

MARCH 2002 U.N. SUMMIT CONFERENCE IN MEXICO INCLUDES GEOIST

by Jeffery J. Smith, Portland, OR

George Bush, former president Jimmy Carter, currency trader George Soros, US Ambassador to the UN John Negroponte, and economists Jeffrey Sachs, special advisor to nations in transition (poor them) and to UN Secretary General Kofi Annan, and Hernando de Soto, author of "The Mystery of Capital" which urges debt upon Third World property owners, among other top politicians and counselors, spoke at the UN Conference on Financing For Development held in Monterrey, Mexico, March 18-22, preceded by the UN NGO Forum, March 14-16. March 17 was left open for protest marches. For the first time at a UN event, the World Bank, the IMF, and the WTO participated.

Subbing for Alanna Hartzok * (however inadequately), this writer, enabled by the Robert Schalkenbach Foundation and representing the International Union for Land-Value Taxation and Free Trade, gave a talk at the preceding NGO Forum and had a seat, more honorary than participatory, at one of the "Roundtables". This term was purely figurative, being confabs of several hundred people seated in rows during one of several concurrent sessions. (* editor's note: Hartzok attended the Second Congress of the Federation of African Greens Parties, Dakar, March 7-11 -- more in a later GroundSwell issue.)

All together, about six thousand attended the event, not counting police. It was held in a conference center enormous enough to comfortably house an airplane hangar. Security was tight and ubiquitous but polite and occasionally multi-lingual.

One of the marches had a dress code - shorts for males and mini-skirts for females, to accustom traditional Mexicans to the demands of modern women (out of conference, the joke told by local males was about wife-beating). The march, organized by the father of the host of this reporter, an ex-deputy in Congress, current candidate for the Senate, drew 20 to 30 thousand marchers, protesting for the poor. Ironically, the organizer and my generous host, Ricardo Cantu, is a wealthy owner of real estate. In the struggle of rich versus poor, land remains the invisible factor.

Georgists need to be present and noted at such events. Many of the people who attend are interested in fresh ideas like geonomics and are in positions to help the cause. This event was high-level, hosted by the Mexican president, Vicente Fox. Titled "Financing for Development", with a track called "Mobilizing Domestic Resources" that included the term "taxation" in its descriptive blurb, organizers seemed to be begging for the good Georgist word.

For several reasons, I left after a week of meetings, yet a couple days short of the conference end. Since I learned that I'd fill in for Alanna Hartzok only weeks before the event, all the cheap airplane seats and hotel rooms had been reserved by

those who'd already made plans. As it turned out, before finding a kindly host, I had to spend \$130/night for a three star hotel. Plus, since the organizers had no advance program, by the time I had to make reservations, I did not know when I'd be presenting. Furthermore, the two minutes allotted to NGO representatives to speak at Roundtables are often used up by ministers running overtime. Ironically, the Roundtable that I was allowed to sit at occurred the day of my departure.

At the earlier NGO Forum, the outdoor buffet was \$8.00, while a meal in an outdoor restaurant was \$2.00, and a small bottle of water in that very dry and windy heat was over a dollar. At the official conference, the world's tax dollars were at work. Almost all the males wore expensive dark suits and rarely left the air-conditioning. The hostesses were tall and slender models and not necessarily dark-haired. Telephones were free; people made calls to all over the planet. Gratis, too, were computers, copiers, and paper for the blizzard of documents that someone somewhere sometime may yet read. The welcoming feast's leftovers could've fed the barrio's thousands.

The UN is a subculture. For a first-timer, it seemed a bit chaotic; the program was not issued in advance, nor at registration, but daily. For the high-level meetings, the program listed the time, which was long, and the general topic, and the participating governments and NGOs, but not the names of the speakers or the titles of anyone's talk. Minutes listed the speaker's name and titles but not his points. More important than eradicating poverty were all the honorifics and dress code for the social events. These trappings of respect will come to Georgists only after the reform has already been put into practice.

Despite the new objective of the conference, most speakers ground the same old ax. Nothing can be done until the corporations, lenders, and Northern governments let them by repealing their unfair ways. Their most popular reform was the familiar "you got it, we need it, hand it over".

