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HENRY GEORGE SCHOOL OF NEW JERSEY

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RAMPAGING SOCIALISM

As the cancer of our unjust and unwise system of land tenure metastasized throughout the nation, the economic quacks devise remedies which increase its disastrous effects. The palliatives offered invariably are of a socialistic nature, and at the present time have become so numerous and so all embracing that the average citizen is becoming increasingly uneasy.

Most believe that this is a new development. Actually, it is the culmination of a series of socialistic measures which have snowballed to a point where one would have to be blind not to notice.

It all started with the inception of our nation, if not before. The ownership of human beings, and the ownership of one thing human beings need for survival--land--were permitted. These evils created problems which resulted in attempts to reform from the very beginning.

The early history of the United States is studded with measures to circumvent the iniquity of human slavery. It was not until the Civil War abolished this evil that its serious effects on the economic, moral and social life of the nation were eliminated. Probably not until many years later was it generally recognized that the nation, and particularly the South, would have been better off if slavery had never been introduced into the country.

All during this period, the ownership of land brought with it involuntary poverty on the part of many of the people together with successive booms and busts. To alleviate these conditions, socialistic measures were introduced from time to time in Congress and in the various legislative bodies. For example, as a result of poverty, reformers concerned with the education of poor children came up with the socialistic proposal of making education a function of government. This was done in the 1830's. The result was that for the most part primary and secondary education was conducted in socialistic institutions called public schools. This has been in existence so long that most people have lost sight of the fact that public schools are socialized schools. Had it not been for the poverty of many people which was occasioned by the land problem, there would not have

appeared the necessity for socialized schools, so today we would have had the finest private schools in the world, just as we have the finest private medical system in the world.

Up until the past generation, the socialistic measures which were adopted were done so sporadically. This was probably because of the free land available in the West. However, once for all practical purposes the land in America was all enclosed, it was inevitable that either the land problem would be solved or socialistic measures would proliferate to ameliorate the economic and social problems which would become increasingly worse. The very fact that such socialistic institution as our socialistic school system exacerbated the problems. Not only were they an economic drain, but with the inevitable emphasis on secularism and the denial of religious values, the graduates were amenable to the socialistic proposals which are now snowballing.

What started out slowly over 150 years ago has reached a point where it seems almost impossible to stop. Today we have such proposals as socialized housing under the innocuous term of urban renewal. We have socialized medicine under the dishonest euphemism of medicare. We even have proposals for the removal of protective tariffs which are in the direction of freedom, but these proposals are tied in with so many devices to help business which presumably will be hurt by lowering tariffs that the net result is greater socialization of business.

With increasing socialism comes a decrease in freedom. The President's castigation of the steel companies for doing what they had a perfect right to do, raise their prices, is the clearest possible indication that we are losing our freedom at an alarming rate.

What can be done about it? Conservative groups and organizations are springing up all over the country as a result of people's awakening to the threats to freedom. However, although this conservative revival will probably stem the tide to socialism for a time, it will not stop it. The economic dislocations brought on by the land problem will make it appear necessary for the government to institute socialistic measures.

(Continued next page)

The only real solution is to solve the land problem. The possibilities of doing that at the present time are exceedingly small. The only ones who recognize that the land problem is the cancer which turns the government into a socialistic state are the Georgists. The classical economic students, who call themselves libertarians, unfortunately do not understand the importance of the treatment of the land. They recognize the dangers of the socialistic state, but not the dangers of the private ownership of land.

All any of us can do is to keep trying. While the probabilities of awakening the people to the land problem are small, nonetheless with modern means of communication--the radio, television and newspapers--it is, at least, possible that almost overnight a gigantic debate of this whole subject might occur.

Unless something like this occurs, it is almost certain that the creeping socialism in America will turn into rampant socialism.

Oscar B. Johansen

TWO MEN FROM MICHIGAN

Stanley Yankus decided to remove his family from Michigan to Australia in protest against the government telling him how much wheat he could grow to feed his own chickens.

S. James Clarkson, Mayor of Southfield, Michigan (former Instructor in the Henry George School, Detroit) decided not to run away from government stupidity but to bring to the attention of all he can reach, what government might do to improve the condition of all people.

