

the Henry George News

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Land Value Taxation in New Zealand

by ROLLAND O'REGAN

(Following are summaries of the remarks made at the Henry George Conference banquet in San Diego on July 12th by three principal speakers. Further conference reports in the September HGN will include the California itinerary of Dr. O'Regan and the points he stressed).

THE LAND VALUE tax by itself, and the abolition of the income tax by itself, are not enough. Put them together and you will get somewhere.

There is inequity when buildings and improvements are taxed. The person who improves his property is penalized for doing so. The way to remove this inequity is to shift the burden of taxation onto land values.

We have made progress with land value taxation in New Zealand. It should also be mentioned that progress has been made in Australia, especially in Queensland, New South Wales and Victoria; and in South Africa, especially in Johannesburg and the Transvaal.

In New Zealand we have moved away from theory. Land value taxation is now a fact, and it is retained be-

cause it works. This is the way to reward the good citizen and punish the bad citizen. This is the way to get rid of slums. Some New Zealanders wonder what is the good of land value taxation. It is like the salt in the porridge. You don't notice it until it is absent!

In New Zealand the taxing power rests in the hands of the voters. Local authorities have changed over to land value taxation and the system is spreading, not because of Georgist arguments but because people see it is a good thing.

We need more study of what would happen if more land value taxation were applied. Mr. H. Bronson Cowan made a good field survey, and more of such surveys are needed. We must understand the system more thoroughly.

(Continued on page 3)

**Letter from Cecil B. deMille to Robert Clancy,
director of the Henry George School**

I AM HAPPY to send a message which may be read at the San Diego Conference of the Henry George School.

First, may I express to the members of the conference my regret that I am unable to greet them in person. The devotion of the disciples of Henry George to his memory and his principles is one of the most remarkable tributes that could be paid to any man or any set of principles. If I could, I would be with you in San Diego, to salute that devotion in person.

I can well understand that devotion. I saw it in my own father, Henry Churchill deMille. He and Henry George were close friends. My father gave credit for the leading ideas in his last and best play, "The Lost Paradise," to Henry George. The writings of Henry George were read aloud in my boyhood home. I cannot say that at the age of nine I understood them all, but the figure of the kindly, bearded man, in whose home I often played with the George children, was impressed upon me as prophet as well as friend. Long before William deMille married Anna George, his younger brother too was taken into the large-hearted, patriarchal circle of Henry George's family; and some of the happiest memories of my childhood are memories of visits, with lots of good fun and good talk, at the Georges' cottage at Fort Hamilton. I remember we were once snowed in there and had to spend two unexpected days under Mrs. George's beautiful hospitality; there were twenty children in the party!

And these are not only memories of

far-off days, for through the years I have been struck by the frequency with which people mention Henry George to me—people who never knew him and who are not particularly identified with his philosophy, but who still speak of him with respect bordering on reverence. The most recent striking instance of that occurred last fall when I visited Sir Winston Churchill at his London home. I gave Sir Winston a copy of Henry George's lecture on Moses and told him that I thought his own essay and Henry George's were the best essays on Moses in the English language. It would not be proper for me to quote directly anything Sir Winston said in a private conversation, but he left me in no doubt of his respect for whatever Henry George might have to say on the subject of the great Prophet and lawgiver, through whom we received the Ten Commandments. That was a small incident—but it was an indication of the regard in which the name and influence of Henry George are held.

The members of your Conference are to be congratulated upon keeping that name and influence alive.

Sincerely,

CECIL B. DEMILLE

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Land Value Taxation

(Continued from page 1)

These conferences are good because they bring out information and discussion on these matters.

No reform, no matter how just or ingenious, can make headway without popular support. That is why the work of the Henry George School is so important. But a more activist program is also needed. From my brief sojourn

here, I feel that California is ripe for such an effort.

It has been most interesting for me to revisit California. It is a name to conjure with. It is the state forever associated with the labors of Henry George, whose ideas will work enormous good for the whole human family.

Let's Abolish the Income Tax

by J. BRACKEN LEE

The advice of America's founding fathers was good—that we should keep government simple. We make it too complicated. A legislator has to go through hundreds of bills, each one with many pages in difficult legal language. It's a hard enough job for the legislator. What about the people? How many of them understand the bills that are passed?

The founding fathers understood these difficulties and therefore proposed that representatives of the people be elected to run the government within the limits of the Constitution. No one should be given too much power. Even honest people abuse power. That is why our forefathers were so wise; they understood human nature.

The founding fathers limited the power of taxation and they did not permit an income tax. We will not restore freedom until we get rid of the income tax.