Bridging this leftist position was a rightist one, heard all thru the conference, of abolishing the subsidies that stymie development, notably the ones beneath agri-biz. From the spending to the taking, many also called for taxes upon pollution, quite popular, to "internalize the externalities". One of many, the academic group, the German Advisory Council on Global Change, presented "Charging the Use of Global Commons". Since they're already examining public revenue impacts, these numerous voices are probably ready to discuss the less obvious aspect of geonomics, recovering rent.

At the earlier Forum, it was hectic. There was no time between events other (continued on page 11)

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than a lunch break. Still, old-timers knew where to be when. Presentations started late and went over, so the schedule got hopelessly behind.

My talk was on the first day, but at 8:00 PM at the end of an exhausting day. By then, only a few showed up. At least they liked what they heard, and tried to arrange a second presentation for me. Afterwards, the reporter for the main daily, Irma Deyanira Gonzales Garza of El Norte, interviewed me for a feature article in the Sunday paper (March 24, also on the web).

Organizers of the NGO Forum read to the assembled ministers our two-day old declaration that the NGOs had produced. The governmental delegates to the UN did not pack the house. Yet even during speeches by ministers, meeting halls buzzed with private, side conversations that half the audience engages in. The Deputy Secretary General of the UN, Louise Frechette, to balance the brief opportunity to speak afforded NGOs, at the last minute gave NGOs an audience of 45 minutes, that fell on the morning of my departure.

The exclusive editors of the declaration that came out of the NGO Forum replaced the Georgist input that my track had consensed upon with some independent sentiments of their own (this by people who demand democracy from above but do not extend it to below). This despite the fact that the UN already accepted land-value taxation in Habitat II and in their Technical Notes leading up to Monterrey. The land tax is a tax upon everyone and is not obviously progressive. Plus, most countries already have a land tax, albeit at a low rate: for example, Mexico in the Third World, Estonia in the Second World, and Sweden in the First World.

A tax reform that was popular and reiterated time and again was the Tobin Tax, an admitted attempt to tax the rich. Instead of urging the left to co-promote the land tax, it may be easier to popularize "the sharing of social surpluses in lieu of taxing useful output and subsidizing wasteful production". Just as the Tobin Tax ** sums up something more complex, this mouthful might be reduced to a "Citizens Dividend". Forgoing popularity, it may be easier to advance geonomics not with activists but with establishment institutions, like US AID. (** The Tobin tax would be a levy on currency trades.)

Typical of conferences, most of the best work took place out of sessions. Even though time between sessions was not in the schedule, people still took off to talk informally. I connected with thirty people from South and North America who want to do more to advance geonomics (the shift of taxes landward, off production, the shift of subsidies citizen-ward, away from special interests). Most encouraging was the warm reception by representatives of US AID and the World Bank who responded positively to collaboration. Sending a Georgist to such conferences does pay off.

The Monterrey conference followed on the heels of the inaugural conference of the US Basic Income Group in New York, CUNY Grad School on (continued on page 16)

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March 2, where this writer also gave a presentation. ***

The keynoter was Brazilian Senator Eduardo Suplicy. The most promising consequence was meeting the Vice President of the National Homeless Coalition, Terri Schofield, whose boyfriend was a real estate investor on his way to meet President Bush. Both took me to dinner in a limousine. Terri invited me to present geonomics at the annual conference of the coalition in Washington in April, an invitation declined as funds are lacking. A half dozen others I talked to were also receptive to funding a housing voucher to all residents from local rents. (** see separate article, "From Red to Green", in this Ground-Swell.)- - -

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Connecticut LVT Bill Introduced. Joshua Vincent, Director of the Center for the Study of Economics, reports that 2002 House Bill 5069 was introduced by Rep. Jeff Davis, and co-sponsored by Rep. Mary Mushinsky. The bill has passed the Planning and Development Committee and has been reported out of the Legislative Commissioner's Office. It received a favorable change of reference from the House Committee on Finance, Revenue and Bonding.