

Prentice Tells Conferees George's Reform is Gaining 'Respectability'

by Harlan Trott

San Francisco "I've got a shock for you," publisher Perry Prentice told the national conference of Henry George Schools in San Francisco in July. "You are becoming respectable."

This was his theme at the 1971 banquet honoring him for his monumental work in bringing Henry George's principles into the mainstream of academic recognition and public policy consideration.

Prentice pointed out many areas wherein the breakthrough has occurred, in the published hearings of the Muskie Committee, in policy declarations by the Chamber of Commerce of the United States, in faculty pronouncements at the Massachusetts Institute of Technology, and in the prestigious Committee on Economic Development where one CED official told Mr. Prentice: "You don't have to sell me on land value taxation. How do we get something done about it?"

Delegates from places as far apart as Calgary and the island republic Dominica heard New York's Arnold A. Weinstein, President of the School, announce exciting new goals to build more effective teaching programs.

Weinstein said the Trustees are taking steps to make the course based on *Progress and Poverty* "more relevant in a modern industrial society." Part of the broad new program calls for experimental courses in the applied disciplines—anthropology, and psychology in particular, he said. The school will "draw on history," and there will be a special course focussing on "economics and urban problems" augmenting the Trustees' plan to offer college transfer credits.

Weinstein recalled the tentative offer of a university chair at Berkeley held out to Henry George, and how that prospect was dispelled by his forthright address to the Berkeley faculty with its harsh likening of professors to "monkeys with microscopes."

"Unfortunately," said the national president, "too many of his followers took on this bias when a professor didn't agree with them 110%. We must assess every professor on the basis of his own individuality. Instead, we alienated

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Urge Site Tax To Save City

The American Institute of Architecture's critical commentary on the City Planning Commission's 1969 plan for New York City may provide the answer to New York's two most crushing problems: a lack of decent housing and an overabundance of automobiles.

The critique, recently released by the Institute's Design Subcommittee, recommends that land value taxation be implemented to provide private enterprise with an incentive to build housing. The 1969 Plan cited the need for increased housing, the report says, but proffered no suggestions regarding how or where to build it.

Under the committee's proposal, every parcel of land would be assessed and taxed by the "local" (presumably city) government according to its location value and relative to its planned usage. With taxes on improvements systematically waived or reduced when land is put to "better or higher" use, pressure would be on landowners to erect something more "socially desirable" than parking lots. Beyond housing, the report does not specify the characteristics of "higher or better" use.

Tax exemptions or reductions are also recommended for well-maintained buildings, removing the deterrent to improvements inherent in present taxes.

Land value taxation would also facilitate the assemblage of parcels of land for large projects by automatically eliminating land speculation, the report adds.

New Course Notes African Site Levy

Henry George may have been the first to expound the ethics and economics of site value taxation in the Western world, but in Africa tribal societies have been practicing it for centuries.

"Of course it isn't taxation as we know it, but the ethics, and the effects, are the same," according to Barbara Rockefeller, who will teach "The African Experience" to New York City social science teachers this fall. The accredited course, offered as part of the city's "In-Service Training" program for teachers, will examine the geography, history, and culture of Africa.

"Most people know a few exotic facts about Africa, but few realize that African systems of thought are as sophisticated, complex, and rich in tradition and history as our own," Miss Rockefeller explains. Like many of the new courses offered this fall, "The African Experience" will present George's ideas in a new context for a wider audience.

"Although there are more than 2,000 tribes in Africa, some aspects of philosophy, social organization, and religion are universal," she says. "All African societies have a monotheistic cosmology so similar in concept to Christianity, that the success of Christian missionaries and the growth of African churches is hardly surprising."

Of particular interest, she notes, is the African tenet that each individual has a birthright to a plot of land on which to live and support himself. "The trend now is to talk of the 'natural socialism' of the African. This is a fallacy.

"It is true that all land is considered to 'belong to' God, who allocated some portions of it to the tribe. Each tribe has a myth of origin in which God gives land to its founder. Succeeding chiefs and elders are his fictional descendants and hold the land in trust for all the tribe, present and future."