The income tax gives too much power to the collector. Nearly all our constitutional liberties are violated. It permits prying into our private

affairs. The income tax says, "You are guilty unless you can prove yourself innocent." It creates a government of men, not of law. The power of the collector can be used in a vindictive way, to ruin individuals who are not liked.

Most people agree with me about the income tax. Many say to me, "I'm for you, but don't mention my name." Isn't this one more proof that the income tax rules by fear?

The only two arguments I've heard in favor of the income tax are: 1, it is a way of taxing the rich; and 2, the government needs the money. As for the first, this is not true any more, as 83 per cent of the income tax comes from incomes of \$6,000 and under. As for the second, how much money does government really need? Fifty cents of every dollar collected by government is wasted money.

We must get back to a higher moral standard. We must find out about the income tax, teach it to the people and arouse them. When the people are aroused, the politicians will give them anything they want.



(l. to r.) Dr. Rolland O'Regan, Mrs. Joseph Thompson, Governor J. Bracken Lee, Jack Ensign Addington, Jos. S. Thompson, Mrs. Addigton & Henry Cramer.

Taxation for Justice and Sanity

by JOSEPH S. THOMPSON

As Governor Lee has so ably pointed out, the income tax is not the way to raise money for the government. As a member of the Tax Committee of the National Association of Manufacturers, I have introduced the question of what is the proper way to raise public revenue?

What do cities do when you park your car in the street? They have meters and you pay for the space. It doesn't matter whether you have a jalopy or a Cadillac, you pay the same. Carry the idea further and let the cities charge for using valuable land, regardless of whether there is a shack or a fine building on the land.

It is population that creates land values. The rental value of land is created solely by the presence of the people. It is unique in this respect, different from other values. This ren-

tal value should be taken by the community for the needs of the community.

As I mentioned, I have introduced these ideas to members of the N.A.M. My paper on the subject was circulated to members, but the committee attached to my paper a criticism by Dr. Harley Lutz, the public finance "expert." I have prepared a rejoinder to Dr. Lutz's intemperate criticism, but unfortunately have not been able to arouse much interest among N.A.M. members.

Land values in San Francisco are continually climbing, as the city cannot expand physically, due to geographic limitations. Descendants of the land grabbers are reaping fortunes. It's just not good business. Why should individuals collect what we all create and can use for public revenue?

Westward Ho

by V. G. PETERSON

Oleanders were blooming in the gardens of San Diego, and lacy-leaved pepper trees, palms and eucalyptus lined the streets of this charming southern California city, reminding us Easterners that we were, indeed, a long, long way from home.

We had started off that morning (July 9) four strong, from New York, for the annual conference of the Henry George School of Social Science of which the San Diego extension was, this year, to be the host. Joined soon after our arrival by Mr. and Mrs. Mitchell Lurio, of Boston, we represented a delegation of six from the Eastern Seaboard. Other parts of the country, nearer to the conference city, were more generously represented, and as might be expected, a big turn-out came from the West Coast communities.

We missed Verlin Gordon, director of the Ohio extension, and John Monroe of Chicago, but were glad to welcome two additions to the extension-director family, otherwise complete. These new members, both Californians, were Arleigh Chute of Berkeley and A. E. Hartmann of Sacramento.

Honored guest of the conference was Dr. Rolland O'Regan of Wellington, New Zealand, whose fight for the preservation and extension of land-value taxation in that island country carries on the work started by his father, the late Patrick J. O'Regan. By the time we arrived, the doctor, a well-known surgeon in his native

land, had spent three busy days in San Diego during which he had appeared on television, spoken over the radio, and addressed a luncheon of prominent citizens with great success and a gratifying amount of newspaper coverage. This publicity helped to attract an exceptionally large turnout for the banquet on Saturday night. At least two hundred and fifty were present on that gala occasion at which Jack Ensign Addington presided as chairman. The last of three speakers, Dr. O'Regan won a standing ovation for his talk on the advances made in New Zealand in the use of land-value taxation, and his impassioned plea that the Georgists of the United States should study their cities and assemble facts on which, he confidently believed, they could base a convincing argument for a change in our American tax system. Preceding Dr. O'Regan on the banquet program were the ever-popular and distinguished Joseph H. Thompson of San Francisco, speaking on "Taxation for Justice and Sanity," and the Honorable J. Bracken Lee, former Governor of Utah, whose talk, "Abolish the Income Tax" was in line with a nation-wide fight he is making, and which he vigorously pursued on this occasion.

Here, as at other similar Henry George School conferences, the daytime sessions were devoted to school problems dealing with teaching methods, promotion, activities and graduate organizations.

