

the Henry George News

PUBLISHED BY HENRY GEORGE SCHOOL OF SOCIAL SCIENCE •

APRIL 1963

Individual Freedom Is the Answer

"**A**RE the ideas of Henry George still relevant today?" That question was asked in a 45-minute radio program presented last month on FM subscribers' radio stations owned by the Pacifica Foundation, including WBAI in New York, KPFA in San Francisco and KPFK, Los Angeles. Agnes de Mille, choreographer and author; and William Hall, professor of economics at Sarah Lawrence College, Bronxville, New York; were interviewed by Roy Finch, professor of philosophy at Sarah Lawrence College.

Miss de Mille, granddaughter of Henry George, believed his philosophy *is* pertinent now, in fact crucial, especially in Latin America. Advertisements placed in newspapers in Central and South America by the Henry George School produced over 10,000 returns. The whole situation in Cuba may have wakened us up sharply to the extreme peril we live in. In South America the educated people realize there is imminent danger, but many of the people are illiterate, and you can't talk to them about abstractions like freedom. She said 500 owners in Argentina hold 18 per cent of farm land; in Chile one per cent controls 43 per cent of land; and

in Bolivia 6.3 per cent own 91.9 per cent of the area total.

"What would Henry George say to these people?" asked Professor Finch.

"Under George's system the landlords would be taxed into giving up hunks of great territories, and tenants would get enough crop back so they could eat," replied Miss de Mille.

"Then this is redistribution of land?"

"It amounts to that," Professor Hall concurred, "except that it's not redistribution in the sense of taking the land titles from the great landholders and splitting them into smaller divisions, creating a large class of small landholders—this simply aggravates the evil and does not solve the basic problem. George's proposal would open the land to those who could use it best, and the size of the individual productive unit would be determined by the free interchange of the market place. When you permit land monopoly in a land tenure system such as ours, you interfere necessarily with the free operation of the market place so that no one really knows what the optimum size of an enterprise is. Taxing natural resources according to their value

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A Word With You

WHEN I was a boy, I used to frequent those bedlams known as "Saturday matinee for kiddies" in the days of the silent films. Once during a thrilling screen fight between cowboys and outlaws, when the youthful audience was making more noise than usual, an urchin a shade younger than I asked me frantically, "which one is the good guy?" I helped to initiate him in the mysteries of when to cheer and when to boo.

That was a relatively easy matter, as there was a script to go by. But what of all the conflicts going on today in the real and not so silent world, with no script to guide us? Suppose the young gamin were to put the question to me now, what could I answer? Only that our cockeyed economy does make villains of us all.

New York's long-drawn-out newspaper strike was prompted largely by the threat of automation. Very well, the union was the "bad guy" in trying to hold up progress. But unemployment is increasing, and what would the fired printers do for jobs? So the publishers were the "bad guys." And so it went on, both sides unmindful that it was the restriction of opportunities caused by monopolization of land that made villains of both sides.

Who is the good guy and the bad guy in the Medicare debate? When you look at all the poor, aged, sick people, surely the villains are those who op-

pose medical care for the aged. And when you look at the wretched results of socialized medicine wherever it has been tried, surely the villains are sinister bureaucrats scheming to plan our lives for us. What about the economic conditions that make the aged poor?

In Latin America, when you meet the cultured aristocracy, surely it's easy to conclude that they are the good guys, and the lazy, drunken peasantry are the bad guys who are only getting what they deserve. The earth belongs to nice people like El Senor de la Hacienda. Ah, but then comes the revolution, and *now* who's getting what he deserves, and *now* who's the bad guy?

In the play "Rhinoceros" by Ionesco, every one turns into a rhinoceros except one man who refuses to do so. At every performance the audience vigorously applauds this decision of one man to hold out against the world—on stage, that is. But what of real life? How many would applaud a person who resisted the craziness of the times as a matter of principle? Such a person would be quickly branded as a bad guy.

Yes, it's much harder to distinguish the bad from the good in real life than on stage or screen! But there is a script to guide us, after all—and that is our own reasoning power confronting the facts of life.

—Robert Clancy

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The Henry George News, published monthly by the Henry George School of Social Science, 50 E. 69th Street, New York 21, N.Y., supports the following principle:

The community, by its presence and activity, gives rental value to land, therefore the rent of land belongs to the community and not to the landowners. Labor and capital, by their combined efforts, produce the goods of the community—known as wealth. This wealth belongs to the producers. Justice requires that the government, representing the community, collect the rent of land for community purposes and abolish the taxation of wealth.

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William Marion Reedy of St. Louis "Eloquent Apostle" of Single Tax

by CAROLINE G. NATIONS

WILLIAM Marion Reedy was born on December 11, 1862. It is a little late to pay tribute to the hundredth anniversary of the birth of this big man, but an appreciative reappraisal of him is very much in order. He became famous as the editor of Reedy's Mirror, published in St. Louis, and was so closely identified with his paper that it expired five weeks after his death in 1920. Would that we had a William Marion Reedy writing at the present time! Especially would the Henry George movement profit by facing up to the enormous fact of the land question as Reedy did in his day.

