

July - August 1974

Alper receives award

Noah D. Alper of St. Louis was given the Henry George School's Outstanding Achievement Award at the Conference dinner on Saturday evening, July 13.

"We are a minority," School president Arnold Weinstein said in making the presentation, "but it has always been those in minorities who have led the fight for moral and ethical reform. It is our pleasure, therefore, to honor one who has long been in the forefront among us — our beloved Noah Alper."

The citation engraved on a silver tray reads, "for a lifetime of effort in the struggle for liberty," and Mr. Weinstein added, "for everything you, Noah, have done in the cause for which the School was established."

Mr. Alper first became acquainted with George through reading *Progress and Poverty* around 1924-25. He was among the organizers of the School in California in 1935. It was four years later that he moved to St. Louis to establish a School there. The academic year 1949-50 he spent in New York at Columbia University sharpening his talents on classical economics.

"Look for ways to get through to people," Mr. Alper advises. He says he has never been more excited about the prospects for land value taxation than he is now. "The temper of the times call for reform," he says, "and we have a great opportunity to provide the basic reform that is needed." □

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Conference directions

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Conference points up new directions

"The '74 School Conference was a gratifying experience and I think we can expect new directions to emerge from the work we have done here in Goleta," Henry George School president Arnold A. Weinstein commented on leaving Southern California Sunday, July 14, to return to New York.

Titled a "Conference of Inquiry" and hosted by the Henry George Schools of California in Los Angeles, working sessions began Wednesday morning, July 10, and were held morning, afternoon and evening — with the exception of a Thursday afternoon sightseeing trip in Santa Barbara — through to Sunday morning.

Goleta is a small town north of Santa Barbara where the mountains shelter the area in the East and the Pacific Ocean on the West provides natural air conditioning. The result is an idyllic atmosphere for conference activities.

The Conference format, while new to the School, has long been used by organizations serving the business community. Each session was given a topic which, although not rigorously explored, served as a guide post for discussions. After brief presentations by those who had submitted papers, the assemblage was broken up into groups where discussion was led by the speakers and other assigned to the

task. Each group was given two or three questions to consider. After something less than an hour of such give-and-take, a "reporter" for each group offered a summary of his confreres deliberations.

This conference technique has several advantages. For one thing, and perhaps the most important, the participants were enthusiastic about being able to join in discussion, as contrasted with the usual situation in which they must sit and be talked at. For another thing it allows for the airing of widely diverse opinions without acrimonious arguments — people in small groups are more inclined to be courteous. (continued on page 3)

George presented in modern idiom

Among the papers presented at the School Conference this year, one in particular commends itself to academic consideration. Seymour Rauch of Williamsville, N.Y., reduces to mathematical formulation the idea that it pays to make larger capital investments on better (higher rent) locations.

Using the statistics compiled by John Nagy's study of real estate and personal property assessments of Escondido, Calif., for 1970-71 (the state taxes personal as well as real property), Mr. Rauch applies a regression technique to demonstrate his point. It confirms, the author

says, the advice of experienced real estate professionals: "Don't build a \$50,000 home in a neighborhood of \$25,000 homes!"

From his work he infers that "land value commands capital value," and intensive investment on high-rent sites in even greater in industrial and commercial applications than in the residential area. His suggestion that conscious application of the command of capital by land value would improve zoning and planning as well as reduce disturbances in capital flow is easy to follow. Somewhat less clear is the inference that it would reduce the in-

deniably pernicious effect of land value speculation; it would seem that some inducement or enforcement techniques might have to be applied if the full benefit is to be achieved. Yet, one must agree with Mr. Rauch that "it is surely not overreaching to argue that this one study demands further study on a grander scale."

The need to present George's tenets in modern form was the motivation for his efforts, Mr. Rauch says, adding that it behooves proponents of land value taxation to make their case in language understood by today's practitioners. □

'A bird without feet' by Lancaster M. Greene

The "inalienable right to life, liberty, and the pursuit of happiness" was well stated by Thomas Jefferson in the great "Declaration of Independence".

Most people agree with this concept as meaning that ownership of a human being is repugnant. The right of a man to own himself comes from the belief that God created all men as well as creating the planet on which we have our beings. We hold the planet in trust for future generations.

Ownership then devolves upon a person who created a product, and this is the rightful basis of property. This is a law of nature, a decree of the creator. There is written in these laws no recognition of any right save that of labor; and in them is written broadly and clearly the equal right of all men to the use and enjoyment of nature; to apply to her by their exertions, and to receive and possess her reward. He alone may rightfully pass his products to another in exchange.

