

Transforming Economic Life

James Robertson

Green Books for the Schumacher Society, £5.00

Review by IAN BARON

THIS IS a remarkable short survey of issues and policies for activists who are concerned with the way in which modern crises link social and environmental problems. We could view it as the first draft of a new manifesto for the 21st century.

James Robertson is one of the leading thinkers in what the ecology lobby calls the new economics. But he challenges that lobby to systematise their thinking by embracing one policy which they seriously neglect. The author demonstrates in his latest work, which is published as a briefing paper by the Devon-based Schumacher Society, that the treatment of rent as public revenue is central to the solution of the following policies:

- Farming and food
- Travel and transport
- Energy
- Work and livelihood
- Social cohesion
- Local development, including housing
- Business
- Health
- Law and order

Mr. Robertson even gently chides the shortfall in the "small is beautiful" thesis of E.F. Schumacher by noting that technology was not "the base" from which to solve certain problems. But James Robertson says that humane technologies, while vital, "will break through on a significant scale only as part of a larger transformation, including changes in taxes and laws".

The rent as public revenue thesis is presented by Mr. Robertson as one of a trio of policies which would drive change in the desired direction. The other two are eco-taxes and Citizen's Income. In so far as eco-taxes are intended to fall on the rental value of any natural resource, they fall within the ambit of what Henry George advocated in *Progress and Poverty* (1879).

What about the proposal for a reformed benefits system based on Citizen's Income? Mr. Robertson is now tying this proposal into each person's natural right to a share of the income of nature. Indeed, Henry George is on record as having said that surplus government revenue from a land tax could be shared equally among all citizens as a dividend.

So, in his formulation, we have the makings of a manifesto which is driven by logic and ethics in the direction of an open acknowledgement of the centrality of the Georgist philosophy. As the author works his way through the problems he finds himself returning to the significance of tax reform. And he provides a clear

exposition of the consequences of failing to apply this policy:

"Failure to tax site values raises land prices, thus making land unaffordable for people like potential small farmers and tradespeople who might otherwise work productively on it. It encourages landowners to hold land out of economic use in the hope of speculative capital gains as land values rise".

The weakest themes relate to money and finance, and the global economy. The author acknowledges the need for further research and reflection, and to this end he ought to be more actively supported by others. In any event, this briefing is an important contribution to the working papers for those who wish to develop a blueprint for a society fit for people in which nature is treated as a bounty that needs to be respectfully nurtured. **LB**

● Green Books Limited, Foxhole, Dartington, Totnes, Devon TQ9 6EB.

Factor Four:

Doubling Wealth-Halving Resource Use

Ernst von Weizsacker, Amory b. Lovins and L. Hunter Lovins
Earthscan, £15.99

Review by PAUL KNIGHT

HOW DO YOU double wealth while halving the use of resource inputs? What is billed as The New Report of the Club of Rome offers technological solutions which would enable us to conserve resources even while maintaining existing levels of output. In fact the authors offer 50 examples of how to quadruple resource productivity.

Terminating the waste of our human and natural wealth is a good slogan, and progress has been built on the back of technological innovation. But what makes the authors think that the social system will readily adapt to their proposals for improving productivity? They share the need for urgency, but their solution falls short of providing a mechanism for driving change in the desired direction. The market becomes an easy villain, which they say is not a

substitute for ethics, religion and civilisation. But rhetoric is no substitute for a market mechanism which provides positive incentives to improve productivity, and which penalises wasteful practices. The fact that certain policies which governments preserve

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militate against productivity, and which reward the waste-makers, is not the fault of that process between two or more people which is the market.

