



the Illinois Georgist

Winter 2005 ♦ Volume 16, Number 1

Modernization is abridged

Making Progress & Poverty Clearer & Shorter

What HGS Instructor and Board President Bob Drake was up to in Massachusetts this fall. Interviewed by Chuck Metalitz

Enjoy your time in New England?

Quite an experience. I was in a log cabin up in the Berkshires. Wonderful and inspiring place for a writer.

Maybe you could start by telling us why you wanted to do a modernization?

I guess by about my second class at the Henry George School, I thought, "This Henry George guy is brilliant— but somebody ought to make it easier to read." And since I didn't step backwards fast enough when I called for volunteers I came to realize that if anyone was going to do it I'd have to do it myself.

You're a professional writer.

I do have a professional background in writing and editing, so I suppose that gives me some qualifications. And I didn't realize quite how big a job it was at first — another qualification.

So I worked on it on and off, for over two years. Fortunately, the Robert Schalkenbach Foundation stepped in to help support the project, allowing me to spend a few months basically full-time on the modernization and the abridgement.

So what exactly have you done to Progress & Poverty?

The technical term is a modernization, but to me it always seems like a translation from Victorian English to Modern English.

Having completed the modernization, the next step— which I am wrapping up right now— is to abridge or condense the new version. When it's done, it will be a manageable, easy to read two hundred pages or less.

Why did you proceed in two stages?

I looked at some choices early on and decided that the proper way to do it would be to go through the entire text, and preserve virtually

everything that George said, just rearrange the sentence structure and vocabulary to make it easier for a modern reader. Initially I took out very little. I moved some of the really obscure historical references to footnotes, but I thought the first step should preserve everything that George did.

So that's the modernization?

Right. I've used the phrase "thought by thought" translation, meaning that I tried to keep as close as possible to his original intent and his original thought process, to keep to his pattern of presentation.

So your modernization of the full version is probably just about as long as the original Progress & Poverty?

Yes. Occasionally, where George has multiple examples, you have to add words, saying "And another example is" or "in other words". Also, when he has a convoluted sentence with a lot of embedded clauses, to bring those clauses out and make them sentences on their own sometimes required additional words. So in some places the modernization is longer than the original, though hopefully clearer.

So what is the process you're using to create an abridgement?

I'm still trying to keep his development of the thesis intact. Usually the main idea is obvious, but in some places it's a bit tricky to ascertain what of the supporting material is essential, and what can be dropped. Early on I had the option of going with the Madsen abridgement, and just modernizing that.

Madsen's abridgement is superb. Why not use it?

I wanted to follow George's thought process myself. The first time I took the *Progress & Poverty* course it was with the Madsen, and it certainly made things easier because it was shorter. Madsen removed large blocks of text, and rearranged quite a bit of the remainder. I'm doing less of that in my abridgement, but I'm also dropping phrases and introductory words, examples, and historical references that we don't need for a student who's encountering George for the first time.

Drake continues on page 3

a thought by
thought
translation

Henry George School Winter 2005 Schedule

#	Course (version)	day & time	starts	ends	sessions	instructor
Classes in Chicago (at 417 S Dearborn)						
2	Progress & Poverty (complete)	Tue 6:00-8:00 pm	Jan 18	Mar 15	9	Chuck Metalitz
3	Progress & Poverty (concise)	Mon 6:00-8:00 pm	Jan 24	Feb 21	5	Geo. Menninger
5	Progress & Poverty (concise)	Sat 2:30-4:30 pm	Jan 29	Feb 26	5	Robert Jene
6	Progress & Poverty (concise)	Wed 6:30-8:30 pm	Feb 02	Mar 02	5	Robert Drake
7	Progress & Poverty (concise)	Fri 2:30-4:30 pm	Feb 18	Mar 18	5	Geo. Menninger
8	Progress & Poverty (concise)	Mon 6:00-8:00 pm	Feb 28	Mar 28	5	Geo. Menninger
9	Applied Economics (advanced course)	Thu 6:00-7:30 pm	Jan 13	Mar 17	10	Chuck Metalitz
Class in Evanston (at 607 Lake Street)						
1	Poverty, Liberation & Land Reform	Wed 7:00-8:30 pm	Jan 12	Mar 09	9	John Kuchta
Class in Oak Park (near Lake Street & Oak Park Avenue)						
4	Progress & Poverty (concise)	Fri 7:30-9:30 pm	Jan 28	Feb 25	5	Robert Jene