Africa

Miss Rockefeller is quick to point out, however, that tribal authorities do not "own" the land in any absolute way. "It is their heritage," she explains, "and belongs to future generations of the tribe as well as to the present. This is why revolts and rebellions mark the colonial era during which white settlers 'bought' land in perpetuity from African chiefs.

"When Africans began to understand that the white settlers intended to keep the land despite the Africans' increasing need for it, they realized they had unwittingly betrayed a religious trust."

It is interesting to note that Christianity made little headway in areas where land shortages grew severe, for white missionaries defended white settlers' monopolies of good land. During the "Emergency" or Mau Mau in Kenya, tribal religious practices, closely connected with the use of the land, and rites of passage were revived to promote solidarity against the encroaching settlers.

"African systems of land tenure are remarkably in the spirit of George," Miss Rockefeller points out, "in contrast to the Western laws and ethics brought by the colonists.

"Each individual's right in land is guaranteed by tribal authorities as long as the individual uses it. He may inherit the land from a relative or, as in the case of younger sons, daughters, and newcomers to the area, it may be allocated to him by the chiefs or elders."

In pre-colonial Africa, Miss Rockefeller says, no one could claim ownership to a parcel of land he did not use, if another person wished to use it. This was the case no matter how strong or clear his inheritance rights were.

Although in many parts of Africa the current trend is toward permanent ownership in the Western tradition, and lands are being surveyed and registered, most land disputes are still settled according to tribal law. The individual who can prove that he is using the land, by having planted tree crops or made other improvements, has the better claim. In more remote tribes, even today, the system of taxation is closely related to land ownership and use. Each individual must devote a specified number of days per year or give a certain amount of produce to support public administration and services, such as road construction and well digging.

This tribute is levied according to the wealth of the individual, which is a factor of how much land he has and its quality. If inequitable distribution was not prevented by taxation, the land was reallocated every ten to fifteen years.

Although many of these pre-colonial land practices prevail, the African land situation is growing to resemble that of the West. Urban land speculators are holding land until cities expand and

demand for it rises. Land registration for private ownership increasingly encroaches on the tribe's ability to maintain equitable land distribution.

"But Africa changes slowly," Miss Rockefeller says "and Africans may discover the method of land ownership, proposed by Henry George. Site value taxation would surely appeal to Africans, because it is so consistent with their traditional ethics."

Uganda Economy to Embrace All

The following is extracted from the May Day speech of Uganda General Idi Amin Dada.

The people of Uganda and indeed the whole world have been waiting for an authoritative pronouncement on the economic policy and objectives of the Government of the Second Republic. The full unfolding of these policies and plans will necessarily have to await the publication of the Third Five-Year Development Plan which will be completed by June this year. Of immediate interest, however, is the question of government participation in the economy of the country and the extent to which the Second Republic intends to implement, vary, or reverse the May Day Pronouncements made by the last Government on the 60-40 formula.

The question as to whether my Government will go Communist, Socialist, or Capitalist is of academic importance only. I am one of those who believe that pure Capitalism like pure Communism or Socialism is neither desirable nor practicable. The balance of advantage clearly lies in choosing the best elements from each of these economic systems and adapting them to the special requirements of Uganda. In other words, we believe that the private sector has an important and vital part to play in the economic development of Uganda. We also believe that the direction and impetus in the entire economic development of the country must be provided by the Government. This will be achieved by active participation where this is deemed necessary, by means of a well coordinated plan, and by a national strategy in which every person, every group, union, or organization will have a part to play.

My Government firmly believes that economic development and improvement of social welfare are generally easier to obtain by expanding the productive base of the economy and by providing additional services. A change of ownership of existing facilities and services does not necessarily bring about the desired results. It follows, therefore, that the limited resources available to Gov-

ernment should be used to promote economic development and to build health centers, schools, factories and help the farmers.

Private savings and investment are of vital importance in attaining the highest possible rate of growth for the economy. But even if it were considered desirable to do away with private enterprise, the fact is that the government does not presently have the financial and manpower resources to replace private activity. Even the Government of the First Republic expected that about 40% of investment during the Second Five-Year Plan would be made by the private sector.

