



## ECONOMICS AND THE LAND ETHIC

Let me begin with a quotation from Aldo Leopold:

*There is as yet no ethic dealing with man's relation to the land and to the animals and plants which grow upon it. Land...is still property. The land relation is still strictly economic, entailing privileges but not obligations. (A Sand Country Almanac, OUP, 1949, p. 203)*

Aldo Leopold was an early pioneer of environmental ethics, advisor to the UN before his death in 1948. He suggests that ethics had evolved in society first for the individual, then for the community, and now it must embrace the land. As he puts it, 'The land ethic simply enlarges the boundaries of the community to include soils, waters, plants, and animals, or collectively: the land'. (p. 204)

It follows from this, so long as we have no land ethic, that the land is still property, just as slaves were once property, a mere economic resource towards which we owe nothing. At best we have laws to protect private property in land, because it is someone's property, not because of its natural worth. It is assumed that because something is property, an owner can dispose of it however they wish, so long as they inflict no direct harm on another. It is quite clear, however, that our laws of property are founded on claims of privilege and not on natural justice. It is also clear that land ownership is only a *legal* concept, not a natural right. This was recognised by the prophets of the Old Testament and by the medieval Natural Law tradition. In the Middle Ages a legal claim on land came with duties to the community, though these duties were gradually disregarded.


The recognition of these duties were further eroded in England by the *Magna Carta*, despite it being drafted to oppose the reckless laws of King John, which established civil rights on the basis of private property rights. And later Locke argued in his *Second Treatise on Government* that an individual should have civil and political rights in proportion to the property they owned. Even so, ownership of land can only ever be demonstrated to be a *legal* right and never a natural right in the same way that the produce of person's labour can be. And land can be compulsorily procured by the state for development. Hence for a nation, and in practice, the private ownership of land can never be absolute. It always remains a legal construct and never a natural right. Yet *care* for the land is plainly a natural duty and precedes any legal claim of ownership.

Little has changed since Aldo Leopold's time 70 years ago. In fact, very little has been done to explore the true relation of economics and the environment. It is even quite commonly assumed that economic interests are necessarily in conflict with care for the environment. There are indeed those who suppose that Henry George's tax reforms, and the introduction of a land tax, would not only increase production but would also lead to further harm to the environment. This is because the 'land question' is not seen in its full depth, neither on the economic side nor on the environmental side.

### ECONOMIC LANGUAGE

The land question is the question of the proper place of the human species in the biosphere. Land is the basis of the biosphere. It is not merely an economic 'resource'. That abstract word 'resource', as used by economists, has gradually introduced a distortion into our understanding of land and of our true economic relation with it. Slaves were once regarded as a 'resource' and there remains a tendency still to regard labour as a resource. Yet we would not regard our parents or children as a resource. The word 'resource' conceals or falsifies our real relations with things by reducing them to mere utilities. It does the same when applied to the land. Likewise the word 'location', which often now replaces the word 'land', also distorts our true economic relation with the land. The 'location value' does not reflect the environmental importance of land or its part in the earth's ecosystem. This disparity between 'economic' value and 'natural' value is reflected in the current destruction of the rain forests.

The language we use about the world reveals how it is seen or misconceived. We may observe, for example, how economic language has moved over the last 200 years from concrete social language to abstract concepts, and eventually to mathematical and statistical language, gradually divorcing the economic realm from the social and ethical realms, as well as from the natural world. Recent economists, such as Mariana Mazzucato and John Médaille, have shown that modern 'textbook economics' has little connection with actual economic practice. It has become a fictional language, logical and coherent within itself but bearing small relation to the life of society. Yet the word 'economics' means the 'household' or 'household management'. Its original meaning implies wise management for mutual benefit, as we see in Aristotle's *Politics*. It directly concerns how we live, use and dwell on the land. It recognises that the true laws of economics



and the laws of Nature cannot be in conflict with each other. If they appear to be so, then either economic understanding must be in error, or Nature must be misconceived. I suggest currently it is a mixture of both.

