

## Connecticut Poised to Enact Land-Tax Reform

According to a recent issue of the *Georgist News*, edited by former Chicagoan Adam Monroe, the Connecticut State Legislature is about to vote on Georgist land-tax reform. Quoting Josh Vincent, Director of the Henry George Foundation of America and the Center for the Study of Economics, the article points out that "Connecticut State Legislator Jefferson Davis has, for the past four years, been promoting the sensibility of shifting taxation off of the productive activities of the people and onto land value speculation." **House Bill #6904**, recently approved by the Connecticut House of Representatives, should soon come up for a full House vote.

The following is the full text of the bill, taken from the state's General Assembly Website ([www.state.ct.us](http://www.state.ct.us)):

### An Act Concerning Land Value Taxation.

*Be it enacted by the Senate and House of Representatives in General Assembly convened:*

**Section 1.** Section 12-62a of the general statutes is repealed and the following substituted thereof:

(a) Each municipality, as defined in section 7-381, shall establish a uniform assessment date of October first.

(b) Each such municipality shall assess all property for purposes of the local property tax at a uniform rate of seventy per cent of present true and actual value, as determined under section 12-63. For assessment years commencing on and after October 1, 1999, any targeted investment community, as defined in section 32-222, by ordinance adopted by its legislative body, may (1) classify real estate as (A) land or land exclusive of buildings, or (B) buildings on land, and (2) establish a different rate of property tax for each class, provided the higher rate shall apply to land or land exclusive of building.

Josh himself is enthusiastic, saying that 1999 "Looks like *the* year."

## From the Archives

Vesa Nelson, *Librarian*

### Land Jobbing as a Frontier Skill

In researching materials in our archives for a new course I've begun teaching at the School, I ran across two fascinating books that give a provocatively different view from the traditional one of America's pioneer past and westward expansion. The first book, John W. Reps's *The Forgotten Frontier; Urban Planning in the American West Before 1890*, details the crucial role that land speculation played in the early development of our country. The second, Stewart H. Holbrook's *Dreamers of the American Dream*, adds crucial elements to the story, revealing treachery and fraud on a grand scale as land speculators bought up huge tracts of western land, often ahead of the "pioneer" settlers, and created large cities and parcels of farmland which they sold for profit to settlers coming West. Both books go against the grain of our traditional romantic and sentimental views of a West carved out by rugged individualists with "pioneer spirit" and visions of free land and a stateless society.

Filled with plans, maps and historical sketches, John Reps' book argues that planned towns built on the grid pattern spearheaded Western expansion. Agricultural workers frequently lagged behind, following after much of the land had been bought up. Town founders and their camp followers, mostly *land jobbers* (middle men between large land owners and would-be settlers seeking small plots of land), smoothed the way into the unknown West for most farmers. The towns provided services, amusement and outlets for the farmers to sell their products. While Reps confines his analysis west of the 98<sup>th</sup> meridian, or the trans-Mississippi West, he intimates that tantalizing clues exist suggesting that the same pattern might hold true for the older trans-Appalachian west.

Holbrook's work without hesitation interlaces "lurid" anecdotal evidence with scholarly investigation. One especially vivid account tells the story of Stephen Douglas Puter and what

became known as "timber fraud."

Writing his memoirs while in jail awaiting sentence, Puter styled himself as "King of the Oregon Timber Fraud Ring." His revelations of deceit astonished even veterans of the Cr dit Mobilier affair. Puter made his start working for a US Government surveying crew and made mental notes of all the potential desirable claims he ran across. Later, independently, he would offer for a fee to "locate" good claims, and for

an additional fee, erect a structure passable in law as an improvement to hold the claim against rivals.

Eventually Puter worked his way up to the batch processing of huge numbers of fraudulent claims. With the promise of a gold piece to each person Puter, recruiting in saloons and dives, would march to the courthouse with unknowing and uncaring recent immigrants-*en*

*masse*. The immigrants would sign letters of intent to become citizens and settle land. Puter next took them to the land office. Here, with the collusion of corrupt officials, the immigrants transferred over a blank land claim to a recipient yet to be named and collected one gold piece. A corporation interested in prime redwood forest would pay Puter a handsome sum for each such batch of claims, filling in the necessary legal details later. The immigrants wound up with one gold coin; the corporation, at the end of the day, would have vast tracks of land and Puter would have a handsome profit.

Puter was later one of hundreds to fall in a cleanup campaign targeting land-grabbers which was spearheaded by Ethan Allen Hitchcock, a great-grandson of Colonel Ethan Allen of the "Green Mountain Boys." Hitchcock, as Secretary of Interior for President McKinley, dismissed many corrupt government officials and sent several hundred *land jobbers* to jail.

