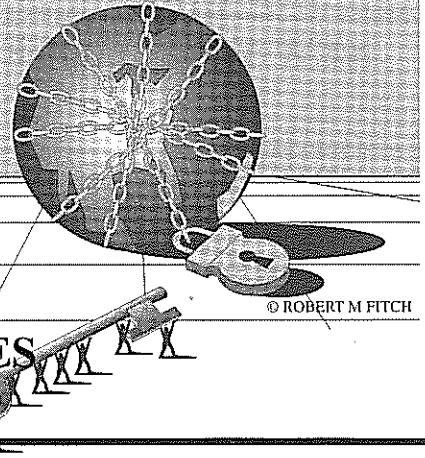


# GROUND SWELL

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## GEORGISM FOR THE MASSES

By Scott Baker, New York, NY

I was happy to receive an invitation to appear on the popular RT TV show, "Breaking the Set" with Abby Martin, to talk about Geoism/Georgism. The invitation came via email the night before, and I was originally scheduled to be interviewed remotely in their NYC studio the next evening at 6:00 by Abby Martin while she was in Washington D.C., but a surprise NYC winter snowstorm pushed that up to 3:30 PM the next day! Luckily, I don't have to study Georgism very much any more.

You can see the archived interview, starting about 6:00 minutes in, for about 7:00 minutes here: <http://bit.ly/1mCj93t> and also within this article on Opednews: [http://www.opednews.com/articles/Talking-about-Geoism-with-by-Scott-Baker-Andy-Martin\\_Georgism\\_Georgism-140124-854.html](http://www.opednews.com/articles/Talking-about-Geoism-with-by-Scott-Baker-Andy-Martin_Georgism_Georgism-140124-854.html)

The full transcript, lightly interpolated from Youtube's automatic transcript generator, follows:

**Abby Martin (AM):** People tend to think in black-and-white terms when it comes to economic theory. Either you're a capitalist or communist, but believe it or not, these ideologies don't have to exist on a singular thread. Government structures can be borrowed from different beliefs to form a new system. One philosophy that practices this blend is called Georgism, and its basic tenet is that land should be a primary source of public revenue with all other taxes eliminated. I had a lot of questions over how this concept could be successfully applied in society. I was joined earlier by Scott Baker, president of Common Ground-NYC. I first ask Baker if elimination of all taxes except a land use tax could really generate enough revenue to sustain government.

**Scott Baker (SB):** Yes, well, Michael Hudson and Mason Gaffney and Nick Tideman and Fred Harrison and a few other economists who have studied this believe the land is about one-third of the GDP or a little bit more even, and so if you do tax that and you untax everything else that does provide enough revenue for a reasonably sized government, as long as it's run efficiently, of course.

**AM:** How does Georgism prevent monopolization and address wealthy individuals and corporations being able to outbid their less wealthy counterparts on land?

**SB:** Yes, well, basically the idea is that you wouldn't have so much absentee ownership and you wouldn't have hoarding of land because there's a price to pay for that. You'd be paying the tax and if you don't use the land efficiently, uh, for example 6 to 8 percent of New York City land is vacant, according to the Department of Finance, depending on how you count it. So, if you don't use that efficiently then you know you're going to be paying a penalty essen-

tially.

So this ends urban sprawl and it ends suburban sprawl and it really put people closer to the center and makes them use land more efficiently. What it doesn't do, one of the fears is that it would take away all the parkland...that's not really true because people want to live near a park and so they're willing to pay extra for that so that just becomes more valuable land. But, it does break up the monopolies on the hoarding, and all of these little...for example McDonald's, that has one story properties and basically pays very little property tax...or parking lots, as we have a lot of them in New York, or we used to, where they pay one-tenth the property tax of the building next door to them and I've seen actual examples of this.

**AM:** Land ownership is a concept that's so ingrained in US society since its inception. How do you expect convince property owners to give up their land?

**SB:** I don't. I mean they would still have full legal ownership of the land. We have no interest in doing anything about that. We want people to have full legal ownership and we're only talking about economic rights and we say that the property tax, which, first of all two taxes; it is a tax on buildings and a tax on land. We want to make it only a tax on land and we want to collect that for the public good. But we're not interested in taking over people's land or making it public land because if we do that then people won't have any incentive to improve it anyway. So, we want people to own land and to have full rights to it, uh, but we feel that the value of the land should be determined by the market and the value should go back to the public purse.

**AM:** OK, alright, ... I just wanted to say one...one argument against it, from the blogs I read online, is that let's say okay the value of the land determined by that (which) determines the price...the rent would go down on this piece of land that say, corporations own, that they're just polluting incessantly on that land. I mean what incentive do they have to not pollute if that's what will make the land value be less?

**SB:** Well, part of what modern Georgism incorporates is what called the Pigovian taxes, which are essentially taxes on pollution and despoliation of land or air or water, which under classical definitions is part of land and so that if they do put pollution into something that basically belongs to all of us they also have to pay a tax on that as well so it's in their best interest not to pollute because they'll have to pay more money for that. So, we (continued on page 16)

### GEORGISM FOR THE MASSES (from page 1)

don't look at it as a point where they can despoil the land to make it worthless. We say 'what is the maximum best use of that land?' and anything that's so taking away from that basically use is something that we would tax and we would take up take that back.

**AM:** Karl Marx famously called Georgeism, "Capitalism's last ditch" and he criticized the philosophy as not only preserve Capitalism's domination, but expand it. How do you respond?

**SB:** Yeah, well this is the interesting thing. You know, Henry George was no friend of Karl Marx or his philosophy and vice versa. So, sometimes people accuse Georgism of being Communism and it's...it's actually funny because it's almost the opposite. It's laissez-faire in terms of production and people keeping whatever they produce for themselves but on the other hand we are somewhat aligned with Marx so in terms of taking the economic rent. And even he agreed that, you know, that property owners should pay the rent on the land back into the community. So, it's funny because Adam Smith and Karl Marx and Henry George all agree on that point all they emphasize that to different degrees.

**AM:** Right but...but go on the Capitalism critique of what he said about that aspect of it.

**SB:** Well, it's not that we would...I guess in a way it's ... it's not a last-ditch, but it certainly would be a way of saving Capitalism from imploding because of the extreme wealth inequity that we see that's causing destabilization all

over the world. You know, Oxfam this came out with this report that 85 people have as much wealth as the bottom half of humanity - three and a half billion - this is an untenable and unsustainable situation. It causes revolutions, riots, and even when it's not doing that, it's just inefficient and unsustainable. So, we say the reason that there's so much wealth so concentrated, *primarily*, is because of monopoly on land. Now, within our Georgist/Geoist community, we also argue about monopoly on money and whether that should be included...and, happily George also agreed that money should not be the exclusive creation a Banks. He said it was too important to be left to the banks, so he believed the government should also produce the money as well.

**AM:** Scott Baker, president of the common ground New York City, thanks.

**SB:** Thank you.

(Footnote: They cut about a minute of Scott Baker talking about Common Ground-NYC's, local efforts to pass local legislation and bring attention to the gross inequity of land taxation in New York, but it was still a good interview and probably an eye-opener to their global audience. Common Ground - NYC president Scott Baker may be emailed at [ssbaker305@yahoo.com](mailto:ssbaker305@yahoo.com).) <<