Democracy, Earth Rights, and the Next Economy

presented by
Alanna Hartzok

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introduction by Susan Witt,
Executive Director of the E. F. Schumacher Society

How can the young be expected to defend their homeland when they come home to find they have no stake in the land? The inequitable distribution of land ownership affects our society, our politics, our environment, our communities—and ultimately our sense of well-being as a people. Alanna Hartzok has worked tirelessly for more than twenty-five years to right this injustice. It is not surprising that it was Robert Swann, founder of the Community Land Trust movement in this country, who recommended Alanna as a Schumacher Society speaker.

Alanna Hartzok is United Nations nongovernmental-organization representative for the International Union for Land-Value Taxation. She is vice-president of the Council of Georgist Organizations, which has thirty-five member organizations nationwide, and she is state coordinator of the Pennsylvania Fair-Tax Coalition. In 1993 she initiated tax-reform legislation and helped work it through the state legislature to nearly unanimous passage of Senate

Bill 211, signed by Governor Thomas Ridge in November 1998.

Alanna's published articles on tax reform have been useful to legislators in the states of Pennsylvania, Maryland, New Jersey, and New York. She is one of several people featured in Planet Champions: Adventures in Saving the World: New Paths to Peace, Prosperity, and Human Rights.

Please join me in a big Schumacher Society welcome for Alanna Hartzok.

I am truly honored to have been invited by the E. F. Schumacher Society to be a lecturer today. I admit that "Democracy, Earth Rights, and the Next Economy" is a big topic for a lecture series traditionally based on the idea that small is beautiful. Yet to be fully aware of the particulars of the small—whether in terms of a small community or town or in terms of working to build a more locally-based appropriate economy—as the E. F. Schumacher Society and the Institute for Community Economics, both of which were founded by Robert Swann, have done so steadfastly over the years, it may be necessary, or at least useful, to grasp the biggest and most expanded perspective in which that smallness is contained. From that vantage point, combined with the unique particulars of our special place on earth, we can then more clearly know what seeds had best be planted in that smallness of our local towns and communities.

In this lecture I will be addressing the land problem and how to solve it in such a way that we could release

billions of dollars of funds to invest in the natural capitalism Amory Lovins described to you eabillions of dollars of funds to invest in the natural capitalism Amory Lovins described to you earlier today. Amory talked about low-cost bamboo strong enough to build houses. A little bit of land can provide enough bamboo to grow your house out of that land. But what if you have no land? I will also elaborate on the concept of earth rights, pinpoint the fatal flaw in democracy as currently constituted, explore the history of the problem, and, lastly, describe work in progress, all of which would seem to be essential building blocks of the Next Economy.

It is clear to so many of us now that our current form of economy—some call it monopoly or corporate capitalism—does not serve the highest and best interests of either the people or the planet. Permit me to dream for a moment, for sometimes out of our visions flow new realities. Here is my wish list for the Next Economy:

The Next Economy will be deeply unifying. Moving beyond either/or to both/and it will embrace the diversity of human cultural expressions. The Next Economy will be built upon the highest values of both the Left and the Right. It will be a fair economy *and* a free economy, using but not abusing the earth and her many resources. It will steadily, and in some places rapidly, grow out of the old economy as more and more humans grasp its principles and implement its policies. The Next Economy will have first and foremost the well-being of *all* the people on this planet. It will be based on the triple bottom line of social justice, restoration and protection of the environment, and the strength and stability to provide security in basic needs.

The needs of the people and the needs of the planet are one and the same: protection, care, validation, respect, appreciation, creative expression. Thus, the ethics of the Next Economy will flow out of a profound perception that the rights of human beings and the rights of the planet are one and the same. The Next Economy will be founded on ethics so simple and basic that thoughtful human beings will say, "Yes, this is true." The force of truth is a liberating force, always has been and always will be. Mahatma Gandhi knew and taught this. Gandhi lived according to *sattyagraha*, the truth force.

Let us explore these truths, starting with a most obvious one: Would you agree that everyone sitting and standing in this room, no matter where on earth he or she originally came from, is a human being? Does this seem so obvious that it is not worth mentioning? Years ago a friend named Gene Haggerty took upon himself a one-man mission. He traveled around the world, asking political and other leaders to sign a statement affirming their belief that beyond the colors and shades, the faiths and creeds, we are all human beings. Although I could not grasp the Zen of it at the time, I now understand that this was Gene's ingenious way of reminding them of this most basic truth—"the primal holism of the human experience on earth."

Other basic questions: do human beings have a right to exist? Is this an equal right? Does the planet have a right to exist? Are these important questions, or are they absurd questions? Is existence itself a "right,'" or is it a miracle and a mystery? The great ideals of human rights and equality are based on a recognition that you and I have an equal right to exist. The fact that we are all human beings with equal

rights to exist is the truth upon which were built important agreements such as the Declaration of Independence, the Bill of Rights, and the International Declaration of Human Rights. Alas, these fine declarations, like so many others that have been agreed upon by governments and their citizenry, have not yet brought us a world of peace and plenty for all.

In August I spent some time one afternoon in Baltimore talking with Councilwoman Bea Gaddy, who passed away a few weeks ago at the age of 78. Dr. Gaddy, an African-American, had for many years worked to take care of basic needs for food and shelter in the inner-city neighborhoods. We sat together for a while that sweltering afternoon, talking and sipping ice water at a card table in front of the row house that was her social-services home base. Dr. Gaddy said, "I grew up poor in Baltimore, but I never thought I would see things get worse and worse here as they have the past few decades. People call me sometimes in the middle of the night, saying, 'Miss Gaddy, I can't sleep, I'm just hungry.'"