The evening sessions were well at-

tended and diversified. On Thursday we heard reports from various organizations and the accumulated evidence of how much work actually is being done in publishing, in contacts with the colleges, in research and in efforts at mass communication, was impressive enough to send us to bed with the heartening conviction that Georgism is a growing and dynamic concern.

Friday evening brought Vernon Kilpatrick, California State Assemblyman, a student of the Los Angeles extension, talking on his efforts to introduce "A Pittsburgh Plan for California" (good luck, Vernon, we will have our fingers crossed!), and Dr. Glenn E. Hoover, City Councilman of Oakland, and former professor at Mills College, with an inspiring talk on "Justice, Charity and Power." It was good to see Hyman Ledeen of Los Angeles in the role of a most efficient chairman. [Both of these addresses will be in the September HGN in digest form]

The conference was not without its lighter side. On Friday afternoon plans had been made for a luncheon, a boat trip around the famous San Diego harbor with guided tours of the submarine "Steelhead" and the carrier "Hornet," and for a Mexican dinner, discreetly special (for this we were grateful) at a charming restaurant in the old, historic section of the city. Working hard at the loud speaker during the harbor cruise was James Palmer of nearby Chula Vista, a valuable member of the Henry George School faculty and one of our genial hosts at this conference. His knowledge of the points of interest which we passed, and their economic history,

is remarkable, and provided fascinating and instructive entertainment for all.

Hovering in the background, always busy, and always dodging recognition, was Sidney Evans, hardy veteran of many annual conferences, and pinch-hitting director of the San Diego extension when occasion demands. Another distinguished San Diegan attending all sessions, was Louise McLean whom Henry George "dangled on his knee" when she was a small child. Henry Cramer, Captain and Mrs. Jesse B. Gay, Everett Seeley and Dixie Wood, to mention just a few, were other members of the committee who helped to make the conference such a great success. Seemingly unruffled by the many duties she was called upon to perform was Mrs. Eva Maxwell, director of the local extension, whose work for the Georgist cause has been pursued in many different places—in New York, in Tokyo, and now in San Diego.

To many the highlight of the conference was the presence of Dr. Roland O'Regan whose faith in the success of land-value taxation in his own country was an inspiration which did not fade with the sounding of the gavel. His challenge that in America similar results can be obtained will not go unheeded. The great philosophy which brought this conference together has always found, and will continue to find, those who will work for it in the many fields in which progress can be made, those who, as Henry George so beautifully expressed it, "will toil for it; suffer for it; if need be, die for it." For this is the power of truth.

Fourteenth Annual Conference of the Henry George School

Reported by ROBERT CLANCY

The conference held in San Diego from July 9th to 13th was an outstanding one attended by persons from all over North America, including the following school directors: Arleigh Chute, East Bay, California; William B. Truehart, Los Angeles; A. E. Hartmann, Sacramento; Eva Maxwell, San Diego; Robert Tideman, San Francisco; Leoane R. Anderson, Denver; James A. McNally, Hartford; M. S. Lurio and Mrs. Lurio, Boston; Robert D. Benton and Mrs. Benton, Detroit; Noah D. Alper, St. Louis; John T. Tetley and Mrs. Tetley, New Jersey; Robert Clancy, New York; Joseph A. Stockman, Philadelphia; Strethel Walton, Montreal; and Harry E. Pollard, Toronto.

The program included sessions on school problems, reports from other organizations, discussions on economics and politics, stirring speeches on tax reform, plus special recreational and gastronomic treats. The weather was ideal and our San Diego hosts left nothing to be desired. They planned well and were always on hand to be helpful and hospitable.

On Wednesday evening, July 9th, delegates assembled at the Lafayette Hotel where the conference was held, for an informal buffet supper provided by our hosts. Circulating among the crowd and welcoming the visitors, were Eva L. Maxwell, Louise McLean, Henry Cramer and Sidney G. Evans, leaders of the San Diego Henry George School. During the evening the group heard a tape recording of radio and television talks made by

our delegate from New Zealand, Dr. Rolland O'Regan.

The first formal session opened Thursday morning with a greeting by the Hon. Justin G. Evenson, Vice-Mayor of San Diego, who said, "this group represents the adult section of the community in education for community life."

The morning session, chaired by Gordon Gran of San Diego, was devoted to a round table discussion on promotion. Some of the conferees expressed the view that the school should make more of an effort to reach special groups, such as professional people, with special publicity and special teaching methods. Educational work in churches was another suggestion. Others felt that the standard school program which reaches the general public was the method most worthy to continue and expand.

All school branches are experimenting with various methods of promotion, it was brought out, both with direct mail, advertising and special efforts. Many work with other educational groups, integrating our course into their programs.