It is therefore of great importance to see how the present economic injustices and the destruction of the environment are linked together. Human poverty and environmental harm have the same common cause. They are not separate problems since they both spring from a wrong relationship with the land. Indeed, the *same* wrong relationship with the land. As Aldo Leopold suggested, the social ethic and the land ethic cannot be divorced from each other since one is an extension of the other.

It is perfectly plain that if there is poverty amid abundance, as there is here in the UK, then the social ethic must be amiss. It suggests we live in a wrong relationship with one another. If we live and a wrong relationship with one another, how can we live rightly with the land, with the earth, or the biosphere? If we live out of accord with *where* we live, how can we live rightly as a community? And if we live out of accord with Nature, how can we live in accord with human nature? Yet modern economic theory takes no account of these things and assumes that land is merely a resource, a passive store awaiting our utilisation and consumption, and it follows from this that all economic exchange is reduced to mutual exploitation. By abusing the land we degrade our own humanity.

### NATURAL COOPERATION

It is worth reminding ourselves that according to Henry George people are not naturally exploitative or competitive. Only unnatural circumstances make them so. On the contrary people are naturally generous and cooperative. *Homo sapiens* are the cooperative species. Cooperation is the basis of society and of any natural division of functions, whether in the family, the workplace, the nation, or humanity as a whole. The prevailing idea of 'competitive individualism', a lingering offshoot of Hobbes and Social Darwinism, distorts our understanding of the natural order of society. Nature works by association and integration, not by competition. It is always proportionate and elegant. If we simply observe people working we see that, in practice, they cooperate, regardless of prevailing economic theories or political ideologies. They act for mutual advantage. But if in economic policies we fail to observe how cooperation is natural, and that mutual benefit is natural, then we are likely to accept bad laws for governing society. We will tend to legalise things that are unnatural and anti-social – such as usury and gambling. These are two obvious misuses of wealth – or more strictly of the proper use of money – which produce harm in society generally. The most ancient principle of law-making is that no law should be made that advantages one party to the detriment of another.

Land monopoly is clearly socially divisive. I need hardly argue this point here. Yet it is also, and more fundamentally, an unnatural relation with the land itself. It causes slums and pollution, and these in turn harm the land. We have all seen photographs of the unhealthy and degrading Victorian slums. They personify land abuse, and the social abuse that follows as a consequence. The two kinds of abuse cannot really be separated. But even now in the UK substandard houses are being built for land and social exploitation. Such social exploitation is environmentally harmful. It neither serves the homemaker well, nor respects the best or appropriate use of land. It is at once humanly and environmentally unnatural. It is driven by the desire to exploit the homemaker and the land.

Here we may observe another ancient principle of law-making: the desire to exploit does not use things in the manner they are best suited to. It lowers the standard of life and erodes community. It also degrades the exploiter. We have come to accept, especially here in the UK, that the housebuilder builds for his own benefit and not for the householder or the community. And so he builds poor houses with poor materials and poor craftsmanship. Having the wrong aim, he brings negligible social advantage. A real craftsman would never work in such a manner. On the other hand, precisely because the housebuilder is caught within an economy of land speculation and the ever rising price of land, he is compelled to compromise. Everyone is caught in the same vicious circle.

But of course, if land is taken to be private property for the sake of speculation, rather than as the natural dwelling place of all living beings, then that initial false relation inevitably opens the door to a host of others. Land monopoly invites land abuse, poor workmanship and social injustice. The economic realm cannot be separated from the environmental realm, and neither realm can be separated from ethics. The true and proper study of economics ought to include all three realms.

### RIGHT USE

So the question becomes: what is the right use of land? This is at once an economic, social and environmental question. Yet it is almost to ask the Socratic question: How ought we to live?

To begin to answer this question we need first of all to step outside the mechanistic framework of current thinking about the world, and even about the universe. If we consider for a moment the ancient understanding of the land we find it expressed in the symbol of Mother Earth, or as the Great Nurse of all living beings. It is the most universal symbol of all ancient cultures. Plato, in the *Laws*, says that we should honour the earth as our mother. And further he lays down a law that no household may sell their land, but that it passes down the generations intact.



