

# Henry George News

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## Peace, Justice, and Economic Reform

by Robin Robertson

"If you want peace, then work for justice." That's a bumper sticker slogan Dr. Nicolaus Tideman quoted when he spoke at St. John's University on March 18, 1997. But the apparent meaning, implying that peace is the absence of strife, is only half true, said Dr. Tideman.

"Peace is more than armistice.... Peace is unity and harmony. In a peaceful world, people are all pleased to cooperate with one another.... If you want peace for others, then work for justice." But what, then, is justice?

Dr. Tideman, Professor of Economics at the Virginia Polytechnic Institute and State University, has researched and written dozens of articles concerning social justice, land taxation, public financing ethics, and theories on voting. Editor of the book *Land and Taxation*, the former Senior Staff Economist for the President's Council of Economic Advisors was recently elected President of the Robert Schalkenbach Foundation, sponsor of the St. John's Henry George Program. Speaking before an audience of St. John's students and visiting Georgists, Dr. Tideman explained that "there are so many conflicting, strident claims for different conceptions of justice that a person might reasonably despair of ever finding a meaning that people would agree upon. Any conception of justice may seem to be no more than one person's opinion. And yet there are things that we all know about justice." He proceeded to describe five different views:

1. The conservative claim that "justice is defined by traditional rules" has an important virtue in that "it eliminates the waste of resources in fighting over who has what rights" because "there will be some situations where there is no time to secure agreement." But it "cannot be the ultimate rule of a just society" because "it would perpetuate slavery, the selling of daughters as brides, racial and sexual inequalities in civil rights, and every other historical injustice that, through our moral evolution, we have overcome."

2. Justice could also be "defined by what the majority wants," which, on first glance, may seem appealing because everyone would have a vote. But both of the two possible voting perspectives are flawed. If one votes with "selfish personal interests" the voting process may never end because "there will always be some measure that can be proposed that will (continued on page six)

## Using Taxes to Save the Earth

by David Domke

On Saturday, March 22nd, the School hosted a seminar entitled Using Taxes to Save the Earth with David Malin Roodman, a research associate with the Worldwatch Institute and coauthor of *Vital Signs 1994: The Trends That Are Shaping Our Future*.

Mr. Roodman began his remarks by saying that it is very difficult to "appreciate the scope of the environmental changes taking place now and to appreciate the speed at which these changes are taking place; we tend, on a day to day basis, to consider the world around us as essentially constant and unchanging." However, if we step back and consider how a given piece of land may have looked one hundred years ago, we can quickly realize "how rapidly we are converting surrounding eco-systems to our own use and mixing together those systems we are leaving intact."

By "mixing together" Mr. Roodman explained he was

referring to biological systems imported, intentionally or unintentionally, from other countries. Many of these imported eco-systems can be quite damaging to local environments. "Chemical pollutants can dissipate or eventually be cleaned up and the environment will return, more or less, to its original state. Biological "pollutants", once transplanted, are virtually indestructible." He used dutch elm disease and other plant blights as examples of imported pollutants that have had devastating effects on local eco-systems. As a result, the extinction rate of species, both plant and animal, has increased dramatically. "The natural rate of spe-

cies extinction has been estimated to be about two species per year, world-wide. The actual rate is closer to one thousand a year, as imported biological pollutants put increasing pressures on indigenous habitats." At the same time, Mr. Roodman went on to say, "human indigenous cultures are also disappearing at a rapid rate. The number of cultures in the world is usually measured by the number of languages spoken in the world. It has been estimated that there were roughly fifteen thousand languages spoken world-wide about two centuries ago and those represented fifteen thousand different cultures. Today, it is estimated, about half of those cultures have already disappeared and ninety five per cent of those will disappear over the next fifty years.

Cultures disappear either because (continued on page four)



Happy Birthday Jack! Over seventy-five friends and fellow travelers turned out March 12th for newly elected Board Member and Master Georgist Jack Schwartzmann's 85th birthday bash.

Pictured above are (l - r): Jack; Oscar Johansen, President, HGS; and Sydney Mayers, Board Member and longtime teacher, HGS.

## On His Way to a Life on the Margin

by George Collins

Staff members of the Henry George School in New York exchanged good-bye's and good wishes with former Assistant Director Lindy Davies on his final day at the school on March 21st. Lindy, his wife Lisa, and their first born, Eli Morris, who arrived on March 26th, will leave New York shortly to take up residence on a farm in Maine.