It is too little known that the Mirror was an ardent supporter of the theories of Henry George. Since Reedy's death governmental slum clearance has been regarded as the only possible solution for the decay and blight which infects the heart of St. Louis and other large cities. Reedy like Henry George would see this method as a step in the wrong direction. He would not hesitate to speak against it as forthrightly as did Henry George himself.

Henry George opposed the proposals of the Tenement House Commission of New York as quackery. Anna George de Mille, in her biography of her father, *Henry George, Citizen of the World*, explained his position in terms that are just as sound today as when first expressed: "Doubtless it seemed strange to many at the meeting, that Henry George, who dedicated himself to improving the condition of the poor, should denounce proposals for tenement house reform and vehemently oppose the plan to use public

money to buy condemned tenements and build better ones. He had made it clear that taxing land would make it too expensive to lose it to slums and that "untaxing" improvements would automatically produce good buildings instead of human rookeries. He had proved definitely that these were the quickest, the most just, and the most fundamental means of slum clearance, so it was not difficult for him to be patient."

The decay so much in evidence at the heart of St. Louis and many other large cities, demonstrates the very problem Henry George clearly defined; he defined also its solution, the total appropriation of the land value by the single tax. William Marion Reedy not only understood this but he took frequent opportunities to point it out. In "A Knock On Henry George" in the Mirror on December 30, 1910, he observed: "The idea that the land was a common heritage was not new. But entirely new was the argument that the way to get the land back into the possession of all was to tax away its unearned increment of value."

Frederick Wilhelm Wolf in "William Marion Reedy, A Critical Biography," prepared at Vanderbilt University as a thesis (1951) said of Reedy, "he devoured the contents of George's credo and made it a part of himself from 1895 when he first mentioned Single Tax to his death in 1920. When he promised his friends in San Francisco and Los Angeles that he would return in order to help them with the fight regarding the adoption of the Single Tax Amendment to the Consti-

tution. (It was in this same year that Reedy was nominated as Missouri Senator for his party—but declined—and he also received an honorary vote from the Missouri delegates as Presidential Candidate on the Single Tax ticket). Between these years the editor's advocacy of this program through his editorials in the *Mirror* added many interesting friends and incidentally increased the sales of the paper."

He also noted in this thesis that there was little doubt that *Progress and Poverty* had a marked effect on Reedy. "Hardly an issue of the *Mirror* appeared without some pertinent remarks regarding the Single Tax question. Oftimes important personages who were Single Taxers wrote for the weekly."

When William de Mille, son-in-law of Henry George, wrote a children's play called "Dreams," Reedy published it as "The First Single Tax Play."

He was referred to as one of the most informed men in politics in the midwest and his friend Theodore Roosevelt, during his second term, called him to Washington on several occasions, "where in private conference, he described the political and economic conditions of Missouri to the Executive." He was also the confidant of many members of the cabinet.

Max Putzel gives Reedy credit for playing a significant part in encouraging pivotal authors who established new trends in literature in "The Man in the Mirror" which was published by Harvard University Press last year, and reprinted by permission in *Focus/Midwest* in December, 1962. He points out that "the broadening and liberalizing effect of the resulting naturalistic trend redirected our letters, and in so doing changed our lives. The trend is now well known. Reedy's part in it is not. In the standard reference works where his name is mentioned at all, the account is invariably inadequate and ill-informed."

Mr. Putzel mentions Reedy's support of Henry George only in passing. Yet in embracing and vigorously promoting Henry George's philosophy of social science, Reedy also showed a keen discernment of the value of another important trend, and one which greatly increased the circulation of his paper. The *Mirror* enjoyed a national circulation of 32,000 copies at its peak. At that time the *Atlantic's* circulation was seven thousand and the *Nation's* twelve. There can be little doubt that the space Reedy gave to the Henry George movement had much to do with the popularity of his journal, for at that time the single tax was a hotly debated national political issue.

Reedy's article, "Light on the Path," in the *Mirror* of March 28, 1912, is humorously instructive on this point:

"The best, because the clearest book ever written upon *Protection or Free Trade* on the *Free Trade* side, is that so entitled by Henry George. It is the most reliable book on the subject, and interesting as a novel. Twenty years ago this book was printed in the *Congressional Record*. Six members of the House divided the book among them, and each, under the 'leave to print' privilege, introduced a section in the *Record* as part of his remarks during a debate on wool. These members were Hon. Tom L. Johnson of Ohio; Hon. William J. Stone of Kentucky; Hon. Joseph E. Washington of Tennessee; Hon. John W. Fithian of Illinois; Hon. Thomas Bowman of Iowa; and Hon. Jerry Simpson of Kansas. By an old rule of the House, whatever appears in the *Record* is privileged to be sent through the mails free under a Congressional frank. *Protection or Free Trade* had therefore become frankable.