This law is made with the express intention of preventing unequal ownership of land or its commodification. And in his *Politics* Aristotle lays down the principle that the land provides precisely sufficient for all our needs, and that to take more than this, or to trade things solely for profit, will corrupt society. Nature, Aristotle observes, does nothing superfluous. And earlier before the Greek philosophers we read in Hesiod of the Golden Age where all people lived in peace and where:

*All good things were theirs; ungrudgingly, the fertile land Gave up her fruits unasked. (Theogony.....)*

And the great Roman poet Virgil, also writing of the Golden Age, says:

*No tenants mastered holdings, even to mark the land with private bounds was wrong: men worked for the common store, and earth herself, unbidden, yielded more fully. (Georgics I/126-29)*

And the poet Ovid writes of how this was lost:

*The earth itself, which before had been, like air and sunshine, a treasure for all to share, was now crisscrossed with lines men measured and marked with boundary posts and fences. (Metamorphosis I/134-36)*

The Stoic philosopher Seneca also wrote of the Golden Age:

*The social virtues had remained pure and inviolate before covetousness distracted society and introduced poverty, for men ceased to possess all things when they began to call anything their own. . . . How happy was the primitive age when the bounties of nature lay in common and were used freely; nor had avarice and luxury disunited mortals and made them prey upon one another. They enjoyed all nature in common, which thus gave them secure possession of public wealth. Why should I not think them the richest of all people, among whom was not to be found one poor man? (The Epistles)*

The ancient poets and philosophers expressed in a symbolic language which perceived, so to speak, an eternal reality behind the disorders humanity had brought upon itself and upon the earth. That symbolic eternal reality pointed the human imagination to how we ought to live, and how we might live, if we adopted the pure social virtues and lived without avarice. The 'vices' cause us to misperceive the world and our place in Nature: 'for men ceased to possess all things when they began to call anything their own'.

This ancient view of things reflected a vision of natural harmony between society and Nature. And when the philosophers of Classical Greece and China considered what was expressed in poetic symbols and myths, they discerned a lawful order running through all things.

We might say that Nature was itself Law. It manifested itself as Law – not as laws governing Nature, but as Nature's very essence or being. And human nature likewise was seen to be lawful, having its own essence which corresponded with the great laws of Nature. The human person was like a small cosmos corresponding with and reflecting upon the greater cosmos. For the ancient poets and philosophers, it is this correspondence with the greater cosmos that aligns the human senses and faculties with Nature and enables perception and thought. The word 'consider', for example, originally meant to observe the motions

of the stars and the order of Nature. Yet our modern sciences take little note of the fact that Nature gives us our senses and faculties, and even less that these are given for a definite purpose within the great order of things.

## NATURAL LAW

From this ancient holistic understanding of Nature arose the tradition of Natural Law. This is too vast a subject to cover here, so we can only remark how it appears on different levels. At the highest level it is simply the Good, or what later was called the Eternal Law. Out of the Good springs Justice. Out of Justice springs Regulation of the cosmos and society. Out of Regulation springs Jurisprudence or 'legal' law. And finally from Jurisprudence springs Custom. The descent from the Good to custom is like a ray of light shining from the Good and informing each level with its own luminosity. This means that the 'rightness' or 'fitness' of each level may be measured by reference to the next level above it. And so the Stoic and medieval philosophers assert that any 'legal' or 'positive' law enacted which contradicts the Eternal Law cannot rightly be called a law. An example of the kind of law which fails to meet this criterion is a law which advantages to one party at the expense of another, as we mentioned earlier. A particular good should never contravene the universal good. A law is truly a law only when it serves the mutual good of a society. It follows from this that any 'legal' law that advantages the 'economy' while abusing the environment or land cannot be called a law in this true sense.

