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POPULATION AND POVERTY

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In *Progress and Poverty* Henry George argues vigorously against the population theory of Thomas Malthus (1766-1834). It is not just factually wrong, he claims, but is against fundamental economic truths. Today we find neo-Malthusianism being widely promoted, and even taken for granted as expressing an obvious reality.

Malthus stated that "population, when unchecked, goes on doubling itself every twenty-five years, or increases in a geometrical ratio."¹ But the means of subsistence, "under circumstances the most favourable to human industry, could not possibly be made to increase faster than in an arithmetical ratio."² The inevitable result will be starvation unless the increase of population is controlled.

John Stuart Mill (1806-1873) endorsed the theory, and stated that: "The niggardliness of nature, not the injustice of society, is the cause of the penalty attached to over-population."³

Against the Malthusian contention that a smaller number can be better provided for than a larger number, George argues for the opposite conclusion. "I assert that in any given state of civilization a greater number of people can collectively be better provided for than a smaller."⁴

Nature is prolific. George points out that a fact constantly emphasised by Malthus and his followers is the prolific character of living things; but they deny the obvious consequence. A pair of rabbits, if preserved from enemies, could soon overrun a continent; "many plants scatter their seeds by the hundred fold, and some insects deposit thousands of eggs..."⁵ Since the sources of man's food have greater productive power than man, subsistence has the power to increase

faster than population.

Human creativity. The difference between the jayhawk and man, says George, is that the more chickens the jayhawk eats the less there are; whereas the more chickens man eats the more there are - for he breeds them.⁶ He alone has the power to increase his food supplies as needed.

Co-operation. The fundamental reason why a greater number can be better provided for than a smaller is found in the power of co-operation, to which George devotes two chapters of *The Science of Political Economy*, and which permeates the whole of his economics. "Twenty men working together will, where nature is niggardly, produce more than twenty times the wealth that one man can produce where nature is most bountiful."⁷ When humbers are larger, the greater combination, subdivision of labour and economies of scale more than compensate for the lessening of natural advantages.

Facts confirm the principles. "The countries where population is densest and presses hardest upon the capabilities of nature are, other things being equal, the countries where the largest proportion of the produce can be devoted to luxury and the support of non-producers..."⁸ That was true in George's time and is true today.

An editorial in the *Far Eastern Economic Review* of 13 May, 1993 stated: "On the basis of population density, the supposed problem countries have relatively low numbers of people per square kilometre of land. Indeed China and Indonesia rank well towards the bottom of the list. Even more interestingly, the places at the top end

of the population density list are among the wealthiest in the region: Hong Kong, Singapore, Taiwan, South Korea and Japan. Nor is the relationship confined to Asia. Italy and Britain have more than double the population density of Indonesia. The Netherlands is one of the most crowded places on earth, but we don't hear the World Bank warning of too many Dutchmen."

Some statistics for Asia: Hong Kong has a population density per square kilometre of 5,948, Singapore 4,484, Taiwan 602, South Korea 450, Japan 329, India 270, Philippines 224, Vietnam 209, North Korea 185, China 125, Thailand 113, Indonesia 104 and Malaysia 56.⁹

In November 1993 the World Bank issued a report, *The World Food Output*, which gives detailed statistics proving that food production has been increasing for years at a faster rate than population. Indeed, the biggest increases have been in recent years. Donald O. Mitchell, a senior economist with the World Bank, summed up the situation in an *Executive Report*. He gave the following information.

Agricultural prices are at their lowest level in history. Crop yields are growing faster than population. Since 1950 world output of cereals has increased by 2.7 per cent per annum, while population has grown by about 1.9 per cent p.a. "If yields [of world grain consumption] were to grow at 2 per cent p.a. during the period to 2010 - not unreasonable in our view - then an additional 11 per cent of the world cropland would need to be removed from production."

George refuted Malthusianism with facts. Today neo-Malthusianism is refuted by facts. George also answered

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Malthusianism from principles. Today the same principles answer neo-Malthusianism. In particular, once we grasp the marvellous power of economic co-operation to generate wealth we see the solution to the fears of those who think population growth is an enemy.