If production gives the producer the right to exclusive possession and enjoyment then there can rightfully be no exclusive possession and enjoyment of anything not the product of labor. Thus the recognition of private property in land is a wrong, because land is not a product of labor.

When non-producers can claim as rent a portion of the wealth created by producers, the right of the producers to the fruits of their labor is to that extent denied.

What most prevents the realization of the injustice of private property in land is the habit of including all the things that are made the subject of ownership in one category as property. If any distinction is made lawyers draw the line between personal property and "real" estate or things movable and things immovable.

In the beginning, all peoples recognized the common ownership of land — and that private property in land is a usurpation, a creation of force and fraud. However, the original coercion is forgotten as ownership achieves the authority of custom.

For example, a New Yorker purchased a plot of land in New Orleans and asked for the usual title search. It traced the ownership starting with 1804. The buyer asked for a search prior to 1804. The title company replied this was the usual start since the Louisiana Purchase from Napoleon was in 1804. Napoleon's title came by France taking it from Spain by force. Spain acquired it by conquest from the Indians whose title came from God who

created Louisiana.

William W. Porter II, a consulting California geologist and Harvard graduate is very much opposed to "abolition of private property in land" warning that this was stated as a communist objective in the Communist Manifesto of 1875, along with "abolition of private property".

Yet, these are two very different proposals, "abolition of private property" is the ending of liberty, of the right from his creator of a person to himself and his products. This is responsible for all the repression and inefficiency that accompanies interference with free markets in Russia.

The fact that Russia survives and is viable at all is because it takes for society all the rent of land. Mr. Porter fails to see that these two ownership assumptions are very different imperatives at opposite poles in morality, in justice and in practical results. Public collection of land rent offsets the debilitating effect of taking private property and this accounts for Russia's position as one of the two great powers on our planet.

The other "great power" — the U.S. — believes in the "inalienable right to life, liberty, and the pursuit of happiness" and its free market operates to produce efficiently what our people most desire. This offsets the deterrent effect of the private collection of ground rent of location value rent. This subtraction from our production without quid pro quo in exchange makes our economy creak and suffer inflation and recessions.

Colin Bell, of American Friends Service Committee asks Friends to face squarely the future use or abuse of almost 70% of the earth's surface. He referred to the sea. He said this is the last chance to use the earth's resources for the common weal. But, we should consider in similar fashion the future of the other 30% — the planetary land-mass.

We still think of the land below high tide mark as free land and how this free land can affect wages is illustrated by experience in the Alaskan gold rush so well publicized by the poetry of Robert Service and Jack London. If a man did not strike gold, he might run out of money and have to apply to someone for a job. Competition for work pressed wages down toward mere subsistence.

Then, a man found gold on a beach and claimed it for his own because it was below high water mark much of the time. So many men rushed to the shore to pick-up as much as \$50 of gold daily that employers had to bid at least what men

could pick up on the beach and wages soared.

Eventually a big storm shifted the beach and there was no longer gold to be picked up. Wages fell back to subsistence.

We think of the sea belonging to everyone, but we take the air we breathe for granted. It does not belong to some who may then rent it to others. This is not true of radio or television channels, which have become exclusive and extremely valuable. Political clout or influence may secure these special privileges, as one may witness in the case of former President Lyndon Johnson.

The land of New England was divided by the first settlers, as 12 centuries before their ancestors had divided the land of Britain, giving each head of a family his town lot, and his seed lot while beyond lay the free common. As for the great proprietors, whom the English Kings endeavored to create by letters patent, the settlers saw clearly enough the injustice of the attempted monopoly and made sure that none of these proprietors got much from their grants. The abundance of land, however, prevented attention being called to the monopoly which individual land ownership, even in small tracts must involve when land becomes scarce.

So the great republic adopted in its beginning the institution that ruined the republics of antiquity. The people who proclaimed the inalienable rights of all men to life, liberty, and the pursuit of happiness accepted a principle which, in denying the equal and inalienable right to the soil, finally denies the equal right to life and liberty.

As each generation holds our planet earth, in trust for succeeding generations their moral imperative to seek justice for all human beings is of the utmost importance. Equal opportunity to use this energy and talent should be the inheritance of every person from the creation.

Failure to recognize this could in the words of an Alaskan Indian be likened to a bird without feet. Crows sleep clinging to branches. A sleet storm in the night may freeze the feet to a branch. A crow may be impatient to fly off next morning and in the struggle tear away his feet. His wings are still strong and his beak might tear at meat, but without his feet, he cannot hold it and is unable to eat. A bird without feet is a sad and pitiful creature and can be likened to any country that doesn't understand just ownership.