Sections 1 thru 8 are open to all interested adults; section 9 is only for those who have completed *Progress & Poverty*. Schedule subject to change. Please call 312/362-9302 or visit www.hgchicago.org for latest information. You can use the form on page 3 to sign up.

Letters

Heroes Discuss Interest and More

Everett Gross [*Myths of Economics*, Fall '04] is one of my heroes but what does he mean, interest rates going up is beneficial? Does he mean return to physical capital or fiscal capital? From here, it seems that fatter return to lenders, especially bankers who lend money that did not exist until lent, is anything but beneficial. His last sentence seems to suggest that more expensive debt is bad, which contradicts his first.

And about the farm sector no longer being as influential as it was, well, that may be true, but some analysts say that "Black Fridays" and "Black Mondays" have always occurred in October because that's when people who buy harvests - i.e., buy up commodities - pull their dough out of stocks, leaving too many speculators high and dry.

Jeffery Smith, President
Forum on Geonomics
Portland, OR

Responding to my hero Jeff Smith, yes, I am defining interest as the return to physical capital, but perhaps should not be speaking in the language about the fee for borrowing money. The latter really deserves the old-fashioned word 'usury' which originally had no reference to whether it was high or low. The word dates back at least to when any amount above zero was considered morally wrong. Borrowers have always considered any rate too high while lenders have always considered any rate too low. But if anyone needs to borrow, can he do so if there is no lender?

Amount borrowed always has to equal amount loaned. Sympathies have always been with the borrower because he was the poorer of the two. (Nowadays that may not always be true.)

Can we assume that most borrowing is for the purpose of operating some kind of productive enterprise? (A home is a hundred-year crop in the same sense as any one-year crop or one-day production run.)

Maybe you can see by now that interest rates and usury rates must hold microscopically close to each other. Why? Because each one of the thousands of small lenders every day has the option of investing directly in production or a fiscal (to use your term) intermediary. The profits of the latter are morally justified by the fact that they buy from the lower priced entity and sell to the higher; they devote much time and effort to finding those.

I have nothing good to say about fractional reserve banking. It was invented in response to a sorry state of the economy. Banks do not create money. You need to pay or buy something. You go to the bank and trade IOU'S. Someone has decided that one of them should be defined as money.

Greenspan dictates only one rate and that indirectly influences some other rates. When that one rate drops, the bank can borrow reserves a little cheaper and can lend more. This shot in the arm stimulates the economy so that industry can pay more for land. But the land price rise does not occur instantly. It is sort of like an electrical tuned circuit; the maximum current occurs a quarter of the cycle later than the maximum voltage but in the next quarter cycle, produces maximum voltage of the other polarity. (Voila! Physicist visualizes boom/depression cycle.)

Now, about the interest on the national debt. Who cares? There wouldn't be a national debt if lenders could find better investments in real capital.

The farm problem? I see no disagreement with you. We are simply talking about two different facets of the farm problem.

But thank you for your comments. They force me to think to defend my stance. I also admit that I can still be mistaken.

Illegitimi non carborundum.

Everett Gross
Crete,NE

Internship Opportunity

The American Monetary Institute has openings for two unpaid, or very lightly paid interns to assist in organizing AMI's Monetary Reform Conference scheduled for late September in Chicago. Efforts will be part time, interesting and informative. Please apply to Stephen Zarlenga at ami@taconic.net. To learn more about the American Monetary Institute, see www.monetary.org.