We in the United States freed the slaves, but we have not freed all the people—not even in Washington, New York, Baltimore, and Boston, the cradles of our democracy —from the pain of hunger. As we fully confront the reality of hunger, homelessness, and basic-needs insufficiencies in this country and in the many other countries that now call themselves democracies, it becomes starkly clear that there is a major flaw at the core of how democracy is constituted. Surely persistent hunger and homelessness in America are not what the founding fathers envisioned for the year 2001!

Human Rights to the Earth

We are all human beings with equal and inalienable rights to life. Yet there is a crack in the Liberty Bell, which was not sufficiently well crafted, a crack that represents a missing dimension not understood or perhaps not able to be fully affirmed by European men at the time of the founding, no matter how well intentioned and thoughtful some of them may have been. This imperfection was destined to divide the rich and the poor, to protect the powerful and neglect the needy in our country and throughout the earth. We did not have the industrial technology to form a large durable metal bell at the time, nor did we have the political technology to form a fully and fairly functioning democracy.

Thomas Jefferson, Ben Franklin, and Thomas Paine understood that their work was just a beginning step, that the venture of democratic governance would need to proceed with periodic revisions and perhaps even revolutions, hopefully nonviolent. Over the years—step by step, struggle by struggle—the full right to participate in the experiment of democracy yielded the right for all to vote and own land, *if* they could afford it. While many are comfortable, the fact remains that there are far too many Americans working too hard for too little. The widening mouth of the wealth gap now threatens to consume many who had made it into the middle class. In the United States today the top 1 percent of the people has more wealth than the bottom 90 percent.

More questions in search of first principles: Who are we human beings? Where did we come from? Where are we going? What we do know for certain is that the human

body is composed of earth elements. We are walking, talking bags of rock and salt water, recyclers of plant and animal material, inspiring and expiring gaseous fires. There is no ultimate separation but rather a unity, as our earthly bodies are bound to the enlivening energy of the sun and in subtle ways yet to be fully realized we are galactic beings as well and are mysteriously related to the entire universe. Our existence as creatures of flesh and bone is totally dependent on the land and natural resources of the earth. This earth, which no one of us made, is simply a given.

Eli Siegel, an American poet and philosopher, in his 1946 essay "Ownership: Some Moments," stated, "How the earth should be owned is the major economic question of this time; as it is the oldest." In another essay, "Self and World," he declared: "The world should be owned by the people living in it. Every person should be seen as living in a world truly his."

Other voices on earth rights:

Thomas Berry: "Humans in their totality are born of the earth. We are earthlings. The earth is our origin, our nourishment, our support, our guide . . . Thus the whole burden of modern earth studies is to narrate the story of the birth of humans from our Mother Earth."

Chief Seattle: "This we know. The earth does not belong to man; man belongs to the earth. This we know. All things are connected like the blood which unites one family. All things are connected."

Patricia Mische: "The more we grow in awareness of our own sacred source, the more we discover that our own sacred source is the sacred source of each person and all that is in the universe."

Henry George: "Do what we may, we can accomplish nothing real and lasting until we secure to all the first of those equal and inalienable rights with which . . . man is endowed by his creator—the equal and inalienable right to the use and benefit of natural opportunities."

The important and vital truth not enunciated or affirmed in our founding democratic covenants is that we, each and every one of us, have an equal right to the earth as our birthright. How did we lose this simple truth, the primal perception that the earth is the birthright of all people?

In his essay "The Problem of the Modern World" John Mohawk states: "When land became a 'commodity' and lost its status as provider and sustainer of life, Western civilization began its history of subjugation and exploitation of the earth and earth-based cultures. For nearly five centuries people have been coerced from their land holdings. The problem, in the English-speaking world, has its roots in the sixteenth century."

The Enclosures

To understand how it came to be that this most basic and obvious human right—the right to the earth—was somehow left out of the founding documents of democracy, it will serve our purpose here to go back to the centuries of European history that Mohawk is talking about, to the Enclosure Period. This is the time of violent direct suppression of the indigenous people of Europe. Between the thirteenth and seventeenth centuries, masses of peasants were evicted from their holdings or saw their common lands fenced off for sheep. The Enclosures were

introduced after the signing of the Magna Carta in 1215. This was the great charter that King John was forced by the English barons to grant. Traditionally interpreted as guaranteeing certain civil and political liberties, the right to land for the common people was *not* among them. The first legal act to enforce enclosures was the Statute of Merton of 1235, which spoke of the need to "approve [meaning improve] the land in order to extract greater rent." From whom do you think they were extracting those rents?

The enclosures redefined land as "private property" and thereby gave it the status of a commodity, tradable within an expanding market system. Since the majority of people were denied access to the land and were forced to become wage laborers, labor also became a tradable commodity. The enclosures were justified by its perpetrators as necessary in order to make "improvements."

The words of Robert Ket, who led the Peasants' Revolt of 1549 against the enclosures, heavy taxes, and other abuses, are quoted in the 1992 Special Issue of *The Ecolgist*, "Whose Common Future?":

> The common pastures left by our predecessors for our relief and our children are taken away. The lands which in the memory of our fathers were common, those are ditched and hedged in and made several; the pastures are enclosed, and we shut out. Whatsoever, the fowls of the air or fishes of the water, and increase of the earth—all these do they devour, consume and swallow up. . . . We can no longer bear so much, so great, and so cruel injury; neither can we with quiet minds

> behold so great covetousness, excess and pride of the nobility. . . . While we have the same form and the same condition of birth together with them, why should they have a life so unlike unto ours, and differ so far from us in calling?