This larger picture of law and 'lawfulness' enables us to discern things we would otherwise miss. For example, Aristotle and Plato both note that the person who keeps the legal law merely because it is a legally prescribed is 'just' but only in a limited way. A person is just in the full sense only when the legal law is kept because it is rooted in justice itself and loved for justice itself. Then keeping the law becomes virtuous. This distinction between 'legal' and 'virtuous' was recognised until the close of the Middle Ages. It is a central theme of Shakespeare's *The Merchant of Venice*. Modern positive law, having broken away from the natural law tradition, no longer recognises this distinction but seeks to define law merely on the basis of obligation.

We might well examine which laws in our time measure up to this criteria. Earlier I gave the examples of legalised usury and gambling. These things are clearly advantageous to one party but harmful to another, and bring about harms to society as a whole. They are unjust laws and, very strictly speaking, not laws at all – one might even want to say 'fake laws'. A 'real law' aligns Nature and justice and encourages virtue. It will embody an understanding of the right use of things. In its formulation it will articulate a natural harmony of citizenship with Nature.

These fundamental principles can easily be applied to economic activity. We can ask if any particular activity is true to the economic law of just exchange, and we can ask if it is beneficial to one party while harmful to another, and we can ask if it is universally beneficial to all creatures and to the biosphere. Is it just and good in all these respects? It is perfectly clear that many present economic enterprises fail on each of these criteria. They contravene the universal law of the ancient poets and philosophers. And we can see that they contravene both the social ethic and the land ethic. We are living in a time when the advantage of one party is very often put before the general well-being of the community. The most blatant examples may be seen in our tenancy laws governing rented housing and in our present banking laws. And these bad laws spring directly from an unjust



relation with the land as our dwelling place. Natural exchange of wealth and services get turned into exploitation, and the repercussions affect the whole of society.

It seems quite clear that we need to replace bad laws with good laws. We are perfectly aware that there are vested interests in bad laws, laws which allow harm to society or to the land upon which all life depends. It may well be that the present crisis of global warming is awakening a deeper sense of natural justice which the last several hundred years of industrialisation has eroded. It may well be that our age will be compelled, even if only through fear, to rectify our relationship with Nature as well as reform our understanding of a just society.

## THE MEANING OF WORK

I believe, however, there can be a more noble response than that. Fear tends to provoke irrational response. What is really needed is a reconsideration, in the light of natural justice and the common good, of the nature and meaning of human work. It has long been taken for granted that the aim of the economy is ever-increasing wealth, while it is that very notion that has driven us to neglect the laws of Nature and treat the land as a mere resource to plunder. The reckless drive to create ever more wealth has led to social exploitation, massive consumer debt, and homelessness, while only very few get richer. For many people work is a burdensome drudge they are compelled to do just to keep the wolf from the door. Much of this work is unnatural and does not fulfil human potential.

A fortunate few perform work that is meaningful and fulfilling, but most do not. George observed that the working people of the Middle Ages could provide sufficient for their needs with three days' work a week. This would be perfectly feasible now if we were not held in debt bondage through land speculation. If that were so, George suggests that our free time would naturally be given to social and cultural pursuits, and that supporting these pursuits is the proper communal use of the land tax after necessary government expenditures. Even in George's younger days masters and apprentices would often gather to talk and drink together in working hours. It is clear that work was as much a social activity as an economic one – before the big corporations and monopolies with their anonymous absentee shareholders came along and spoiled the crafts by dividing them into separate processes. But even now there are craftsmen and women, artists, musicians, scholars, doctors, farmers and many others who work out of love for their work and service to the community. We regard them as very fortunate, and indeed they are, but this is because they have found their vocations. They have found the work through which they may fulfil their talents and make a substantial contribution to society. And these callings may best be performed in accord with Nature, neither exploiting anyone nor harming anything.

Surely true work, work in accord with human nature, would make a net contribution to society, and diminish nothing which the land freely provides. There is an ancient principle that if one does something solely for private gain, one is alienated from oneself and from Nature. The talents of each individual fit them for association and cooperation. Each human beings' natural capacities are essentially social and life-enhancing. In that most fundamental sense they are 'ecological' and part of Nature as a whole.

