

# 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*.

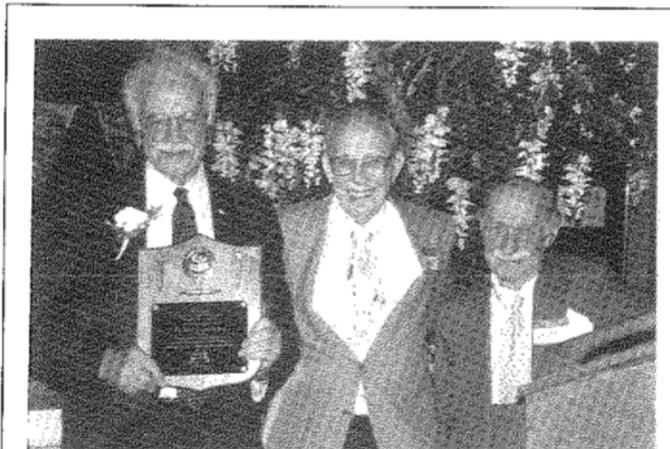
Mr. Roodman began his remarks by saying that it is very difficult to "appreciate the scope of the environmental changes taking place now and to appreciate the speed at which these changes are taking place; we tend, on a day to day basis, to consider the world around us as essentially constant and unchanging." 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.

(continued from first page) people are forced off their lands due to expropriation or are swallowed up by the dominant consumer culture."

Added to all this are the increasing pressures put on cultures by diminishing natural resources. Since the 1980s, Mr. Roodman pointed out, arable crop land has declined globally, especially in third world countries. This has been due to a number of factors impacting simultaneously. As many developing countries in the third world countries rush to industrialize, their use of natural resources expands exponentially. This, in turn, produces increased pollution, increased soil erosion, and, as farming and conservation techniques themselves tend not to modernize as quickly as the industrial sector, there is an increasing lag between industrial progress and the maintenance of agricultural stability. Coupled with these factors is an inevitable growth in population, which puts further pressures on an already fragile infrastructure.

## Calling All Georgists!

Have you ever wondered what exactly a Georgist is? Or where they come from, or what they do? Every summer the curious have the chance to meet their fellow Georgists for four days of seminars, workshops, and some good old fashioned fun. For most of us in the New York area this year's annual conference couldn't be easier to take part in. Sponsored by the Council of Georgist Organizations, the events will take place in nearby New Jersey, August 7th - 10th, with a special **New York City** day on Saturday, August 9th. Planned are a series of academic lectures and debates, training exercises, education programs, and a special Georgist salon where everyone is invited to show off their creative genius. For the Saturday in New York, there will be a bus trip to the Henry George gravesite in Greenwood Cemetery in Brooklyn, followed by a tour of lower and midtown Manhattan, showcasing historic events and locations from Georgist history, celebrating the centennial anniversary of George's last campaign for mayor of New York City, while illustrating glaring examples of the effects of present day speculation. And no one should miss a special appearance by Henry George himself, delivering an exciting soapbox speech in the middle of Washington Square Park.

If you wish to help out or would like to learn more please call the school at 212-889-8020.

