

**Henry George
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THE PRESS TAKES INCREASING NOTICE OF HENRY GEORGE

It is always an occasion for rejoicing when the public press mentions Henry George and his ideas. Recently this has been happening with surprising frequency; perhaps the economic dislocations George predicted are becoming evident enough for even conventionally trained economists to spot.

In September, *The Wall Street Journal* commemorated George's birthday with pithy quotations from *Protection or Free Trade*, which had in turn been collected by C. Lowell Harriss and published in the *American Journal of Economics and Sociology*. The piece's headline was "A Banana Into a Cage of Monkeys", which of course is what Henry George said a tariff bill, introduced into congress, is like. In October, an essay by *New Republic* editor Michael Kinsley appeared in the *New York Post*, entitled "As in Henry George's day, soaring land values are distorting the economy." A revised version of the essay then appeared as the lead editorial in the 75th anniversary edition of *The New Republic*. In November, no less languaged an author than William F. Buckley tipped his thinking cap to George in the *New York Daily News*, in a piece on why it was not so bad for Japanese investors to buy Rockefeller Center.

Michael Kinsley's article was especially interesting because it argues very convincingly that a hidden "landowner's tax" exists and is detrimental to both justice and economic health. He cites Federal Reserve statistics that show that land value's share of America's national wealth has grown from one fifth in 1946 to one quarter in 1988 (that's \$155 out of 786 billion to \$3.53 out of 14.6 trillion). And Kinsley begins his article by exploding (as Henry George undoubtedly would) the fallacy that Japan has recently become "richer" than the United States because of the explosion in Japanese land prices. In fact, he cites statistics (from a book by Bill Emmott) showing that "the increase in [Japanese] real estate values over two recent years was equal to almost one-and-a-half times the nation's GNP." In other words, the prosperous Japanese economy merely enables Japanese non-landowners to barely keep up with their skyrocketing rents.

Kinsley has been reminding his readers about Henry George for some time. In a poll published in *American Heritage* magazine in May 1988, Kinsley cited Henry George as the most under-rated figure in American history.

Longtime Georgists will not be surprised, however, by the fact that mainstream writers still seem to be compelled, as if by a clause in some set of by-laws, to get in some digs at Georgist ideas even while praising George. Buckley states (impeccably) George's insight that land and capital are intrinsically different—and then appears to miss an obvious implication of that insight: that the rent owed to Japanese owners of American land will indeed leave the country—in exchange for nothing—if it is not taxed away. The *Wall Street Journal* notes by way of introduction that George is most famous for advocating "a social reform that attracted a cult following a century ago." Kinsley, whose writing shows a thorough familiarity with George, nevertheless calls the 100% tax on land values "impracticable" and states (erroneously) that no satisfactory answer has been made to the problem of compensation for landowners.

Although publicity and dialogue are always worthwhile, one cannot help but wonder why mainstream commentators who agree with Henry George's diagnosis of economic ills are unwilling to endorse his cure. Is there no way to clearly comprehend the full justice of George's reform other than in the classroom?

—Lindy Davies