The rebellion of 1549 was one of many peasant revolts in old Europe. Sixteen thousand insurgents formed a camp near Norwich and "scoured the country around, destroyed enclosures, filled in ditches, leveled fences."

A poem from the Enclosures period has the lines:

> The law hangs the man and flogs the woman
> Who steals a goose from off the commons
> But turns the greater scoundrel loose,
> Who steals the commons from the goose.

Martin Luther

Until the sixteenth century the Church was the Catholic Church. Its corruption provoked the rise of Protestant Reformism. In 1524 the peasants of Swabia, a region in what is now Germany, brought Martin Luther a document containing Twelve Articles, appealing to him for his understanding (see Earle Edwin Cairns, *The Christian in Society*, pp. 8-16). The peasants said it was their intention "to excuse in a Christian way the disobedience and even the rebellion of the peasants" and to describe "the basic and chief articles . . . concerning the matters in which they feel they are being denied their rights." The peasants based each one of their Articles on specific chapters and verses of

nities, were tortured, hanged, or burned at the stake. The Holy Inquisition was essentially a women's holocaust; about 85 percent of those killed were women. Some say the murders numbered in the millions. I consider this to be the most significant story of the past two thousand years for women of European descent. Much of what we have learned about history is just that—"his story." The women's holocaust is a terrible "her story," and my sisters are still recovering on deep levels of their collective psyche from that horrific repression, torture, and murder. The European indigenous women were strong and clear wild women with equal status to their men. They could stand their ground because they had access to the common lands. The imperial forces called them witches. Martin Luther said, "I would have no compassion on the witches! I would burn them all." How did the forces of Christianity, based on the stories of a loving, healing Jesus, come to be aligned with the forces of an imperialist state and a corrupted church? To answer this question let us now fast forward to the twentieth century and the questions of a man in another part of this world.

Early Christian Teachings

Charles Avila was a Catholic seminarian in the Philippines in the 1960s. One of his professors in the Divine Word Seminary constantly criticized the Church's utter lack of identification with the poor. He persuaded Avila and other students to accompany him on his regular visits to prisoners in various Philippine jails. During his visits Avila heard story after story of how these people had been

evicted from lands they had tilled for generations. He came to realize that what was referred to as "the Peasant Question" was literally that: the question the peasants asked. It was a question on the level of "first principles," which are very rarely subjected to review but which form the threshold of all our thinking. The Peasant Question was this: 'What is just with regard to the land?'

Avila learned from the leading lawyer in the peasant movement that the philosophy of ownership, which was the basis of property laws and practices in the Philippines as well as of most modern legal systems, actually went a long way back in history—all the way back to Roman law. Roman law developed the ownership concept that legitimized the accumulation of wealth by a few at the expense of the impoverishment of the many. As Avila was thinking about a topic for his seminary dissertation, he wondered whether there might be early Christian philosophers of the period of the Roman Empire who had anything significant to say about the ownership concept. Most of the faculty warned him that he would be wasting his time pursuing this topic; his social justice professor, however, urged him to dig into the Latin and Greek writings concerning that period.

Avila scoured through 383 volumes and discovered that the early Christian leaders had indeed all dealt with the question of ownership and Roman law. The writings he discovered were of great assistance to the Filipino peasant movement. In 1983 Avila published his research and these patristic writings as a book entitled *Ownership: Early Christian Teachings*. Over and over again, Avila found, early Christians had railed against the Roman law concept

of ownership as an "exclusive and unlimited right to dispose of a thing, to the exclusion of all others." The Roman land law of "dominium" meant the legalization of property in land originally obtained by conquest and plunder. The original Judeo-Christian land ethic had been that of *koinonia*—land was God's gift to the community as a whole for the *autarkeia* or self-sufficient livelihood of all.

One of Jesus's tasks was to restore the intent of the Jubilee, the period every fifty years when lands were to be returned to their original owners or their heirs: "[The Lord] has anointed me to preach good news to the poor . . . to proclaim release of captives . . . to set at liberty those who are oppressed, to proclaim the acceptable year of the Lord" (Luke 4:18). As theologian Walter Brueggeman explains in *Land: The Foundation of Humanness*, the "acceptable year" is the year of the Jubilee. The "release of captives" is the release of debt slaves who had lost their land because they could not pay their mortgage. A crucial aspect of Jesus's mission was the re-assertion of the land rights of the poor and displaced. The Bible expresses the fundamental recognition that the earth is the Lord's, to be fairly shared and stewarded by all:

> The land must not be sold beyond reclaim, for the land is Mine; you are but strangers resident with me. (Lev. 25:23)
>
> The profit of the earth is for all. (Eccles. 5:9)
>
> Woe unto them that join house to house, that lay field to field, till there be no place. (Isaiah 5:8)
>
> Restore, I pray you, to them even this day, their lands, their vineyards, their olive yards, and their houses. (Nehemiah 5:11).

Christianity lost its mission of economic justice when it became the official religion of the Roman Empire and was adapted to, or grafted onto, the Roman land law of dominium. From that time forward Christianity went hand-in-hand with the forces of conquest of the land-grabbing imperialist state. As Archbishop Desmond Tutu once said, "Before the Europeans came to Africa, we had the land and they had the Bible. We bowed our heads to pray, and when we opened our eyes, we had the Bible and they had the land."

We are searching for clues to how it came to be that fewer than three hundred multi-billionaires now have as much wealth as three billion people—half the population on earth at this time. We are asking why millions of people die from hunger and disease each year when there is enough to meet the basic needs for everyone. Let us journey back now once again to our "old country" before returning to our "new country" in America.

