

Georgist Gorbachev?

PAT ALLER reports from New York on a conference of western economists and eastern politicians that sought a formula for helping Mikhail Gorbachev to achieve his twin aims: synthesize private enterprise with the social ownership of land.

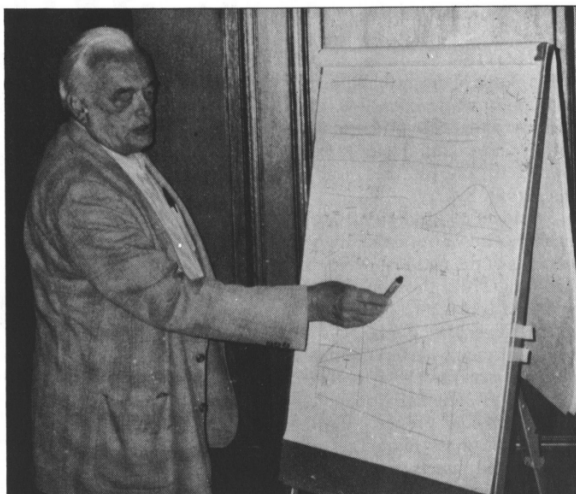
A MEMBER of the USSR's Supreme Soviet urged colleagues to study a land value tax as the best means of transforming economies from central planning to free markets.

Dr Ivan Raig, who is also vice-president of the Estonian Economic Association, spoke at a conference here in August on "Concepts and Procedures for the Social Collection of Rent in the Soviet Union."

Thirty economists - from Canada, Czechoslovakia, Britain, Hungary, the US and USSR - participated in seminars aimed at developing new fiscal ideas for balancing private use of land with the socialisation of rent to meet the exchequer needs of the post-socialist republics.

The conference was sponsored by the Henry George School of Social Science under a grant from the Robert Schalkenbach Foundation. Among those who were brought together to exchange ideas was Dr Mikhail Bronshtein, who is another member of the Supreme Soviet, and Dr William Vickrey of Columbia University, who is President-designate of the American Economic Association.

Dr Raig, who repeatedly warned his audience not to confuse Estonia with the Soviet Union, said: "As a scientist, I thank Henry George and his follower, Robert Schalkenbach



• Dr William Vickrey, professor of economics at Columbia University and a long-standing advocate of some of the policies of American social reformer Henry George, explains to the East European and Soviet delegates how public spending on infrastructure raises the rental value of land.

..... George's ideas are especially interesting and useful for us, since our country is poor and higher taxes are not the best solution.

"Right now we are trying to copy the Swedish or Finnish tax systems, but these are not right for us and we shall make new mistakes. We must study George's theories because we can use them in our countries. Maybe this conference will help us find a new, unique way to apply them.

"Although they have not been widely used, and changing tax laws is difficult, we must work out, now, a new system, and it may be better to start from the beginning with new ideas.

"I propose you teach

George's ideas, through his writings, and translate them into Russian, so that Eastern Europe will be able to use these ideas."

Dr Raig suggested that seminars should be organised in Eastern Europe, to show how the ideas of the American social reformer could be put into practice. And he invited a delegation to visit Estonia, to participate in this learning process. A similar invitation was extended by the delegate from Leningrad.

Said Dr Raig, "If you take my suggestions, you have a chance to realize your ideas in practice in Eastern Europe. There is an old song by the Beatles, *Power to the People*. 'Property to the People' is my new version.

• A full report on the conference appears on the following pages.