

LETTER TO DAVID SUZUKI

(one of Canada's top environmentalists)

David Suzuki Foundation, Vancouver, B.C.

(<http://www.davidsuzuki.org/>)

Sept, 17, 2013

from John Fisher, Rodney, Ontario, Canada

Thanks for your reply (Aug.7, 2013) regarding the concept of valuing nature for capture by elected governments. You have replied 3 or 4 times to my letters and I appreciate the time taken from your busy schedule as well as the concern and energy dedicated to environmental issues.

Value put on material things is very subjective. You may value something as priceless, others may put a dollar value on it and others may exchange x number of hours of labour or even engage in a barter (trade) system.

If we are talking about forms of wealth created by human effort then the agreed upon product or service value should go to the individual or group involved with its creation. However if it is the value of the free gifts of nature (ie land, water etc. that are not created by people) then it is essential to have a common unit of value in order that the value of the "commons" be shared among the creators of that value. Otherwise it is lost to speculators, corporations etc. as unearned income.

David Ricardo called the value of nature "economic (social) rent". In history economic rent took various forms such as barter, tithes, trade nurture etc. Today some economic rent (ie approximately 30% of municipal property taxes are from land value) still gets into the public realm but the system is flawed and not well understood. For example there is just now talk of charging multinationals (ie Nestles) for the billions of litres of raw water used in industry. We need more defined and consistent rules regarding nature's worth.

Moreover climate change, use of chemicals, endangered oceans etc. do not cost the abusers because no measurable value is given to the "commons" they abuse. Would abuse change if responsible government assessed and captured the value of sharks, water oil, magnetic spectrum and other gifts of nature for social needs?

British Columbia has one of the best municipal assessment systems in the world yet land (resource) speculation and urban sprawl are rampant. Would better land use in inner cities make public transit more efficient, slow sprawl, save farmland and reduce vehicle pollution? The value of nature is mostly in the location of a parcel (site) of land. Here in the Bulkley Valley, B.C. land on the east side of the Valley has more monetary value because it receives more sunlight for agriculture. It means less cost for heating and often better

views (ie the fast disappearing glacier on Hudson Bay Mtns.) One parcel (22 acres) without buildings and mostly aspen trees on the High Road, 10 km from Smithers recently sold for \$320,000.

Could this value of nature be measured in any other unit than dollars and even more important how should this value be shared among its creators?

Henry George proposed that the economic rent of a parcel of nature be captured by government and be shared as required infrastructure and social services.

You say, "the value [of ecological services around Toronto, Montreal and Vancouver] far exceeds what we gain by development". What unit of measurement are you using? Obviously some of these "ecological services" are being transferred to the public good as open space, reduced pollution etc. but are all of the public action benefits being captured?

Economist Paul Samuelson says, "The unchangeable quantity of natural land is an interesting special case, where the supply curve happens to be perfectly vertical and inelastic. The whole of the tax falls onto the owners of the factor in inelastic supply! A tax on fixed land leaves rentals paid by users unchanged... but reduces rent retained by the landowners...".

That is why current taxes on production and services should be shifted as close as possible to the resource as nature made it! Location demand determines a natural resource value. Capturing economic rent satisfies justice and efficiency. It does not discriminate or interfere with production as do taxes at higher levels. By capturing economic rent of raw water, oil in the ground etc., within social regulations, we can avoid the flawed manipulation of other taxes

I believe what you are saying about ecological services exceeding development gains but many minds remain closed until "the donkey gets hit over the head with a very big stick". Somehow the value of the "commons" must be measured and captured for social purposes (the big stick). This value could be called economic rent, commons rent, site value tax, natural resource rent etc. If this does not happen nature's worth, whether priceless, dollars or trade will continue to fuel a modern feudal system whereby corporate power continues to replace the ancient power of the monarchy and other institutions.

(John Fisher also sent copies of the above letter to Elgin-Middlesex-London, Ontario Member of Parliament Provincial Jeff Yurek, Member of Parliament Joe Preston who is John's representative in Ottawa, Ontario, and Eric Loewen who is a Green Party Provincial who also lives in Ontario. John Fisher was the Green Party candidate in the last Federal election. John Fisher may be emailed at fisherjm44@yahoo.com) <<

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