

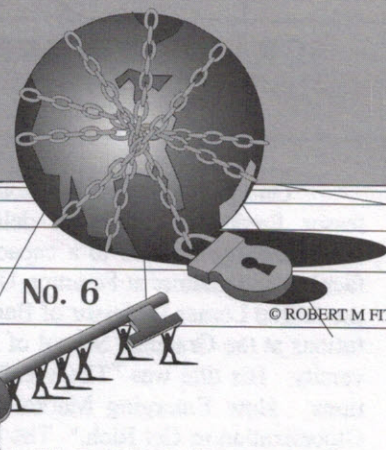
# GROUNDSWELL

A BI-MONTHLY PUBLICATION OF  
COMMON GROUND-USA

NOVEMBER-DECEMBER 2004 / \$3.00

VOLUME 17, No. 6

© ROBERT M FITCH



## GEORGIST VALUES, CHRISTIAN ECONOMICS

Three panelists spoke on the subject of Georgist Values, Christian Economics at the Council of Georgist Organizations conference July 23, 2004 in Albuquerque. Their presentations follow. Pictured here are Wyn Achenbaum, Alanna Hartzok, and Brendan Hennigan.



### Ethical Land Tenure

by Alanna Hartzok, Scotland, PA

About 20 years ago I put together a paper called "Ethical Land Tenure" distributed as a resource directory.

I want to tell you the story of Charles Avilla. A while back I came across a book called *Ownership, Early Christian Teachings*. Avilla was a divinity student in the Philippines. One of his professors had a great concern about poverty conditions in the Philippines, and was taking students out to prisons where the cooks were the land rights revolutionaries in the Philippines. Because they kept pushing for land reform for the people, they had ended up in jail. So they were political prisoners who were reading the Bible and were asking the question, who did God give this earth to? Who does it belong to? It isn't in the Bible that so few should have so much and so many have so little. In the theological world in this upscale seminary he was trying to put this together about poverty and what the biblical teachings were. He had a thesis to write and he was thinking he would do something about economic justice. One of his professors thought there would be a wealth of information from the church's early history, the first 300 years after Jesus. So he actually went back to read the Latin and Greek about land ownership and found a wealth of information about the prophetic railings of the people in that early time on the rights of the land.

Let me give you a few quotes from that early period. Nehemiah 5:11, "Restore, I pray you, to them this day their lands, their vineyards, their olive yards, and their houses."

Ezekiel 33:24, "The land is given us as an inheritance."

Ecclesiastes 5:9, "The profit of the earth is for all."

And Isaiah 5:8, "Woe unto them that join house to house, that lay field to field til there be no place ..."

Leviticus 25:23, "The land is mine, for you are strangers and sojourners with me."

In the Judaic tradition, and the Talmudic tradition, how much of the Jubilee justice was actually implemented is a subject of discussion. Some say it was a good idea but not put in place. Others say it was substantially put into place.

The Talmudic rabbinical discussion is of interest to Georgists because they tried to allocate the land according to the richness of the soil for agriculture. For better soil, richer for agriculture, maybe an acre of that would be allocated. On the poorer soil, these tribes could get five acres.

The other thing was some lands were closer to the market. Some land was closer to Jerusalem. That is an advantage over those who would have to travel a longer distance to get to the market. How do you have an equal rights distribution of land allocation with reference to the market problem? For those more advantageously situated, the adjustment was to be made by money. Those holding land nearer the city should pay in to the common treasury the estimated excess of value attaining to it by reason of superior situation. While those holding land of less value by reason of distance from the city would receive from the treasury a money compensation. On the more valuable holdings would be imposed a tax or a lease fee, the measure of which was the excess of their respective values over a given standard, and the fund thus created was to be paid out in due proportion to those whose holdings were in less favorable locations.

In this, then, we see affirmed the doctrine that natural advantages are common property and may not be diverted to private gain. Throughout the ages when wisdom is applied to land problems, we see this emerge. (continued on page 12)



## GEORGIST VALUES, CHRISTIAN ECONOMICS (from page 1)

Charles Avilla in his book *Ownership, Early Christian Teachings* mentioned Henry George twice as being the prophetic voice of recent times that is most closely attuned to these ancient truths.

