

the Henry George News

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40 Years and Still a Romance

BANQUETS and conferences which allow the Henry George School to combine with related organizations give the school a lengthened shadow and an enjoyable air. It was a particular pleasure to mingle at the annual banquet on June 9th at the Sheraton-Atlantic Hotel in New York, with the staffs, trustees and directors from both the Robert Schalkenbach Foundation and the Henry George School, which have for years shared headquarters at 50 East 69th Street.

This occasion was a happy celebration of the 40th birthday of the RSF which was established for the teaching and extension of George's ideas and has published a total of 254,437 books by Henry George to date. Besides distribution of books the Foundation sponsors the American Journal of Economics and Sociology, edited by Will Lissner, New York Times writer (page 9), and a variety of pamphlets.

Perry Prentice of Time and Life Publications paid a tribute to Philip Cornick, calling him one of the giants in the history of the Henry George movement. This dearly respected top RSF authority, though he is now retired, has not been permitted to withdraw — for his vast background in the technical aspects of land value taxation is a rich mine.

Mr. Prentice said Phil Cornick had indeed been a tower of strength for all

Georgists, and was a man of distinction and knowledge, broad and deep, whose integrity was beyond question. A gift was presented with "affection, admiration and esteem." Mrs. Cornick was also present, with their son and daughter-in-law.

Miss V. G. Peterson, executive secretary, acting demurely as a pretty hostess at this party, told of the romance of 40 years which began in Central Park (page 5). Even those who had heard of the incident leading to formation of the Schalkenbach Foundation smiled again at the circumstances surrounding it.

Albert Pleydell who presided, is the son of Arthur Pleydell, who helped guide the foundation in the early years. The RSF president, Albert Pleydell, has won serious recognition in New York for recommendations made to the city for reforming housing and taxation policies. His second-generation grasp of city management and planning is impressive and commands attention.

Lancaster M. Greene was the liaison officer, active on both boards, who extended the school's official anniversary greetings to the Foundation, representing Director Robert Clancy and all the school staff. He congratulated the RSF on its service to the Georgist educational effort and called the names of

(Continued on page 3)

A Word With You

THIS one is entitled "Words I Never Wrote." It consists of half-formed ideas for this column which were never fully worked out. Here are some of them:

There is a law of entropy in human affairs — that second law of thermodynamics which states that heat, beginning at a high level, spreads out until it is all dissipated. Things which begin at a high level of inspiration move through various phases until they peter out through deadly routine. The vision of religion becomes ritual, the high dedication of political pioneering becomes bureaucracy, the philosophy of Epicurus becomes eating and drinking. But there is another law — that of renewal. Somewhere in the universe, new centers of heat and energy are started. And inspiration becomes rekindled among humans.

Man seeks to satisfy his desires with the least exertion. Like most facts of life, this can become good or bad. It is good when the tendency expresses itself in new ways and means of producing more for less work. It is bad when it leads to man exploiting his fellow man in order to make it roster for himself—enslaving, robbing, cheating, and otherwise taking more than giving. As we look around, it is a nice question as to which of the two meth-

ods has dominated in the world.

One should not compromise one's principles. But *what* principles? And *what are* principles? We asked a friend once if he would take an assignment in a debate with a socialist on a certain topic. Our friend angrily insisted that he was not going to compromise his principles by appearing on the same platform with a socialist. Such a view enables one to do nothing and feel virtuous about it. But if we carry it far enough, then every day we live in a world not built according to our ideals is a compromise with principles.

I suppose I ought to be a good anti-American and sympathize with those people all over the world who demonstrate against America. But I can't help feeling they could be doing better things. They've been moping in apathy for so long, scarcely doing anything to shake off age-old shackles, and now the only thing that rouses their enthusiasm is throwing rocks at the American Embassy. Possibly this is a step on the way up. An analogy: when airplanes first tried to fly faster than sound they met with the sound barrier, a bubbling of the air; once past it, flight could be sped up. Perhaps a nation on the way up has to bubble over with anti-Americanism; once past that phase, we'll be good friends again.

— 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, N.Y. 10021, 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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The Henry George News does not assume responsibility for opinions expressed in signed articles.

Left to right:
Perry Prentice,
Will Lissner,
Philip Cornick,
Albert Pleydell
and Carl McGuire.



Photo by Lancaster M. Greene

(Continued from page 1)

many of its board members who were graduates of the Henry George School. Among these was Walter Rybeck of Ohio, now Washington correspondent for the Dayton Daily News, and a Schalkenbach trustee. His view from Washington, in abbreviated form, is on page 11.

George on Campus

The speaker who traveled farthest to speak at the banquet was Carl McGuire, chairman of the Economics Department at the University of Colorado, Boulder. His subject concerned "The Henry George Revival on the American Campus," and the campus where he first encountered George, when he went there to do graduate work, was the University of Missouri at Columbia, Missouri, where the influence of Harry Gunnison Brown pervaded the economics curriculum.