In a way the move represents a return to the economic margin or real margin for Lindy. He came from rural Maryland to the University of Delaware in Newark for undergraduate and graduate studies before joining the staff of the school in 1989. As a budding writer and a convinced Georgist, New York was a good move.

Perhaps the most visible aspect of his work to Georgists outside the school has been his editorship of the Henry George News. During his tenure it served to enrich the understanding of the Georgist

philosophy among past and present students of the school. It helped to draw attention to areas of concordance between Georgism and



Seated is the invaluable Lindy Davies; from left to right: David Domke, Peter Geszdorf, Ramon Alvarez, Evangelina Reusi-Liades, Carmine Crespo, Vesa Nelson, and George Collins

other seemingly disparate schools of thought from one end of the socio-economic spectrum to the other. And, of course, it has kept our students abreast of the not infrequent news of renewing interest and cautious steps toward implementation of George's reform.

The "Teacher's Corner" column which he wrote extended the pedagogical contributions and theoretical explorations that Lindy added to the teacher training programs at the school. And as an inveterate teacher, he was always learning. He applied his talents to developing new courses and used his computer skills to improve the format of most of our educational material.

Being down on the farm up in Maine will not isolate Lindy from the mainstream of Georgist work, you can be sure. True to his embrace of the advantages of the digital age, he will operate the Henry George Institute's Website, which he designed, to teach the philosophy via the internet. So as we say our New York, real world thanks and farewell, we are happy that there will follow many virtual hellos from the margin.

(continued from first page) benefit a majority at the expense of a minority." Alternatively, if one votes as a "disinterested judge" the goals of voting are ambiguous and can conflict: should the greatest utility be created? the status quo be preserved? the rate of population growth be maximized? or some combination of these or other sets of goals? Majoritarianism "cannot provide a coherent theory of justice" because it does not define the context.

3. The contractarian formulation of justice is similar to the Golden Rule. It is only after all prescripts have been set, without taking any personal circumstances into account, that official complaints can be heard. This "approach may be a good way to seek consensus" and a good guideline for arbitration. But it is not "a good way to identify justice" because "the luxury of securing complete agreement on principles" cannot be afforded and the judgments "bear on those who have not agreed on [the] principles."

4. Egalitarianism, where justice is equality, can be understood in the light of John Rawls' proposal: "the talents that individu-

als possess [should] be regarded as a common pool, so that anyone who has more than his share has an obligation to compensate those who have less than their shares." But, as Dr. Tideman says, this definition of justice should be rejected because one's talent is not acquired at another's expense and "the quantity of talent that [one has] in no way diminishes the quantity that is available to [another]."

5. Classical liberalism includes an important principle of justice: people have the "rights of self-determination." Derived from this is the tenet that we have "the right of ownership of what we produce," which Dr. Tideman further describes as, "We have the right to cooperate with whom we choose for whatever mutually agreed purposes we choose. Thus we have the right to trade with others, without any artificial hindrances, and we have the right to keep any wages or interest that we receive from such trading."

Two camps within the group of classical liberals conflict on their view of how "exclusive access to natural opportunities [are] to be established." One camp can be exemplified by John Locke who said that

"private appropriations of land are actually not [to be] restricted, because anyone who is dissatisfied with the land available to him in Europe can always go to America, where there is plenty of unclaimed land." But, as pointed out by Dr. Tideman, "Locke does not address the issue of rights to land when land is scarce."

The other camp, "Geoists," who have been inspired by Henry George, believe that "all of the rental value of land should be collected in taxes, and all other taxes should be abolished," thus ensuring that natural opportunities do not end up belonging to those who happened to claim them first (especially since land titles can be traced back to days when violence determined ownership), nor to those who claim more than their share.

Dr. Tideman reminded us that "if you want peace for others, then work for justice. Work for freedom. Work for the elimination of all taxes on the productive things that people do. Work for equality in the right to benefit from natural opportunities." But there's also a personal side to this recommendation. He ended (continued on next page)

## Popular Education: What Good Is It?

For many years the advocates of the Georgist philosophy have been debating tactics. Again and again the question is asked, "Why spend all this time and money on education, when what we really want and need is activism? Other movements don't do this! How wrongheaded and misguided are we Georgists, educating and educating and educating, while society's need for the reform we advocate grows more desperate by the hour.

Undoubtedly we need more activism toward real-world application of the Georgist remedy. But consider for a moment: what action are our activists to take? What is it that they are to "toil for... suffer for... if need be, die for?"

The cause is: "to abolish all taxation save that upon land values," and in so doing to establish a just and prosperous economic order! But that seems quite a lot to tackle all at once. We need a first step, something concrete, something do-able.

