The Genesis of Modern Economics - *A new college-level course*

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The Henry George School's Social Science Forum has recently completed the development of a new college-level course entitled *The Genesis of Modern Economics.* The course, the first of its kind to trace the history of economic thought from the perspective of the land question, was taught during the fall semester at the School by Dr. Paul Kahane, a professor of economics . Dr. Kahane himself is developing lesson sheets which will eventually be made available to students. Teachers will also receive copies of the extensive research which is the basis of the course.

The Genesis of Modern Economics' basic historical premise is that the study of economics, since its inception as a science in the 18th Century, has developed in proportion to its ability to conceptualize land as a separate and unique factor of production. This course surveys the world's major economists from the perspective of their recognition or *suppression* of land rent as socially created wealth.

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Two years in development, the course was written by educators with Doctorates ; Professors of Economics, Dr. Mason Gaffney, Dr. Paul Kahane, Dr. Michael Hudson, Dr. Jerome Heavey and Dr. Ken Wenzer, a professional historian and academic researcher. We should also acknowledge the contributions of Dr. C. Lowell Harriss, Dr. Robert Andelson and the late Dr. William Vickry (Nobel Laureate).

The guiding light of the course, however, has been Simon Winters, Henry George School Member Trustee and founder of the Social Science Forum, who has overseen the production of the course from its beginnings. Indeed, the class was initially Mr. Winters' inspiration, and he has spent countless hours over the past two years compiling and editing the work of the above mentioned economists and historians.

Mr. Winters long ago realized that a university level course in the history of economics from a *Georgist* point of view was very much needed, lest we entirely cede the teaching of economics to those who merely provide the theoretical justification for vested interests.

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While the historic and economic role of land is central to virtually every aspect of human social affairs, it is either ignored or left undeveloped in the standard college curricula. *The Genesis of Economics* was specifically designed to address this critical gap in the understanding of society and its production of wealth.

The course focuses on this crucial issue and further elaborates this theme by showing how land rent is stolen from the community, perpetuating poverty and low-wage bondage and inhibiting the creation of wealth and its just distribution among the factors that produce it.

Modern economics, as this course surveys the subject, has been largely an ideological endevour, created to buttress the economic *status quo* and provide the intellectual formalization of the principles of its injustices. When land is under the sway of special interests, and this appropriation is given an official imprimatur by career-oriented academic economists, the true relations between the factors of production become obfuscated. When land, a separate factor of production, was subsumed under the general economic category *capital*, its actual role in economic life became obscured and therefore easily misconstrued. Only by returning land to its rightful place as a pivitol factor in the process of production, can a proper economic balance be maintained - both in theory and in practice. *The Genesis of Modern Economics* is a course designed to accomplish this rectification and is the first of its kind to address the academic problem at the university level.

In conjunction with this class, Mr. Winters is also completing a related course, covering the rise of urban civilization from 3,000 B.C. to the 16th century.

Prior to the French Physiocrats and Adam Smith, economic precepts were consigned to the realms of religion and politics. Ancient religious texts, especially the Judeo-Christian scriptures, contain numerous references to land use and its impact on the economic life of the people.

A main thesis of this course is that the Judeo-Christian holy books' laws regarding poverty, debt and land distribution, grew out of a substantial body of knowledge and experience stretching back to ancient Mesopotamia.

This new course clearly presents the case that the decline or prosperity of societies , both ancient and modern, can be expressed as a function of their land use policy.

In ancient times, financial debt was directly tied to the land. Those who went heavily into debt eventually had to forfeit proprietary right to the land they worked. This would soon have led to large accumulations of landed property in the hands of the few and left a large part of the population landless. Recognizing the detrimental effect on society of this accumulation and its consequent social stratification, lawmakers in ancient times decreed times of debt forgiveness, redressing the imbalance and returning forfeited land to its original workers.

The "economists" of ancient times recognized the unique position of land and land-rights in the process of production. Both new Social Science Forum classes were designed to redress the theoretical imbalance.

As Mr. Winters sums up: "So little is taught of the democratic aspirations in the ancient world. Historians have generally ignored those who have produced the the wealth of society. In the past they were suppressed by the rulers for whom they labored. Today, we see the same sort of suppression - the labor, the wealth-creating activity of the majority is expropriated by a comparatively small class of people in the form of socially created land rent. It is my deep belief that only *Georgists* understand the underlying mechanism of this social theft."