN FRICK, 1922 - 2014**

Long time Georgist and Common Ground-USA member Benjamin Fredrick Frick, of Warrenton, Missouri passed away on June 8, 2014 at the age of 91. Ben attended the Navy School of Music in Washington D.C. in 1942. During WWII he was a Navy Musician 2nd Class on the Iowa and Idaho until 1947. Ben was employed from 1952-1987 at McDonnell Douglas in St. Louis. He worked on projects, including the Harpoon Missile, Sky Lab, The Mercury and Gemini Projects and the Space Shuttle Program. He is survived by his wife Lois and daughters Miriam Lohmann and Katie McDowell. <<

### **NEW EFFORT IN BRIDGEPORT, CT**

comment by Scott Baker, New York, NY, 12-16-14  
in response to: [www.ctpost.com](http://www.ctpost.com), City looking at hiking taxes on vacant properties. (City officials are considering taxing at least some of those underused properties at a higher rate to compel owners to stop "land-hoarding: ....")

Well, go Bridgeport! And with just a couple of weeks to spare before the Dec. 31 deadline! This line indicates to me the reporter might have some hidden bias: "Land value taxation has been opposed by the Connecticut Business and Industry as a "risky carrot-and-stick approach" that ignores government red tape, financing and other challenges faced by developers." There's a link in the original article that actually just leads to an index of other articles, but it implies there is something called the "Connecticut Business and Industry" (something or other)...and really, there isn't any such body. Similarly, the links in the following line ""I think it's worthy of looking at," said Paul Timpanelli, president of the Bridgeport Regional Business Council. "" don't lead to anything more than an index. There is nothing beyond the mild "wariness" in the main article itself to indicate opposition, if even that. It's disappointing that New London bowed to the parking lot and big box store owners, however, and didn't go for LVT when it had the opportunity. This is naked political land grabbing and cronyism. It will be interesting to compare Bridgeport if it goes for this and New London in a couple of years, maybe even just a year.

I know Land Value Taxes work. My group, Common Ground-USA, has been promoting them since 1984, and the ideas have been tried and proven since Henry George first formulated them in his best-selling opus in 1879 "Progress and Poverty." We now have hundreds of empirical studies that, as the 25-year Mayor of Harrisburg, PA testified in a speech to the Council of Georgist Organizations, that prove "Land Value Taxation Works, and works always." There is perhaps no other economic theorem so well proven. <<  
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### **STUDY OF POLITICAL ECONOMY**

by Carl Shaw, Mt. Zion, WV

The study of Political Economy (economics) is about the production and distribution of wealth (products).

All wealth is manufactured on land, made from natural resources, by human labor, using tools (capital).

A person who tells you he (or she) is teaching economics, but never talks about land is pulling your leg.

So-called economics books which never mention land are not economics books.

For an economist to ignore land would be like a scientist who ignores gravity.

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