Anonymous Donor Extends Match Deadline

As reported last issue, a long-ago HGS alum, who wishes to remain anonymous, will match, dollar-for-dollar, up to \$2,000 in contributions to the School. \$588 has been contributed since this announcement, and the donor agreed to extend the deadline to January 31, 2005. Contributions from new graduates, alumni, individual friends of the School, and matching corporate donations are all eligible for this match.

Thanks to our Contributors

Since our last issue, donations have been received from the following supporters:

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REGISTRATION/REPLY/UPDATE FORM



I enclose \$10 registration fee and would like to register for . . .

Progress & Poverty (specify section number _____)

Applied Economics(section #9 – you must have taken **Progress & Poverty** previously)

Please . . .

send the School catalog including course descriptions.

add me to your mailing list.

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accept this contribution of \$_____ to help in the School's work.

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contact me about volunteering to help the School. remove me from the mailing list.

Be sure that your name and address appear correctly on the other side of this form.

Mail this form to: Henry George School, 417 S. Dearborn #510, Chicago IL 60605
or fax it to 815/550-2831 with your name & address. If you
register for a course you will receive confirmation by telephone or mail.

Drake from page 1

Also, there are some ideas embedded in the large blocks that Madsen cut, which I felt would be helpful to retain.

What exactly is your goal in producing this work?

My intention is to make the text as inviting as possible for someone who has never heard, or barely heard, of Henry George. Most of our students don't say "Gee, I want to learn all about this Henry George chap." They say "Who is this guy? Is this important today? Do I want to spend time learning his ideas?" Then some of them try the reading and think "Boy, this really is going to take a long time to read." And they're not sure yet that it's worth that much time.

So I want to make it as easy as possible for them to get through the first sessions, and answer their burning questions. In the concise version of the course, you learn the basics of George's ideas in a few weeks.

You get rid of the intellectual straitjacket that most of us have, think about fundamentals and understand how George sees injustice as the basic cause of economic and social distress. You find out how he proposes simple justice as the remedy. My modernization supports this level of study.

Almost nobody gains a complete understanding of *Progress & Poverty*, and its application today, by just taking the course once. One option people will have, then, after using my abridged modernization, is to pick up George's own words, whether the complete (565-page) version or Madsen's 239 pages, and take the course again—or read independently. Since they already understand where the study is going, they can go deeper into the ideas, and appreciate the nuances along the way.

Now we're going to have, essentially, three versions of the Progress & Poverty course. Can you give prospective students some guidance in choosing which version to take?

Well, I think it depends on whether they're at all familiar with Henry George, and also how important economic justice, or the issue poverty, is to them. It's a major force in some people's lives, whereas others who are interested in it have other priorities. I hope that this concise/modernized version will appeal to just about everyone, but especially to someone new to George's ideas, or just trying to learn the fundamentals with minimum time commitment.

The idea is to highlight the main points. George is a clear and logical thinker, but is easier to understand when the main ideas are emphasized and tied together. If you have a lot of peripheral information, footnotes, historical examples, and mythological references, they can muddy the water.

You've taken those out?

I've taken most of those out in the abridgement, except for a few that are especially cogent.

I want to make
it as easy as
possible

So now that you've completed, first, the modernization, and now the abridgement, what will be your next project?

Next will be a biographical essay about George and why he's important, including a brief introduction to his ideas. Then I hope to produce a book, and accompanying course, that presents George's ideas but doesn't follow George's presentation. I'll use my own teaching methods, posing problems, finding the solutions while perhaps doing bad impressions of relevant movies, for which I am famous.

Thanks for taking time to speak with us.

Progress & Poverty concise section 6 will use Bob Drake's new abridged modernization of the text.

Curious Georgists To See More Movies

Now shifted to Sunday afternoons, our series of films of Georgist interest continues. All who have ever completed a course at the School, and their guests, are welcome. There is no charge.

Sunday, January 9, 3:00 PM: Set in England a hundred years ago, *Howard's End* (1992) has been described as an encounter of three social classes, whose main concern seems to be the eponymous real estate. Directed by James Ivory, with Anthony Hopkins, Vanessa Redgrave, Emma Thompson, Helena Bonham Carter.

