Notes to Kris Feder

from

Fred Harrison (28 June '23)

Copy to Ed Dodson

A new campaign is needed, to rescue humanity from what I perceive to be the existential threat that follows the end of the current business cycle (2028). In terms of scale, Henry George's "Single Tax" is the only viable strategy for systemic reform; but there were linguistic flaws in *Progress and Poverty*, and the Georgist movement has boxed itself into the lowest of low aspirations – securing 2-rate tax reform in America.

If there is to be hope for humanity, in negotiating the looming chaos, a new narrative is needed, one that might inspire people to pull together to confront the crises. This will not be achieved on the basis of the "land value tax" mantra. I am hoping that my forthcoming book will set out a new strategy based on a global perspective; with proposals for legal and institutional reforms which, if adopted, would restore order to society while empowering people to navigate the existential threats (of which there are four¹).

At this point, however, it would help if a start was made on enabling the Georgist institutions to engage in internal debates on the language they use. Kris has offered to help in relation to the RSF; I am copying this Note to Ed Dodson, who has strong connections with the HG School of NY.

In sum, Georgists need to abandon the advocacy of "land value taxation". I realise this is a traumatic suggestion. References to historical use of LVT are inevitable; but a new phraseology is needed that is both accurate, and not psychologically toxic.

"Land" The emphasis is on reclaiming "land". People regard *land* as something *out there*, not really affecting them...and anyway, we are not communists wanting to socialise land! In any event, much more is entailed than just nature's "land".

"Land value" If the goal is a restructured fiscal system, the target revenue is "rent". Rent is a composite value, made up of the flow of services provided by both nature and society. To confine the discussion to reclaiming "free" land is to ignore the fact that the nobility of old, in enclosing the commons, did so to trap people into the status of hostages: pay rent, or clear off to the colonies! So: we are actually declaring that (i) we are not free people, and (2) we want our freedom back. This is a thesis which, after due consideration, would have intimate implications for people: it now intimately concerns their welfare. No longer are we talking about something impersonal, like "land" or "land value", but the essence of our being. We contribute to the creation of rent; this is an expression of our selves – so the product belongs to us.

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¹ As described in Bk2, #WeAreRent, 2022.

"Taxation" People hate taxes. So why are we proposing a tax? A tax is **an arbitrary levy** exacted by government! The word is an immediate turn-off. For many people, no time is allowed for the explanation "we would replace the bad taxes with good taxes". New concepts are needed, with which people could empathise. If one mantra was "keep what you create, pay for what you receive", that would resonate with people – after all, they already do pay for what they receive, when they visit the local supermarket! So, instead of "tax", we should use any other concept – fee/charge/royalty/whatever; anything but "tax".

I now confine myself to taking about "people agreeing to pool the net income – Rent – into the public purse, to fund the services shared in common". But new terminology is needed to fit into fiscal doctrines, concepts with which people might more comfortably relate to than "tax".

Kris (and Ed): if you sympathise with the foregoing, would you be willing to write a 2-page Note for circulation among the RSF directors? (If I wrote it, they would react negatively, asking "who's this Harrison guy?")

The proposal would be that they engage in a structured discussion on the merits of reformulating the proposal to raise revenue from rent (that is, *economic rent*), to fund public services. This is the first step in the process of framing a new outreach programme.

This proposal does not mean abandoning cities like Detroit, which is considering a partial amendment to its property tax (the overall effect of which will be to raise land values and drive house prices even further beyond the reach of many families, alas). But it does, hopefully, initiate an elevation of ambitions; a deeper interrogation of the deadweight issues associated with current taxes; and a determination to link the channelling of rent into the public purse as the precursor to an ambitious recovery project to save civilisation.

HG notes, in P&P, that the current tax-and-tenure nexus could threaten civilisation. Well, some 150 years later, that is now the prospect. Joe Biden's administration is trying to redefine the global settlement that was reached in the years immediately after WW2. There is nothing in his plan that actually addresses the systemic flaws in the prevailing system. A realistic plan is needed; one based on appropriate language.

I remain optimistic about the future. I have tentative ideas about who to approach, in the US, in the realms of politics and as prospective financial backers; but there is no point in doing so, on the basis of just advocating LVT/2-rate taxation, which cannot make a mark on the Big Picture.

Ed is in the process of taking initiatives linked to the HG School. If he was willing to consider a similar approach to that institution, we might find that the Georgist movement could be among the leaders in the rescue operation that the global community of nations will soon require.