The chairman invited each delegate to jot down on a card one idea on promotion. These were read at the end of the session and included the following ideas: Form a speakers bureau to supplement school work—Work on getting our courses introduced in high schools—Teach our students how to influence people—Keep working and you will get results.

The Thursday afternoon session was

another round table discussion, this time on "Teaching the Fundamentals," with Everett J. Seeley of San Diego as chairman. Robert Clancy, director of the New York school, presented the new Teachers Manual for Fundamental Economics (sixth edition), the school's basic course, with Henry George's *Progress and Poverty* as the text. He explained that it was the product of four years of concerted effort by the Manual Committee in New York and teachers and directors throughout the country. It represents the sum of what has been learned so far about teaching the fundamentals and should prove to be an effective teaching tool.

William B. Truehart, Los Angeles director, told of supplementary materials assembled by himself and his colleagues. These are notes about each lesson — facts, discussions, illustrations, etc., designed to aid the teacher in explaining economic fundamentals. Mr. Truehart said he would be glad to send a copy of these notes to teachers in other cities on request.

Harry E. Pollard, Toronto director, told of a public speaking course he has introduced in the Y.M.C.A. in his city. This course actually uses *Progress and Poverty* as its text, and students are asked to prepare speeches and debates based on various assignments in the book. The course has been well received, and a Y.M.C.A. debating club has already grown out of it.

James A. Palmer, a San Diego teacher, told of the use he makes of documentary motion pictures in class, not just for entertainment, but "the right movie at the right time with the right discussion." Mr. Palmer presented a film which he uses, "Ghost Towns of California," which illustrates the "boom and bust" days of the old West.

Mrs. Marian Sapiro of Los Angeles told of plans to present the basic course over the radio, with listeners as students. They will be invited to

send for lessons which they can fill out and mail in for correction.

Reports from Others

Reports on various Georgist organizations were featured at the Thursday evening session, with Robert de Fremercy of San Francisco as chairman.

Noah D. Alper (St. Louis) gave a brief history of the Henry George Foundation in Pittsburgh, and told of its present efforts to encourage cities of Pennsylvania to adopt land value taxation. Joseph Craig of Fort Worth, Texas, supplemented this by telling of former Mayor William McNair of Pittsburgh and the graded tax plan which is a partial land value tax measure. "In Pittsburgh it works," said Mr. Craig.

A report was sent by Gilbert Tucker, president of the Economic Education League, and read by Robert D. Benton. (see page 16)

Harry E. Pollard told of the work of the International Union for Land Value Taxation and Free Trade, and he also mentioned that many graduates of the English Henry George School are joining the revived Liberal party, which is once more showing the effects of the Georgist influence as it did in the days of Lloyd George, Campbell-Bannerman, et al.

Robert Clancy reported on the Lincoln Foundation. Started in 1947 by John C. Lincoln with the aim of promoting education in Henry George's ideas, the Foundation has over the years made contributions to the Henry George School. A more recent development has been a program of working with colleges. There are several colleges now operating research and teaching programs on subjects related to the Georgist philosophy, with grants from the Lincoln Foundation. A professor in charge of one of these programs was present at the Conference, Professor William H. Anderson, chairman of the Department of Economics of the University of

Southern California. Mention of Henry George, said Professor Anderson, is gradually dropping out of sight in college textbooks, and there is in process an effort at his university to restore George to his proper place in the history of economic thought, and to spend time on land economics and land value taxation. Courses, both undergraduate and graduate, he said, would devote adequate time to these subjects. It is also planned to have research projects for students, bearing on land and its rent. Much interest was expressed by our conferees in this program.

Miss V. G. Peterson gave a report on the recent work of the Robert Schalkenbach Foundation, of which she is Executive Secretary. This will appear in the September HGN.

Dr. Rolland O'Regan is president of the New Zealand League for the Taxation of Land Value and he told of the successful work of promoting land value taxation in his country. There is a growing interest in the subject, he said, and once started, the system tends to spread. Dr. O'Regan concluded by reading from a letter written to his father, Judge P. J. O'Regan, by Henry George: "Any advance in one part of the world helps the movement all over."

On Friday morning, attention was again turned to school problems, with a session on finances presided over by

Captain Jesse B. Gay of San Diego. Extension directors were called upon in turn to tell how they were raising contributions to support their courses. Some extensions have fund raising committees of volunteers who call on, or telephone, prospective donors. Others mail out an annual fund appeal. Some have adopted the membership plan whereby the donor receives a membership in the school, based on his contribution. Special fund-raising efforts were mentioned, such as a special appeal to buy the necessary equipment. An interesting innovation reported by Los Angeles was the recent Hollywood Bowl concert from which the extension benefited.