Professor McGuire would have liked to see Dr. Brown in the audience, and he would have been most welcome. He deserved to hear the tribute of a former student at first hand and to be reminded of how unforgettably his candle shed its light, for the exposure there left a lifetime impression on many.

Going back in memory to that graduate session, Professor McGuire called Dr. Brown "a tremendous, a wonderful, teacher," and vouched for the influence on one individual at least, that a teacher in the university can have. He said Harry Gunnison Brown's method of teaching economy was to

build a system of thought in which the principles of land value taxation were an integral part. The interest centered not only in the single tax but in other principles of George's writing, with special emphasis on free trade. He recalled the fine textbooks on principles of economics by Dr. Brown, and the various subjects, including money, on which he collaborated. Dr. and Mrs. Brown are now dividing their time between Pennsylvania and Michigan, and though he is retired, the work of research, writing and lecturing goes on in behalf of the reform to which he has contributed perhaps the most astute and lucid defense since Henry George himself.

In this connection Mr. McGuire spoke of a best selling book by Robert Heilbroner entitled *The Worldly Philosophers*. Among the great historical thinkers he listed in economics is Henry George. Although Heilbroner does not agree with all aspects of *Progress and Poverty*, he does include George among the molders of destiny.

Professor McGuire revealed his admiration for the economist Joseph Schumpeter, who defined an intellectual as one who deals in the spoken and written word, and looks on society, telling others what to do. Intellectuals, he said, supply ideas which hang on in people's minds. They exert influence as teachers and writers, and they also affect decisions second-hand. Politicians, for instance, have to get their ideas from somewhere, and brain trusters are hired to supply these.

Intellectuals are becoming more important in military affairs, and some are even starting to run their own businesses, though by the accepted pattern they assume no direct responsibility for practical developments. Intellectuals are articulate, but the term is not synonymous with persons of intelligence or pursuers of higher education. An intellectual can be self-made, though few are. Henry George is one example of a self-made intellectual.

Schumpeter provides a voice of authority in his field and it is interesting that he expressed the following view of Henry George:

"... We cannot afford to pass by the economist whose individual success with the public was greater than that of all the others [economists] on our list, Henry George. . . . He was a self-taught economist but he was an economist . . . he was thoroughly at home in scientific economics; and he shared none of the current misunderstandings or prejudices concerning it. . . . If Ricardo's vision of economic evolution had been correct, it [George's view] would even have been obvious wisdom. And obvious wisdom is in fact what George said in *Progress and Poverty* about the economic effects to be expected from a removal of fiscal burdens.

A number of good papers have resulted from attempts in the last few years made by RSF to introduce a rapprochement between professors of economy and Henry George's philosophy through relationships established by the personable Weld Carter. Growing out of this climate, a conference of interested professors meet each summer to compare and discuss the LVT point of view. It appears that other members will want to move closer to this climate and join these congresses.

Professor McGuire indicated that basic economic factors are now favoring the revival of the thought of Henry George on the American college campus and that the revival is not just the result of better organizational opportunities for discussions. In particular the skyrocketing rise of land rents and land values since World War II has impressed the land problem in a most practical fashion on the minds of real estate developers, building contractors and homeowners. Other pressing problems such as urban sprawl and deterioration of city cores stem from the land problem. Not theories but harsh practical facts force intellectuals to re-examine Henry George's ideas and apply them in the present-day social environment.

Robert V. Andelson Ph.D. initiated the movement in Louisiana known as TRAL, while on the staff of a Louisiana state college. Dr. Andelson has accepted an appointment to the Philosophy Department of Auburn University, Auburn, Alabama. The Tax Reform Association of Louisiana is expected to continue under the able leadership of its officers.

Name changing is not to be taken lightly! In Sydney, Australia, there are those who propose dropping George's name from the title "Union for Social Justice." But when the discussion took place, not only was there disagreement over the inclusion or omission of George's name, but each of the terms "Union," "Social" and "Justice," came under attack.

It was then proposed that a name be found which could be adopted by all Australian Georgists and eventually by the world-wide Georgist movement. This should be "a source of power, forcefully and correctly commending the principles of freedom and justice to the minds of men," said the editor of *The Standard for Good Government* (Sydney). The title suggested for consideration was "The Site Rent for Revenue Movement."

"An Odd Bequest"

by V. G. PETERSON

THERE is, I suppose, a particular moment in the life of every organization when the seed was sown. For the Robert Schalkenbach Foundation whose 40th anniversary we are celebrating, that moment goes back to a spring morning in 1884 when Mrs. Schalkenbach walked into the livery stable of James R. Brown, near Central Park, and said she wanted to learn to ride a horse. Mr. Brown himself undertook to teach her and as they rode along the shady bridle path he told her about *Progress and Poverty* and its author. Mr. Brown was at that time one of the most active of the Henry George group in New York.

The fact that there is a Schalkenbach Foundation today is living proof of the value of individual propaganda. Mrs. Schalkenbach went home and related to her husband what Brown had said. He bought the book, read it, was convinced, and sought the acquaintance of the George family. Before long he had joined the Manhattan Single Tax Club of which George was president, and had become a generous contributor to his work.