More Enclosures

Thomas More (1478-1535), Chancellor of England, who some say was the most learned justice and scholar in the realm at the time, made passionate pleas against the cruel injustices when whole villages were being pulled down to make way for the more profitable industry of sheep farming and families were turned adrift onto the roads to starve. His plan for a better England was based upon a thorough Common Ownership. More was murdered as a martyr. The root meaning of the word *martyr* is "one who remembers and cares."

In England in 1648 the Diggers were sounding a lot like land-rights prophets. Gerrard Winstanley, in his *New Law of Righteousness,* clearly saw the forces at play when he said, "The rich, in their enclosure saying 'this is mine' and the poor upon the commons saying 'this is ours, the earth and its fruits are common.' . . . Leave off dominion and lordship one over another for the whole bulk of mankind are but one living earth!"

Over several hundred years 4,000 Private Acts of Enclosure were passed covering some 7,000,000 acres. Probably the same-sized area was enclosed without application to Parliament. About two-thirds involved open fields belonging to cottagers while one-third involved commons such as woodland and heath. In the census of 1086 more than half the arable land belonged to the villagers. By 1876 only 2,225 people owned half the agricultural land in England and Wales, and that 0.6 per cent of the population owned 98.5 percent of it. As newer agricultural methods and technologies were applied, landowners could raise the rents of their lands by phenomenal amounts. As the cash economy developed, the rent money accumulated in the hands of the landholders and the plight of the people worsened. To survive they sometimes were forced to borrow money from the landholders at high rates of interest.

Ireland's story at the end of the Enclosures period is that of many in the Third World today. In 1801 Britain made Ireland part of its empire and dissolved the Irish Parliament. By now the Protestants had the upper hand and were given a voice in the British Parliament while the Catholic majority had none. Heavy taxation was placed on

Irish goods, and the British controlled almost all of Ireland's farmland. Tenant farmers had to give their entire crops to the landlords as rent. When their subsistence potato crops failed from blight, there was nothing to fall back on. Some three million people died of starvation and disease between 1845 and 1849 while one million fled to the United States and Canada. Ireland's population of eight million was cut in half. During the famine Ireland exported to England enough grain, cattle, pigs, butter, and eggs "to feed the Irish people twice over," as one Irish historian put it. This information is from an article by Elizabeth Ward called "When Ireland was Europe's Ethiopia" in *Scholastic Update* (Dec. 15, 1986).

Let us go to America now and examine the foundations of liberty and democracy there.

John Locke and the Crack in the Liberty Bell

To fully understand the severe limitations in our current form of democracy it is necessary to trace the thread of the democratic ideal back to its fundamental tenets. Pondering the problem of persistent poverty within a democratic system of government, Richard Noyes—a former recent New Hampshire State Representative and editor of the book, *Now the Synthesis: Capitalism, Socialism, and the New Social Contract*—identifies the current land tenure system as "the one great imperfection, the snag on which freedom catches."

Noyes shows us that the "Age of Reason gave us a thesis with flaws." John Locke's Second Treatise on Civil Government, the political bible of the founding fathers,

held that "the great and chief end of men's uniting into commonwealths, and putting themselves under government is the preservation of their property." The central understanding was that only through the guarantee of property rights could the individual really be free. In further defining property rights Locke stated that "every man has a 'property' in his own *person*," so that anything a man has "removed from the common state," anything with which he has "mixed his own labor," is rightfully his own. The securing of this right was to be the main duty of a democratic government. Locke also affirmed that "God has given the earth to the children of men" (Psalm 115:16).

But the trouble lies with his Second Proviso regarding property. He maintained that it is correct for the individual in a state of nature "to mix his labor with land and so call [the produced wealth] his own since there is still enough [land] and as good left, and more than the yet unprovided could use." Locke said that people in England who wanted land could go to America to stake a claim from what had been declared the vacant commons, the *terra nullia* of Roman law. This was justification for the Europeans to take land from the native peoples. Because they didn't have titles to the land, that made it vacant.

In the Second Proviso the reasoning of the primary mentor of the founding fathers was faulty and limited. In his justification for land enclosure and privatization Locke failed to grasp the consequences for democracy of a time like ours when so few humans would come to control so much of the earth, to the exclusion of the vast majority. Nor could he have known how the forces of an industrial economy would drive land values to such heights, to the

benefit of landowners and bank lenders rather than wage earners. The property-in-land problem, insufficiently scrutinized by John Locke and the founding fathers, is the crack in the Liberty Bell. It is the root dilemma of democracy. Having life and liberty without land rights breeds unhappiness, unemployment, wage slavery, suffering, militarization, and even death. Democratic government as presently constituted, because it is not grounded and embedded in the principle of equal rights to the earth, cannot build a world of peace and justice.

Thaddeus Stevens and the Civil War

Thaddeus Stevens was a Civil War congressman from south-central Pennsylvania, where I come from. He was Speaker of the House for many years, a radical advocate of the abolition of slavery and the major proponent of land reform during Reconstruction. He wanted the fertile plantation lands of the South to be allocated to the freed slaves and poor whites. In his view this plan would also help to solve the race problem by uniting freed slaves and poor whites on an economic basis.

Stevens is quoted in *Thaddeus Stevens: Confiscation and Reconstruction* by Stanley Elkins and Eric McKitrick: "No people will ever be republican in spirit and practice where a few own immense manors and the masses are landless. Small independent landholders are the support and guardians of republican liberty." Stevens wanted the large landholdings seized, with forty acres and a mule to farm them allotted to each former slave. This would do justice to those whose uncompensated labor had cleared

and cultivated the southern land, he reasoned. He envisioned a land of productive and independent small farms. After this allocation there would still remain millions of acres—90 percent of the land, in fact—which could be sold to help pay the national debt, reduce taxes, and provide pensions for Union soldiers and reimbursement for citizens whose property had been destroyed during the war.