On Friday afternoon, the delegates enjoyed a boat excursion, and Friday evening was devoted to talks on economics and politics. See V. G. Peterson's report on page 6.

On Saturday morning the group turned its attention to the subject of "The School's Graduates," with Tom Sherrard of San Diego as the chairman. The directors were again called upon to report on graduate activities in their extensions and it was found that most of those having had alumni organizations had discontinued them. However, a new effort appears to be in the making, and two groups have recently been formed: the Economists Club in San Francisco which holds meetings and discussions; and the



Mrs. Dixie Wood, James A. Palmer, Noah D. Alper, John T. Tetley, William B. Truehart and Mrs. Eva L. Maxwell.

Henry George School Associates in Los Angeles, which sponsored the benefit concert above mentioned. In other extensions graduate activities are part of the school. Some have alumni committees with definite responsibilities in carrying on the school program. The alumni situation at present appears to be in a state of flux, with a variety of programs and activities going on, and it will be interesting to observe its development.

Special Reports

At the Saturday afternoon session, reports were read from absent school directors, and special reports were heard on organizations closely related to the school. Chairman was Mrs. Bernice de los Rios of San Diego.

A report from Verlin D. Gordon, Ohio director, was by read by Mrs. Robert D. Benton. "The Ohio School is showing slow but steady growth," wrote Mr. Gordon. "The influence of graduates and friends is increasing. Every new student brings that day nearer when the philosophy of freedom, as enunciated by Henry George will win wide recognition and acclaim."

Joseph A. Stockman (Philadelphia) read a letter sent by Dr. Hengtse Tu, director of the Henry George School in Formosa, who noted that his school has entered its fifth year. "My school," he wrote, "despite its financial weakness, is running steadily and resolutely. I believe the increasing cognizance and appreciation of the teaching of Henry George on the part of the Chinese people here will eventually be the great force which will help bring this school to a sounder basis."

Mr. Stockman also reported on the birthplace of Henry George which doubles as a museum and Philadelphia school headquarters. The little red brick building at 413 S. 10th St. was acquired by the school last year from the Henry George Foundation which had maintained the property since 1926. The first floor has been reno-

vated and now houses a Henry George exhibition as well as classroom and office space. The back yard is now being put in order, and the first general meeting will be held there on September 2nd of this year. Mr. Stockman extended an invitation for friends of the school everywhere to attend.

Willis Shipley, now of Los Angeles, formerly a trustee of the Chicago Henry George School, gave a brief summary of the aims and accomplishments of the Commerce and Industry program being undertaken in Chicago, which is introducing the study of economic fundamentals in industry.

Mrs. Mina Olson reported on the Chicago Henry George Women's Club which recently celebrated its nineteenth birthday and gave its annual gift of \$300 to the Chicago Henry George School. Though membership has been declining, it is hoped that it will be increased by graduates of the new *Progress and Poverty* classes being conducted by George Menninger at the church of Rev. Ruthann Bassler.

Noah D. Alper told of the good work being done by the St. Louis Henry George Women's Club which publishes the St. Louis Georgist and helps raise funds for the school. Mr. Alper also reported on P.R.E.C. (Public Revenue Education Council) which undertakes a distribution of literature every year. His recent pamphlets, "Let's Abolish Taxes" and "The College Professor Vs. the Manufacturer" have been distributed. A new development is a one-hour talk and demonstration with a flip chart. P.R.E.C.'s emphasis is to show that a tax is not itself a source of revenue but merely a pump which taps a source.

Dr. Morgan Harris of Los Angeles presented a plan for a new organization, the Association for Reduced Taxation, the purpose of which would be to try to get cities to stop the increase of all taxes except the land value tax.

A. E. Hartmann of Sacramento told of his hope to participate in the com-

ing California State Fair to be held in his city, with a special Henry George School booth with an exhibit and literature.

Following these special reports, the directors were called upon to give their evaluation of the conference. There was a hearty consensus that this was a wonderful conference, full of new ideas and inspiration, and providing much evidence that the school and the movement are growing in size, scope, importance and influence. The San Diego group were complimented on their excellent management of the conference and their genial hospitality.

Top of the Conference

Saturday evening came the conference banquet, the climax of the planned program and truly the climax in actuality. The Rev. Jack E. Addington of San Diego, acting as toastmaster, read greetings from Ashley Mitchell, Kathleen Norris and Cecil B. deMille [see page two]. A musical interlude was provided by Wesley Goss of Los Angeles.

After an excellent dinner, the first speaker was J. Bracken Lee, former governor of Utah, who has been devoting his time to advocating the abolition of the federal income tax. This was his last public speech before entering a new political contest for United States Senator from Utah. Governor Lee's message fell on sympathetic ears, and good wishes for success in the senatorial race were extended.