In an address delivered in Detroit not long ago, he made some statements, deserving of consideration. Quote -

"In talking about untaxing the homeowner, the first job the politician must do is to vocalize the idea which is already in the minds of most of the voters. He must mechanize the formula so that it can actually take place when and if the voters so desire. When I ran for office I pledged my protest against any penalty taxation on the homeowner and home improvements. This was merely expressing what the people already felt. This was the first key to my whole approach in running for mayor of Southfield. I hammered away on this theme as I spoke to all different groups in my area, regardless of their particular backgrounds and special interests. I gave illustrations of penalty taxation, for example: a garbage disposal unit in a kitchen helps to cut down governmental costs by reducing the garbage pick-up service, but as a penalty, the homeowner's taxes actually increase due to the disposal unit. Many of my constituents had recently finished building and were now thinking of additions to their houses to permit space for growing families. They needed an extra room here and there. Talk about government efficiency! As soon as the build-

ing permits to improve were issued, the assessor was out making his inspection. Not in the next year or two, but within the next two weeks. He was there, Johnny-on-the-spot to get the increased valuation on the tax rolls just as soon as he could verify the improvements. Contrast this, if you will please, with assessment procedures regarding land values which they may not get around to examining, as in Southfield, for six year periods. In a rapidly growing community, such as ours, you can see that six-year appraisals of land are neither fair nor realistic. This is the story I brought to the people.

I asked, "How can some people rationalize their programs for slum clearance at the same time they go along with penalty taxation on home improvements? Urban renewal programs would not be necessary now if taxes had been relieved from improvements and placed on land values where they belong."

Upon becoming Mayor, one of the first things I did was to make a specific request to City Council regarding the budget. In my message to the Council I stated: "I deem necessary the creation of a Land Division in the Assessor's Office to be staffed by a qualified real estate appraiser. His primary duty would be to make annual appraisals of all the land in the city of Southfield. Ours is the fastest-growing community in Michigan and a special department should be made responsible for keeping check on the rapid increases in land values. Presently we are losing millions of dollars in taxes because of the inadequately-staffed Assessor's office, which has been unable to keep pace with our growth. We are lagging six years behind reality in our present method of appraising land values. At least 70% of our land area is now underdeveloped, and the cost of sewerage and storm drains falls mainly on the small homeowner. Our school building program depends largely upon our available tax revenue and has come to be our largest tax burden. I suggest that land maps be provided by the assessor's office describing every piece of land in the city, its frontage, its value per front foot, and its total value."

We can relieve the homeowner of some of this penalizing taxation and have more land value taxation within the present law if we will obey it.

People are beginning to be concerned about their tax problem. It remains to be seen to what extent they have been aroused and how far they want to go in untaxing the homeowner, but this one thing I can assure you - as I have assured my Council and the voters who elected me, that we are going to have some land value taxation in Southfield, come hell or high water."

AGAIN IT THE TRUTH

"Of course I'm against Site Value Taxation. For one thing it's unfair, for another thing it won't work - and anyway I don't understand it."

SENSE AND NONSENSE

The Russians are in a dither. How should a worker be paid? Should he be paid as an individual, with bonuses and other fringe benefits as incentives or should he be paid on a collective basis, with wages divided equally among all the members of the labor team?

Some papers in Russia back the collective approach, but Pravda, the Communist Party paper, said that pay without incentives is "leveling", and "inadmissible under any system of payment."

Inasmuch as Pravda apparently is voicing Nikita Khrushchev's ideas its viewpoint will be the one adopted. But what happens to the Marxian formula of pay being based on need and not on productivity?

Can it be that while we in the United States have creeping socialism, the Russians have creeping capitalism?

The Federal Trade Commission is injecting itself in a battle royal which is going on in Indianapolis. The Commission is going to determine if three big food chains are buying and selling milk in a manner to destroy competition. These chains are selling milk so cheaply that the small grocers and dairymen are complaining that they are being put out of business.

Much to the annoyance of the consumers, the FTC apparently favors higher prices of milk. And yet one of the principal reasons for establishing the FTC was to protect the consumer from high prices. Is this protection?

And in New Jersey, something has to be done about it. Milk is selling here cheaper than any place in the nation!

Did you ever hear of Zug, Switzerland? Well, some smart American businessman did for they have established 56 new subsidies there in the past 17 months. Why? Taxes. The corporate income tax in Switzerland is about 8% whereas in the U.S. it is 52%. Under present laws, companies abroad can defer payment of U.S. income taxes indefinitely or until the foreign earnings come back to America as dividends.

Although the government is trying to close this so-called loophole, there isn't much it can do about it, for if it does it will just destroy the golden goose. Now, at least, it gets some of the eggs when the dividends or earnings come to America. If it tries to tax the earnings before they come back to America, the companies will merely close up shop or be sold to foreigners.

The point is that people will always avoid taxes, if they can. Rent they are willing to pay, but they hate to pay taxes.

INCREASE IN BOOK PRICES

Effective Sept. 1, 1962 Progress and Poverty and Science of Political Economy will go to \$2. Protection or Free Trade to \$1.50.

Castro is reviving the slave market. People had illusions that civilization had at least reached a point where human slavery had been abolished. Communistic Cuba reminds the world that such is not the case. Castro is willing to sell the 1179 men captured in the invasion of Cuba last year for \$62 million.

