

DIRECTORS' PERSPECTIVES (CONT.)

RIGHTS BASED ON SPURIOUS FOUNDATIONS

BY: BILL BATT



Recent years have seen the progressive increase in attention to human rights on a global level, both in the articulation of their definition and in their practical applications. At its inception, the United Nations enumerated thirty goals of international diplomacy. It comes therefore as some surprise, to some at least, that the Trump administration has proposed a new articulation of human rights, and the principles upon which they are based, that radically narrows their purview.

On October 23, 2019, Secretary of State Mike Pompeo established a Commission on Unalienable Rights whose purpose was to redefine these principles and rights. This draft report was released, today, July 17, 2020. Its agenda reflects Trump's philosophy. In a Washington Post opinion piece, Rori Kramer, who had a long prior career in the US State Department and the US Senate, and is now with the American Jewish World Service, writes: "it is a partisan effort to roll back US support for Universal human rights," and that it "instead seeks to reinterpret human rights within a narrow and highly partisan agenda."

"The [board] members of his commission he [Pompeo] selected [are] a dozen conservative academics, moral philosophers and theologians, most of whom appear to have little to no practical experience with human rights. Pompeo has also kept the group's work mostly private--in defiance of Federal rules for public commissions and in spite of a lawsuit by public interest groups." Moreover there is a particular focus "on the religious liberty of right-wing conservatives over the rights of the many, specifically women and LGBTQI+ people."

The Guardian headlines Secretary Pompeo's "claims [that] private property and religious freedom are 'foremost' human rights." Having set the stage for the content of this document, he turns the focus to property.

Page 13 states: The aim [of government] must always be to restore political society. The civil liberty that political society makes possible--the rights to travel; to enter contracts and agreements; to possess, use, purchase, and dispose of property; to the protection of person and property....

Foremost among the unalienable rights that government is established to secure, from the founders' point of view, are property rights and religious liberty. A political society that destroys the possibility of either loses its legitimacy.

(Cont. Page 8)

PATH TO ECONOMIC EQUITY

BY: FRANK DE JONG



Do not expect justice where might is right – Plato

Children have no filter. They automatically demand their "fair share", usually at the tops of their lungs. Adults typically comply immediately, acknowledging this universal law among children.

The notion of fairness is jettisoned as we become adults. We assume society owes adults nothing, that they must earn their share or beg ignominiously for bread. Never mind that Jeremy Rifkin tells us, in "Empathic Civilization" that humans are at peak empathy, no one has the right to a free lunch.

This notion makes the vibrant Universal Basic Income movement all the more remarkable. Promising every U.S. adult \$1000 a month propelled Democratic primary candidate, Andrew Yang, from an also-ran to a contender. Alas, this was quickly followed by the COVID-19 pandemic which actually boosted the push for a UBI into a global, political phenomena. Maybe Rifkin was and is onto something. (Cont. Page 12)

EDUCATION (CONT.)

This is all predictable by Ricardo's law of rent, of which George made extensive use: "The rent of land is determined by the excess of its product over that which the same application can secure from the least productive land in use."

If residence on a particular plot of land entitles a family to a public education that's worth \$10,000 a year, compared to the education to be had at an inferior school, the potential rent on that plot rises accordingly. Like any inequality in U.S. society, this one also has profound racial implications. Suffering from decades of redlining and de facto segregation, and still facing discriminatory practices in housing lending, Black families are much less likely to be reaping the benefits of this unequal rise in the value of land near the highest quality schools, because they are far less likely to own land in those neighborhoods (and if they rent their homes, they may find themselves displaced by rising rents, so that their enjoyment of the gains is temporary).

Moreover, the unequal quality of public schools serves as a geographical gatekeeper, making economic mobility difficult because geographic mobility is so difficult. As with the segregation of a previous time period, there are both legal and market forces at work here. While the market and law of rent ensure that land prices are higher in proximity to good schools, zoning and density rules also conspire against renters. According to a study by the Brookings Institute, there are 30% fewer rentable units in the proximity of very good schools, and zoning is a significant contributor to the geographic disparities in education quality. Thus, the upper middle class and wealthy landowners are able to leverage both land monopolies and control of local zoning to parlay inequality between schools into a massive human capital advantage for their children.

Which brings us to the threatened withholding of Federal funds, which would only exacerbate an already bad situation. In most cases, local funding for schools is highly regressive – districts attended by poorer students tend to have less money. State and, especially, Federal funding is more progressive, targeting underfunded districts to make up for these disparities.[3] If Federal funding were cut off across the board, school funding formulas altogether would become far more regressive. The specific threat, however, of cutting off funding to schools that do not re-open might be even more harmful: as COVID 19 has been more impactful in poor and non-white communities, the schools attended by those families are less likely to be able to safely open. An order cutting off funding to specifically those schools would likely create a massive disparity between richer and poorer districts

Even in the absence of such dramatic action, however, the question remains – what is a Georgist response to the current school system? A relatively mundane Georgist reform, shifting property taxes to land taxes, would likely have a salutary effect; efforts to decrease the equality gap between (Cont. Page 9)

RIGHTS (CONT.)

For the founders, property refers to physical goods and the fruit of one's labor and encompasses life, liberty, and the pursuit of happiness. They assumed, like philosopher John Locke, that the protection of property rights benefits all by increasing the incentive for producing goods and delivering services desired by others.

The benefits of property rights, though, are not only pecuniary. Protection of property rights is also central to the effective exercise of positive rights and to the pursuit of happiness in family, community, and worship.