It is not surprising that Mr. Schalkenbach should so readily embrace a philosophy that promised the abolition of involuntary poverty. He had known poverty as a boy, as the oldest of a struggling family of eight, and was a wage earner at 12. It was not until his middle years that the comforts of life were his to enjoy. By then he had become a printer, and had risen in that field to president of the John C. Rankin Corporation, one of the largest printing establishments in the city. In his business and personal life he sought ways to improve the conditions that had made his early life so difficult. As

the principles of *Progress and Poverty* became a part of him he realized that here, at last, was the answer, and decided to devote his modest fortune to spreading the doctrine. In time he made a will, bequeathing the bulk of his estate for the formation of an organization devoted to "teaching, expounding and propagating the ideas of Henry George as set forth in his book *Progress and Poverty*, and in his other writings." In the same document he requested that the last chapter of *Progress and Poverty* be read at his funeral service and this was done when his death came in April, 1924.

The bequest of \$200,000 was not large as fortunes are measured today, but it was sufficient to attract attention and newspapers commented on the purpose for which it was left. The old New York Sun called it "an odd bequest," and asked, "suppose the reform is accomplished, what then would become of the money? Must propaganda go on and on forever?" A caustic letter to The Sun, which the paper was fair enough to print, replied that any residue might be used for the education of simple-minded editors.

The will named 21 men to serve on the board. These included such well known men as Judge Samuel Seabury; Walter Fairchild, a lawyer who lived most of his life next to poverty because he was always fighting the cause of the under-dog who could seldom pay; Charles Ingersoll, inventor of the dollar watch; Bolton Hall, who later established a small single tax enclave in New Jersey known as "Free Acres"; State Senator Charles O'Connor Hennessy; Frederic C. Leubuscher, the lawyer who drew the will for Robert Schalkenbach; Joseph Dana Miller,

editor of Land and Freedom; Louis F. Post, assistant secretary of Labor under Wilson; Lawson Purdy, head of the Board of Taxes and Assessments of the City of New York and later president of the Foundation; George L. Rusby; and Frank Stephens, one of the founders of Arden, the thriving enclave in Delaware.

Spring, 40 Years Ago

In June, 1925, the Robert Schalkenbach Foundation was chartered under the laws of the State of New York, as a non-political, non-profit membership corporation with its first headquarters in 15 Park Row, though it was little more than desk room. Later we moved to Park Place, across from City Hall, and there we stayed until 1938, by which time the Henry George School had come into existence and bought its first building on East 29th Street. We went to live with the school then, and when they moved uptown to East 69th Street we moved with them.

There was little difficulty in deciding what the first tasks of the Foundation should be. Doubleday and Company had until 1925 been willing to keep the George books available, but the demand for them was waning and they had decided to allow them to go out of print. The Foundation therefore took as its first responsibility the job of making new plates for *Progress and Poverty*.

In 1929, 50 years after the first edition, *Progress and Poverty* was re-published by the Foundation. Seven hundred copies were sent to newspapers and magazines, college presidents, clergymen, and others in public life, and the testimonials that were received have been used again and again throughout the years. An additional 1,000 were contributed to college and public libraries. Five thousand dollars were spent on advertising. Lecturers

were sent out, among them Oscar Geiger, who later started the Henry George School. At the end of 12 months, 2,000 copies of the book had been sold.

In 1954 it was again time for new plates, and a more modern format, and the 75th Anniversary Edition of *Progress and Poverty* came into being. The new book was designed by the son of Wallace Kibbee, a well-known printer and Georgist in San Francisco.

Several abridgments of *Progress and Poverty* have been made, one of the early ones being put into Braille and distributed to libraries for the blind throughout the United States. Helen Keller, after reading the book in Braille, paid her glowing tribute to Henry George. We have also brought out foreign translations which are being distributed mainly through the Henry George School's foreign correspondence division. We now have it in Italian, French, German, Hebrew and Spanish. Two of the other books, *Protection or Free Trade?* and *The Science of Political Economy*, in French and Spanish respectively, will be announced soon.

To complete the story of how the Henry George books were restored to print, it should be added that commencing in 1931 we re-published the other five titles by George, and the *Life of Henry George*, written by his son. After this came works by other authors as manuscripts were found which explained and enlarged upon the principles to which we were dedicated — were, and are.

From the beginning the Foundation has pursued an active college program. In the beginning this was aided by the late John Dewey, whose statements were publicized in advertisements and pamphlets. Later we went on to the awarding of fellowships and the financing of students who needed time for study and had already demonstrated their interest in Georgist ideas.

Campus visitations were started in 1957 under the capable leadership of Weld Carter. The purpose was to discover professors interested in George, and to offer our services to them and any others who were interested in improving their presentation of George in classrooms.