Confiscation was very much a live political issue in 1867, but the forces against Stevens prevailed, and his plans for land reform failed. Even a respected radical journal of the time stated that for the government to give land to freedmen would suggest that "there are other ways of securing comfort or riches than honest work. No man in America has any right to anything which he has not honestly earned, or which the lawful owner has not thought proper to give him." As if the slaves had not worked long and hard enough! Yet William P. Fessenden, one of the most powerful Senate Republicans at the time, commented, "This is more than we do for white men." *The New York Times*, as quoted by Elkins and McKitrick, expressed most clearly the fears felt by northern men of property:

> If Congress is to take cognizance of the claims of labor against capital . . . there can be no decent pretense for confining the task to the slave holder of the South. It is a question, not of human loyalty, but of the fundamental relation of industry to capital; and sooner or later, if begun at the South, it will find its way into the cities of the North . . . Any attempt to justify the confiscation of Southern land under the pre-

> tense of doing justice to the freedmen, strikes at the root of all property rights in both sections. It concerns Massachusetts quite as much as Mississippi.

The final step of the Second American Revolution, the provision of an economic underpinning to the blacks' newly won freedom, was not taken. Later, visionary social-justice activists like Bob Swann, inspired by his mentor Ralph Borsodi's thinking on trusteeship, launched the Community Land Trust movement to secure land rights for some. After studying the Jewish National Fund in Israel and the Gandhi-inspired Gramdan movement, which placed donated land in trusteeship for the benefit of the poor, Swann then worked with Slater King, a cousin of Martin Luther King, Jr. They secured 4,800 acres of land in Georgia for African Americans. New Communities and the Featherfield Farm project remain the largest black-owned single-tract farm in America. Despite isolated examples like this, economic injustice —the land and land-rent problem, combined now with the money and interest problem—is grounds for the next revolution of the American people.

Martin Luther King, Jr., another prophet and martyr, saw that our government's resistance to land reform extended beyond our own borders. In "Beyond Vietnam: A Time to Break Silence," a speech delivered on April 4, 1967, in New York City, he said:

> For nine years following 1945 we denied the people of Vietnam the right of independence. For

> nine years we vigorously supported the French in their abortive effort to recolonize Vietnam. After the French were defeated it looked as if independence and land reform would come again through the Geneva agreements. But instead there came the United States, determined that [Ho Chi Minh] should not unify the temporarily divided nation, and the peasants watched again as we supported one of the most vicious modern dictators—our chosen man, Premier Diem.
>
> The peasants watched and cringed as Diem ruthlessly routed out all opposition, supported their extortionist landlords and refused even to discuss reunification with the north. The peasants watched as all this was presided over by U.S. influence and then by increasing numbers of U.S. troops who came to help quell the insurgency that Diem's methods had aroused. . . . [T]he long line of military dictatorships seemed to offer no real change—especially in terms of their need for land and peace.

King wrote in his "Letter from Birmingham City Jail":

> I am sure that each of you would want to go beyond the superficial social analyst whose approach to the problems of poverty and racism will cause us to see [that] the words of the Psalmist—"The earth is the Lord's and the fullness thereof"—are still a judgment upon our use and abuse of the wealth and resources with which we have been endowed.

U.S. Imperialism

Let us now focus for a moment on Jimmy Carter, an American president who started out with kind intentions and ended up with cruel ones.

The Carter team had pledged itself to nonintervention in the Third World, to a sincere commitment to arms control, and to work for worldwide human rights. Carter accomplished much along these lines in the beginning of his term in office, but in the end he reversed himself and fell victim to Cold War fever. Following the Soviet invasion of Afghanistan in 1980 President Carter issued his famous statement to a joint session of Congress in which he said, "An attempt by any outside force to gain control of the Persian Gulf region will be regarded as an assault on the vital interests of the United States of America [and] will be repelled by any means necessary, including military force." As Michael T. Klare points out in his important new book, *Resource Wars: The New Landscape of Global Conflict*, the United States began a military build-up in the Persian Gulf area at that time which has continued to this day. The Carter Doctrine was invoked during the Iran-Iraq war of 1980-88 and again in August 1990 when Iraqi forces occupied Kuwait.

How is it that Jimmy Carter, our "best-intentioned of Presidents" is remembered as the proponent of a doctrine of U. S. national security based on "might makes right"? The remarkable transformation of Carter-the-kind-Christian from peacemaker to warmonger showed his susceptibility to Cold War fever and a lack of any firm ground to stand on regarding the relationship of human rights to land

rights and democracy. He played into fears that the godless communists were conspiring to take over the world, ignored the true economic principles of the Judeo-Christian tradition, and seemed to be unaware of the imperialist forces at play in the U. S. government.

When the first President Bush sent American troops to Saudi Arabia in 1990, Klare quotes him as telling the nation: "Our country now imports nearly half the oil it consumes and could face a major threat to its economic independence. . . . [T]he sovereign independence of Saudi Arabia is of vital interest to the United States." The Carter Doctrine continues to be used to justify elite vested interests wresting control of land, oil, and mineral resources in many areas of the earth in the name of the American people and the security interests of our "democratic" state. We the people of the United States, who comprise 5 per cent of the world's population, now control more than 30 per cent of the world's resources. All over the world we are claiming vital mineral, oil, and land resources as part of our national security and are militarizing those areas . Today we are playing the "great game" for control of the three trillion dollars worth of oil and gas resources in the Central Asian republics. George W. Bush, our new kind-Christian-president, tells us he is trying to be careful. What or who will stop us if we cannot stop ourselves?