Joseph S. Thompson, who spoke on "Taxation for Justice and Sanity," is president of the San Francisco Henry George School, as well as of the Federal Pacific Electric Company. Well known as a spirited public speaker, he seemed to excel himself at the banquet as he spoke eloquently on his subject. Equally eloquent was his appeal to his hearers for financial support for the Henry George School.

The final speaker was the conference's overseas delegate, Dr. Rolland

O'Regan of New Zealand, a prominent physician, man of affairs, leader in the land value taxation movement—and a polished public speaker. His presence added an international flavor to our conference and made it possible for us to make this Fourteenth Annual Conference the school's first international conference.

At a special Sunday morning session, with Robert Clancy as chairman, greetings were read from Professor Harry Gunnison Brown, W. A. Dowe of Australia, and J. Rupert Mason of San Francisco.

Dr. Bernhard Spur was called upon to give an up-to-date report on the Georgist movement in Denmark. The Justice party with nine representatives in Parliament, last year formed a coalition government with the two larger parties. Now, one year later, gains have been made in furthering the cause of economic freedom, and the party is growing in prestige.

Dr. Rolland O'Regan was again called upon to give the conferees further information about New Zealand. He presented beautiful color slides of his country, with commentary, and also discussed practical questions in connection with applying land value taxation. So great was the interest in the matter raised by Dr. O'Regan, that it was proposed that the next annual conference give more time to these questions.

The New Jersey Henry George School will be host to the 1959 annual conference, which will be held at Rutgers University, New Brunswick, New Jersey, in the early part of July. In addition, a message came to the conference just in time to be announced that the next International Conference for Land Value Taxation and Free Trade will be held in the latter part of July, 1959, in West Germany, thus making it possible for those who wish to, to attend both conferences.

An so ended the Fourteenth Annual Conference of the Henry George School of Social Science—and the third to be held in California. With

renewed inspiration we face the coming year and look forward to the fifteenth annual conference in New Jersey.

POST-CONFERENCE VISITS

ROBERT CLANCY

After the highly successful San Diego conference, I took the occasion to visit our western extensions.

First, of course, was the San Diego extension: many of the conferees assembled at the trim little white building which serves as school headquarters, and were guests for Sunday lunch, with Eva Maxwell a hospitable hostess. After this some returned home, some went for a visit to Mexico, and some, including me, went on to Los Angeles.

On Monday there was a meeting at the Los Angeles school, in the attractive building acquired by that extension two years ago, with director Bill Truehart and others.

By Wednesday evening I was in San Francisco to attend the H. G. School's annual meeting. The occasion was the beginning of the tenth year of classes in San Francisco, under Bob Tideman, director. The meeting was well attended—there were at least 100 present. Speakers included J. Rupert Mason, Glenn E. Hoover, Noah D. Alper and myself. Wallace Kibbee was chairman.

Thursday I attended a Commonwealth Club luncheon and heard reports by the Education Committee on how public schools should be financed. There was a good "land values bloc" in this committee, including Rupert Mason, Bob Tideman and Bob de Fremery—this last also a monetary economist whose ideas have taken root in the San Francisco extension.

Across the San Francisco Bay is the East Bay extension which I also visited.

Present director is Arleigh Chute, and I met with a small but earnest group at his house and was heartened to see how the ideas are taking hold. I also visited the Glenn Hoovers and the Hugh Changs, and was regaled with Chinese as well as California hospitality. (I did not go to Sacramento, where we have the fifth of our California extensions, but I did get acquainted with the director there, A. E. Hartmann, who was, in fact, my roommate in San Diego.)

Then I was off for a visit to Denver, and was treated to Colorado hospitality by Leane Anderson, our director in that three and a half year-old extension, which was founded by Dixie Wood. A meeting at Leane's house with a fine group of people showed that the Denver extension is making good progress. I was also able to get in a visit to Boulder and to Professor James L. Busey who teaches at the university there and is the author of the super-condensed *Progress and Poverty* pamphlet. (I didn't visit St. Louis this trip, as our St. Louis director, Noah Alper, was visiting Seattle to report on possibilities of opening an extension there. Nor did I stop off at Great Falls, Montana, but I was pleased that M. S. Lurio of Boston did go there to see Russel Conklin).

My mind crowded with memories, faces old and new, and all sorts of ideas and experiences, I flew back to New York stopping at the Chicago airport long enough to have a nice phone chat with John Monroe, Chicago director.