[Alanna Hartzok is Co-Director of the Earth Rights Institute (<http://www.earthrights.net>). She may be emailed at [earthrts@pa.net](mailto:earthrts@pa.net)]

---

### Comparison of George's Economic Theory of Justice with the Catholic Church's Social Teachings Concerning the Right to Private Property in Land.

by Brendan Hennigan, Ottawa, Ontario, Canada

#### Introduction

Without diluting the difficulties that exist between the Georgist position on private property in land, and the Catholic Church's social teachings, on the same subject, there are some surprising similarities between the basic principles advocated by both. Recent documents, in particular those developed after Vatican II, are of particular interest to the followers of Henry George.

The Vatican II document "*The Pastoral Constitution of the Church in the Modern World: Gaudium et Spes*" (proclaimed 7 December, 1965), extended and defined the meaning of the common good. The common good is that:

which is the sum total of social conditions which allow people, either as groups or as individuals, to reach their fulfilment more fully and more easily.

The document also emphasised that all created earthly goods were to be shared fairly. This would include land, all natural resources, and those things produced by one's labour. Pope John Paul II, was a participant at the council and assisted in the writing of key documents. He has first hand knowledge of the spirit of Vatican II, its intent, and importance of the Church's role in the modern world. John Paul II's social encyclicals renew and update the themes of the economic, ethical, and social realities of "New Things", which include a response to the worker question, poverty, and social injustice. John Paul II was in a unique position to comment on these social questions. He lived under two Totalitarian regimes: the Soviets and the Nazi's. His pontificate saw the fall of communism or as he calls it "Real Socialism": the political and economic system he experienced in his native Poland. He is a renowned advocate of the dignity of the human person, the rights of workers and the oppressed.

What do the Catholic Church and the popes have to say about land? Catholic social teachings and John Paul II's en-

cyclical letter *Centesimus Annus: On the Hundredth Anniversary of Rerum Novarum* (1991), are of relevance to Georgists. Henry George's book *The Condition of Labour: An Open Letter to Leo XIII*, published in 1891, was a critique of the Church's first social encyclical *Rerum Novarum*. In it, George severely criticised the Church's view that one had a natural right to private property in land. He systematically exposed the failure of the encyclical to address the true cause of poverty, that is, private property in land. Also, in George's opinion, *Rerum Novarum* did not provide a sufficient remedy for the eradication of poverty and other social problems. George had friends and adversaries within the Catholic Church. The tone of his writings reflect the respect he had for the office of St. Peter. However, this did not stop him from thinking the Catholic Church had got it all wrong. In fact, it inspired him to broadcast his views on landownership, private property, and land value taxation to a wider audience of believers. The purpose of the open letter to Leo XIII was not to debate, but to define his own views. Quoting from a letter he wrote to his son, Henry George junior:

What I really aimed at, he informed his son, "is to make clear brief explanation of our principles, to show their religious character, and to draw a line between us and the socialist. I have written to such men as Cardinal Manning, General Booth and religious minded men of all creeds."

The Georgist movement needs to do the same thing today. They need to reach out to all men and woman of good will. The dream that Henry George had of a more just society must not die. It may be obscured by time and circumstances, but it is alive in his writings and the actions of people who desire a better world, one not racked by poverty and the misuse of God's gift to humanity: land.

A century later the question must be asked. Is there some compatibility between the philosophy of George and Catholic social teachings on the land question. My purpose is to highlight Catholic social teachings in the areas of property rights, the common good and justice. My proposition is that justice demands that Christians and all people of good will put their differences aside and look for common ground on matters concerning the land question and poverty.

Both Henry George and Catholic social teachings agree that natural law and justice are the foundation of property rights. George was fervently opposed to the concept of private property in land. Catholic social teachings wholeheartedly support it. However, George and his principles were never directly condemned in Catholic social encyclicals. This leaves open the possibility of dialogue when considering land, economic justice and the common good.