Joseph E. Stiglitz is one of three economists to win the Nobel Prize in economics this year. In 1999 he was fired from his position as Chief Economist with the World Bank after he began to speak out about his concerns. In an interview in 2001 with Greg Palast, a writer for *The Observer* (London), Stiglitz described in detail the four-

step plan used by the international banking institutions to extract wealth from around the world. In his view the process leads to financial barbarism, pillage, and plunder and has resulted in immense suffering, starvation, and destruction. "It has condemned people to death," Stiglitz said bluntly in the interview.

When Palast asked Stiglitz what he would do to help developing nations, Stiglitz proposed radical land reform and an attack at the heart of "landlordism," including excessive rents charged by propertied oligarchies worldwide. When Palast asked why the Bank didn't follow his advice, Stiglitz answered that challenging the elites' property rights in land was a threat to their power. "That's not high on their agenda."

Growing numbers of us are appalled and chilled to our bones at what the World Bank (in which the U. S. Treasury has a 51 per cent controlling interest), the International Monetary Fund, and other instruments of international finance and control are doing to our world. The anti-globalization protesters of today represent the voices of the world's peasants, past and present, now joined by middle-class people from many countries. Placing our country and our state, county, and city or town on the firm and fair foundation of the human right to the earth is one of the most important endeavors of our age.

What Are We Going to Do About It?

In 1979 I was giving a workshop in Pasadena about Henry George and land rights economics when an elder raised her hand and said: "We know this. Now what are we

going to *do* about it?" I did not know at the time that she was Mildred Loomis or who Mildred Loomis was, but she was to become a great friend and mentor of mine. Some called her the grandmother of the counterculture. She was a close friend of Ralph Borsodi and in association with him played an influential part in founding the modern intentional community movement. Mildred also kept in touch with the land-value-tax movement and clearly understood how both of these approaches to land rights drew from the important work of Henry George.

I have thus far presented several dimensions of the great and unsolved land problem from various vantage points. Now I will describe five ways by which the earth can be claimed for the benefit of the people as a whole, detailing ways and means for securing common rights to water, oil and mineral royalties, and the rent of surface land:

- direct action by exploited and mobilized citizens;
- enlightened earth-rights state institutions;
- politicians who are true representatives of the people;
- enlightened vote of the citizenry; and
- environmental tax reform.

Direct Action by Exploited and Mobilized Citizens

An example of direct action by exploited and mobilized citizens is the story of the Bolivian Water War, as Maude Barlowe told it in her article on water privatization in the summer 2001 *Bulletin of the International Forum on Globalization.*

International Monetary Fund and World Bank policies have given corporate access to many water systems in developing countries. In the city of Cochabamba the Aguas Del Tunari company, a local subsidiary of the San Franciso based Bechtel Corporation, was the only bidder for the city's water supply. After privatization, with the water system now in the control of this company, rates increased and even tripled for some of the poorest customers. Water was shut off completely for others. No infrastructure improvements were made. Citizens who had built family wells or water irrigation systems decades earlier suddenly had to pay the company for the right to use the water.

An alliance of labor, human rights, environmental, and community leaders organized and fought back with peaceful marches. A public referendum showed that the vast majority wanted the company out, but they were either ignored or met with police violence. Using Gandhian tactics they engaged in strikes and blockades to take back their water. The government declared a state of siege, arrested the protest leaders, shut down radio stations, and sent in a thousand soldiers. A teenager was killed and many others wounded. After weeks of confrontation the government backed down and ended the contract with the corporate raiders. Bechtel then threatened to sue the national government for lost investments and potential lost profits based on a bilateral investment treaty.

No one was providing the city with water while the government and the corporation were in dispute. Then the water-company workers began running the system themselves with the help of the coalition that had been built. The water workers held regular community meetings to deter-

mine the need for water; they reduced prices, built new tanks, and laid pipes to bring water service to neighborhoods that had never had it before. The service was fairly and efficiently cooperatized with the full support and inclusion of the workers and the community.

The Cochabamba Declaration, the basis for coalition actions, follows:

> 1. Water belongs to the earth and all species and is sacred to life; therefore, the world's water must be conserved, reclaimed and protected for all future generations and its natural patterns respected.
>
> 2. Water is a fundamental human right and a public trust to be guarded by all levels of government; therefore, it should not be commodified, privatized or traded for commercial purposes. These rights must be enshrined at all levels of government. In particular, an international treaty must ensure these principles are noncontrovertible.
>
> 3. Water is best protected by local communities and citizens, who must be respected as equal partners with governments in the protection and regulation of water. Peoples of the earth are the only vehicle to promote democracy and save water.

Enlightened Earth-Rights State Institutions

Under the Alaska Constitution all the natural resources of Alaska belong to the state to be used, developed, and conserved for the maximum benefit of the people. The Alaska Permanent Fund was established in 1976 as a state

institution with the task of responsibly administering and conserving oil royalties and other resource royalties for the citizenry. The principle of the fund is invested permanently and cannot be spent without a vote of the people, whereas the income can be spent. The legislature and the Governor decide annually how it will be used.

In 1980, after four years of debate, the Alaska Legislature established the Alaska Permanent Fund Corporation (www.apfc.org) to manage the assets of the Fund. That same year the Legislature also created the Permanent Fund Dividend Program to distribute a portion of the income from the Permanent Fund and mineral royalties each year to eligible Alaskans as direct dividend payments.