From this effort, which lasted for three and a half years and included seven states, came the founding of an academic committee known as The Committee on Taxation, Resources and Economic Development, to further discussions of economic rent, taxation of land values, and related topics. Dr. Carl McGuire of the University of Colorado is a member of TRED. (Five annual academic institutes have resulted, the latest having been held at the University of Wisconsin June 14-16).

A giant step in the development of our college program was taken in 1941 with the founding of *The American Journal of Economics and Sociology*, a quarterly publication, edited by Will Lissner (page 9).

Three lecture tours have been sponsored for: Dr. Viggo Starcke of Denmark (1953); Judge Frank Lucas of South Africa (1955); and Dr. Rolland O'Regan of New Zealand (1963). The tours took the men across country from New York to California, speaking to audiences of business and professional people, city officials and college groups. All three came from countries where some form of land value taxation was being practiced, and each used this as a springboard. We got good newspaper coverage, and there were extensive quotations and references in the press long after the speakers had returned to their own countries.

One of the most exasperating but rewarding things we ever undertook was the making of a 15-minute motion picture, "Land—and Space to Grow." The film is distributed by film libraries

to clubs, churches, colleges and high schools all over the country. To date it has been shown 7,500 times, and has appeared over independent television stations to an audience estimated at well over a million. We are now working on a second motion picture, but so far have not found a script that dramatizes our message effectively.

The Undiminished Effort

These, then, are the highlights, but only the highlights, of 40 years. The daily correspondence, the helping of students, the shipping of books to bookstores and to the Henry George School and extensions—by far our largest customers—the contributing of books to libraries—these are the day-to-day routine activities that keep the wheels turning and make the days and years rush by with incredible speed.

Henry George was a master of words. In *Social Problems* he makes that wonderfully expressive statement, "Social reform is not to be gained by noise and shouting, but by the awakening of thought and the formation of ideas." When I see a fine article like that which appeared in March in *Fortune Magazine*, and read its longer counterpart in *Nation's Cities*—when I hear, as I did the other day, a man say that among thinking people Henry George is at long last coming into his own—I can only believe—I can only dare to hope, that the awakening to which Henry George so eloquently referred, is taking place. If it is, make no mistake about it, you students of Henry George who have stood stoutly by your convictions, have had a part in it, as the Henry George School has had a part in it and as I firmly believe, the Robert Schalkenbach Foundation has, thanks to the generosity of a warm-hearted, public-spirited man, and his "odd bequest."

Sydney Mayers

VIEWS THE NEWS

New York's property owners are angrily resentful regarding the considerable rise in taxes on "real estate," which of course includes both land and improvements — but they are only half-right. Actually, the tax on improvements is far too high (it should be zero), but the tax on land values is far too low (it should be 100%).

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An executive of Kaiser Industries, which made sales totaling \$1.3 billion and earned a profit of \$46 million in 1964, when asked the "secret" of these accomplishments, replied simply, "We find a need and fill it." This is *multum in parvo*: not only is it economics in one lesson, but in one brief sentence.

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It is droll to see that Britain's Labor Government is pressing boldly toward its goal of a planned and nationalized economy, while the Soviet Union is at least experimentally instituting relative freedom in various phases of its industrial enterprises. It seems that at the same time the USSR is beginning to realize the mistakes it has made, the UK is preparing to make its own.

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Congress has been busily engaged with legislation to cut excise taxes by an estimated \$4.8 billion a year. The idea is great — except that, since the US Treasury is running over \$5 billion in the red annually, we wonder what kind of arithmetic they use in Washington, D. C.

The printshop gremlins have a fondness for Syd Mayer's copy and we have again apprehended mischief. In the June HGN Mr. Mayers ("Darned Clever, These Chinese") writing of Hong Kong, tried to say that two distinctions, its free trade and favorable tax structure, contributed to its amazing, not amusing, progress.

Federal Reserve Chairman William McChesney Martin's statement, that he sees in today's boom psychology disquieting similarities to that which preceded the 1929 crash, brought a quick retort from the National Administration, to the effect that "it ain't necessarily so." May we respectfully point out that depressions are not caused by "boom psychology," nor prevented by governmental optimism, but naturally and inevitably result when too little of the wealth produced reaches those who produce it?

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The cost to the taxpayers of Saskatchewan's "free" medical care program, which was \$19,400,000 during its first year of operation is expected to reach \$23,000,000 for 1964. Whatever the merits or demerits of this welfare project may be, should we be not at least be spared the hypocrisy of calling its benefits "free"?

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Speaking at Syracuse University's commencement exercises, Commerce Secretary John T. Connor challenged Americans to learn more about how the US economy works, declaring that "by increasing knowledge of economics we strengthen the American free enterprise system." We suggest to the young men of Syracuse (and elsewhere) that the best way we know to "increase knowledge of economics" is to read a book called *Progress and Poverty* — or, better yet, take a basic course at the Henry George School.