I emphasise 'directly condemned'. It is true that Henry George believed *Rerum Novarum* was written as an attack on his social and economic theory. It could be argued, that since George's purpose was to differentiate his theory of natural and economic justice from the socialist model; the fall of communism may have actually helped his cause. George was not (continued on page 13)



a socialist and his adversaries do him an injustice to class him as one. Today, Georgism must accurately define its mission and insist that land reform, and the introduction of a land value tax system, is neither collectivist nor absolutely individualistic. It is a doctrine in accord with the Christian principles of natural law, justice, and social development. In the economic and ethical realities of land-ownership, George's guiding light was the Golden rule "do unto others as you would have them do unto you." It is a maxim that one ought to keep in mind in our discussion today.

#### Catholic social teachings

Three important points should be remembered when discussing Catholic social teachings:

- \* First, the Church does not offer any 'technical solutions' to land management and taxation. No economic or political system is specifically promoted. However, human dignity and the Church's ministry must be respected at all times.

- \* Second, the Church's way is not a 'third way' between collectivism and primitive capitalism. Neither is it an ideology. "Its main aim is to interpret [economic and social] reality" in accordance with Gospel teachings.

- \* Third, "the goods of this world are originally meant for all". There is a "social mortgage" that needs to be taken into account when considering private property. Land and created goods each have both an individual and a social function.

The idea of a social mortgage, in relation to land, its use, and property rights, has a familiar ring to Georgist ears. Was not George advocating the same thing, with the collection of the economic rent, with the expression in *Progress and Poverty* "give to the individual what belongs to the individual, and to the community what belongs to the community." The Church's preference is proclamation, rather than condemnation. Similar to Henry George, the Church wants to show how to do good and avoid evil.

The arguments I make will be based on two areas that are of mutual concern to Georgists and Catholics. They are: (1) natural rights and land; and (2) justice and solidarity.

#### Natural rights and Land

George and Catholic social teachings are in agreement that land is a gift from God to all humankind from generation to generation. Equal rights to land is based on the dignity of the human person. Work is both personal and necessary. It is through land and work that one provides for one's daily needs and wants. The universal destination of earthly goods requires stewardship of and respect for God's gift. The claim of Catholic social teachings is that individual rights must always be subordinate to community rights.

John Paul II writes in his Encyclical "*On Human Work*" the right to individual ownership or property is not absolute:

Christian tradition has never upheld this right as absolute and untouchable. On the contrary, it has always understood this right within the broader context of the right common to all to use the goods of the whole of creation: the right to private property is always subordinate to the right to common use, to the fact that goods are meant for everyone.

How one is to determine the rights to individual property and common property is what seems to separate George and Catholic social teachings. It may be one that is not insurmountable. Both believe that it is by work that we attach one's natural right to property and that is the way we can call a thing our own. For example, if I plant a crop, build a house, or bake a loaf of bread one has a moral and a legal entitlement to it. Does the same principle apply to land? Land meaning the natural materials, forces, and opportunities of nature.

Unlike George, Catholic social teachings does not differentiate between private property in land and private property in productive goods. George says that private property in land is a violation of natural law. Land is common property and private property rights cannot be attached to it. Catholic social teachings is based on the fundamental principle, as stated in *Rerum Novarum*, that while it is true that land is a gift given to all, individual property in land (here the Church means agricultural land) is in accordance with natural law. *Rerum Novarum* and other encyclicals talk of the "inviolability of private property" rights. But these rights are not absolute. St. Thomas Aquinas says that the "world's resources" must be used wisely. Selfishness must not impede the aim of the common good.

#### Solidarity and justice

John Paul II identifies the justification for land ownership to the act of work. In his 1991 encyclical *Centesimus Annus*, commemorating the one hundredth anniversary of *Rerum Novarum*, he seems to be in agreement with George that land speculation is unjust, especially when it deprives others of a livelihood:

Ownership of the means of production, whether in industry or agriculture, is just and legitimate if it serves useful work. It becomes illegitimate, however, when it is not utilized or when it serves to impede the work of others, in an effort to gain a profit which is not the result of the overall expansion of work and the wealth of society, but is rather the result of curbing them or of illicit exploitation, speculation or the breaking of solidarity among working people. (ft. 87: see John Paul II's *Laborem Exercens: On Human Work*, no. 14, "Work and Ownership".) Ownership of this kind has no justification, and represents an abuse in the sight of God and man.