In our present situation, through land monopoly and the ever-expanding abuse of credit, human capacity has been limited,



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and social life has been diminished. And so what was once 'natural' now strikes us as utopian. Land abuse has blinded our age to the natural order of things and diminished our vision of human nature and society. As we observed earlier, the ancient philosophers traced all political ills to one common cause: the *wrong use* of things. And the wrong use of things arises from a wrong relationship with Nature. This is what practical reason is meant to discern, the right use of things. And this principle goes deeper than the question of property or ownership. Property, according to Thomas Aquinas, is justified only so long as it is used for the common good. Ownership comes with duties to the community. This was the real basis of the Medieval 'just price' theory and the prohibition against usury. All things and all human activities have right uses, and private gain was not considered one of them. Acquisition is not an end in itself. It is the use things are put to that justifies acquisition. Likewise, money-making is not the proper end of the economy. On the contrary, it deforms it. But fear of want, brought about through the abuse of land, drives people to seek acquisitions as a form of security, and so distorts the real meaning of work. As Plato observes in the *Republic* (Book VIII), the quest for money-making ultimately leads to oligarchy, where the city become two cities, one for the rich and one for the poor. The economist Joseph Stiglitz argues that we are heading precisely in that direction.

There is no economic reason for inventiveness and virtue to be opposed to one another. In meaningful work they are not, while in exploitation they are. Yet neo-classical economics divorces ethics from economics and imagines the economy as a kind of autonomous, self-regulating machine, as though society itself were a machine. It is this, amoral, mechanistic notion of economics that divorces wealth creating, or meaningful work, from the environment. It sanctions the wrong use of things and consequently the wrong application of human labour. There is an unfortunate tendency which has affected the study of economics since its earliest beginnings in the 18th century which seeks to reduce it to a mechanistic system. It is this mechanistic tendency which has eventually severed the economy from ethics and the social realm. Hence social reform has always been resisted as economically unsound. That widely held misconception is what Henry George confronted.

It is clear, however, that an adequate response to the present crisis of global warming demands a marriage of inventiveness and virtue. Great ingenuity is needed to reform farming methods and non-toxic production of energy. These need to be brought into harmony with the natural order, and intelligence guided by that aim can be enormously creative. We need pioneers as capable as the great inventors and explorers of the Victorian era, a new industrial revolution, but no longer based on the exploitation of Nature or labour, but grounded in a reappraisal of the meaning of human work itself.

We should note, however, that 'investors', hedge funds, creditors, insurance brokers and banks, and the whole money-market, cannot bring about such a change. They only take from wealth-creation and contribute nothing towards it.

In this regard, as currently constituted, they are no different to land speculation. They merely extract from the economy, from the actual production of wealth. They have no engineers, inventors or discoverers. And, like land speculators, they inhibit economic diversity and small-scale enterprise. They inhibit addressing environmental abuse and climate change.





## GOVERNMENT

It is here that we also need to consider the proper role of government, for it is in government that the values of society are expressed and embodied. It is obvious that global warming and environmental destruction require global cooperation, and this can only be secured through governments working together with a common aim. In a sense, this great challenge creates an opportunity for peaceful international cooperation. There is no need in the nature of things for nations to be opponents of each other. But there is a need to confront the myth that the economy works independently of the state and is self-regulating. That is a misrepresentation of Adam Smith and leads to oligarchy, not liberty. It is only at the level of government and national institutions that the safety and good of the whole can be secured. And it is only vested interests that demand deregulation of finance and exchange of goods, and less government. But also – and even some Georgists need to remember this – it is the idea that the economy operates independently or autonomously that divorces it from distributive justice. That is what Herbert Spencer and his followers wished to secure and which Henry George so vigorously opposed. Their slogan was ‘freedom of contract’, meaning that neither law nor government should interfere in whatever contracts were made between employers and employees, or especially between landlords or tenants. Such ‘free’ contracts involved no societal obligations. The followers of Spencer fiercely resisted all the social reforms of Gladstone, arguing that indolence was the cause of poverty. We are not too far from beginning to think in this way once again.

