

Man and His Land

"WHAT Became of Our Birthright" is the title of an article by Gaston Haxo of St. Petersburg, Florida in the May Churchman. He delineates a natural order for peace and prosperity, and maintains that the universe contains all necessary elements for all time for the life of all living things. But man is a land animal, and land is a necessity of human existence. "The most basic of all human rights, the right to life, implies the right to the use of the earth, hence, free access to land is the birthright of all men."

Yet he points out that there is not a civilized country where, with the exception of the land held in the public domain, it has not become high priced private property.

This socially created value is called "economic rent" by economists, but it should be taxed into the public treasury, says Mr. Haxo. "Instead, we allow the landowners to retain most of this value, in effect providing them with an unearned income which, capitalized at the current interest rate, becomes the selling price of land and fosters land speculation with its many attendant evils."

This "tribute" amounts to billions of dollars a year, and increases steadily with the growth of population. The author points out in more detail how all this is leading to a state of economic slavery—the process by which all the great civilizations have declined and died.

Gaston Haxo is the founder and president of the Henry George Society in St. Petersburg. Any reader who would like to receive a copy of the entire article, along with the HG Society's statement of principles, may have both by writing to the Society at 5599 57th Avenue North, St. Petersburg, Florida 33709.

In an era of ominous depression and sagging stocks, word comes from a professor of real estate and urban land studies in the College of Business Administration at the University of Florida, Dr. William R. Beaton, that "the traditional advantages of real estate as an investment (for corporations), which individual entrepreneurs and investors have long recognized, still exists."

Real estate, he said, was probably the most desirable kind of "leveraged investment," i.e., acquired with as little of the buyer's cash as possible—the object being to increase the rate of return on the cash invested. Corporations enjoy a tax shelter created by depreciation allowances. The investor can frequently recapture all of the depreciation when he sells the property, and with rising values the property will sell for more than it costs.

Corporations enjoy several advantages over individual investors such as their substantial financial and managerial resources, and the easy way in which they can extend their activities in real estate.

William Truchart of Riverside, California, formerly the HGS director at Los Angeles, received his Bachelor's degree in economics in June from the University of California, Riverside, with honors. He now has his sights on a doctorate and for this he has received a cordial invitation to proceed with his Ph.D. work at UCR. Meanwhile he begins his sixth year of teaching the two-semester course in Principles of Economics this September at Azusa Pacific College—a leading independent, church-related, liberal arts college in Southern California.