How are these abuses to be (continued on page 14)



## GEORGIST VALUES, CHRISTIAN ECONOMICS

(continued from p. 13)

addressed? Those concerned about the impact of urban decay and urban sprawl may see in John Paul II's observations that land-use must take into account the needs of the community. Especially, when misuse of land deprives others of work. Legitimate public authorities have a responsibility and duty to guard the common good. The principle of "solidarity" is one of the cornerstones of Catholic social teachings. It has a twofold purpose: (1) promote the idea of Christian friendship and charity between individuals; and (2) fraternity between communities, both locally and worldwide.

George believed that land value taxation is the way to achieve a balance between individual and communal rights. Vacant city lots could be put to better use, for example, for affordable housing, when the tax system limits inefficient land speculation. Social reforms which created better living conditions for the less fortunate in society would be justified under the principle of 'solidarity'. Modifying existing tax laws to emphasise the best use of land would be compatible with Catholic social teachings. As long as taxes were not a burden on any particular group or class.

Agrarian reform is also advocated by Catholic social teachings. The Pontifical Council for Justice and Peace report: *Towards A Better Distribution of Land* (1997), acknowledges the human and social problems created by the concentration and misappropriation of land. This is especially true in Third World countries, but does not exclude the concerns of all those living in more developed countries. Again, those possessing land must not view it as exclusively theirs: Section 23 of the document reads:

The underlying nature of creation is that of being a gift from God, a gift for all, and God wants it to remain so. God's first command is therefore to preserve the earth in its nature as a gift and blessing, not to transform it into an instrument of power or motive for division.

The report goes on to say that the possession or ownership of land (private property) is not "unconditional" and it "entails some very precise obligations". Large land holdings are "illegitimate" when they are "poorly cultivated, or simply left uncultivated for speculation". It is morally wrong to deprive people of the necessities of life and the capacity to access nature's bounty:

In the social teachings of the Church, such latifundia go against the principle that "the world is given to all, and not only to the rich." so that "no one is justified in keeping for the exclusive use what he does not need, when others lack necessities." (footnote: Paul VI, Encyclical Letter *Populorum Progressio*, 1967, no. 23.)

George did not believe that the equal distribution of land would eradicate poverty. This being said, he was in favour of a wider distribution of land. There seems to be enough common ground so that Georgists and Christians can co-operate to achieve this goal.

Henry George writes in *The Science of Political Economy*: "The government of the universe is a moral government, having its foundation in justice."

George talks a lot about justice and how it is to be achieved. The traditional definition of justice quoted by Catholic philosophers and moral theologians can be found in the writings of Aristotle and St. Thomas Aquinas. Justice is: "The habit whereby a man renders to each one his due by constant and perpetual will." And goes on further to say that: "Justice is the virtue of the good citizen."

In Catholic social teachings, justice is applied three ways: through commutative, legal, and distributive justice and all these constitute a social whole. Commutative justice governs the exchange between individuals and where contracts are freely entered into with strict respect to one's rights. Legal justice is what the individual owes to the community. Distributive justice is what the community owes to the individual.

George writes about justice in relation to natural law and social progress. Tax is a matter of human law and would thus fall under the title of legal justice. It is that the individual owes "in fairness" to the State. A land value tax would be an example of this. A land value tax is also linked to the distributive justice. The disbursement of public revenues in proportion to one's needs is an application of distributive justice. It is what the community regulates or owes to the individual.

An argument may be made that the present system of taxation is unjust because it does not comply with the principle of justice. Commutative justice, that is, legally and freely entered into, and binding contracts, is called into question with the payment of economic rent to landowners. Is it a fair and equal transaction in relations to one's rights? Or are your rights violated by the landowner demanding the community portion of the economic rent. Distributive justice may be breached when the community does not have the revenue to invest in the social development of the community. A good many Catholic moral theologians would most likely disagree with me on this, but it is one worth exploring.