I wish to make it abundantly clear that my government's policy is to see to it that Ugandas participate fully in the industrial and commercial activities of the nation. To this end all companies will be required to submit a program of Ugandanisation. Further, it is the view of my Government that all companies of reasonable size and profitability should convert themselves into public companies and thus give an opportunity to Ugandans to participate as shareholders.

We have taken a major step to restore the country's economic health. Private businessmen are now free to move forward with confidence, and to invest in the future of the nation. Furthermore, my Government is confident that the private sector will respond by taking steps to Ugandanise more rapidly, to train the workers to produce more efficiently, and to offer their shares to the public. Together with the active and dedicated support of those whom we honor today, the workers of Uganda, we shall march forward to brighter future for all.

Conference Seeks Cures to World Ills

The war, poverty, pollution, and apparently all things tending to make the future instant apoplexy will be the targets of "Adequate Action," a conference sponsored by the Heathcote School of Living and twelve other organizations, September 3-6 at Gettysburg, Pa.

The purpose of the Labor Day meeting is "to make apparent to many people that there are positive ways of working for the future, that there is no need or excuse for sitting back, giving up hope, and letting the rest of the world go by or take over." She links the difficulties confronting civilization with the policy of permitting land holders to collect rent, particularly to reap speculative gains while holding land out of use.

Details about the conference can be obtained from: School of Living/ Heathcote Road/ Route 1/ Box 129/ Freeland, Md.

from the editor's notebook

Public Land Report

Amid the myriad federally commissioned and funded task force reports that either never seem to appear, or do appear and are ignored, there is now the Public Land Law Review Commission Report, which has been subjected to considerable scrutiny and criticism.

The report itself is 342 pages long, and somewhat remarkably, The Natural Resources Council of America has turned out a 342-page critique of it. This leads one to believe that any difference between the prose styles of these two documents and that of *The Last of the Mohicans* is not specious.

The Resources Council study is basically an in-depth procedural analysis of the commission's operations and the presentation of its findings. But the most vocal criticism has come from other quarters, and much of it would please Henry George, for it is grounded in the contention that public lands should serve the needs of all people, that public use and benefit should be the guiding principle in their management.

Angus McDonald, active conservationist and former research director of the National Farmers Union, charges that the report, entitled *One-Third of the Nation's Land*, would be more aptly called: *A Blueprint for Corporate Take-over of 72.4 Million Acres of Land Which Now Belongs to All the People of the United States*. His arguments are more precise than his grammar.

The PLLRC report calls for "a policy of large-scale disposal of public lands towards the end that future disposals may be restricted and lands held in federal ownership where values must be preserved so they may be used and enjoyed by all Americans."

McDonald's commentary, published in *Not Man Apart*, assails this seemingly contradictory statement for meaning: "All Americans can enjoy whatever is left after the special interests get through."

These "special interests," McDonald says, are cattlemen, who pay only a few cents a head for grazing; mining companies, that pay \$2.50 to \$5.00 an acre; and timber companies that pay only the nominal value of the timber they cut. The cost of restoring the land after their activities is to be borne by taxpayers. Such also is the meaning of the term "dominant use" which appears frequently in the report—a term which has also come under fire from the editors of *American Forests*.

Their recent editorial says not only that lands should not be dedicated to any "dominant" commodity use, but recommends further that: total acreage of public lands now held in trust should not be diminished; the Mining Law of 1872 should be repealed, and all exploration and extraction of minerals and oil from public lands be placed under a mineral leasing system; there should be no special funding or separate corporation procedures for timber sales or for timber production on the National Forests or public domain; those permitted to graze cattle on public lands should pay a fair market value for the privileges.

McDonald concludes his barrage by asserting that the solution to problems of congested cities is "not a bankruptcy sale of the whole nation's western lands and resources to greedy absentee landlords and corporate giants who, in the past, have just about ruined this country."

If the attention that *One-Third of the Nation's Land* has received is refreshing, it is a refresh that gives pause.