"Funds were raised by popular subscription to meet the expense of printing and in the form of a sixty-four page pamphlet, one million and sixty-two thousand copies were printed and

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No Sir, No Shellacking!

IT is cheering to look in the direction of Erie, Pennsylvania, where the Erie Land Tax Association has requested the City Council to appoint a committee to investigate land value taxation.

In the following ELTA statement the picture is so familiar that it could be repeated by hundreds, perhaps thousands, of cities large and small, that are dying at the center.

"The city faces financial problems that grow more serious every year. Necessary expenditures grow far faster than the increase in tax revenue. Real estate bears the main tax burden and will have to bear the increases.

"New building on vacant land, or remodeling or replacement of present building, has been going at a slow pace. We add only about four million dollars a year to our assessment rolls. This produces only \$40,250 of additional city revenue. Meanwhile property values in large areas are declining sharply, particularly in the center and downtown business areas, which will reduce real estate tax income. The surrounding suburban communities surpass Erie in the total value of new building each year. City population growth is slow, suburban growth is booming.

"The income tax gave temporary relief for real estate, but the revenue from this source has not risen appreciably in twelve years, while the amount paid out to the suburbs increases greatly year by year. Urban renewal can only solve a part of this problem.

"Many remedies are proposed and some of these deserve consideration. The Erie Land Tax Association, after considerable study, believes that a graded land tax program would be one of the simplest, most economical and

most effective remedies. Its use costs the taxpayers nothing.

"It will benefit the property owner who builds, maintains or improves his property, it will tax more heavily vacant lands that are held without improvement, and run-down, worn-out and dilapidated buildings. It gives benefits to those who produce something for the community. It lowers the price of vacant land, puts it on the market for sale or improvement, and in every way encourages the best use of land."

The Erie Times headlined this request to the City Council on February 20th, and the following day a Morning News editorial restated many of ELTA's claims, urged that a complete study be made, and concluded that citizens should not commit themselves until they found out what land value taxation would do in dollars and cents for their particular property.

Such a study should prove very revealing, for Wylie Young, executive director of the association, has amassed quantities of detailed figures on building taxes and assessments. In an earlier newspaper report Mr. Young was interviewed regarding a claim that a land tax program would result in the "owners of State Street properties taking a shellacking."

Mr. Young said the assessments on State Street were far out of line and should be cut in half. When that was done the owners could begin improvement such as the present system makes impossible. The reason they have allowed their buildings to rot, he said, is that the high cost of building plus the high tax levied against new construction makes it uneconomic to make improvements. By removing the tax on improvements this hindrance will be removed.

Sydney Mayers

VIEWS THE NEWS

New York's Governor has been urging a rise in automobile license costs, insisting his "no new taxation" pledge would not thereby be violated, since the charges involved are "fees" and not taxes. But both residents and legislators of the state, unmoved by His Excellency's logic, have joined voices in a chorus of "a tax is a tax is a tax."

* * * * *

Another intriguing example of "when is a tax not a tax?" is the widening movement on the part of many state administrations, faced with mounting expenses and increasing opposition to new or higher taxes, to permit or extend *pari-mutuel* betting at thoroughbred and harness-racing tracks, and in some cases to legalize off-track wagers—with the state, of course, receiving "a piece of the take." Disregarding (if we can) the moral and ethical aspects of the matter, we must be at least amused by the specious reasoning that appropriating part of one's bankroll is not a tax, merely because it is called by another name.

* * * * *

The demand of those of us who enjoy a Corona or a stogie has encouraged the annual importation of thousands of pounds of tobacco from Cuba—but due to the antics of Senor Castro, imports of the nicotineous leaf from that happy little island are now banned. However, thanks to the ubiquity of economic laws (supply and demand, for example), we shall not be denied our smoky solace, for the alert tobacco growers of New England have been quick to meet our desires, and soon our smoke rings will come from cigars called not "Havanas," but "Connecticuts."

Sharply rising consumption and continually tightening supplies of sugar have resulted in soaring prices throughout the world, trading quotations for this tasty sweetening having recently reached a 40-year peak in the United States commodity market. At the risk of being thought repetitious (which we are), we take the liberty of observing that the law of supply and demand just cannot be ignored, broken or repealed.

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Many questions have been asked about the four-month New York newspaper strike, one of the most frequent being "why did it last so long?" While a single answer would be an oversimplification, it might be interesting to point out that when the printers were "on the job," they worked for an average wage of \$145 a week, but as the strike progressed (assuming they did not take other positions), they were receiving an average weekly return of \$120 (i.e.: \$70 in union strike benefits and \$50 in state unemployment payments)—tax free and *without* working.