"Overwhelmed by Friendliness"

by WILL LISSNER

ALL my life I have earned my daily bread in the salt mines of journalism. My experience of college teaching is limited to the part-time variety, and I have found that teaching is hard work. But Henry George didn't think so. He had a powerful hankering to be professor of economics at the University of California, and he made a bid for the job. He was very disappointed when he didn't get it.

George claimed he wanted the job only because he thought it would win a readier hearing for his ideas, his attack upon privilege, his attempt to recover for all the people their birthright, the land and natural resources of the country, his program for assuring equality of economic opportunity for all men and women. That, we know with the wisdom of hindsight, was a mistaken judgment. John Dewey espoused George's ideas and gave them the greatest measure of authority any system of ideas ever has received in our country—the authority of a world-renowned scholar in social thought as well as philosophy. So did another former honorary president of the Henry George School, the sociologist Eduard C. Lindemann. Still the public remained properly skeptical and I am sure that George himself would have fared no better.

Very likely George's real reason was that he knew he would enjoy teaching. Certainly he was a marvelous teacher, and he won a wide hearing outside the academic groves, especially for his central thesis, equality of economic opportunity.

Equally revolutionary ideas, however, that would go a long way toward solving many of our social problems, still press for adoption. For example,

an idea as obvious as George's contention that we ought to take into account the economic and social effects of taxation and choose as our tax instruments those which have the least harmful effects. Or the equally far-reaching idea that in the last analysis the land and other natural resources of the country belong by ancient right to all the people of the country, should make the maximum contribution to their well-being, and should not be monopolized for the benefit and the aggrandizement of the few who have titles to those resources.

If the democratic principles of Henry George had prevailed very likely the rich would get poorer in a relative sense. The poor have indeed got richer in our country in spite of privilege and monopoly and if George's views had all prevailed they would now be very much richer in a relative as well as an absolute sense. But the overriding advantage from greater equality in economic opportunity would come from the era of continuing economic expansion it would usher in. This would help to assure that, if we also followed expansionary but not inflationary monetary and credit policy, we would be able to avoid serious economic contractions in the future.

But privilege and monopoly die hard. Back in 1940 we made an effort to get the professors of economics, sociology and the other behavioral sciences to undertake research in these problems. The effort failed; such research was not self-generating. I made a study of the situation and came to the conclusion that this kind of fundamental research had to be promoted. The best way to promote it, it seemed to me, was to set up a scientific jour-

nal which would publish the best original research in the field and win for it the attention of the scientific community all over the world.

I sold the then director of the Henry George School, Frank Chodorov, on the idea and he sold it to the executive secretary of the foundation, my collaborator, V. G. Peterson. Between them they sold it to the majority of the directors of the Robert Schalkenbach Foundation over the opposition of a small group of directors convinced that the effort would bankrupt the struggling foundation.

The first issue of the American Journal of Economics and Sociology was published in the fall of 1941 and we are now issuing the 24th volume. So far 94 numbers have been turned out and we have plans already made for the numbers of the next several years. The Journal is read by pioneering research workers in the behavioral sciences in 63 countries. How was this achieved? At the outset I assembled a formidable group of founders, headed by John Dewey and Franz Oppenheimer, George Geiger, Harry Gunnison Brown and Adolph Lowe. It was joined on the publication of the first number by the distinguished scholar who was to become my mentor in serious journalism, Francis Neilson.

The Schalkenbach directors were mainly business men, but a rare breed of business men. They were scholars and men of social vision as well. In the early days we needed scholarly manpower more than money and to get it we raided the board of the Schalkenbach Foundation. Their members pitched in as heartily as did our scholarly founders.

For 24 years the basic work on the Journal has been done by three of us; Miss Peterson, her loyal and indefatigable assistant, Frances Soriero, and myself. But every issue involves the cooperation of dozens of others, all serving without pay to advance the

social sciences, to help solve the problems that threaten the very existence of our civilization. The cooperators include some of the most distinguished scholars here and abroad. Whenever someone raises a shibboleth about "the treason of the clerks," the failure of the intellectuals to take responsibility for the course of our society, I like to think of the professorial record of cooperation with our Journal.

In 24 years we have piled up, year by year, factual material which eventually will make the case for a social order founded on justice and liberty compelling. We are demonstrating the value of an approach George proposed and which John Dewey developed for the analysis and solution of social problems. This is an approach which employs the cooperation of the social sciences and the humanistic disciplines while we are engaged in integrating the sciences so that, one day, by constructive synthesis in the social sciences, we can have a unified science which will enable us to comprehend problems as we encounter them. Indeed, the approach has already been accepted by the scholars; now we have the problem of making them see that its methodology has been worked out so far only in a very elementary way.

If we have succeeded far beyond our dreams of a quarter of a century ago, it is because we never anticipated the warm manifestations of friendliness we received from the scholars. Our Journal has in fact been overwhelmed by friendliness, even from those whose studies have made them critics of our position. Certainly the readiness of the American scholarly community to examine new ideas helps to explain its vitality and growth in the last generation. In fostering pioneering research the Robert Schalkenbach Foundation has earned a share in the credit for that vitality, so important to the future of our country in this period of rapid technological change.