[This is one of the papers submitted at the 1974 Henry George School Conference at Goleta, California.] □

Mini-courses command attention

The Saturday afternoon session of this year's conference had the excitement often generated by competition as close to 100 people divided into ten teams to work their way, like high school students, through mini-courses.

As Harry Pollard, director of the host School in Los Angeles, explained in his paper: "Thirty years of teaching adults was inadequate for a confrontation with high school students — as we found when our Interstudent Program began in 1970." So at the Conference Mr. Pollard called on Janet Terry, teacher in the Foothill High School in Santa Ana, Calif., to assist in presenting the new techniques developed. Miss Terry was the first to use the mini-course in her classroom and had a large hand in its formulation.

The technique involves the use of writ-

ten questions, the answers to which are designed to lead students, step-by-step, toward a conclusion. The series of questions are interspersed with test questions that give the teacher a gauge to student progress. Working in competing teams the students earn points on the accuracy of their answers as well as their alacrity in completing the material. The students are told, Mr. Pollard explains, "they can lie, cheat, steal from each other and spy on each other." The ineffectiveness of such devices is a lesson in practical morality.

The competition takes the first four days of a course, the fifth is given over to debate of prepared material. At present there are six mini-courses, each designed to progressively develop the philosophy of freedom. At the conclusion of each course, each team must drop one of its

members. Those excluded then form a new team. Moreover, the winning team is disbanded and the remaining teams, starting with the poorest rated, choose one of from among the winners.

A room full of adults competing in teams was a fascinating sight. Unfortunately too little time was made available for the demonstration and the conferees were deprived of the experience of the fifth-day debate. Considering the length of the Conference, more time might have been better spent on further demonstration of the Interstudent Program. As it stands this technique has accomplished a good deal in having brought the School into the public and some private school systems. It has great potential although much development and refinement need be done. □

Conference *(continued from page 1)*

As used at Goleta, however, the format had some disadvantages. For one, the papers that were presented never became the subjects of discussion. For another, with the signal exception of the Saturday afternoon session devoted to a demonstration of the high school program the School is developing in public systems (see story elsewhere in this issue) none of the sessions appeared to have done any more than interest or entertain those present — perhaps an accomplishment in itself.

Tom Sanders, a retired industrialist, was the author of nine papers in the Libertarian mode, bordering on the anarchistic. Mr. Sanders never quite crosses the line, however, so that his position seems to be in the shadow of Jefferson's famous dictum: "That government is best which governs least."

For example, he offers the definition of a political system as a "group of people who accept political action as a means for the protection and enhancement of their own individual lives . . . a contractual relationship in which the political system performs various services for the individual who, in turn, pays an agreed upon fee." Such a view obviously leans heavily on the Jeffersonian "consent of the governed" and Locke's "contract" to say nothing of George's "cooperation in equality."

Perhaps the most interesting point Mr. Sanders develops relies on another source, Jeremy Bentham's doctrine that humans will seek pleasure and avoid pain, an approach that has recently been glorified by professor B.F. Skinner in his explana-

tion of the role of "reinforcement" in human behavior. Mr. Sanders uses this view to point up the disadvantages inherent in enlarged governmental activity. In essence he complains that because government has police power, it can act without regard to a profit-and-loss statement; that even if its activities are rejected by the marketplace, they can continue for some time. It is only in the long run, Mr. Sanders implies (and he doesn't attempt a timetable) that the marketplace will reject these economic activities and ultimately destroy the government that engages in them.

"An analysis of the contractual nature of the contemporary political system," Mr. Sanders states, "demonstrates it is an involuntary system which [because it is not reinforcing] the market will ultimately reject." He asks us to "try to imagine what institutions the market will raise to replace the political functions for which there is a real economically viable alternative." This climactic could be something like a standoff between Ayn Rand's "Atlas Shrugged" and George Orwell's "1984." It will be remembered that Rand was more sanguine in that she denigrated the efficiency of the collectivists in contrast with Orwell's grimly competent Big Brother.

But at long last Mr. Sanders gets to the point: ". . . the key issue is property . . . what is the nature of property, how does it come into existence, how is it 'owned' or employed, what is the contractual nature of its exchange?"

Critical of the American business community, he blames businessmen for sup-

port of the "political presence in the Market with massive economic [he probably means financial] support of politicians favorable to specific interests." Using Mr. Sanders' own criterion that profitable exercises will be repeated, one can only reflect that the businessmen have found collaboration with the politician profitable.