Sunday, February 13, 3:00 PM: Staying in the British Isles, we move ahead a few decades with *The Field* (1990). Richard Harris is an Irish tenant farmer who wants to buy the field he's improved and been farming for decades; Tom Berenger is an affluent American who wants to develop it. Frances Tomelty is the wealthy landowner who wants to sell, but not to Harris.

Sunday, March 13, 3:00 PM: *Jean de Florette*, a tale of land lust and intrigue set in southern France. Paris lawyer Gerard Depardeau decides to move with his family to the Provence farm he's inherited, and make his living working the land. But the neighbors want the land for themselves, and have managed to conceal the spring which would make the farm viable. Land speculation with Gallic flavor, directed by Directed by Claude Berri, with Yves Montand and Daniel Auteuil as the neighbors.

Films are selected by Dash Lea (dashlaru@yahoo.com), who welcomes comments and suggestions.



Henry George School of Social Science

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Progress from Peoria

Does God Care About Economics?

Peoria activist John Kelly has been working on presenting Georgist fundamentals in a theological context. He has developed a series of three PowerPoint presentations under the theme *Biblical Economics/Promised Land*.

It begins by interpreting "God's Law" as providing equal rights for people, no special privileges. Every seventh (Sabbatical) year, debts and slaves were discharged— meaning that debt and slavery couldn't grow to dominate the economy. Every family's land-holdings were secure because land couldn't be permanently sold. The tithe is really not a flat tax on income, but a pretty good approximation of land rent. As a result of such practices, Israel in Biblical times was a "totally middle class country...having...no central government ...almost no rich and no poor."

Then, with the Kings, came central government, onerous taxes, and development of rich and poor. Jesus is seen as a reformer, calling for restoration of God's Law to bring economic justice. But He took on the people who benefited from the unjust practices, and so had to be eliminated.

Subsequently, there are isolated examples where reformers have resurrected God's Law, at least in large part, consciously or otherwise, and had beneficial results. "The Law does apply to us, it isn't quaint, it isn't agrarian, it isn't irrelevant."

For information about this series of presentations, contact John Kelly at 1-800-527-3579.

Published Article

Separately, The Acton Institute for the Study of Religion and Liberty has published John's article *The Tithe: Land Rent to God* in their bimonthly journal **Religion & Liberty** (July/August 2004). This essay points out that the tithe wasn't a tax on all income, but only a fee charged to those who used considerable land. Further, it seems that the tithe wasn't used just to support a priestly class, but for the general cost of providing public services.

"Was there ever a bridge that needed repair in ancient Israel? How was the repair organized, funded, and accomplished? That the scripture is silent on this does not mean it did not happen ...and it was in all likelihood funded by the...tithe."

The essay is also posted at <http://www.acton.org/publicat/randl/article.php?id=498>.

Inside...
**WINTER CLASS
SCHEDULE
"EASY AS POSSIBLE"
PROGRESS & POVERTY
MOVIES**

CTA Needs to Collect Its Earnings

Transit's "free riders" aren't passengers, but owners of land served by transit. HGS's new Research Note #5, *Paying for Transit Only Once*, describes how collecting part of the increased value landowners reap from transit service would easily and permanently solve CTA's funding problems. It's posted at www.hgchicago.org/rn05a.pdf. Or contributors can get a copy by calling the School at 312/362-9302.

We're not a religious organization

The article at left talks about God, Jesus, and the Bible. We offer a course that discusses theology. Some of our classes are held in churches. We deal with basic moral issues which religions also address. Many clergy have strongly endorsed the ideas we teach.

But the Henry George School is not a religious organization. We are entirely dedicated to the study of political economy—the nature of wealth and the natural laws which govern its production and distribution—and the application of this knowledge to help understand and solve social problems.

Our instructors and students adhere to a range of religions, including none. Everyone is welcome in our classes.