Traditionally we've been given two alternatives: 1) Two-Rate Property Tax Reform, and 2) Something Else. Let's examine each of these in turn.

It might be observed that two-rate tax reform lacks that certain something that political consultants would call "sex appeal." The claims made about it in *Incentive Taxation* are perfectly true and important. They are also spectacularly uninteresting, save to a particular audience: officials and planners in cities, without too powerful a real estate lobby, in states whose laws permit differential taxation of land and improvements.

But that is not a problem in itself. Teams of diligent, well-organized Georgists have made the plan interesting enough to mayors and city councils. Collecting more land rent and lowering taxes on improvements is perfectly sexy to Georgists, after all. The problem comes when we start to believe that two-rate reform, by itself, is enough. It isn't — not until it actually begins to reduce land speculation and raise wages. In fact, if a two-rate tax creates, through stimulating new construction, a higher percentage increase in land values than its increased levy on land rent, it will actually make land speculation more profitable.

So ought we to stop working for two-rate reform? Heavens, no! Let's just be clear about what we're actually accomplishing. Dr. Steven Cord, for years the leading expert on two-rate reform, has never said anything less in his published work; he has always held that two-rate is the first step toward the goal of full collection of land rent by the community and abolition of taxes on wages and interest. (Whether most people listened when he said that is another matter.)

So, then, what about the other option for Georgist activists, 2) Something Else?

It has been argued that if we're really interested in the public collection of land rent, we ought to be lobbying for an increase in the capital gains tax, since the lion's share of so-called "capital gains" is actually land rent. (It is counter-argued, however, that land speculation won't be deterred by such a measure, since it collects the rent after the fact.) It has also been noted that green taxes, that seek to charge the social cost of pollution to the polluters (rather than to

the society at large) are also a form of public rent collection, since our common right to the earth includes a right to breathable air and nontoxic groundwater. And we can go on in this fashion, showing the vital importance of "the land question" to every social and economic problem you can think of. All this would argue for working to link our movement with other groups whose goals are (more or less) compatible with ours. And, many courageous and capable — and underfunded — Georgists have been working hard to do that.

Still, we have something absolutely vital to offer to all of those other movements. And some Georgists stand a zealous guard, lest in seeking "linkage" we dilute our message beyond recognition.

The fact is, we must educate people, because people don't understand what we're saying. So, the second option, the "Something Else" for Georgist activists, is education. In our movement, at this point in history, education IS activism.

Ah, but no sooner is that point is conceded (if it is!) than a whole new debate starts up about who we should educate. And here again we are offered two basic options: 1) Anybody Who Will Listen, and 2) Important and Influential People.

The Henry George School, in its traditional role of teaching general-knowledge courses based on Henry George's works, has often been criticized as being merely a "folk school" whose programs are ill-designed to reach the Powerful and Influential people we need to reach.

Indeed, the so-called traditional Henry George School program has not been consistently practiced at the HGS over the last 25 years. Various efforts to court the favor of Great Ones have been made by the School and by other organizations in that time, by commissioning research, underwriting scholarly conferences, etc. Although most of these efforts were sincere attempts to make headway by the efficient tactic of "teaching the teachers," nearly all of them became so compromised in their pursuit of academic respectability that they lost focus, becoming diffused and irrelevant.

Efforts to court academic respectability have not destroyed our movement, it's true, and have done some obvious good. Nevertheless, we'd do well to remember that in the late 60s the "folk school" program at the Henry George School saw over 600 students per year complete the *Fundamental Economics* course in classrooms, while each year some 600 more took the course by correspondence, in five languages, and the school maintained active extensions in 22 cities in North America. What might have happened, had that kind of momentum been allowed to continue through the 70s and 80s, rather than being cut off in a vain attempt to seek a more "influential" class of students?

Is being a "folk school" something bad? Not at all! Why have Great and Influential people not been willing to treat with us? Because we — gasp! — deign to teach political economy to working people? No, let's get it straight before we waste another twenty years: politicians and academics have ignored us because there was nothing in it for them — because there was no energized grass-roots constituency who understood the nature of land monopoly and called out for justice! And to establish such a constituency, a "folk school" is exactly, precisely what is called for.

## TEACHERS' CORNER



by Lindy Davies

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(continued from previous page) with the provoking thought that "If you want peace for yourself, you can have it, at any time.... Whether you are treated justly or not, you are a part of the being that is all humanity. Each person's joy is your joy. Each person's grief is your grief. You don't have to wait until you are treated justly to see this.... If you want peace for yourself, simply have it."