

The Georgist Journal

Number 28

Summer 1980

COMMENT - ALASKA CITIZENS DIVIDEND

Very interesting news comes out of Alaska. The state revenues from oil have paid for public works and government services, and there is still a handsome surplus. It has been decided to distribute this as a "dividend" to its citizens on a per capita basis. These revenues are also being used to do away with the state income tax, at least temporarily.

Governor Jay S. Hammond, a Republican, says, "We're taking wealth that belongs to the people and making sure that at least some of it is funneled directly through their pocket. Some people call this socialistic, but it really is very conservative."

The province of Alberta, Canada has done similarly with its oil revenue, and it is a rapidly developing area.

The Federal government is looking askance at the Alaskan bonanza - and so are the libertarians (strange bedfellows!). The proposal of the Libertarian Party was to do away with Alaska's income tax but not to take any more revenue than minimally necessary. This outlines the weakness of the Libertarian position which only looks at government and does not mind enormous unearned profit by private monopoly. The position of conservative Governor Hammond is closer to the Georgist position.

The Alaskan dividend comes close to what the late Gaston Haxo proposed. (See Spring 1980 GJ.) Years ago, Joseph S. Thompson broached a similar idea in his essay "A Basic Income."

Was this proposal realized just from the logic of the situation without Georgist influence? Or was there possibly a greater Georgist influence behind the scenes than was visible (as was the case in Alberta)? Could the attitude of the untutored Eskimos and Indians in Alaska - that the land, and hence its rent, is for all - have seeped into the attitude of the white settler?

In both Alaska and Alberta, the oil interests did not get a chance to become entrenched before public action was taken. In places where they are entrenched, admittedly the job will be harder.

Another lesson to be learned is that the Georgist philosophy involves much more than shifting the tax from buildings to land in cities. We should indeed promote this in cities - but our horizons should not stop there. There is a whole world out there, lots of riches from land in all its forms, and it deserves more of our attention.

R.C.