* * * * *

In The Netherlands, where dairy farmers are subsidized by the government, butter sells for 56 cents a pound, while in neighboring Belgium, whose dairymen enjoy no such privilege, a pound of this nutriment costs 91 cents. As a result, despite diligent efforts to prevent it, some 45 tons of butter are smuggled from Holland into Belgium every day—which clearly constitutes an illustration of Belgian frugality, a tribute to Dutch ingenuity, and further evidence that if there is a ready seller and a willing buyer, the twain shall surely meet.

Jamaica—Young and Free

THE island of Jamaica in the Caribbean is very much a part of the western hemisphere, even though it belonged to Britain—according to spokesmen who were guests at a faculty dinner at the Henry George School in New York on March 30th.

By 1962, under the impetus of the People's National party, half the island had been revalued for land value taxation, and thousands of home owners were relieved of taxation on improvements and crops as a result. The work would have proceeded to the remaining parishes which include the denser city populations, but the country gained its independence, the People's party was defeated, and revaluations halted.

Half the island is therefore still under a system which is hundreds of years old. This presents a great dilemma, and it was believed there was no choice but to go back and complete the proposed land value reform.

George Collins, a member of the faculty at New York headquarters, and vice president of the Jamaica Progressive League, acting as moderator, introduced first, Fitzroy Fraser, a writer and educator, who was concerned about education for Jamaica—especially a curriculum less concerned with the classical, traditional British pattern, and more concerned with Jamaica itself. He said the need for education is so great they cannot afford to keep the schools locked three months a year and operating only a few hours a day. He hopes for great changes in ten years from the mass of people under 40 who are still uneducated.

Aubrey Russell, a doctor educated at McGill University in Canada, is making a valuable contribution in the field of nutrition. Since the terrain is very uneven, experiments must be made to determine its best yield. He has planted

trees and bought sheep in an effort to make use of the hillsides. How to bring about a balance of trade is one of Jamaica's pressing problems, this speaker said. He expressed a firm belief in the private enterprise system. The people want freedom but are bound by economic difficulties, said Dr. Russell, who believed the greatest trouble was a shortage of dollars. Another spokesman, however, Dr. Earl Johnson, believed money is not necessary to develop a country—you can barter internationally for the things you need.

Vincent Johnston, an engineer, echoed the desire for education, and said, "I know my country, and every other country, needs young men who will start from scratch. They will get help in Jamaica, but they will have to accept the problems of independence.

"We can make it," he said with confidence. "Jamaicans take politics very seriously." He believes in the P.N.P. as one party that did something for the people, especially by putting land value taxation in practice. He hopes many American tourists will come, also that many American firms will invest. "One day our story will be told," he said, "not a very bright story but a good one."



Noah D. Alper's Brief Cases

TRICKS OF THE TRADE

In Newport Beach, California, lots on or near the ocean usually sell for \$20,000 and up. Recently however, a subdivider has advertised three-bedroom houses a few hundred feet from the water for as little as \$22,900. Prospective buyers, on visiting the development, found that the landowner retained title to the lot on which the house was built and the home buyer received a long-term lease and paid an annual rental on the value of the lot.

This was reported in the Wall Street Journal by Richard F. Roper, who said "the leasing of residential property is no novelty in the U.S. As long ago as 1750 a Baltimore landlord offered lots, with no down payment, on 99-year leases at an annual 'ground rent.' Other landlords adopted the practice and even today many homes in Maryland are on leased ground. Leasing also has been the custom in Hawaii, where Kaiser Industries' new Hawaii-Kai development in Honolulu offers lots on a leased basis only . . . Leasing enables large landowners who are reluctant to sell their holdings to have their cake and eat it too."

TAX PARADOXES UNCOVERED

"One paradox of local property tax systems is that they can be obstacles to improvement of land and buildings, acting as a premium on neglect and discouraging investment in blighted urban areas where the investment goes up as soon as an old structure is refurbished," the Urban Land Institute reported in a study entitled "Changing Urban Land Uses as Affected by Taxation," edited by the research director, Jerome P. Pickard.

Some of the results of this study as published in the U. S. Municipal News of March 1st are:

"High taxable real property resources per resident occur in industrial enclaves, estate enclaves, and special-resource communities."

"Very low real property resources per resident are found in World War II housing project enclaves, and aged, high-density, blighted areas."

"Inequalities in tax revenues reflect inversely in property tax rates, with the wealthier communities enjoying lower rates."

"Nobody seriously suggests abolishment of property taxes. But there's need to think in terms of choices; alternative forms of taxing land, improvements and other property; alternative non-property local taxes."