Toward a Great Society

by WALTER RYBECK

EIGHTY-SIX years ago Henry George gave the world a vision of a great society. This vision was at once so sweeping in its idealism and so coldly scientific in its analysis that George's followers — to say nothing of his critics — rarely have been able to grasp and portray the breadth and depth of it. Some of Lyndon B. Johnson's concepts harmonize, I believe, with George's vision.

From where I stand in Washington, the programs and policies that most excite in me a watchful optimism are these: civil rights, the war on poverty, aspects of tax policy, trade, foreign aid, a new focus on local government, the campaign for beauty, and a planned confrontation with land speculation.

The civil rights struggle is more than a new era of justice for Negroes. The reaffirmation of the dignity and rights of any among us is a victory for all humanity.

Many take a dim view of the way the war on poverty is headed and I am not without certain misapprehensions. Yet the President has awakened America from smugness. Overnight he demolished the old saw that *Progress and Poverty* was outdated. He made the crime of poverty amidst affluence the most current item on his domestic agenda.

The Kennedy-Johnson administration first urged tax cuts coupled with tax reforms. The hopeful note here is official recognition that taxes on production can be too burdensome, not only to business but to the entire populace and the whole productive system. A sustained period of increased productivity with somewhat reduced unemployment seemed to bear out the wisdom of easing the tax burden. But

one shudders to think what will happen to prices, real wages and production levels if these gains are translated — as past gains usually have been — into higher land values and higher rents.

When I first became acquainted with Henry George's analysis of protection in international trade, free trade was considered almost subversive. Today the country strongly supports, if not free trade, at least freer trade. With our ideological allies we have been negotiating the "Kennedy round" of tariff reductions. With some of our ideological rivals, we are looking into token trade as an alternative to the form of warfare known as trade blockades.

We encouraged the growth of European free trade areas, naively ignoring that the same countries practicing free trade among themselves may become the worst trade monopolists as against the rest of the world. Look at the outside of a free union and too often you find a tariff union.

Expect to hear a great deal about a free trade area for the whole Western Hemisphere if the Inter-American conference, long postponed, convenes this summer in Brazil. This is a race against time. Unless free trade provides a base for maximum market freedom without exploitation, international price-fixing agreements on commodities such as coffee threaten to dominate world trade.

American aid to underdeveloped nations too often has made the rich richer, the poor poorer and tyrannical governments more firmly entrenched. Belatedly we have begun to consider social and political readjustments to complement our financial assistance. Both land and tax reform thus have

found their way into the bag of foreign aid devices we are peddling around the globe.

When we initiated a beefed-up development program for all the Americas, big doses of meaningful land and tax reform were written into the basic charter of the Alliance for Progress. After several years, little genuine land or tax reform is apparent in Latin America, however.

The most charitable observation is that it takes time for right action to catch up with right thinking. Reforms are often most strenuously resisted where they are most needed. On the hopeful side, American policy statements often stress improved systems of land tenure, incentive taxation and the concept of taxing idle land into use.

Chances for new vitality in local government spring less from White House pronouncements than from a little known agency called the Advisory Commission on Intergovernmental Relations. The long-neglected fiscal underpinnings of democracy are getting a new look thanks to this commission's careful research, well documented reports and strong recommendations backed up by draft bills prepared for use by state legislatures. For source material on local and state tax policies, get on the mailing list of this commission.*

The idea that America belongs to all Americans was heard in magnificent variety during the White House

Conference on Natural Beauty. The trick is to foster private use without doing any injustice to the general interest. The formula for reconciling these seemingly conflicting interests under maximum personal freedom, worked out by Henry George, surely was one of the high watermarks of his genius. The point here is that the land problem, long considered something only other nations need worry about, is on America's agenda.

One of the most significant prospects is Johnson's proposal to prod around the sacrosanct institution of land speculation in his drive for "revolutionary improvement in the quality of the American City." He called for establishment of a Temporary National Commission to study the impact of local and federal tax policies on "land speculation and on the ability of private enterprise to respond to the public interest" [See April HGN, "Toe in the Door"], and is awaiting passage of a bill to create a Department of Urban Affairs before acting.

Innumerable trends and programs running counter to those mentioned could be cited. A vast expanse of darkness still pervades the scene. We are challenged as never before to enter the main stream of public discussion. A great society is never the product of any one person, nor of one president nor of one great thinker like Henry George. To the extent we or any Americans have answers to some of the big questions being asked, we should try to take advantage of the opportunities. This is no time to cower in isolation, fearful of harsh criticism.

*Advisory Commission on Intergovernmental Relations, Washington, D. C. 20575

Max M. Korshak of Chicago, a vital and forthright lawyer, well known in the Henry George movement, died while on vacation in Miami Beach last month. He was a master in chancery in the Circuit for 29 years. Mrs. Korshak and the family have the profound sympathy of many Georgist friends who met them and heard the Judge speak at conferences through the years.