Not least, the right of private property sustains a sphere generally off limits to government, a sphere in which individuals, their families, and the communities they form can pursue happiness in peace and prosperity.

This document is intended to be universal in its scope and application, and even to supplant the United Nations credo, formulated 70 years ago, that property is a unique and largely Western concept. Ownership of property (typically assumed to be land in fee simple) is really a product of some four centuries of colonialism. Certainly, our native American populations had no such notions of property. Chief Seattle observed that "Earth does not belong to us; we belong to earth. Take only memories, leave nothing but footprints." Accounts of Near Eastern societies, as well as Asian and African civilizations, make clear that the idea of land titles, as we know them, and where they exist at all, are a recent import. We need to better identify the extent to which land as property is understood elsewhere in the world.

The question, then, is the extent to which landed property titles can be viewed as legitimate at all, anywhere. If all land traced back is "owned" by either force or fraud, what restitution should be proposed? And to whom is it owed? Moreover, if a system of reparations or compensation is instituted, who should devise the solutions? (Cont. Page 10)

*"It is time to admit
an uncomfortable
truth. Economic
concerns do not drive
fear of immigration.
The changing face of
America's
demographics drive
that fear."*

RIGHTS (CONT.)

Henry George argued that no titles should exist for any property not made by human hands or minds. Such ownership should be in usufruct only, a claim not unique to Western thought. Jefferson and other early colonial settlers understood this. Here, because it's not often referenced on the subject, I quote Benjamin Franklin:

All Property indeed, except the Savage's temporary Cabin, his Bow, his Matchcoat, and other little Acquisitions absolutely necessary for his Subsistence, seems to me to be the Creature of public Convention. Hence the Public has the Right of Regulating Descents & all other Conveyances of Property, and even of limiting the Quantity & the Uses of it. All the Property that is necessary to a Man for the Conservation of the Individual & the Propagation of the

Species, is his natural Right which none can justly deprive him of: But all Property superfluous to such purposes is the Property of the Publick, who by their Laws have created it, and who may therefore by other Laws dispose of it, whenever the Welfare of the Publick shall demand such Disposition. He that does not like civil Society on these Terms, let him retire & live among Savages.— He can have no right to the Benefits of Society who will not pay his Club towards the Support of it.

Secretary Pompeo and his fellow Board members of the Commission on Unalienable Rights would do well to heed this observation. Together with the writings of Henry George, we have principles and practical answers for a sounder approach.

FEAR OF THE FOREIGNER (CONT.)

I believe that its primary source is economic. The refrain “They’re taking our jobs” makes that clear enough. (It’s true that many people also fear the stranger simply for being different, whether on religious, political, cultural or racial grounds. Such identity-based xenophobia, I believe, is secondary. Certainly, it is exacerbated by economic fear.)

The economic fear at play here is the fear of losing jobs to the foreigner. What is this, essentially, but a belief that the amount of employment in our country is at any given time fixed in extent; that the addition of more people to the labor pool must make the search for employment more competitive; and, where the rate of employment is low, must throw people already in the pool out of work? This worldview effectively espouses the theory that is known to economists, if not to the public at large, as the Wages Fund Theory. That theory posits that the ultimate source of wages is a fixed fund of capital set aside for their payment.

I have read the writings of the 19th century thinker and reformer Henry George. Because of this, I understand that the economics-based fear of immigration is unfounded. The evolution of George’s own thinking on the subject is instructive.

Early in his writing career, in an op-ed published in the New York Tribune in 1869, George railed against Chinese immigration. In the first half of that piece his argument was mainly economic, and grounded in the Wages Fund Theory. After observing that Chinese laborers were willing to work and live more cheaply than Americans, he wrote: “It is obvious that Chinese competition must reduce wages, and it would seem just as obvious that, to the extent which it does this, its introduction is to the interest of capital and opposed to the interests of labor.”

A year or so after George wrote those words, however, he had the great central insight that changed his life and made him a household name around the world. That insight, which lies at the heart of his writing and public speaking, and is

li inherently global, is that it is the monopolization of land through private land ownership that is the injustice that forces the base level of wages down to the starvation point – even as civilizations advance in their ability to produce wealth. But a spin-off of that insight was that George realized that the Wages Fund Theory, popular as it then was (and continues to be), is erroneous.

At the beginning of *Progress and Poverty*, his seminal work, George shows that the way that wealth is produced and the roles that land, labor and capital play in its production debunk the Wages Fund Theory. And in an essay he published in May of 1888 he put it this way:

“If it seems that there are too many people here already; if it seems that new comers must swell the ranks of those who cannot find employment, and increase the intensity of that competition of mere laborer with mere laborer, which in all occupations produces a constant tendency to the lowering of wages, the fault lies in something which produces its effect on those already here and would continue to affect them if immigration were to cease -- in our giving to some men the absolute ownership and control of the natural element on which and from which we all must live. The restriction of immigration would do nothing to right this fundamental wrong. Its agitation would have but the effect (and, in large part, this is the conscious intention of those who advocate it) of diverting the popular mind from the only path by which the emancipation of labor can be reached.”

I think that is exactly right. The writer Toni Morrison said in a different, albeit related, context that “the function, the very serious function of racism ... is distraction.” In requiring you constantly to validate your existence, she explained, it “keeps you from doing your work.” So, too, for xenophobia. In focusing our fears on the foreigner, we are diverted. We would do better to attend to the real threat to our wages and employment, one that is impervious to border control.