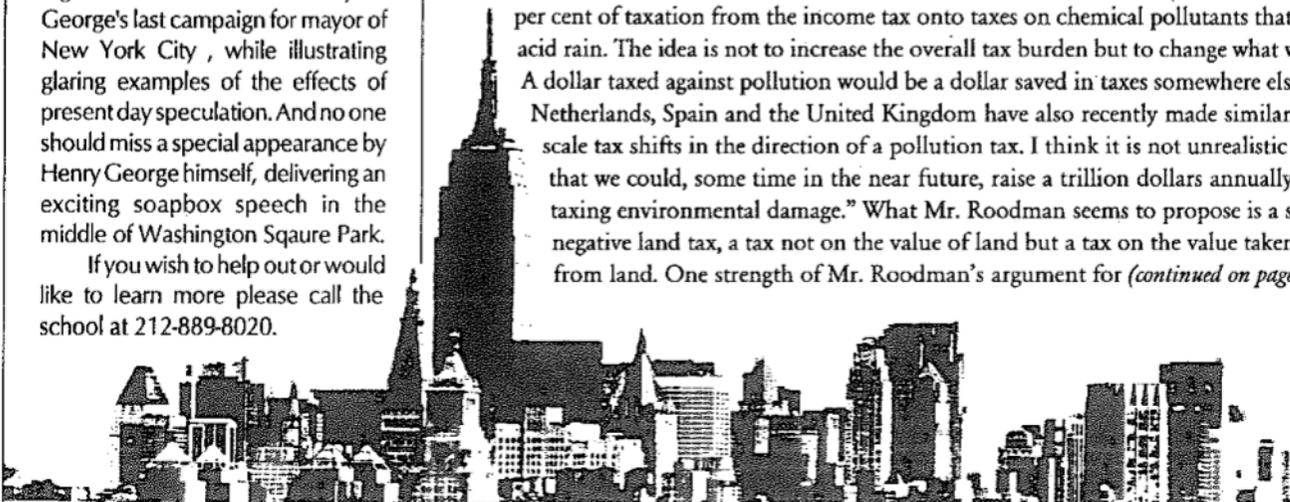
In the face of this dire news, Mr. Roodman also pointed out that, in the modern industrial nations, progress has been made in curbing many of the causes of pollution. There have been environmental regulations put in place during the last ten to twenty years that have, especially on local, mostly urban levels, dramatically decreased toxic emissions in the atmosphere and cut back on the dumping of waste in rivers, lakes and streams.

To combat these problems more effectively, however, Mr. Roodman went on to say, we have to go beyond the level of regulation and control; we have to go to a deeper, structural level. That level is the level "at which the economy and politics interface." "Those industries which pollute," explained Mr. Roodman, "profit in some way, directly or indirectly, from polluting and are very slow to change. They can have enormous political clout. It is difficult to hold polluters accountable for the damage they do."

Mr. Roodman then went on to describe a plan to use taxation as a way to discourage both pollution and natural resource depletion. One way in which to do this would be to tax air and water pollution and toxic emissions in the atmosphere. In fact, some governments are already starting to do this, on a small scale. "Sweden was the first country to do so, in 1991. The Swedes shifted three per cent of taxation from the income tax onto taxes on chemical pollutants that cause acid rain. The idea is not to increase the overall tax burden but to change what we tax. A dollar taxed against pollution would be a dollar saved in taxes somewhere else. The Netherlands, Spain and the United Kingdom have also recently made similar small scale tax shifts in the direction of a pollution tax. I think it is not unrealistic to say that we could, some time in the near future, raise a trillion dollars annually from taxing environmental damage." What Mr. Roodman seems to propose is a sort of negative land tax, a tax not on the value of land but a tax on the value taken away from land. One strength of Mr. Roodman's argument for (continued on page eight)

## If It Plays In Peoria...

On April 8th, the Peoria City Council passed a measure to the Illinois House of Representatives petitioning the state to grant cities the choice to only tax land values in their communities. By the Illinois Constitution, the State reserves authority over all property taxes. But under Home Rule legislation individual cities may exercise great discretion regarding the rates and types of real estate and community taxes levied. John Kelly, who has rallied for LVT in Peoria since 1983, says that the political viability of the measure facing House hearings is uncertain, and that it must be introduced and passed onto the Senate before the House ends session on June 1st. But the legislation does have the broad support of the Illinois Municipal League, which tends to favor any shift toward local control of taxation. And such a move is not unprecedented: Enterprise Zone legislation, passed in Illinois twenty years ago, allowed cities to abate taxes on construction as a development incentive - a move that was extremely successful in Peoria. Now if the old saying holds true, "If it plays in Peoria..." perhaps we'll see Land Value Taxation play on ol' Broadway.



(continued from page four) a pollution tax is, as he says, "we use taxation from other sources now to deal with pollution, taxes on wages and production, for instance."