Howard T. Colvin, a labor relations expert, who was a valued benefactor of the Washington D.C. extension, died in April at Hagerstown, Maryland. He served in many arbitration issues and took an active part in civic affairs.

Noah D. Alper's Brief Cases

MAYOR CLARKSON SCORES AGAIN

Last year Mayor James Clarkson of Southfield, Michigan won the U.S. Conference of Mayors over to the idea of a preliminary study of the general aspects of land value taxation. This year the mayors met in St. Louis, and following closely on the President's suggestion for property tax reform, Mayor Clarkson called for a renewed effort. It was therefore resolved "that the U.S. Conference of Mayors direct a continuing staff study of ways of improving the property tax, with particular attention to ways of taxing land value increases resulting from public improvements."

WHAT GIVES VALUE TO LAND?

"We get unsolicited letters from all over the country asking us for jobs. So we get our pick of the best men in the business, because they want to live where it's sunny and dry." This came, not from the Chamber of Commerce, but from the President of the Tyler Printing Company in Phoenix, as reported in "Surge in the Sand," in the Wall Street Journal.

In the same Journal we read that real estate speculation is being tested as a means of rewarding executives by some of the small California firms. Using company-guaranteed borrowing, the company and executives buy land. Rising land prices and deduction of loan interest and land taxes from their taxable income are counted on to provide their bonus!

DOWNTOWN BOOSTERS

"Valuable income producing asset where there are people and excitement ... an A-1 investment. Millions are being spent for renewal of downtown Fort Worth. The longer you hold the land on which the Blackstone (Hotel of Distinction) stands, the more valuable it will become. This preferred site can be utilized many ways to make a fortune. Make it yours at auction where you set the price." Adv.

THREE STEPS TO RICHES

In "10 Days to a Great New Life," William E. Edwards encourages readers to create new ideas and make written organized notes for action. Example: A man learned that a 100-acre farm 5 miles out of town was for sale (step one). Six months ago he saw a notice in the paper that the township was going to surface the back country roads (two). He knows a large corporation will build a new plant in town and hire 3,000 new employees (three). He recently discovered when his son and family were looking for a home that there was an acute housing shortage in the town (four).

Says the author, "It's easy enough to see the relationship of these four facts ... Buy the farm and sell it as a real estate development to house the new employees at the new plant in town ... The rest of us," he adds, "need some kind of discipline that will stir the unconscious mind into this creative process." How true!

BLASPHEMY

Mrs. Theodore Roosevelt, Jr. in her book "Day Before Yesterday," recalls an incident when her husband was Governor of the Philippines. After FDR offered a bonus to farmers not to grow cane sugar, an old couple who had worked hard to gain an independent livelihood wrote to the Crop Control Commission: "We understand God has given us the land on which to grow sugar. The government has ordered us not to do so. We will obey, as it appears the government is stronger than God. But we refuse to accept money for such blasphemy."



I wonder if taxation can be considered in relation to chess? If I may explain — 64 sections make a township and that number of squares make a checker or chess board. If I were to play an expert in taxation, I would tend to sound him out on what he considered as fair taxation. He might consider my position as rather vain, and would, after a number of games, start avoiding me.

That, however, is where my position is strong, because my interest is in connection with where both taxation and chess are well organized. Consequently I am continually practicing and playing in order to improve my position. I get beat a lot, but my method is improving and becoming stronger.

Now consider the expert as one who is going to change my position tax-wise, and is continually bearing me in our game.

I reason calmly about the law of averages and the fact that he will soon tire of winning and somehow my position will win. Seems like to consider taxation in the right way takes a lot of practice. And not to become discouraged by practice is my problem with land value taxation. How often do property owners or landowners differ on their positions? All the time, for some.

In crossing swords in chess it is much the same.

Would anybody interested in land value taxation care to accept a challenge to a game of postal chess?

Thank you.

ROBERT L. McMULLEN
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Box 53

Gaston Haxo insists in his letter in the May HGN that there is no interest, but he recognizes that there is a return to real capital which he claims is determined by the skill and ability of the producers. This return I prefer to call economic interest in contradistinction to money interest. The return to individuals does vary. In other words, there is a differential between men in producing and/or using capital.

I agree with him that "the question of the real rates of interest on real capital cannot be answered." There is no general rate for real capital like a general rate for money. He denies that capital is a factor of production and says that it is a factor or instrumentality of labor. Cannot the same be said for land? And therefore there is no such thing as rent?

Thank you.

VICTOR WASICKI
St. Louis, Mo.

The work here goes well, our legislation being such that practical application of the teaching of Henry George is possible for municipal finances. In my own locality I'm thoroughly enjoying the leadership of a committee that this coming August, I'm sure, will result in the finances for this municipality being brought across to what we call site-rating. As it affects directly about \$1,000,000 in annual revenues and, indirectly, a further \$500,000 and may be a trigger action that will affect about \$80,000,000 of such revenues, it is not by any means a small thing that I'm involved in. Fortunately, or perhaps because the project is such a morally good one, I have been able to gather a team of helpers such as anyone would be proud of, and the educational effect on the individuals is startling.