ANCIENT GREECE AND THE LAND QUESTION

"When Xerxes was bringing his host to Greece for invasion and conquest he fell in love with a plane-tree, adorned it with golden bracelets and necklaces, and appointed a sentry to guard it. Centuries later Napoleon turned aside a military road to save a tree which Caesar had mentioned in his dispatches. If men of war can feel this surge of sentiment at the beauty of a landscape, or the pathos of the remembered past, then surely it is appropriate for us to feel that we are companioned by giant memories and heroic consolations as we travel this incomparable land (Greece)."

"Jefferson is right of course when he reminds us that the earth must always belong to the living, but he is less unanswerably right in Greece than elsewhere. For here the past can be seen and felt in all its fallen glory and aching rapture."

The above from Max Freedman's column in the St. Louis Post-Dispatch entitled "Memories for an Incomparable Land," suggests that many know of Jefferson's allusion to land ownership. How wide is the gap between his ethical concept and the practice which allows the land to belong to those who collect the rent of land.

Seabury—Friend of Henry George

THE MAN WHO RODE THE TIGER. The Life and Times of Judge Samuel Seabury, by Herbert Mitgang. J. B. Lippincott Company, Philadelphia and New York. 1963. 380 pp. \$6.95.

Reviewed by PHILIP CORNICK

IN his introduction, the author of this volume says of his subject, "if your name is Samuel Seabury, and your great-great-grandfather's name was Samuel Seabury, and he was the first Episcopal bishop in the United States, you bear a responsibility to the past—and to the future. This fact became for the biographer one of the key pieces in fitting together the pattern of the stalwart reformer's life."

Only 28 pages farther along in his biography he makes this observation: "it happens once in a great while, that a book so influences a man's thought that one may properly characterize it as a turning point in his life. So it was for Samuel Seabury."

That book was Henry George's circulated in the second Presidential struggle between Grover Cleveland and Benjamin Harrison, when the tariff question was the main issue. Grover Cleveland and a Democratic House of Representatives were elected. Tom L. Johnson and many others believed that the most telling agency in that result was the circulation of *Protection or Free Trade*. Now again, in a Presidential campaign the tariff is to be the dominant issue. . . . The people want light on the subject—underlying principles and argument—not the *ex parte* findings of tariff boards and statistical jugglers. Where can the plain truth of the matter be *Progress and Poverty*. After he had read it, he became a regular visitor at Henry George's home, along with Oscar Geiger, founder of the Henry

George School, and Lawson Purdy, long president of the Schalkenbach Foundation, "and many writers, theologians, college professors, and students of the unfinished American dream." The contacts he made there, during Henry George's campaign to become the first mayor of Greater New York which ended in his death—and the things he learned by experience, especially about the need for fusion—helped form the man destined to ride the Tammany tiger, and to become a dynamic and constructive leader in the resulting movement for reform which brought charter revision and the repeated election of Mayor LaGuardia.

During the early thirties, the growing insolence and corruption of Tammany, and Samuel Seabury's own reputation as a man, as an incorruptible citizen, as an able lawyer, and as an experienced and distinguished judge, brought him an appointment from Edward R. Finch, presiding justice of the Appellate Division of the Supreme Court, as referee to investigate New York City's magistrates courts. This appointment had the approval of Governor Franklin D. Roosevelt.

The second appointment — that to investigate New York County's district attorney — came to Mr. Seabury directly from Governor Roosevelt; the third — to investigate the affairs of New York City — from a joint legislative committee of the state. The three together produced an array of dismissals or resignations, the like of which no city elsewhere had ever seen.

From patrolmen who had framed women in "vice" cases, through judges who had "bought" their offices and then made a handsome profit on their investment, on through the elective

sheriff of New York County, and scores of administrative officials whose "tin boxes" were the only sources cited by those investigated to account for their surprisingly large bank accounts and stock holdings, right on up to Mayor Jimmy Walker himself—these were the fruits of the work of Judge Seabury and his able staff.

But not the only fruits. There was

also needed charter revision. For a time also, there was a sadly discredited Tammany, a system of selecting city councilmen by proportional representation after nomination by petition which was not easy for district leaders to manipulate, and a reform administration under LaGuardia's leadership.

Those were all directly to the credit of the man who rode the tiger.

A Universal Formula? That's Easy!

by URQUHART ADAMS

IN ONE OF William P. McGivern's stories, "Seven Lies South," a mixed-up guy recalls a yarn someone told him about a scientist who "had a dream of a universal formula which would solve all the world's social and economic problems." Waking in dazed excitement, the scientist scribbled the precious equation on a pad by his bedside table and fell back into a contented sleep. In the morning he snatched it eagerly to find only one sentence, "the world smells vaguely of tinctured iodine."

Even for a dream, this is not as absurd as it seems. There is a formula which is quite simple and can be stated in an even shorter sentence: tax land values. It will solve a surprising number of problems.