Here is where the different orders of law I mentioned earlier come in. There is the Eternal Law or the Good, from which springs Justice, and from Justice springs the common Regulation of Nature and society. Out of Regulation springs Jurisprudence, the realm of positive or written law, and from this legal realm springs Custom. In this ancient hierarchical conception of law, found in one form or another in any of the great civilisations East or West, law descends from the universal to the particular. The good of society as a whole, where it is in harmony with itself and with Nature, belongs to universal Justice. A perfectly good people could live by that law alone, without any need for positive or written law. But that is like saying every human being can be perfectly healthy. That is the most *desirable* thing, and what the art of medicine aims at, yet is never fully attainable. And so Justice needs to be reflected upon and articulated according to circumstance, and this is jurisprudence, the realm of ‘legal’ law, of legislation, which relates the universal to the particular. Law at this level, if it accords with Justice, ‘guards’ all citizens from social and economic abuses. It ought to guard against land monopoly and usury which do so much harm to society and the environment. Scholars trace that function back to ancient Babylonia, Syria, Egypt, Israel, Greece and Rome. (Michael Hudson, *and forgive them their debts*, p. 44) With the decline of Rome it was gradually lost until revived again in the Middle Ages. Its last great English expression, preserving the medieval legacy, is in Richard Hooker’s *Of the Laws of Ecclesiastical Polity* in the sixteenth century.

Good regulation of the economy is a responsibility of government and law-making, ensuring that self-interests do not override the common good. Good laws need not to be plentiful, and where they were abided by government can operate with a light touch. In a just and environmentally sound economy government would not need to redistribute wealth. Such intervention becomes necessary only where injustice prevails, or where bad

laws are operative. And where laws protect the interests of the few, then poverty arises and eventually environmental harm inevitably occurs. Strictly speaking, only a virtuous society can be truly prosperous and live in harmony with the land and with Nature. Good laws, according to Aristotle, encourage virtue. And where people are generally virtuous they have good customs. Good customs hold community together in their everyday affairs. These are conditions conducive of mutually advantageous cooperation. Such cooperation leads to liberty. There cannot be liberty without cooperation and just laws. It has been one of the great illusions of the last two hundred years that pursuit of individual self-interest and liberty go together.


## CONCLUSION

My purpose in presenting these arguments is to demonstrate that if there is violation and abuse of the land, then there will be economic injustice, and if there is economic injustice, there will be social injustice. The argument could be made the other way round since the three realms interpenetrate each other and cannot be disconnected from one another. They form a whole. Human society is itself part of the biosphere. It is not an artificial construct as Hobbes claimed. And because it is not an artificial construct it is subject to the laws of the biosphere just like the rest of Nature.

The Land Ethic of Aldo Leopold, with which we began, shows us that we cannot divorce society from Nature, and that if we do – and as we currently do – society itself will inevitably be unjust, and the economy will be reduced to mutual exploitation rather than flourish in mutual cooperation. This is the wider context in which any application of a land tax needs to be considered. Without such wider consideration, which is implicit in George’s writings, a land tax becomes just another fiscal measure along with any number of others. A good society would invite a land tax. It would need no persuasion. But in our modern economies, which have become wholly divorced from Nature and the principles of good government, arguments and analysis are needed to illustrate how this divorce has come about. Just as George reconnected economics with the social conscience of his time, so we can reconnect it with environmental conscience of our own time.

Let me draw to a close with another quotation from Aldo Leopold:

*It is inconceivable to me that an ethical relation to land can exist without love, respect, and admiration for land, and a high regard for its value. By value, I of course mean something far broader than the mere economic value: I mean value in the philosophical sense.*

*Perhaps the most serious obstacle impeding the evolution of a land ethic is the fact that our educational and economic system is headed away from, rather than toward, an intense consciousness of land. Your true modern man is separated from the land by many middlemen, and by innumerable physical gadgets. He has no vital relation to it: to him it is the space between cities on which crops grow. (p. 223-4)* 

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