### Conclusion

Fr. Edward McGlynn of New York was suspended from his public priestly duties for 4 years for supporting and advocating George's remedy. In the first part of the last century Catholic moral theologians have published articles and books criticising George and his "Single Tax". Of note is the Swiss born Jesuit Scholar Father Victor Cathrein (1845-1931) and American Monsignor John A. Ryan (1869-1945). But time has dimmed the name of Henry George and this may be a blessing in disguise. The demise of "Real Socialism", concern for the environment and natural resource management, and the failure of governments to stop urban decay, provide affordable housing and public transportation, may create the (continued on page 15)



## GEORGIST VALUES, CHRISTIAN

### ECONOMICS (continued from p.14)

atmosphere where Georgist philosophy is once again at the forefront of social consciousness.

Henry George had many Catholic followers, especially amongst the working poor of Europe and the United States. Politically the "Catholic vote" is still of importance in the United States, especially in a Presidential election year. For example, a headline in the New York Times, dated 20th April, 2004, read: "Conservatives Try to Exploit Catholic Democrats' Views". The Catholic constituency does not have a united position on land reform and taxation, property rights, or how to tackle social problems. But the time is ripe for Georgists to promulgate their views amongst those Christians advocating social justice for all. Gerry Barr, the president and CEO of the Canadian Council for International Co-operation, a coalition of organisations working in Canada and overseas to end global poverty, wrote a recent article in "The Ottawa Citizen" newspaper on development, charity, and poverty. He chides governments and individuals for thinking charity alone will help developing nations. He writes:

The problem isn't lack of knowledge or basic skills but access to resources (be it fishing grounds or equipment) or fair market system (to sell their catch).

Access to land and fair markets are still important issues today. On key principles Catholic social teachings and George do coincide. There is still the difficulty of the concept of private property in land, but this should not stop Catholic, Christian, and Georgist dialogue.

[Brendan Hennigan spent 20 years in TV broadcasting and is a Doctoral candidate at the Dominican College of Philosophy and Theology. He may be emailed at [brendanhennigan@hotmail.com](mailto:brendanhennigan@hotmail.com)]

---

### An Alabama Story -- Susan Pace Hamill, Governor O'Reilly and the Alabama Voters

by Wyn Achenbaum, Stamford, CT

Some of you will know this story because you live in Alabama. Some of you will know this story because Alanna related it beautifully in Groundswell (Sept.-Oct. 2003). But, like many inspiring stories, it is worth telling another time. I only know it from what I've read online. I've watched some of its ripples extend into other states. And I was saddened to hear that Alabama's voters failed to make the connections between their professed Christian faith and an issue of political economy necessary to make that faith real in their state.

And in this election year where red and blue states and cultures inspire so much talk, the clash of deeply held values of tax conservatism and Christian belief represented may be a bellwether of a piece of culture clash and perhaps cognitive dissonance to come.

Some of you will know this story, because it is not the first time an eloquent writer and speaker has made a strong case for a reform which would enhance economic justice, and the ideas have failed to impress enough people to change the status quo. Some of

you here have written eloquently about Jim Crow taxes -- sales taxes and income taxes which place the burden of funding government spending squarely on the backs of the poor.

Alabama is a state where most people profess a strong belief in Christianity. It is, after all, the same state whose other big news story last year was the judge who insisted on a Ten Commandments monument in his courtroom, and got major community support.

Now let's look at Susan Pace Hamill's story. An NYU-trained tax expert, Ms Hamill had spent part of her career creating tax shelters for New York law firms, and as an attorney for the IRS. Interestingly, one of her other areas of interest is partnership law and liabilities, which those of you who have read David Cay Johnston's recent book *Perfectly Legal* will recognize as a factor he cites as an important recent change which effects the kinds of opinions accountants and lawyers are willing to issue, for a fee.

In the mid 90's, Hamill began teaching law at the University of Alabama. A self-described mainline Methodist and "pro-business moderate," early in this decade, she took a sabbatical from teaching to earn a two-year Masters of Theological Studies degree at Beeson Divinity School of (Baptist) Samford University in Birmingham. A news story about the low starting point of Alabama's income taxes caught her attention.