The authors pack their book with technocratic wheezes, but the outcome is a grand moral lecture from the green end of the political spectrum. Of course productivity has to be improved; waste

diminished; the resources of nature conserved. But if there is a systemic bias in favour of waste, the authors would do well to examine the way in which governments subsidise such practices with taxpayers' money (see Norman Myers, *Perverse Subsidies*, International Institute for Sustainable Development, Canada, 1998). **LSL**

THE HENRY GEORGE CENTENNIAL TRILOGY

Vol. I An Anthology of Henry George's Thought

Vol. II An Anthology of Tolstoy's Spiritual Economics

Vol. III An Anthology of Single Tax Thought

Kenneth C. Wenzer (Editor)

Vols. I and II: £45, \$65 each; Vol III: £55, \$ 85

Review by JULIA BASTIAN

TO MARK the anniversary of Henry George's death in 1897, the Henry George Foundation of America has provided a fine trilogy of books that will cater for every student of economics in search of a better world. This remarkable work draws together the speeches, articles and letters that address George's most important thoughts on single tax policy and will become a trustworthy reference for study. It is all here. A primary source for Volume I is taken from *The Standard* newspaper (between 1887-1890) for which George was writing his most popular editorials on the many issues of the day, including land ownership, confiscation of land or how much ground rent the state should take. Easily located in the well ordered notes and clear headings are his numerous writings and speeches, both in America and overseas during his several trips, so representative of his vision of an economy that could create a 'spiritual commonwealth'.

One of the most famous admirers of George, Lev Nikolaevich Tolstoy - Russia's Great Single Taxer - gets his own book. Volume II of the Trilogy encompasses Tolstoy's Russia and the influence that George's writings had on him. Tolstoy, already searching for a 'purified society' free of corruption and misery, was led to investigate the work

of the American social critic and reformer whose reputation had spread from a confident New World across the Atlantic to an exhausted, demoralised Old World. Tolstoy came to understand the Georgist philosophy not only as a practical solution to the Russian peasants' suffering and the maldistribution of land, but as a means to a higher morality for the nation. The story is told how Tolstoy becomes fascinated with George's single tax idea. Alas, Tsar Nicholas II refused to take Tolstoy's advice. Had he created a more just distribution of land by implementing the Georgist economic system in Russia, the Revolution might well have been avoided.

Volume III brings together a collection of scholarly writings, mainly by precursors of George, whose thinking along similar lines have helped to form opinion. Among those embracing his vision the Physiocrats stand out. This group of luminaries formed a school of economic thought under the leadership of François Quesnay and were active between 1755 - 1775. Their influence among intellectuals of the period was enormous but was unable to prevent the French Revolution of 1789.

Others were to follow with the idea of approaching economics on a scientific, theoretical or systematic basis and a dozen find their own chapters in

this interesting volume. Contributions from Thomas Spence, William Ogilvie, Tom Paine, Patrick Edward Dove and Herbert Spencer, for example, are accompanied by original essays written by present day Georgists which provide compelling and powerful commentaries on these past advocates of the single tax. To make the case for these great economists, Ken Wenzer has sought out some impressive writers and thinkers of today. Who better to profile Frank Chodorov than American economist, currently President of the Henry George School of Social Sciences in New York, Oscar B. Johannsen.

The pairings, which include Dr. Michael Silagi on Michael Flürsheim and the German Land Reform Movement, and Damon J. Gross on Max Hirsch, provide a set of portraits that are at once authoritative and impressionistic, pieces that add invaluable personal insight to the historical record. Fred E. Foldvary was so taken with his subject - Franz Oppenheimer - that he must have studied and digested the whole of Oppenheimer's extensive work on land tenure in Palestine.

The task of capturing all this energy was managed by Kenneth C. Wenzer who collated, annotated and edited the three volumes. Himself a leading scholar of Henry George, he makes it clear that it is not to George alone that this Trilogy is dedicated but to others who in the past, and still today, press for social justice. Could it be, he asks, that the single tax idea is in line with an innate natural law of progress, so clear that isolated social critics come separately to understand it?

But there is further to go. Writers today who strive to make the human condition more ordered and compassionate need to relate the importance of land tenure to economic justice throughout the world. They will do well to study these pages and every library should order copies. **LSL**

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