According to George, the main cause for the triumph of Malthusian theory is that, "instead of menacing any vested right or antagonizing any powerful interest, it is eminently soothing and reassuring to the classes who, wielding the power of wealth, largely dominate thought."¹⁰ This cause still operates. Injustice is the great cause of poverty, and those who benefit by injustice want to shift the blame for poverty onto others. Here they shift it on to the poor, who are charged with perpetuating poverty by having too many children. The population controllers would deprive them of their children as well as of material wealth.

REFERENCES

1. Malthus, *The Principle of Population*, book I, chapter 1, Everyman's Library edition, volume 1, p. 8.
2. *Ibid.*, p. 10.
3. Mill, *Principles of Political Economy*, book I, chapter XIII, section 2.
4. George, *Progress and Poverty*, book II, chapter 4, Robert Schalkenbach Foundation, 1958, p. 141.
5. *Ibid.*, chapter 3, p. 129.
6. *Ibid.*, p. 131.
7. *Ibid.*, chapter 4, p. 150.
8. *Ibid.*, pp. 146-147.
9. Cited by Eamonn Keane, *Population and Development*, Sydney, 1994, p. 30.
10. George, *Progress and Poverty*, book II, chapter 1, p. 98.

Cape Metropolitan Council rating action

THE resolution that was passed by the CMC to collect all rates from site values only has run into a few snags, reports *Godfrey Dunkley from Cape Town*. These difficulties will most likely cause a delay in some cases and a postponement in others.

It is sometimes difficult to obtain accurate statistics of what is likely to happen in the long term. Each set of statistics seems to vary slightly, depending on how they were built and their source.

A further factor which could have a significant effect is Cape Town's bid for the Olympic Games in 2004. This could affect all six sub-structures or Metropolitan Local Authorities.

The table gives a good overview of the CMC:

Population (Feb. 1997) and Rates Income 1996/97

	Population	%	R million	%
Cape Town...	1,076,000	38	436	50.1
Blaauwberg (North of CT)...	130,000	4	45	5.2
South Peninsula...	345,000	12	137	15.7
Tygerberg (East of CT)...	980,000	34	174	20.0
Oostenberg (East of Tygerberg)...	246,000	8	45	5.2
Helderberg (S/E of Oostenberg)...	128,000	4	34	3.9
Total CMC...	2,905,000	100	871	100

The first three Metropolitan Local Councils (MLCs) are working towards a new valuation roll based on site values. This will reduce the time needed to complete the rolls which are now urgently required. There has been a delay in clearing the legality in terms of both the new Constitution, which is not very clear, and the former Provincial

Ordinance, which has to be modified. After this it is necessary to fix the effective date of valuation. If a Local Authority starts to update the Valuation Roll and the effective date is then changed, all the work done to date could be ruled as ineffective.

The other three MLCs have fairly up-to-date valuation rolls, some of which have only just been completed, and they do not wish to finance another revaluation. There also seems to be some resistance from a few councillors who have vested interests in under-developed property. The power struggle is starting.

In March I had a small stand at the "Art of Living Exhibition" in Cape Town. A number of books were on sale and graphs showing the factors of production and effect of taxes at the margin of production. This presented the opportunity for a large amount of discussion with a wide cross-section of people. There was great interest from the public to these "new ideas". Don Northcott assisted. Some exhibitors from Port Elizabeth, the only other RSA city still on Flat Rating, were keen to take both literature and the ideas back to their City Councillors.

On March 26 I attended the Cape Metropolitan Council monthly meeting as a reporter for *Land and Liberty*. The rates issue was on the agenda but the proposed modification was not carried. However, as President of the International Union I was introduced to the new Mayor and Deputy Mayor of the CMC and received a very friendly response. The invitation was extended for further discussions. The Mayor, Rev. William Bantom, also expressed interest in sending a delegate to the IU Brighton Conference.

BEQUESTS

If you have made a bequest to the Movement in your Will and have cited the beneficiary as "United Committee for the Taxation of Land Values Ltd", then you should take steps to alter this to "Henry George Foundation of Great Britain Ltd". The United Committee was wound up and the name no longer exists. Legacies in that name would revert to the estate and the Movement would not benefit.

If you have not thought of making the Foundation a legatee in your will, you may like to consider doing so.