

Rights Come First

by Richard Giles

Robert Andelson's influential 1986 book *Commons Without Tragedy* was inspired by Garrett Hardin's famous essay "The Tragedy of the Commons" (1968). Andelson wrote that "with respect to the tenure of land, the differences between Hardin and George are merely verbal."

Andelson was particularly interested in what Hardin had written about parking fees. He wrote that Georgists approved of such fees because "parking meters exemplify (in specialized form) the public appropriation of land rent." He also agreed with Hardin's advocacy of severance taxes; "a severance tax is simply a different technical application of the [Georgist] philosophy...."

As the title *Commons without Tragedy* indicates, Andelson believed he had discovered how to regulate the commons. In proposing parking fees (and road tolls), Andelson says, Hardin "endorses by implication the essential Georgist concept," land rent.

However, land rent is not the essential Georgist concept. The essential Georgist concept is the right to use land. As George wrote in *A Perplexed Philosopher*, "The right of each to the use of land is... a direct, original right, which he holds of himself, and not by the gift or consent of the others...." What needed to be remembered was that "the rights are the first thing, and the equality merely their limitation."

The mistake, George argues, is to put a limitation in place of the right so that "the mere proviso has been swelled into the importance of the primary right." The essential attributes of the common is the right to be there and to use it, subject only to the equal right of others. Now the necessity of paying money to be there means that if you do not pay you are not allowed to stay. Thus we now have two groups, those who may use the commons and those who may not. The limitation (the payment of money to be there) has taken the place of the primary right (the right to be there).

The commons has not been regulated as Andelson imagined; it has been eliminated. It has been enclosed in the same way the common fields of England were enclosed, by the necessity of a payment of money to use them.

Hardin of course was wrong. Common land is regulated. But equal rights on the common exist without the payment of money. Charges to use it simply destroy what is the freest and easiest way of using this land and replaces it with a multitude of inconvenient charges that attack economic activity and reduce economic rent.

Tolls and parking fees are not economic rents, determined by location; they are payments to use land. In fact, if anything, tolls placed on a motorway leading to a city centre are 'rents-in-reverse' since the further you live from the city the more you have to pay to get there. The idea of substantial peak-hour loading in a city like Sydney would probably bring economic activity to a standstill. Would workers travel to the city under such conditions? The whole thing is a middle class fantasy.

The same might be said of severance charges. They are even more obviously charges to use land. They exist wherever a natural resource to which they apply exists, whether that be on valuable, marginal, or sub-marginal land. In *Justice the Object – Taxation the Means* (1890) George draws attention to the difference between a land tax (a tax for the use of land) and a land value tax (a location tax) and in *A Perplexed Philosopher*, Ch. V, he draws out the difference in some detail.

The idea that a commons inevitably produces congestion is a nonsense. In fact, the opposite is true: it is enclosed land that produces congestion.

The barrier to the expansion of infrastructure is the selling price of land. This was something George demonstrated by examples while in New South Wales in 1890.

The subtitle of Andelson's book is "Protecting the Environment from Overpopulation – a New Approach." Andelson's "discoveries" have contributed to a rearrangement of the Georgist movement's priorities. What is forgotten in all this is that the only way to resolve the problems of the environment is by resolving the problems of human society. That is where to begin.

By beginning from the wrong end, from a tax instead from a natural right, and then reformulating its terminology and philosophy to justify the mistake, the Georgist movement is threatened with ruin.