Cut in Property Tax is Assailed

Move over Tennessee. Michigan may be moving South, according to Benjamin F. Smith, who has called Governor Milliken's proposal to halve the Michigan state property tax "the worst mistake in American history."

In a signed letter to the Grand Rapids Press, Smith warned that if the proposal succeeds, "Michigan will drop in rank from ninth in internal personal income to around 40th," perhaps supplanting Tennessee in that dubious slot. If the tax were eliminated entirely, he estimates, the rise in land price in the state would total \$9.1 billion.

The Michigan engineer assailed state politicians for battling over what taxes would be substituted for the reduced property tax, instead of examining the consequences of the reduction itself. Milliken has proposed a 2.3 hike in the state's personal income tax and a new value added tax to pay for school operating expenses.

After land speculators make their killings, Smith predicts, Michigan residents will reasonably be able to compare their poverty with that of residents of the world's most underdeveloped nations.

All of the prosperous countries, he points out, have land taxes of some sort, though some, like Sweden's capital tax, are tagged with disguising names. The land tax, says Smith in a choicely mixed metaphor, "is the one anchor line that holds all civilization from declining."

George Adherent Reduces Site Tax

Is it possible to keep the faith with Henry George and still reduce a tax on land?

Such was the dilemma that confronted San Diego Assessment Appeals Board chairman Tom Sherrard in June. When a dispute between the county assessor and the owners of a shopping center arose out of a discrepancy in their land value appraisals, Sherrard, a student of George, dissented in favor of the owner's lower figure, essentially lowering the tax.

Although neither Sherrard nor the owners (The May Department Stores Company and Plaza Camino Real) could take issue with the county assessor's \$8 million valuation for improvements, both disagreed with his \$3 million land appraisal and the technique he used in arriving at the evaluation.

Employing the "land residual" method, the assessor capitalized the income from the shopping center, deducted the replacement costs of the buildings, and assigned the difference to the land.

The owners applied the market data technique, showing that raw acreage comparable to the ground underlying the shopping center could be purchased for \$250,000.

Citing the *General Appraisal Manual's* recommendation that "the land residual technique is not reliable in areas where land values are low . . . or where the proper improvement is a large proportion of the total value . . ." Sherrard called the owner's figure more reliable and cast the only vote on the three-man board in favor of it. Afterwards, Sherrard reasoned that his action would be less abhorrent than permitting the land value to remain higher than comparable vacant land. He asks, nevertheless: "What would you do?"

EMANUEL CHOPER

Emanuel Choper, long-time student of Henry George and co-director of a School extension, died on June 20.

An outspoken proponent of George's social and economic philosophy, Choper instructed at the New York Henry George School from 1938 until 1945, when he moved to Syracuse to co-direct that extension with the late Bette Breese Bille. In 1967 he opened another extension school in Albany where he also worked as attorney for the state of New York.

A man of many facets, Choper also served as a social worker and was an ardent dancer and hiker. He was stricken by an apparent heart attack following a hiking trip in the Adirondacks. He received degrees from City College and Fordham Law School, and attended Columbia University's School of Social Work.

Conferees

scholars. We met a fate worse than death—silence.”

Weinstein then cited School gains in opening classes to social studies teachers in the New York educational system, and similar courses for college undergraduates. The School is supporting a doctoral candidate presently exploring land value taxation and new zoning. Weinstein said “he should be an ally” in an academic backfield where the University of Wisconsin’s Professors Mason Gaffney and Arthur Becker, and Dean Dick Netzer of New York University’s Graduate School of Public Administration are scoring points for land value taxation.

Robert Schalkenbach Foundation’s Executive Secretary V. G. Peterson termed the instructive film **One Way to Better Cities** a “useful tool” in helping to explain land value taxation. Over 300 showings (13 telecasts included) to an estimated 1 million viewers sparked panel discussions among tax officials and university groups.

Of 21 prints of this film sold, one was bought by a home loan bank, triggering local assessment reform. The film is slated for a second lease on life this fall when it is turned over to a professional distribution agency.