Individuals who received the annual dividends from 1982 to 2000 have received a total of $18,511. In the year 2000 more than half a million citizens received dividends of $1,963 per person, which amounts to nearly $8,000 for a family of four. Overall, the dividend program has dispersed more than $10 billion into the Alaskan economy.

Beautifully designed literature describes in detail the various components of the Fund. An Annual Report is distributed each year. There is an extensive accountability program, and open meetings are held with the opportunity for citizen participation. Citizen interest in the Fund's operation and activities is strong. Earnings undergo special public scrutiny. The Alaska Permanent Fund is a well managed and transparent earth-rights institution. It is a remarkable pioneering model of a fair and effective way to secure common heritage wealth benefits for the people as a whole.

Alanna Hartzok

Politicians Who are True Representatives of the People

Public officials who sincerely see their role as servants of the common good can be found in most of our towns and cities. Once they understand practical earth-rights policies, they want to help put them in place. This has been true in Pennsylvania, where local officials are implementing a property-tax reform that is in direct lineage from the land-rights ideas of Henry George and, even further back, of Thomas Paine.

Paine came upon the idea of land-value taxation in France in the days preceding the French Revolution when the Physiocrats, the court socio-economic advisors, were whispering into the ear of King Louis XIV, "Poor peasants, poor kingdom; poor kingdom, poor king." Quesnay and Turgot were telling the king he must tax the land and not the common people, but it was too late, and events turned bloody.

Paine said: "Men did not make the earth. . . . It is the value of the improvement only, and not the earth itself, that is individual property . . . Every proprietor owes to the community a ground rent for the land which he holds" (*The Complete Works of Thomas Paine*, edited by Philip Foner, p. 611). Ground rent is the value that accrues to the land alone apart from any improvements created by labor. This value is created by the existence of and functioning of the whole community. To allow this value to be appropriated by individuals means that land can be used not only for the production of wealth but also as an instrument of oppression of human by human. This leads to severe social

consequences that are everywhere evident.

In Pennsylvania civic officials in twenty municipalities are implementing a local tax reform based on this understanding. Pennsylvania's pioneering approach to public finance decreases taxes on buildings, which encourages improvements and renovations, and increases taxes on land values to discourage land speculation and profiteering. Shifting the tax burden from buildings to land values promotes a more efficient use of urban infrastructure and urban land while decreasing the trend toward sprawl. The benefits of development can be broadly shared when housing maintains affordability and public coffers are solvent. Pennsylvania's capital city of Harrisburg was in shambles in 1980 when it began to shift to land-value tax; now the city taxes land values five times more than buildings.

Harrisburg's mayor, Stephen Reed, sent the following letter dated October 5, 1994, to Patrick Toomey—businessman, civic activist, and member of the Home Rule Commission of Allentown:

> The City of Harrisburg continues in the view that a land value taxation system, which places a much higher tax rate on land than on improvements, is an important incentive for the highest and best use of land in already developed communities, such as cities . . . .
>
> With over 90% of the property owners in the City of Harrisburg, the two tiered tax rate system actually saves money over what would otherwise be a single tax system that is currently in use in

nearly all municipalities in Pennsylvania.

We therefore continue to regard the two tiered tax rate system as an important ingredient in our overall economic development activities.

I should note that the City of Harrisburg was considered the second most distressed in the United States twelve years ago under the Federal distress criteria. Since then, over $1.2 billion in new investment has occurred here, reversing nearly three decades of very serious previous decline. None of this happened by accident and a variety of economic development initiatives and policies were created and utilized. The two rate system has been and continues to be one of the key local policies that has been factored into this initial economic success here.

Here are a few of the improvements mentioned in the Harrisburg literature:

- The number of vacant structures, over 4200 in 1982, is today less than 500.
- With a resident population of 53,000, today there are 4,700 more city residents employed than in 1982.
- The crime rate has dropped 22.5% since 1981.
- The fire rate has dropped 51% since 1982.

Enlightened Vote of the Citizenry

The city of Allentown, also in Pennsylvania, showed us how this tax shift can be voted in by an enlightened earth-rights citizenry. Joshua Vincent, director of the Cen-

ter for the Study of Economics, recounted the fierce recall battle that ensued in Allentown after citizens voted in a city Home Rule Charter that included a change in property taxes to a two-tier system that would, gradually over five years, shift the burden to land values.

Vincent saw that the effort to put the land tax back on the ballot and defeat it was being driven largely by used-car dealers with large lots and by shareholders of the Allentown Fair Grounds, an immensely valuable 42-acre site in the middle of the city that had always enjoyed a sweetheart property-tax deal. With the help of money from statewide car-dealer associations, the opponents bought television and radio time and used billboards and airplane trailer banners to paint Henry George's ideas as "socialist." They warned (falsely) that churches would have to pay the land tax. But the pro-land-tax forces, lead by a former city councilman who had been pushing for it for twenty years, mounted an intense grassroots education effort—and the tax passed again by a comfortable margin.

Since its move toward land-value taxation Allentown has been experiencing gradual and steady improvements, as have all the Pennsylvania cities that have been implementing earth-rights policy.

Environmental Tax Reform

The state of the earth now requires that the costs of industrial production and human commercial activity no longer be externalized onto the global commons. The environmental movement has been discovering how to harness tax policy in order to protect the earth.