Quarreling with Mr. Sanders' pedestrian application of the "second law of thermodynamics" (that heat will always travel from the warmer material to the colder) would be profitless. His assertion that there is no shortage of energy, but the shortage is in usable forms of energy for our industrial plant, would seem well taken. Also he perceptively calls attention to the global inflation used as a deliberate device for financing growth of the political mechanism. He is at once led to join the prophets of doom, characterizing man as "master of technology and immature in his philosophical understanding . . . brutal and aggressive in his dealings with other men," and if his prospects are viewed in present context, "man's future does not look promising." Yet, Mr. Sanders sees hope: "the market is showing signs of rejecting the involuntary political idea and reshaping our socio-industrial complex around the voluntary contract."

Attacking the problem of pollution, Mr. Sanders sees recycling of materials as the ultimate answer. He acknowledges that the cost of recycling relative to that of processing new materials is a deterrent, but he is confident that this relationship will be reversed in time by the develop-

ment of cheaper nuclear energy.

After summarily dismissing all our education systems with the thought that "we are badly battered by this word [education] in the hands of politicians," Mr. Sanders winds up his prolixity with a vision. He visualizes major economic realignments on a global basis, fed by rising "disillusionment" with political systems, encompassing exponential technological growth, and fueled by soon-to-be-realized "commercially practical fusion energy." Finally, he says, "I believe it is man's destiny to explore and colonize the solar systems, to mine deuterium on Uranus, Saturn and Jupiter as fuel for the 21st and 22nd century terrestrial power plants."

Morgan Harris, a former economics professor who now teaches writing, presented a plea for peace. Using the United States experience as a model, he advanced the oft-repeated suggestion to have the United Nations General Assembly elected by popular vote (presumably in the manner of our House of Representatives) instead of appointed by the member governments. "The reason we have war," Mr. Harris assures us, "is that good persons do not understand peace."

On the other side of the same plane, Robert LeFevre, former president of Ramparts College, offered a series of notes on crime and criminals. He suggested stronger reliance on private means of protection and less dependence on government's delivering retribution as a deterrent on the perpetrators of crimes after the fact. He makes the interesting, if obvious assertion that "every new law creates new violators; thus as government grows, the number of persons breaking the law increases." And, he concludes, "it is becoming clear that if we hope to have some measure of safety and protection in our lives, we are going to have to turn to

the market to provide it . . . the record that government has run up in this and virtually all other areas is so dismal that private protection remains a reasonable avenue of procedure when government avenues fail." Mr. LeFevre's positions seem quite reasonable until one realizes he is adamant in his desire to abolish all government.

In some 750 words William B. Truehart, now teaching at San Diego State College, treats "Human Evolution" and sums up with the admonition that man's environment be changed by abolishing special privileges and coercive government so that he may enjoy real freedom and allow the better side of his nature to develop — "but time is fast running out!"

Writer John Parish laudibly starts out to present George's analysis of distribution in a late 20th century model, but somewhere between his "I" accounts and his apotheosis of the late President Herbert Hoover and Bernard Baruch he gets lost in mysticism, whereas he might better have paid some attention to the roles of debt monetization and land value speculation in cyclical behavior.

Proctor Thomson, professor of economics and administration at Claremont Men's College, submitted a pamphlet, "Progress, Pollution and the Dollar," subtitled *Far as the Human Eye Can't See*. Written in his invariably engaging style, the tract raises some interesting points. "Under modern conditions, unfortunately, the optimum amount of pollution is not zero inasmuch as clean air or pure water are scarce commodities that exact a handsome price in terms of the other useful things that must be sacrificed to create them. The fulcrum of the issue, therefore, lies in correctly balancing off the demands for pollution control against the demands for everything else. How is this to be achieved? . . .

"The right way to strike the right balance between costs and returns is to establish a price that the polluters must pay if they produce a unit of pollution but can escape if they control it . . ."

Citing the evils of corruption and ineffectiveness that accompany direct controls, professor Thomson says if private "control machinery costs less than the pollution price, prevention obviously represents the best use of the company's and the community's resources, and the firms have a clear incentive to undertake it. At the point where control costs exceed the pollution price, pollution obviously represents the best use of the company's and the community's resources."

British barrister and historian Roy Douglas warned that the so-called lessons of history are likely to be misleading because the recital of past events will probably be selective, depending on the bias of the reporters, to say nothing of the assessment of the past made to conform to the analyst's predilections.

American historian Steven Cord, a professor at Indiana University in Pennsylvania, commented on the development of new towns using the principle of land value taxation to provide local services. He recommends the purchase of land by a state agency for a new town (possibly using eminent domain) and the renting of individual sites to private developers at the full market rent. The rent would first be used to repay state indebtedness and the additional rent collected could be used to reduce or take the place of taxes that would otherwise have to be imposed on the population of the new town.

Other papers presented at the conference are treated more fully elsewhere in this and the next issue of the NEWS. □

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