Another story comes to mind, by Edgar Wallace, about a marvelous "Book of Allpower." It was not a book at all, but a receptacle shaped like one, hollow, and filled with bank notes. This shoddy imitation of a piece of literature, was purported to be the only power our dull plodding minds could conceive of. But there is a book called *Progress and Poverty* written in 1879 by an American economist and social philosopher, that strangely enough explains the universal

formula for solving social and economic problems.

George Ade called this first book by Henry George "the finest dialectical treatise that has been written in the English language," and yet it enables anyone of moderate intelligence to clarify much of the world's confusion. It is a key to wisdom, with prophetic insight into things as they are—an invaluable asset to men and women who want to enlarge their mental capacities. *Progress and Poverty* could be likened to the old philosopher's stone which gave its possessor the power to turn dross into gold. It is truly a book of "all power"—over and over again, in the course of a long life, I have seen its influence reflected in the lives of people who took it seriously enough to accept its obvious truths. Some of the instances have been remarkable, others less so, but invariably there has followed a quickening of the mind that few expected, and frequently an improved social and financial status.

This book of "all power" containing the "secret of success," can be had for the small sum of two dollars. Wouldn't you give two dollars for a pair of seven-league boots? This is a better buy. But you have to study it after you get it, as many others have, with remarkable results.

The Long Tax Trail

CALVERT County in Maryland, which has been visualized as a retirement center and a recreation area for nearby Washington, has been asked to endorse county auto license tags. Robert E. Allen, Jr., former extension director at the Washington, D. C., extension, now a salesman for a drug firm, lives in Hunting Hills, in that county, and devotes much time writing and speaking on such local issues.

In a brief talk before the Negro Council of the PTA he said he objected to the tax on cars, not because of the \$20, but because it is an economic fact that all taxes on things of unfixed quantity increase prices all along the line and multiply as they increase. He predicted that if this tax went through and if taxes on homes and everything else continued, the county would never be either a retirement center or playground, nor would they be able to provide employment for their children.

"I have two cars at my disposal," he said. "One is company owned and you can tax it four ways from Sunday and such taxes will be passed on to the backs of the consumer in higher prices for drugs—drugs more dear to our low income groups than to anyone else. Now, tax that other car of mine and I may very well rebel. I am already unhappy with the cost of insurance, tires, gasoline and repairs due largely to the compounded interests on money involved in thousands of hidden taxes as well as the taxes themselves.

"Indeed, I may very well sell my second car because the public is paying and will continue to pay for 99 per cent of the taxes and expenses on the operation of the company car. If I do, the dealer will be shy of one

more prompt-paying customer and his employees will be that much shorter of the capital that provides security we all seek. By the same token other firms in the county will be denied the business of hundreds who could spare less than \$20 a year for the accessories that keep them proudly driving the dangerous wrecks on our highways.

"This tax will fall especially hard on those seeking employment who are unable to own a decent automobile to get them back and forth to work that pays enough to provide the incentive to get off the welfare and unemployment compensation payrolls. Any way you look at it, the thrifty and industrious will have to pay either through increased taxes for the welfare department or in higher prices or both.

"Whenever we impose a tax on manufacturers or imported goods, the manufacturer or importer charges it in higher prices to the jobber, the jobber to the retailer, and the retailer to the consumer. The interest on the monies involved is compounded over and over and constantly limits the supply of goods of which we need more and more if we are to have a rising standard of living. This is why 30 million of our citizens are still ill housed and poorly clothed after 30 years of political promises."

Mr. Allen's talk was very well received, and several persons asked him to speak to other groups. The county and state officers however, "walked out with sour faces." He distributed PREC literature published by Noah Alper in St. Louis, and closed by referring to land value taxation, especially to the Reader's Digest article of July, 1962 on Land Speculation and "Proper Taxation and Urban Development" a monograph by Mary Rawson.

The Henry George School in the News

DETROIT is an extension that seems to be saying—study basic economics and then do something about it. Joseph J. Pietruska is one who did. As president of the League to Untax Buildings, he has collected detailed information on two Michigan constitutions being offered to voters. In a talk before a Henry George School audience on March 23rd he outlined the differences, with a view to helping taxpayers arrive at a decision.

In an interesting folder announcing the six spring classes available in various sections of Detroit, the courses are referred to as "ten-week adventures in great conversations."

NEW JERSEY's Tax Inquiry Council is an educational endeavor on the part of the Newark extension to interest people in fundamental principles of taxation, especially as they touch on the present New Jersey tax problem. Director John T. Tetley, in letters sent to a number of influential persons, urged reevaluation of the general property tax, suggesting improved assessing of real estate with consideration of higher taxes on land and corresponding reduction of taxes on improvements. He enclosed copies of "In God We Trust" by Ethel Lyman Stannard, and "Land Speculation and How to Stop It" from Reader's Digest.