Schalkenbach is planning a film titled **What happens to Government Subsidies?** Good results followed support of Round Tables with some 40 urban experts focusing on “What More Can Our Cities Do to Help Themselves?” Look for findings, possibly in October publication by *Nation’s Cities*.

Other highlights of the Schalkenbach year: the Committee on Taxation, Resources and Economic Development (TRED) published five books by outstanding professors; Dr. Arthur Becker at Wisconsin, helping to “sweeten the academic climate,” is opening new windows on the land question; funding of a New York City study based on proposed land value taxation embracing 80,000 property samplings and the making of a land-value map.

Regional reports:

San Francisco—Robert Tideman: “We are stressing involvement. What are grads

doing? We have a large board of directors—not a paper board. We discovered graduates don’t really subscribe until they come on the board. A school board of 30-plus directors limited to single four-year terms in an important element in our fund raising.”

St. Louis—Noah Alper: “The Public Revenue Education Council has been teaching since 1950 that economics is a science dealing with land, labor and capital. We teach that you control prices by how you tax.”

Philadelphia—George Collins: “Classes are being extended to evening high schools with encouraging results from our best evening series. We were asked to testify at public hearings in support of legislative proposals patterned after the Southfield, Michigan, tax plan. Some 37 students completed our Parkway Program and we are invited back to this high school in the fall. A local medical college invited us to take part in its lecture series.”

Toronto—Neal McCarthy: “The TRED books are great. Municipal officers are reading them in Ontario.”

Alberta—Donald Freeland: “The School of Economic Science holds classes in Calgary, Edmonton, Peace River and Barhead. **One Way to Better Cities** is impressing provincial officials, and political candidates favoring land value taxation are asking for our active campaign support. We are declining because active politicking invites charges that the School is the bag of party hacks.”

Pennsylvania—William Newcomb: “The HG Foundation is sponsoring a \$5000 prize competition for a prize novel with a land value taxation theme good enough to attract a willing trade publisher.”

Statewide Homeowners, San Diego—John Nagy: What would happen if California voted to collect an additional \$1 billion by assessments on land only. We have compiled five volumes with computerized data covering San Diego County’s \$35 million share of such a tax bill. We plan to display these land value assessment rolls in public libraries with newspaper publicity that should make people want to look up their property listing and see how they would benefit under land value taxation. We are

also supporting a bill to put a constitutional amendment (ACA49) on the state ballot for statewide land value taxation. Sponsors have asked us to testify in support at public hearings.”

New Jersey—John Tetley: “We’re the third smallest state and the most densely populated. Our East Orange headquarters stresses political action and publishing educational literature.”

Los Angeles—Chairman Margil W. Wadley, PhD: “Main thrust is in basic economic teaching of high school students, freeing President Harry Pollard to devote almost full time to boys and girls rather than adult programs. Tustin School System requires one semester of economic study. Some 900 seniors and 12 teachers were graduated with credits this year in course conducted by Pollard.”

Dominican Republic—Mrs. Lucy De-Silfa: The HG School is conducting a very large and enthusiastic program of classes in economics, using *Progress and Poverty* as discussion springboard. The U.S. Ambassador was a guest at HG School commencement this year. Graduates included three congressmen.

Lincoln Foundation—Mrs. Lillian Howell: A new grant provides two professorships at the University of Hartford. Support is continuing for the Land Reform Training Institute in Taiwan.

This year’s HG School conference focused on economic causes of war, city problems and the economics of ecology. Earlier in a press conference publicizing the convention, Prof. Mason Gaffney, visiting research associate with Resources for the Future, Washington, D.C., told reporters from five media outlets there is no shortage of water or minerals, it is just an artificial scarcity created by resource “imperialists.” He lumped oil and mineral monopolists among the most powerful lobbies in Washington and said they are “part of a systematic bias for overseas expansion which puts us in conflict with foreign countries. They want the military to expand power in other lands.” Gaffney urged “full use of resources closer to home” and called for higher density zoning and city high rises to “maximize the aggregate use of resources. Conservationists should be in favor of this.”