

CANSEE POLICY PANEL INCLUDES GEONOMIST

by Jeffery J. Smith, Portland, OR

In Montreal during the annual meeting of Canada's Society of Ecological Economists (Aug. 23-25, 2001), the Friday night event open to the public drew 500 people. Rather than attend the International Film Festival or any one of dozens of multi-cultural delights, people of all ages instead went downtown to McGill University to hear Lester Brown, founder of Worldwatch. Called by Time magazine "one of the most important thinkers" now thinking (and not an academic), he talked about the green tax shift. Actually, most of his speech was about environmental problems, then about solutions of the techno-gizmo variety, then only the baby-bear portion was about solutions of the policy variety (but assuredly he's learned to tailor his talks to what titillates the public). After his speech, emceed by MP Clifford Lincoln, Quebec, Lester (dressed casually for the balmy weather), chatted with this writer, agreeing with him about the crucial role the Property Tax Shift must play to make the rest of the tax shift work.

The previous night's opening reception was hosted by La Ville (The City) in the stately City Hall, perched on the crest of Old Town, with Janus-like views of the St. Lawrence then the modern, skyscraping downtown. The gracious franco-quebecoise welcome included a selection of fine wines and friendly servers. To hearty toasts, important local officials bade wanna-be planet-savers to feel at home. Later, even while Bacchus still reigned, punctual organizers assembled squeaky scholars on the front steps for a group photo and offered guided strolls of the pedestrian paths for anyone left standing.

Probably 250 attended at least one of the many sessions funded by Molson Brewery, Shell Oil, Scott Paper, and others. Among those present, besides the hundreds of academics, were many government officials, especially from the Ministry of the Environment. Stephen McClellan, Director General, Economic and Regulatory Affairs, noting new reforms in the US and Europe, said the time looks right to try market-based approaches. Johanne Gelinas, Commissioner of the Environment and Sustainable Development, noted Canadian government is beginning to take into account the environmental impact before taxing or subsidizing. Even some NAFTA judges - nice young men who get paid to lower environmental standards to the lowest common denominator - showed up. They were joined by businessmen who proclaimed market logic, a refreshing balance to the line taken by the majority of interventionists. Balancing both these sides were those striving for ways to make markets work right for everyone. Some of the notable professors included Bill Reese from UBC, coiner of the "ecological footprint". He was amused by my recasting his motto as the "ecological tire-track", since cars take more space and resources and alter more climate than do people. He also agreed that sharing is key.

A few topics provided portals to geonomics. Encouraging to those who see sharing rent as key, several presenters addressed allocation. As did many, Ulrich Hampicke of Germany claimed maldistribution, not malproduction, to be the real prob-

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Another popular topic was development that's hoped to be sustainable. Paul Lanoie showed that the actual cost of meeting regulation was at most half of what the affected businesses had predicted. Also, businesses that were forced to clean up their act did not for long lose money but soon gained. They cut pollution by cutting byproducts, by getting more from less. Their greater efficiency enabled them to grow their market share at the expense of international competitors who lagged behind the clean-up curve (take that, NAFTA excusers).

Judging by the number of papers presented, the strongest undercurrent in ecological economics - stronger than policy, ethics, or sustainable development - is systems theory. James J. Kay, U Waterloo, was one of many to find economies operating in and with the embracing eco-system. Systems thinking provides a sound base for geonomics. Systems need many feedback loops in good working order. Taxes, subsidies, "externalities", and "rentention" distort price - economic feedback - so that economies prey on eco-systems. Along this line of reasoning, Smith connected with many, including Jing Chen (now in Vancouver from Singapore) who, as did Smith, also presented at the conference of the US Society of Ecological Economists in Duluth in July.

One could not attend all the intriguingly titled talks (and stay awake for even fewer). However, the organizers had given everyone coupons for discounts at nearby restaurants, a boon to those scrupulously indulging in the French cuisine. Mixing work and pleasure, this writer tried to introduce himself to as many of the like-minded presenters as possible. Over lunch, one of those who addressed the plenary, Wayne Roberts of the City of Toronto, admitted to being a closet Georgist who at least brings up the idea of collecting rent to his colleagues.

Thanks to the generosity and hospitality of Montreal's Oscar Boelens Foundation (and a bit to New York's Robert Schalkenbach Foundation), geonomist Jeff Smith got to present the Property Tax Shift (PTS) at Can-SEE. With him on his panel were Jean Belanger of the National Round Table on the Environment and the Economy, who cautiously tiptoed around shifting taxes and subsidies, saying everything but, and Mark Anielski from Pembina, a prominent think tank that advances the shift of taxes and subsidies and co-organized the conference in Vancouver in April where Smith also presented the Property Tax Shift (from buildings to locations). Another co-presenter, Feiyue Wang of Guizhou College, expressed willingness to find out more about how geonomics (continued on page 15)

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might help spur sustainable development in China.

About three dozen people attended Smith's talk including the conference organizers, professors Peter Brown and Tom Naylor of McGill. About the same number attended the other three concurrent sessions. Only one person asked Smith a question. Among ecological economists, it seems the Property Tax Shift is rapidly becoming as axiomatic as polluters must pay. Or, perhaps Smith's abstract (published in the program) said it all. Somehow, though submitted in English, it got translated into French then back into Anglais, picking up several quaint peculiarities along the way - "he suffers capturing wind-fall rent jumps" and "society's caution of privatizing Nature's Rent." Hopefully, it was a blessing in disguise to have English seem Smith's second language in Francophile Montreal.

Due to time constraints, one co-presenter did not receive any questions at all. The one addressed to Smith was, "why not tax cars directly instead of taxing their parking lots and roads, etc?" Because taxing cars (as does Singapore et al) occurs so far downstream, it does little to reintegrate urban land use and contain sprawl and does nothing to cut off speculators by collecting the rents that can offset taxes, winning everyone a double "double dividend" - a growing social surplus, more efficient land use, local empowerment, and greater ethical awareness.

One academic who attended Smith's talk reported that there's already a geonomic paradise in paradise. Dr. Filipino Tokalau of Fiji explained that 80% of the islands, including prime commercial sites and ocean front lots, is held communally by the indigenous. The gathered rent is used for social services.

Even before the conference was over, all of Smith's literature - 80 newsletters (The Geonomist) and a dozen booklets (plenty for one suitcase) - had been snatched up (thanks in part to the eye-catching cartoons that elicited chuckles - unusual for academic table-top handouts). By the end, Smith had been invited to Costa Rica by Bernardo J. Aguilar-Gonzalez and to Russia by Pavel Safonov, president of the ecological economics branch of their Academy of Science, to explain "How Collecting Site Rent Facilitates Urban Planning" (geld will tell if he makes it). To celebrate this successful Montreal conference, this presenter broke American law and the Montreal restaurant's etiquette and smoked a heralded and costly Cuban cigar. Here on in, geomonomists need to keep dialoging with ecological economists, melding the share-rent remedy into all aspects of this new sub-discipline.

(Jeffery J. Smith is President of The Geonomy Society, an IRS 501c3 educational nonprofit, and Editor, of The Geonomist; 10731 SE Center St, Portland, Oregon 97266 USA. Ph/ Fx 503/760-4932; www.progress.org/geonomy; geonomist@juno.com. Smith is also an elected at-large member of the board of directors of Common Ground-USA) <<