In the context of her Divinity School studies, she began examining how Alabama's tax structure related to Judeo-Christian ethics. Beeson is an extremely conservative Baptist institution, with faculty from many traditions. Both she and they were transformed by her studies. From the combining of her law school and tax connections and research skills, and their grounding in the most conservatively construed Biblical scholarship, came a consensus that her thesis had to be written on Alabama's tax code in the context of Judeo-Christian ethics. What resulted is this study, available on-line and now in book form.

She describes it this way:

"I built a case on the tax side with 10 witnesses and DNA. I mean, I have indicted big timber with statistics: I put together my own study with statistics that prove that group pays less than two percent of the property tax -- meager as it is -- despite owning 71 percent of the land. That is an indictment. Then we connect those property tax trends with the most horrible of the horrible schools in the state. Then the theology -- over 100 biblical commentaries of the finest evangelicals."

Hamill makes her argument not from a Georgist perspective -- I've not yet seen any sign that she has "seen the cat" -- but from a revenue sufficiency perspective in the context of Judeo-Christian ethics and what Alabama has to work with. In many parts of Alabama, the existing tax bases as they are currently conceived -- that is, ignoring timber lands and (continued on page 16)



## GEORGIST VALUES, CHRISTIAN ECONOMICS (continued from p. 15)

agricultural property -- are just not sufficient to provide revenue to educate the children of those counties. She makes her case that we owe it to "the least of these" -- Alabama's children -- to make sure they have an opportunity to better themselves.

She says, "I've come up with two fundamental principles that are relevant here." One is, "Thou shalt not oppress the poor," and "Thou shalt make sure that the poor enjoy at least a minimum opportunity to better their situation".

She made the moral link to Judeo-Christian values and quantified the link between big timber and school finance.

There are some other interesting players in this story, of course -- first, the new Republican governor of Alabama, Bob Riley, previously one of the most conservative members of Newt Gingrich's Congress. As governor, he found himself facing a \$675 million budget shortfall, and saw a need to increase taxes by \$1.2 billion. But he was also an active Southern Baptist layman. "When I read the New Testament, there are three things we're asked to do. That's love God, love each other, and take care of the least among us."

The libertarian-leaning state finance director named Drayton Nabers, was quoted as follows:

"Before you talk about taxes, you've got to talk about social justice and what the role of government should be with respect to achieving social justice," Nabers said. "My concept of justice relates to the libertarian ideal: freeing all people under

God to be all they can possibly be." [Divine Right] Nabers was drawing on the work of Russell Kirk, author of *The Conservative Mind* and a favorite philosopher of the right.

The Christian Coalition of Alabama, however, was allied with the farmers and the timber industry, and it was their position that it is not government's job to take care of the poor, but rather the responsibility of the churches. And they sought to undermine Hamill's bible-studies credibility by citing her signature on a pro-choice statement by law school faculty some years earlier.

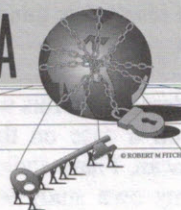
And Governor Riley had upset a large segment of black voters by opposing a bill in the legislature that would have restored voting rights to felons. As a Republican strategist described it, "We've got a conservative evangelical Christian Republican governor, trying to get a massive turnout of black voters to pass a tax increase so he can raise taxes on Republican constituents."

The national Christian Coalition came in on the side of Governor Riley's reform.

Most of you know the upshot of the September 2003 vote: the voters turned the tax reform proposal down 2:1. But the amount of media attention and denominational attention focused on this story, and some editorials in other states suggesting that their tax codes are in serious need of improvement in this light, is encouraging. We live in interesting times.

[Wyn Achenbaum, email [wyn@attglobal.net](mailto:wyn@attglobal.net), a Marketing Decision Support Analyst, is a third generation Georgist.] □

# COMMON GROUND-USA



1118 Central Avenue  
Beloit, WI 53511-5407

complimentary copy -  
per Nadine Stoner

# GROUND SWELL

BULK RATE  
U.S. POSTAGE  
PAID  
BELOIT, WI  
PERMIT NO. 16

Ethan R. Stoner  
N 8140 Highridge Dr.  
Elkhorn, WI 53121