

## TO RUSSIA WITH LOVE: The Georgists are Coming!

- by George Collins

At the official invitation of Professor Mikhail Bronshtein, Chairman of the Subcommittee on Economic Reform of the Supreme Soviet, Prof. Nicolaus Tideman, Prof. Steven Cord, appraiser/assessor Ted Gwartney and I engaged in a consultation tour of the Soviet Union in the spring of 1991. Our two-week tour took us to Moscow, Leningrad and Pushkin in Russia, and Tallinn and Tartu in Estonia.

The invitations to Leningrad and Estonia were made that previous summer when Director Igor Nerush and Prof. Ivar Raig attended a special conference held in New York on Concepts and Procedures for the Collection of Rent in the Soviet Union [see

had conducted a seminar at the HGS in April.

I would stay at Prof. Bocharov's apartment with Sascha and her husband, Alexander (also Sascha) for two nights and two days in Moscow. Ted would be lodged at the Estonian Hotel in downtown Moscow (which is owned and operated by the Estonian government) along with Professors Tideman and Cord, who had arrived the previous day.

Early on Monday, I went by subway to meet my three colleagues at the Estonian. We were taken on a walking tour to the exhibits and grounds of the Kremlin and Red Square. Our guide, facilitator, and interpreter (except at the Kremlin museum where we had a staff member) was the charming Dr. Elena Perepelitsina, Assistant of the Supreme Soviet, member of the Committee on Economic Reform.

After lunch our work began. We met with Prof. Bronshtein's Subcommittee on Economic Reform. The group of about twelve consisted of members of the Supreme Soviet, Chair of the Agrarian Committee, and specialists from Institutes on Land Relations from other republics. An official interpreter was

present at this session, in addition to Dr. Perepelitsina.

In his introduction, Prof. Bronshtein referred to the letter that had been sent to President Gorbachev urging collection of land rent instead of sale and then taxation. The letter was written by Professors Tideman and William Vickrey and signed by thirty economists, including three Nobel Laureates. His comments on the importance of our visit were underscored by another member's statement that the land rent question had gone from a purely economic to a political issue.

Before the meeting we decided that each of us would make a five-minute statement on a different aspect of collecting land rent, to be followed by questions from our audience. I led (continued on page 7)

off with the ethics of the measure; Tideman addressed efficiency; Gwartney discussed the practice of determining value, and Cord the experiences of cities in America and around the world. A more than two-hour long probing followed, with what might be thought of as a culminating statement from Prof. Bronshtein: "Our ideal is to have what you have." All the questions and comments indicated that the committee's report would be favorable. To close the day our hosts treated us to a Russian ballet.

On Tuesday, I accompanied (Ms.) Sascha via trolley-bus to her workplace, the Central Scientific Research and Design Institute for Town Planning. She is an architect and planner. Her father, Yuri, is Deputy Director of Research. The organizer of our program at the Institute was Victor Scheglov, head of the Dept. of Economic and Social Research.

Some 35 planners and economists engaged in the seminar. It included reviewing the maps and computerized data on their "zoned valuation" system. Gwartney's assessment was that they had used sound initial criteria, but had neither the data nor the technique to do site-specific valuations.

After lunch -- dinner, to Russians, -- we were driven to the Institute of Management, a formerly secret facility, for a tour led by Igor Portyansky, Head, Sector of Regional Settlement Systems. We were told that only one floor is still engaged in secret operations. At this facility Dr. Paul Chelotnaryov of the Institute of Central Sciences, demonstrated the computer mapping system of "zoned valuation" he developed for the city of Dnepropetrovsk. Gwartney called this a unique computer program which could have application in the west, a prospect that Dr. Chelotnaryov had been entertaining. Our land rent proposal met with wide interest and strong support from many members of the Institute. Victor Scheglov said, "I like Henry George's ideas, they make sense and they seek justice."

We then went to Scheglov's home, a flat in a high-rise complex in one of the better sections of Moscow, for a delightful supper. Later, a tour took us past the house in which Gorbachev lives, Lenin Hill and Moscow University, before Nic, Ted and I left on the night train to Leningrad.

To be continued in our next issue.



Standing: Dr. Elena Perepelitsina, Ted Gwartney, Prof. Mikhail Bronshtein, Nic Tideman, translator, Institute researcher. Seated: George Collins, Dr. Sofia Kabakova, Steve Cord

our Nov.-Dec. '90 issue]. Director Nerush heads the Leningrad Institute on Urbanism, and Prof. Raig is a member of the Estonian Parliament as well as the Supreme Soviet. Victor Scheglov, Head, Department of Economics and Social Research of the Central Scientific Research and Design Institute for Town Planning in Moscow, and Prof. Bronshtein, who were also at the conference, organized the Moscow component.

I arrived in the Soviet capital on Sunday, May 12th in the company of appraiser/assessor Ted Gwartney. We were met at the airport of Alexandra (Sascha) Bocharov, daughter of Prof. Yuri Bocharov, Deputy Director of Research at the Central Scientific Research and Design Institute for Town Planning in Moscow. Prof. Bocharov