Good luck to Georgists all over.

W. H. PITT
Bayswater, Victoria
Australia

HENRY GEORGE NEWS

The Henry George School in the News

LOS ANGELES invites all visitors enroute to the annual conference to 577 North Vermont, on Saturday, July 10th for buffet dinner, fun and frolic. "We will welcome them to California," says Harry Pollard, "and explain how our smog mostly drifts down from San Francisco." Furthermore, he adds, tourist literature on Los Angeles will be supplied. Roy Begley, who narrowly missed getting elected to the Canadian Parliament, and who MC'd the rollicking panel on "The Doctor and His Customer" last month, will speak.

ST. LOUIS director, Loral Swofford, reports on graduates from the basic and advanced courses given during the recent term, bringing the total to 160 for the year. He is happy, too, with four new teachers, much needed and greatly appreciated. He and his wife will be at the annual conference in California to meet colleagues and make new acquaintances. He plans to devote his full energies to fund raising and a membership program soon, and one suspects that these are no idle words, for his energies are considerable.

DETROIT staged an achievement program at its June 5th spring term completion meeting. Benjamin F. Smith reported on illegal taxation of land in Grand Rapids, where he lives. He has become a one-man army in Michigan, and has certainly stirred things up here, said Robert Benton, the director. We suspect he has one good army staff member—his wife. We hope to hear more about this at the annual conference this month. Mayor James Clarkson of Southfield, Michigan, who is now in his third term with phenomenal credits for mayoral performance, spoke of skyrocketing land values in Southfield.

NEW YORK'S June commencements were well attended. Two Spanish classes held graduation exercises for the largest number of graduates to date. Matthew Ossias and William Camargo of the headquarters staff are encouraged by the fact that Latin American students are eager for education and a large percentage complete every course in which they enroll.

The summer term has begun with basic economics classes on Tuesdays, Wednesdays and Thursdays, in English and Spanish. Two advanced courses are on the agenda, and a ten-week course in Russian Language and Culture taught by Mrs. Liuba K. Chambers. As is customary in summer, there will be a class for high school students. Philadelphia will also offer a high school class, and students in both cities may, if they wish, compete in the annual essay contest for the Ezra Cohen Memorial prize.

Robert Clancy, New York director, will take the "high road" to the West Coast, and will stop in Great Falls, Montana, where he will address a public meeting as the guest of Russel Conklin.

CALI, COLOMBIA has enrolled 250 students in the three summer classes being offered there in the new extension. These will be taught by the visiting instructor, Peter Patsakos, assistant director from New York, in the famous Sierra Building. Enroute to Cali, Mr. Patsakos was surprised by cordial newspaper notices on arrival and also in Panama.

PUERTO RICO welcomed 200 persons to its annual banquet in May. Arnold A. Weinstein, a trustee of the HGS in New York and Peter Patsakos, were among the guests. The director of this extension, Dr. Edwin Rios

Maldonado, was present at the international conference last summer and explained that the school in San Juan emphasizes not only the importance of land reform, but spiritual and cultural standards as well, which their students eagerly accept.

KENYA comes a little closer every time a few hours are clipped from the flight schedule. Kul Bhushan, the young idea-filled director of the Center for Economic Inquiry, keeps in touch with Georgists, world-wide, and entertains

them royally when they visit in his home. A first basic course has been completed in the New Era College and others have been planned. Advertisements in the daily newspapers, and in posters and brochures, brought more than a hundred inquiries regarding the basic course in economics, which he answered. This and much more is covered in an "account rendered" after six months of enthusiastic activity touched off by his attendance at the international conference last summer in New York.

WEST COAST CONFERENCE

You may still have time to come to the 21st annual conference of the Henry George School July 14th to 18th at the Asilomar Hotel in Pacific Grove, California. This ideal location offers accommodations that will delight the heart of every jaded Georgist who grumbles amiably at conferences, but wouldn't miss one on a bet.

There will be the stimulation of hearing about California's Homeowner activity and reports from far and wide on the philosophy of Henry George in theory and practice; also a social evening and theater party. With Robert Tideman of San Francisco as host, everyone can relax and enjoy life completely. Vacationers will rest and dream on this beautiful Monterey Peninsula and read about the conference in the August HGN. Hurry, fly now, play later . . .

"We did get exposure," says Wylie Young of the Erie, Pennsylvania attempt to put a LVT candidate up for election to the City Council. "We have plans to continue our political activity, but as yet no arrangements have been completed. We are convinced that a political campaign is the most effective way to educate. People will listen because they feel they can make their votes count in a matter where their future is at stake. We reached 15,000 people, and a lot more know about our program. The candidate got 3,300 votes and it is considered that at least 2,500 of these were for the land value reform." Perhaps at a future date the Erie Land Tax Association will move up to a position of bargaining from strength instead of weakness, and then the results will be different because LVT will then be an idea "whose time has come."

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