

Science & Religion Unite to Revitalise spirit of Russia

A NEW movement has been created in Russia in a bid to rescue a demoralised society.

Social scientists led by top economist Dr. Dmitry Lvov approached the Orthodox church with the plan to unite their efforts. The outcome was the establishment of Religion & Science. The inaugural conference was held in October at the monastery in Moscow which is the residence of Alexy II, Patriarch of All Russia.

Dr. Lvov, the Academician-Secretary of the Economics Department of the Russian Academy of Sciences said in his plenary speech that no moral or social problem could be resolved until the correct decision had been made about property rights to land.

He said that 80% of the revenue currently being generated in Russia was rent from natural resources, "which

Russia has received from God. This is revenue not connected with the results of labour or capital. What is given by God should belong to everybody. No country in the world has been able to solve this problem, which is the fundamental reason for the existing contradictions in global society such as poverty."

Dr. Lvov called for the equal right of revenue from land to be written into the constitution. He said that "90% of rental income is privatised to those for whom it should never belong to". Science was identifying the solutions which would lead to national revitalisation. He regretted that Western leaders who were talking about a Third Way were not speaking about spiritual revitalisation and the economic foundation which underpinned it.

The moral economy required the sharing of the rent of the earth. "Only if we understand this will we provide a quick

recovery and a prosperous future."

Fred Harrison from the London-based Centre for Land Policy

Studies reminded the theological leaders who gathered from all over Russia that the bible provided them with a memory that pre-dated Communism and constituted an authority that was independent of governments and the constitution. He urged them to insist on the natural right of every citizen to a share in the benefits of the land of Russia.



■ Dmitry Lvov

A special correspondent reports from Moscow

Land Tax laws under the spotlight

THE LEGAL foundations for a revised Land Tax are being put in place by Russia's parliament, the State Duma.

Two working groups have been created to revise the draft laws on the Cadastral Survey and the valuation of land.

A member of both working groups is Mrs. Tatyana Roskoshnaya (pictured below), Executive Director of Land and Public Welfare Foundation, St. Petersburg.

She says: "It is important to create the correct legal foundations for collecting the full revenue from land. If it is not done correctly, a considerable part of rent will become the subject of speculation. So far land has been valued by so-called independent valuers who act on the orders of those interested in acquiring the land. So it is difficult to say that the valuations are objective".

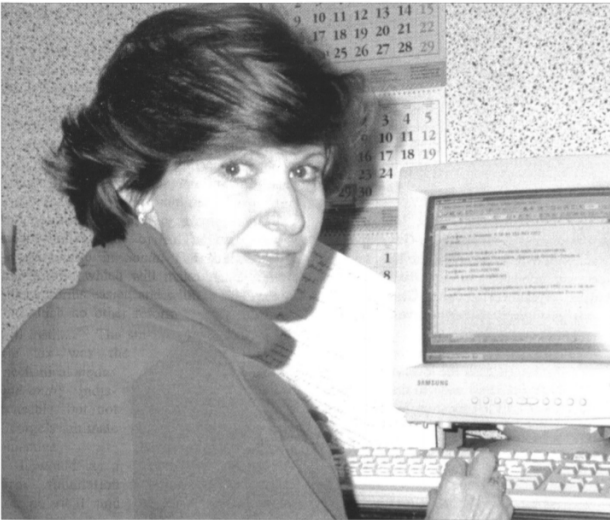
The law on the Cadastral Survey has received its first reading. The Yeltsin government is pushing the Duma to pass the law so that transactions driven by the market can begin. It has been held up by left-wing deputies who think that a Cadastral record would encourage land speculation.

The new Minister of the Land Committee, Sergei Say, told *Land & Liberty* that he wants the law that determines the Land Tax to be updated. Amendments to that law will have to wait until the new Duma convenes in January following the elections on Dec. 19.

Mrs. Roskoshnaya explained: "The Land Tax is not based on the real value of land, but on so-called normative prices which are much lower than market values. Mr. Say wants taxable values to be nearer to market values".

The key Land Code has not yet been passed despite pressure from President Yeltsin. "The law does not permit rent privatisation, so far," reports Mrs. Roskoshnaya. "Everything that has been done to try and privatise land has been on the basis of Presidential Decrees. But *de facto* land privatisation has started, with the help of clever advisors from the West."

◆ When the old Land Code was introduced in 1991, it included the provision that payments had to be made for the use of land. There was an immediate queue of people wanting to give up the sites which were surplus to their needs. The military, in particular, wanted to relinquish considerable holdings of land. But Yeltsin issued a Decree saying the military could not afford to pay and was therefore exempt.



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