"What we would be actually taxing would be the hidden costs of pollution, the costs to society as a whole," Mr. Roodman went on to say, "and this path can be good for the economy in general. For example, the Netherlands began a set of water pollution taxes in 1970. Rather than straight regulation, the government there decided to adopt rather stringent taxes as a disincentive to pollute and an incentive to come up with their own ways of reducing pollution. Some of this tax was passed on to consumers, who reacted by switching their consumer allegiances to those companies who polluted less. This in turn produced a growth industry based around finding new technologies to lower pollution levels. A tax on pollution, rather than regulation, seems to be the path of least economic resistance. One company in the Netherlands has since become the world leader in producing one kind of this technology."

Mr. Roodman further stated, in summing up, that these sorts of taxes would bring our economy "much closer to a natural eco-system; a system that would be self-renewing, self-cleansing and naturally efficient. Ideally, all materials would be recyclable, allowing the economy to be self-regenerating and our society independent of the inefficiencies built into a system based on disposable products and non-renewable sources of energy."

(continued from page five) the fact that land values are created by the society, though only the landowner benefits from such values, and that all taxes save a land value tax should be eliminated. Also, according to George, he writes that "...a land-only tax also would force development of unused land and, by abolishing taxes on buildings, encourage construction as well as improvements of existing buildings." And no one would disagree with George Collins' claim that "There's so much distortion and dysfunction in the system now, nobody understands it", arguing for the simplicity inherent to a land tax system. Hardly a developer, financier, or tenant would not take interest in these words, though certainly such proposals may seem

## Springtime in New York

### Basic Courses

#### Fundamental Economics

Monday, Dan Kryston, Esq., 6:00 - 8:00  
Tues., Mr. George DeShields, 6:00 - 8:00  
Weds., Mr. John Alexander, 6:00 - 8:00  
Thursday, Dr. Paul Kahane, 6:00 - 8:00

#### Understanding Economics

Tues., Mr. George Collins, 12:30 - 1:30

#### Progress and Poverty (in Spanish)

Thursday, Ms. Melba Campbell, 6:00 - 8:00

### Advanced Courses

#### Applied Economics

Tuesday, Mr. Alton Pertilla, 6:00 - 8:00

#### Economic Science

Monday, Mr. George Collins, 6:00 - 8:00

#### A Philosophy of Life

Monday, Mr. Vesa Nelson, 6:00 - 8:00

#### Great Decisions '97

Tuesday, Mr. Jim Brian, 6:30 - 8:30

#### US History & Government (in Spanish)

Weds., Mr. Manuel Felix, 6:00 - 8:00

#### Public Speaking

Weds., Mr. Sydney Mayers, 6:00 - 8:00

#### Classical Analysis I

Thurs., Gerald Paone, Ph.D., 6:00 - 8:00

### Friday Forums (7:00 to 9:00 pm)

#### Land in the Movies

April 11th, Howard's End — Anthony Hopkins and Emma Thompson star in E.M. Forster's moving saga.

#### How Wall Street Works

May 30th, Frank Sposato — Sources and methods to help you understand investment decision-making.

#### The Determined Doctor:

#### Social Reform and Catholic Doctrine

June 6th, Rev. Alfred Isaacson — The author of a new scholarly biography of famous Georgist Priest Edward McGlynn.

### Saturday Seminars (1:00 - 3:00 pm)

#### Mongolia: Survival in a Changing World

May 17th, H.E. Enkhsaikhan Jargalsaikhan — The UN Ambassador reviews the development challenges that face the fiercely independent people of his country.

#### The Monopoly Experience

May 3rd, Mr. Lindy Davies — A very realistic economic simulation game for workers, landowners and capitalists of all ages.

#### New Strategies for Urban Revitalization

June 21st, Mr. Alton Pertilla — Why does the market tide flow against affordable housing? How can we go with the flow?

too good to be true to some New Yorkers, especially considering the generally increased cynicism around tax time. And the piece does suffer somewhat by not providing any concrete examples of speculative land ownership and its corresponding effects throughout the city.

But the nature of the column tends toward human interest stories, which in this case is the story of Henry George and

land value taxation - a name and an idea now more familiar to as many as 730,000 daily New York readers. Perhaps this will offset what Mr. Bell discovered to be the only problem that Lindy Davies could find in the body of George's ideas: "I set out to find flaws in his theories... the only flaw I found is that not enough people know about him."

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