(L. to r.) Mrs. Mina Olson, Arleigh Chute and Glenn Hoover under the flag of freedom enjoying the boat ride; Joseph A. Stockman, Louise McLean and James A. McNally in front of the school's headquarters at 1536 7th Avenue, San Diego; a conference group at the entrance of the Lafayette Hotel where the conference was held.

STOP BEING COZY

F. I. Prentice, editor of *House & Home*, an authoritative magazine in the field of home building, again made a plea in the June, 1958 issue, to price the product (building) "back into the market."

"Let's not pocket all our savings from smaller discounts," he wrote, and "Let's really get after our building costs." His third main point is what interests us especially, and we quote it in full:

LET'S STOP BEING SO COZY WITH LAND SPECULATORS

Let's not pay 1968 prices for 1958 lots. Let's listen to Frank Cortright's warning: "It gets harder and harder to make a building profit on top of the profit the land-seller takes." Let's recognize the land price speculator as our public enemy No. 1, the enemy who sits and takes his big profit first while the developer, the builder, and the realtor do all the work; the enemy who did more than anyone else to price our product out of the market last year.

It just plain is not true that land for home building is getting scarce. What is true is that land speculators are making land scarce by holding millions of acres off the market to get higher prices (or pricing those acres out of today's market, which is the same thing in different words).

Census says there were 12,688,900 vacant building lots on the assessment rolls in 1956. Now the \$50 billion highway program is opening up millions of acres more that should be cheap (even if they aren't), and new earth-moving giants are making it easier and cheaper to build better on hundreds of close-in hills we bypassed in our first rush to cover the flat potato fields and fruit orchards with little houses.

The one best way to stop land price inflation and perhaps squeeze out some of the past inflation is to get together and fight to put more of the tax load on land and less of the tax load on improvements. The shift might make it too costly for speculators to hold good home sites idle hoping to squeeze us for still higher prices later on.

Higher taxes on land would hurt no one but the land speculators. Higher taxes on land would permit lower taxes on houses and other improvements. Higher taxes on land are the only taxes that would help bring prices down instead of pushing prices up. Higher taxes on land are the only taxes that would stimulate production instead of discouraging it.

Our industry has to live closer to the land speculator than any other industry. We have a closer view of the harm land speculation is doing our economy, so we should be first to tell the tax planners and the tax collectors that higher land taxes are the one way to raise more revenue without hurting anyone except our public enemy No. 1.

Report from Denmark by Bent Jensen which arrived too late to be read at the San Diego conference

I would like to take this opportunity to mention the latest development in Denmark in the field of land value taxation and, at the same time, to bring forward a brief comment.

In Denmark the Justice party, which was founded about forty years ago with the main objective of advocating Henry George's ideas of free trade and land value taxation, has had representatives in parliament since 1926, and has during the past years been able to influence the fiscal legislation toward exempting buildings from taxation and to a corresponding extent increasing the taxation of land values. In addition, a special tax on rises in value of land has been in force since 1933, this tax having had the result that approximately half the rental increment of community created land values has been collected for public purposes during the past years. At the general election a year ago the Justice party, which is also known as the Single Tax party, had a fifty per cent increase and obtained three ministers in the coalition government formed after the election. The Justice party was prepared to introduce a bill aiming at collecting the entire increment of land values, but the two other parties represented in the government were in favor of collecting only the entire increment of land values of urban areas. A bill to that effect was introduced some months ago and was passed at the end of June. Since the act affects areas where rises in land values are bigger and more fatal than anywhere else, the whole population, excepting the land speculators, will benefit from it, and we hope that in a not too remote future the provisions of the act will apply also to rural land values.

Needless to emphasize that our main problem and main objective is to collect the

entire rent of land and not only the increment of the rent; But if, for political reasons, the Justice party, when endeavoring to collect the entire rent of land, should have to employ a step-by-step policy allowing the landowners to retain part of the rent during a certain number of years, then it will be of importance that they are, at least, prevented from retaining part of the increase of rent, such retention being tantamount to partially compensating for the loss of money invested in unimproved land.

But even though the landowners are prevented from retaining any part of the increment of rent, a land reform to the effect of collecting gradually the entire rent of land implies a partial compensation for loss of money invested in unimproved land. If for instance during twenty-five years the rent collected for public purposes is increased annually by $1/25$ of the total rent, the amounts accorded to the landowners will fall from $24/25$ of the rent to nil, these amounts, when capitalized at the beginning of the period, making a total of 36.4 per cent of the land value at that time, at the rate of 4 per cent. In countries where no steps have been taken to separate collection of the increase of rent, the compensation accorded to the landowners will, of course, be much bigger than that stated above. In Denmark we have in time provided rather efficiently against private collection of the increase of the rent so as to be able to reduce the compensation to landowners.