Holbrook tells another interesting story concerning one William Butler Ogden whose brother "invested" \$100,000 dollars in the "frontier town" of Chicago. As Holbrook begins recounting Ogden's story, Ogden arrives in



**Land jobbers plotting Westward expansion ahead of the pioneers**

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Chicago in 1835 by stage coach. He finds the town populated by 180 persons in shanties and cabins. There are only two major occupations in the town — the saloon/dive keeper and the land jobber. The land surrounding the town is a swamp dominated by the odor of wild onions. The day after his arrival, Ogden is standing dependently ankle-deep in swamp water, contemplating the dim prospects of recovering his brother-in-law's \$100,000.

To his complete amazement Ogden finds that by law his merely having *platted* (staking out subdivisions and presenting them to a land office) large acreage in the standard grid pattern and holding an auction, he can recover the entire investment just by selling one third of his brother's land. Returning several months later Ogden finds to his further amazement that he can dispose of the unsold land at enormous profit. Land prices have tripled, new streets have been built; the town is rapidly growing.

In the same year Chicago was incorporated as a city, Ogden became its first mayor. Somewhere along the line Ogden had acquired an intuitive sense for town-building. He went on to sell stock, travelling by horse and buggy, for a projected Galena & Chicago Union Railroad. Once the railroad was built it became an overnight success, later becoming the Chicago & North Western Railroad. Until Ogden's Chicago was built, Cincinnati, Ohio, had been known as "Porkopolis." Chicago soon wrested this title for itself. What had once been a shanty town at best, soon became a thriving metropolis, as Ogden made good on his brother's "bad" investment.

Both Reys and Holbrook, in their respective books, relate many similar stories and incidents. And both give sometimes startling alternative views to our quaint notions about the development of our country. Perhaps Holbrook sums it up best, saying:

*For generations we have cherished the romantic idea that in colonial times, and early days of the republic, all a man who wanted land had to do was to strike out in any direction into the wilderness to cut himself a clearing, build a cabin, then lay a fence... This pleasant myth, based on the solitary American squatter, is one of the most satisfying we have. It has, however, little substance of fact, for it usually turned out that land sharks in one shape or another had got there ahead of him, not necessarily in person but in the form of a grantee-lord of whom he never heard, or of a corporation he did not know existed. In either case, the [would-be] squatter was heading into trouble.*

### SINGLE TAX REVIEW

Record of the Progress of Single Tax and Tax Reform Throughout the World.



The Single Tax in Vancouver, the Great City Blazing the Pathway for the Greatest Reform of Modern Times.

Solving the Riddle of the Ages.

Full Accounts and Reports of the Origin, Genesis and Present Status of the Vancouver Experiment. By Luther S. Dickey.

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Puck Cartoon, 1887

Single Tax Review, 1916

Archival Illustrations

## Reclaiming the Commons: the Diggers and the Covenant of Earth

David Domke

Among the effects of the land enclosures in 17<sup>th</sup> century England was the rise of radical agrarian movements, groups of peasants, small farmers and tradesmen left landless or otherwise disenfranchised by the enclosure act. One of these groups, the Diggers, held ideas about land ownership and the production of wealth very similar in spirit to those of Henry George. One of their leaders, Gerrard Winstanley, wrote: "The Earth, with all her Fruits of Corn, Cattle, and such-like, was made to be a common Store-House of Livelihood to all Mankind." He railed against the ruling class of landowners, saying "England is not a Freed people, till the Poor that have no Land, have a free allowance to dig and labour the Commons, and so live as comfortably as the Landlords that live in their Enclosures."



A still from the movie *Winstanley*

One of the effects of the large-scale enclosure of common land was the introduction of land into the open market, and this led almost immediately to a rise in land speculation and the dispossession of those families

who for generations had worked the land and considered it their natural birthright. Much of the newly "freed" land was not used for the growing of crops but for the grazing of sheep, whose wool was sold to the European mainland for enormous profits. A consequence of this change in land-use was the creation of a scarcity of corn and wheat and a subsequent steep rise in prices for those staples, putting them almost beyond the means of the poor.

The Diggers sought to organize the poor and indigent into collectives that would retake what had been common lands. Their activities, which included public preaching and pamphlet writing, alarmed the Commonwealth government and provoked the hostility of the large landowners. In April of 1649, a small group of Diggers claimed common rights to a once-common piece of land called St. George's Hill, outside London, set up a colony there and began to cultivate the land. By the end of April, their number had risen to fifty and the Diggers

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