PORTLAND is the home of The Taxpayers Digest "Specializing in News on Taxation and Advocating Sensible Tax Reform." Erick S. Hansch is business manager of this Digest, and also director of the Henry George School extension. Mr. Hansch was recently elected president of Tri-County Tax Research, Inc., a non-profit, non-partisan organization proposing to study all tax and bond

measures and inform taxpayers of their effect on home owners, businesses and corporations. As a long-range goal it plans to place on the ballot by petition, a measure that would require the participation of at least one-third of all registered voters in any election concerning taxes and bonds.

SYRACUSE moves into the spring term with the verve we have come to expect from this vital extension. Manny Choper, in interviews with officials for the purpose of starting more classes, shows them a copy of HGN and tells how the Henry George philosophy is spreading, and its serious consideration in Erie, Pennsylvania.

NEW YORK spring classes for advanced students starting this month will include Social History of Art by Robert Clancy, The Law in Action by Arnold Weinstein, Practical Writing by Sydney Mayers, The Art of Debate by Oliver Ackerley and Effective Politics by James Murphy. Nineteen classes will be offered in the three basic subjects, Fundamental Economics, Applied Economics and Science of Political Economy. Two of these will be Spanish language classes.

During April, the lecture bureau will send speakers to a junior high school, an alumni association, Rotary and Kiwanis clubs, a charitable organization, a chapter of The Workmen's Circle, the Grand Street Boy's Association, a physicians' wives club and a group of physicians.

Friday Evening programs include a talk on the Common Market on April 5th by W. L. Finger; dramatic readings from Faust on the 19th; and on the 26th these films: "The Population Explosion," "Village Sunday," and "The-rayattam."



It has long bothered me that in all the oceans of printed matter about taxation there are mere dribblets on what seems to me to be the most natural and obvious tax revenue—land rent.

In school some of us liked to aim spitballs at the teacher—maybe a general bombardment of missiles at some of our "teachers" would be worth while now. I am planning some condensed spitballs in the form of letters to newspaper editors. Hope some more kids join in the fun.

THEODORE BUEHLER
Alma, Wisconsin

On page eight of the February HGN appears the statement "a hopeful sign is that oil and gas natural resources will pay a heavier tax." Presumably reference is to the perennial proposal to decrease the "depletion allowance." I see nothing in this proposal for Georgists to cheer about.

The depletion allowance is a deduction from income before computing income tax. Generally speaking this deduction is proportional to the amount of oil produced. Thus cutting the depletion allowance would be equivalent to a tax increase based on the production of wealth, and not on the value of privately held natural-resource land. It would not even have the merit of "directness" that is ascribed to a tax on net income. Such a measure could not be expected to affect monopolization of natural resources, but could be expected to increase the prices of oil products to us consumers.

It may be worth while to point out

that the depletion allowance (which applies, at varying levels, to all mineral resources) is based on the misconception that minerals in the ground are "capital." It then follows that removal of such minerals decreases the value of the owner's "capital." So does depreciation of buildings and machinery. So, the reasoning goes, if depreciation is deductible for income tax purposes, why not depletion? And indeed, why not? Is this particular affront to our intelligence any more monstrous than the income tax itself?

PAUL S. NIX, JR.
Summit, New Jersey

Mr. Nix is right when he says that "the depletion allowance is based on the misconception that minerals in the ground are 'capital.'" It is for this reason that it is encouraging that an effort is being made to decrease the depletion allowance. This may represent a step toward recognizing that oil and other minerals in the ground are different from capital, on which depreciation is allowed.

As for the allowance—and the tax—on "amount of oil produced," this may be the best way to handle oil and minerals even under a complete land value tax system. There is no accurate way to ascertain how rich a piece of land is in subsoil assets, or for how long it will be economically feasible to extract these assets. The customary arrangement—whether with a private owner or with a government that has retained mineral rights—is to pay a moderate rental for prospecting, plus a royalty on the oil or mineral extracted.

As for the ingenuity of tax dodgers, Mr. Nix scores another point. The recognition that the oil depletion allowance should be reduced is only one step in the right direction. Much more remains to be done.

R. C.

INDIVIDUAL FREEDOM

(Continued from page 1)

would eliminate this individual monopoly of resources."

Mr. Finch wondered if there would not be some value in limiting the size of such holdings.

Mr. Hall thought not, because "limitation of the size might well lead to a limitation of efficiency and of production—and production is the thing we need—production and a just distribution."

"And," added Miss de Mille, "just does not mean *equal*."

Professor Hall, in his opening statement, said he believed Henry George's principal message was that "the way of individual freedom is the way to the salvation of mankind." He said Henry George denied once and for all that capitalism and free enterprise were failures—they had, in fact, never had a fair trial. This he called "one of the basic concepts that must some day percolate down to people who are at the moment, it seems, bemused with the notion that the solution lies in some form of state control or socialism."