I hope that single taxers in other countries may be able to induce their legislators to adopt similar measures, for the fact remains—and we have to face it, that step-by-step collection for public purposes of the rent of land implies a considerable compensation to the present landowners.

A Classic Reissued

THE SELF-SUPPORTING CITY, by Gilbert M. Tucker. Robert Schalkenbach Foundation, New York. 1958. 100 pages. \$1.

Reviewed by MARSHALL CRANE

Georgists will welcome the news that, in response to a very considerable and persistent demand, Gilbert M. Tucker has completely revised and rewritten *The Self-Supporting City*.

The first edition of this work appeared while we were still in the throes of war-time "prosperity," and it has been suggested that this was unfortunate. At the time few of us could recall the recent depression without a shudder, and while the book attracted attention, naturally not all the comment was favorable. But the author, thoroughly acquainted with what he was writing, had written it well. He presented a picture of conditions obtaining in numerous towns and cities, and none of his critics were able to produce anything resembling an adequate rebuttal.

Every articulate Georgist, while sowing the good seed, has encountered the objection that reform—specifically, the tax reform which he advocates—is not "practical." The objector, unless he happens to be a devoted Marxist, does not often disclose what system he thinks would be practical, but he is apparently quite sure that tax reform would not be. In fact, his principal article of faith seems to be that change of any sort is a perilous, unworkable business at best, and something to be avoided at all costs. To many of us this is a most annoying method of attack. Either in spite of its essential weakness or because of it, it seems to suggest no

effective line of defense, and we concede the battle with a sigh.

Henry George approached this problem from an entirely different angle. He never forgot basic theory and never permitted his reader to forget it. He was a social philosopher first and last, his system resting solidly upon essential truth and natural law. Nevertheless he was precipitated into the maelstrom of economic thought and controversy much less by metaphysical speculation than by his perception and conviction that something was vitally wrong with the way men in general managed the production, distribution and consumption of wealth. The system was not only unjust. It was utterly impractical as well.

In much the same way, it is our present system that Mr. Tucker works on, in both the original and the revised editions of *The Self-Supporting City*. Economic theory is kept before the reader at all times, but always with the methods of its application in mind. So what is studied is not only what is right, but also what actually can be done—what will save public money—and what will be of real advantage to taxpayers, both as a group and as individuals. The author offers no panacea or formula; for cities, no matter where they are, are as different from each other as the people who inhabit them. Nevertheless he does suggest a number of things which the observant and thoughtful citizen will recognize as practical expedients, all of which might be applied with profit in his own home town.

As might be expected, the subject of subsidies from central governments to local communities receives the at-

tention it well deserves. The author says—and it could hardly be said better:

"By whatever method our taxes are levied, we ourselves must keep filled the pork barrel from which we would grab and, by and large, the taxpayers lose more from subsidies than they gain. All such schemes are open to another grave objection: he who pays the piper calls the tune, and trying to shoulder off onto state or nation obli-

gations which are ours means the loss of self-government and the destruction of our liberties. We clamor for subsidies for schools, roads, public improvements, housing, the relief of destitution, and for many a supposed benefit, and for this mess of pottage—and a mess it is!—we sell our freedom. Remember Franklin's warning: "They who can give up essential liberty, to obtain a little temporary safety, deserve neither liberty nor safety." "

THE PRINCIPLES IN ACTION

In a report sent to the Henry George School conference by Gilbert M. Tucker, president of the Economic Education League, he stated that the next objective is to consider the employment of a full-time field worker to further the acceptance of tax principles supported by this group. He would work mostly in Bethlehem, Pennsylvania where during the past year, an excellent study was made dealing with the arrangement and financing of a land value tax program. "This is, we believe," wrote Mr. Tucker, "the first thorough and scholarly study of its kind made in America. It was made for us by the Institute of Research of Lehigh University and, although the League financed it, we left them rigidly alone with no attempt at interference, dictation or prejudice in findings. The study is most satisfactory and will be, we think, very valuable. It has been published and is available in paper binding for \$1, cloth binding for \$1.50."

Copies of the book reviewed above, as well as the recently published textbook *Common-Sense Economics* (special price, \$4.50 postpaid), may also be ordered through the Henry George News or from the Robert Schalkenbach Foundation at the same address, 50 East 69th Street, New York 21, N. Y.

On September 2nd friends everywhere are invited to come to Philadelphia to celebrate the 119th birthday of Henry George at his birthplace, 413 South 10th Street. The meeting will begin at 4 p.m. and there will be outstanding speakers, including Agnes deMille and Philadelphia civic leaders. Plan to come and stay through the evening.

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