Sufficiently high user fees and pollution permits encourage business and industry to find more efficient and cost-effective controls. Pollution taxes function as pay-for-use fees for common heritage resources of land, water, and air and make the tax system work for the people and the planet. Green taxers also aim to eliminate numerous subsidies deemed no longer necessary, environmentally or socially harmful, or inequitable. Green tax policy is poised to radically redirect the incentive signals of the world's taxation systems that now promote waste, not work. Enviro think tanks like Worldwatch Institute, Center for Sustainable Economy, Northwest Environment Watch, and the Institute for Ecological Economics are building the conceptual framework.

A look at the current approximate composition of the world's $7.5 trillion tax pie reveals that 93 percent of taxes falls on work and investment while only 3 percent is collected from environmentally damaging activities. A mere 4 percent of global tax revenues is captured from natural-resource use and access fees. The challenge before us is to bring about change in tax policy all around the world so that people will pay for what they take, not what they make.

Work in Progress

This past decade the Russian parliament, the Duma, has been grappling with the question of land privatization as it relates to the transition to a market economy. As Joseph Stiglitz observed when he was with the World Bank, Russia's natural resources have been pillaged for the

profits of a few. Earth rights colleagues in Britain and the United States—Fred Harrison, Nic Tideman, and others—have been working quite closely with certain Russian leaders as they search for a different kind of economy, one beyond both Left and Right. Many Russian officials in positions of power are pushing the policy of land rent for the people. This effort is an uphill struggle against the neocolonizers and the international banking institutions. Battle lines are drawn between those who would privatize rent, which means concentrating land wealth into the hands of a few, and those who would socialize rent, which means basing the Russian state on the common right of the people to the land of mother Russia as financed by land rent for the people as a whole.

In the Dominican Republic my friend Lucy Sylfa is hard at work, as she has been for the past fifty years. As director of the Henry George School of Social Science there, she has educated tens of thousands of people about earth-rights principles and policies. Journalists, government representatives, economists, military top brass, and prisoners have graduated from her classes. The President of the Dominican Republic was one of her students. Recently he gave her a letter to take to others in the government. The essence of the letter is, "Open your door to Lucy, listen to her, and do what she says." She is now trying to pry land ownership and valuation information out of the bureaucracy so that a feasibility study can be done before recommending a tax-shift plan for this small island state. As in Russia and almost everywhere else, we are up against the international banking establishment's plan for that country.

Philadelphia, where Henry George was born in 1839, is one of the most exciting points of play in the land-value tax movement at this time. The city's first tax law was a land tax passed on January 30, 1693. Over the ensuing centuries Philadelphia lost its land tax and fell prey to one of the highest wage taxes in the country. There has been sporadic interest in land value taxation over the years, but now the movement is coming into its own. In 1998 we organized a Public Finance Alternatives Forum, attended by around sixty people, among them a researcher in the City Controller's Office. After reviewing the evidence for the benefits of the switch to land-value tax in other Pennsylvania cities, the Controller's Office hired one of our land-value-tax colleagues to help research the possibilities for Philadelphia.

Support for the idea is growing rapidly. A number of informative and favorable stories have appeared in the *Philadelphia Inquirer*, *The Public Record*, and *Philadelphia City Paper*. Leaders in the anti-globalization movement and the Green Party like Mike Morrill and Anne Goeke are supporters along with the leadership of the Greater Philadelphia Association of Realtors and the Chamber of Commerce. Strange bedfellows, eh? Well, land-value tax is a pro-active, practical, and sensible approach to the revitalization of the city. It is highly unifying because nearly everyone benefits. Those most likely to be against it are land speculators and people who profit from high land and housing costs. There is a possibility that certain banking interests could also try to stand in the way, the reason being that when land becomes more affordable and purchasing capacity rises as the result of shifting taxes from

labor to the land, banks will then be unable to capture as much interest from mortgages. These vested interests will be outvoted and voted out as the people learn once again how to make democracy work for the good of the whole.

Earth Rights and Information Technology

The powerful tools of information technology can well serve our work in securing the earth as our birthright. Cities and towns are putting property values and tax information into computer databases and onto the web, where this information is transparent and easily accessible. Geographic information systems (GIS) are computer maps containing detailed data. The use of GIS for land-value tax research is being pioneered by city assessors like Ted Gwartney and political scientists like Bill Batt.

Information technology will be of great assistance to us in finding answers to these important questions: Who owns the earth? How much do they profit? How much land rent do they pay into the common fund? LANDSAT satellite technology can help us determine if land, water, and air resources are being polluted or destroyed. Those indicators can serve as red flags indicating the need to levy pollution taxes or fines. All of these concerns can be monitored by the masses via computer technology. Safeguarding the planet and the people will become "the best game on earth."

Conclusion

The Next Economy will deeply respect and value all life on earth. It will recognize that we as human beings are trustees and caretakers of the many life forms that dwell here with us. The Next Economy will extend the democratic mandate to solve the land problem by affirming the equal right of all people to the earth. It will have a balanced and just relationship of citizenry to government, with enlightened public-finance policy based on land and land rent for the people. Money will be issued and circulated as a service for the people as a whole rather than a mechanism for the exploitation of the many by the few. As land rent and natural-resource rent are socialized and wages are fully privatized (meaning untaxed), capital will cooperatize in ways similar to the Mondragon cooperatives of the Basque region and the models described by E. F. Schumacher, Louis Kelso, and others.

The Next Economy will be global, as people are freed to move beyond borders and boundaries and claim the whole earth as their birthplace. It will be highly decentralized as well, with people living and producing for their basic human needs within the constraints and parameters of local ecological systems. The Next Economy will build a world that works for everyone, with plenty of time to expand our minds and elevate our spirits. Will we live to experience the Next Economy? Will we see it come of age?

For a footnoted version of this lecture see:
www.Earthrights.net

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