If anything should teach those muddled headed people who believe that socialism is Utopia, this should prove to them how wrong they are. But, of course, they will merely state that socialism is not communism, although Marx, who certainly knew, used the terms interchangeably.

Well, the Cubans now know that communism and socialism are synonymous with slavery. Will we Americans have to go thru what they are suffering to learn that lesson?

THE J. MENDEL STEGNER

I am pleased to report that I have gone prospecting and have hit "pay dirt". In short, with scarcely any effort at all, I've found a couple who attended the very first course offered by the Henry George School of New Jersey.

Mr. Stegner recalled that he and his wife, Caroline, were greatly inspired by our well-remembered Dr. Bowen, who led the group. He commented on talks by Mr. Rusby and of the glimpse he offered into the future. That future is now the present and the prophecy has now become reality.

He inquired for Alex Goldfinger and mentioned Messrs. Susskind, Grosken and others of the early days of the school.

He regretted to me several times that he had not had the time later to be more active at the school, though he did manage to attend the Trade course. The reason for this is that he is a special agent for the Northwestern Mutual Life Insurance Company and has always been occupied with appointments during his evenings. (Mr. Rusby was also associated with this Company.)

Mr. Stegner was apparently only verifying his previous knowledge of George and his concepts; for his father was an old friend of George Rusby. And it was impossible to ~~com~~ ^{discuss} spheres of influence and not be exposed to the principles so dear to him.

Therefore, Mr. Stegner's ideas on the passing scene, economically speaking, are identical with those of the rest of us at the school. His outlook is tinged with a degree of melancholy; even though he feels there is room for hope for the future. He reminded me that George Rusby used to elaborate on the probability of a worsening economic situation; but that out of the resulting concern and disenchantment, it might be possible for truth to emerge. He sees hope in the growing interest in the field of taxation. He expressed approval that our school is addressing itself to groups formed to study this general subject.

Mrs. Stegner has always lived in the Newark area, while her husband first lived and was educated in Winchester, Va.

Aside from his involvement with his work, Mr. Stegner has managed to find time for their church activities. They have also enjoyed traveling about our own country during vacations.

An aside to Jack Tetley: Mr. Stegner says that when he retires, he would like to become active at the school; since he has not been able to indulge himself in this interest so fundamental to him.

I am certain he would never succumb to some possibly eccentric hobby like collecting the wisdom found on match-book covers, or the supposed joys of suddenly "adding" with clay, or cavorting about in the abandon of the square dance. So we should welcome him at the beginning of his free time.

We can use the contribution of the ideas of both of them as people who have, as a reward of maturity, gained much in experience and wisdom.

Virginia Harvey

SALT OF THE EARTH

A neurotic is a person who worries about things that didn't happen in the past, instead of worrying about something that won't happen in the future, the way normal people do.

A model husband is one who belongs to some other woman.

Parents are people who bear infants, bore teen-agers, and board newlyweds.

Some workers believe their time is worth money whether they do anything with it or not.

Boss: Congratulations on running your department so economically last year. You've done so well that we are not giving you a budget this year.

At least one good thing can be said about silence. It can't be repeated.

HENRY GEORGE SCHOOL of NEW JERSEY
78 Clinton Avenue, Newark 14, N.J.
John T. Tetley, Director. NA 3-9333

Behind every successful man stands a man who couldn't manage on her budget.

President Hoover gave all of his salary back to the government. The idea caught on. Now we're all doing it.

America! A place where a permanent wave is temporary and a temporary tax is permanent.

News: Something that happens when a bull throws a Congressman instead of vice versa.

this and that

Sorry to report Abe Fox, former member of Faculty, New Jersey school died in April.

Sign in window of small house in depressed area, Newark - "Here resides The Queen of Sheba."

Wrigley (of chewing gum fame) was once asked why he spends millions for advertising. "Everyone knows Wrigley's Gum" the inquirer stated. "Yes, replied Wrigley, but if I ceased advertising, nobody would know it."

Uncle Sam makes a more seemly appearance in a business suit than he does in a Santa Claus costume.

"The Tax History of the United States in recent years has been fairly sensational. A visitor from Mars would suspect that a Communist fifth columnist was writing the laws for the purpose of making private enterprise unworkable." Summer Slichter

Why should minerals of the earth belong to one or a few individuals any more than does the air or the sunlight?

The school is still accepting bookings for "LAND AND SPACE TO GROW". Wherever this film is shown interest in lowering taxes on improvements and the land proposal is expressed. It is absolutely the best publicity for the school and the educational program offered that we have. Appeal is made to all readers of GARGOYLE to contact persons who can arrange for a showing. There is no charge and a good half-hour program is provided for meeting of any organization. How about IT?

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Henry School of Social Science
50 E. 69th St.
New York 21, N. Y.