Miss de Mille objected strongly to the straight paternalism in the socialist dictum, "from each according to his ability to each according to his wants, or needs," and thought George would have said: "from each according to his uses to the whole people—according to his rights." He believed that the individual was entitled to everything he made or earned "completely and wholly, and this was good, because it gave him an incentive to work. On the other hand, what the community owns—and that is God's earth, the air and the water—which we cannot live without—no individual must pre-empt for his own uses."

Professor Finch still wanted to know why both proponents seemed to feel George's ideas were superior to those of Karl Marx.



Recently Agnes de Mille (above) supervised a special performance of "Brigadoon" at the White House for the President and the King of Morocco.

Miss de Mille said George believed the individual was happier, more fruitful and more effective if he had freedom of choice and decision, provided he never exploited his neighbor—whereas Marx believed there should be paternal government to make decisions, and the communists believe in implementing that with force.

Professor Hall discussed the "fantastic productivity" of some land sites as compared with others and explained the function of land value taxation, pointing out clearly that community expenditures should be met out of values created by the presence of people.

Mr. Finch could not readily see, if it was wrong to hold a few acres out of use for 20 years, awaiting an increase, how that was different from holding stock shares under similar circumstances.

Miss de Mille offered as an analogy the purchase of a theater seat. "You don't buy the wood or the steel frame, but your ticket is inviolate for that date. You cannot however, decide to hold it ten years and charge others for the use of it."

"Would the title to land be with the government, then?"

Professor Hall said, "preferably the titles should be left in private hands as they are now, to give people a greater sense of security in their improvements. The rental value is paid to the community in lieu of a tax on improvements."

Miss de Mille emphasized, among the benefits George claimed for this method, the fact that it would do away with all land speculation. Around 1911, she said, single taxers in Alberta, Canada had written into the constitution the guarantee that if any mineral deposits were found they would belong to the government. Much later oil was discovered, and now Alberta is extremely rich—they have all the highways, schools and hospitals they need—and for two successive years have declared a bonus of \$20 to every living Albertan.

As a conjecture as to why George hasn't been heard of much, Miss de Mille recalled that "during his lifetime he was apparently one of the most

persuasive speakers alive, and because of his personal magnetism he drew a great deal of attention to himself. Some followers understood him thoroughly and some didn't. He was also a highly controversial political figure. His death occurring a few days before the election night in New York was one of the most dramatic episodes in the end of the century. The general public remembered that he'd been defeated—and the impression was that his theory had been tried and failed—it never *had* been. Where it's been tried partially—in Denmark, New Zealand, Australia and certain of the Canadian territories—it has succeeded to the extent that it's been tried, and with beneficial results, always.

In introducing this program, John Dewey was quoted as saying that "Henry George stands almost alone in our history as a man who . . . left an indelible impression on not only his own generation, but on the world and the future."

William Marion Reedy, "Apostle" of Single Tax

(Continued from page 1)

circulated in the second Presidential struggle between Grover Cleveland and Benjamin Harrison, when the tariff question was the main issue."

Reedy then stated that the Fels Fund Commission would print a new edition of *Protection or Free Trade* charging 2½ cents a copy to cover the cost of printing. It hoped to sell a million copies. Each book would be enclosed in a sealed franked envelope. "If you're 'agin the Tariff' here's a way to make converts to your side. Circulate this book," urged Reedy.

Since the tariff was the main issue in the Presidential election, Reedy was no doubt boosting the sales of his literary journal throughout the country. That

he was himself a thoroughgoing Georgist there can be no question. He has said, "Henry George is the last word on economics."

Mr. Putzel tells us that Reedy "ridiculed Henry George even as the old campaigner lay on his death bed, then turned suddenly into an eloquent apostle of the single tax." How greatly is this "eloquent apostle" needed today!

[Anna George de Mille, daughter of Henry George, once told of William Marion Reedy's visits to her home in California. Her endurance on the subject of single tax was greater than that of her husband, who retired for the night and left the two to go on discussing it enthusiastically.]

You are invited to attend the

Annual Banquet

of the Henry George School

Wednesday, May 8, 1963
at the Henry Hudson Hotel
353 West 57th Street, New York City

The guest of honor will be

DR. ROLLAND O'REGAN

President of the New Zealand League
for the Taxation of Land Values

THOMAS A. LARKIN,

a trustee of the Henry George School,
will preside

Dinner \$6 (including gratuity) Dress informal

Social hour 6 p.m. Dinner 7 p.m.

Plan now to attend the 19th Annual Conference
of the Henry George School

University of Toronto, Toronto, Ontario, Canada

Wednesday, July 3rd to Sunday, July 7, 1963

Watch HGN for further details

And in 1964 . . .

A joint conference of the Henry George School and the International Union for Land Value Taxation will be held at the Henry Hudson Hotel, New York from August 30th to September 5th, 1964.

**Mr. Robert Clancy,
33-53 82nd St.,
Jackson Heights, L.I., N.Y.**