

Alanna Hartzok

A word from Alanna Hartzok: *Alanna is the new General Secretary of the International Union for Land Value Taxation and also serves as one of the IU's United Nations non-governmental representatives. She is global outreach coordinator for the Robert Schalkenbach Foundation, founder and co-director of Earth Rights Institute, and author of The Earth Belongs to Everyone, recipient of the Radical Middle Book Award.*

In 1978 I took a 5 week course in Georgist economics at the San Francisco branch of the Henry George School of Social Science. What I learned changed my life. Previous to the momentous occasion of my economic enlightenment I had completed a master's degree plus four years of training in transpersonal psychology. I had also searched for years for answers to questions about root causes of poverty, war and various other social problems. The search ended and the work began.

Shortly thereafter, very much a newbie to the cause, I gave a workshop on Georgist economics at the International Cooperation Conference in Pasadena. A while into my talk an elder raised her hand and said, "We all know this, what are we going to do about it?" Well, hardly anyone else at the conference really did "know this" but Mildred Loomis certainly did, and had for more than 40 years when first we met that fateful day. Considered by many to be the "grandmother of the counter culture" Mildred had worked closely with Ralph Borsodi in founding the School of Living Community Land Trust, a back-to-the-land organization that has taught Georgist economics up to the present time.

Mildred was one of numerous others who kept the flame of economic enlightenment alive throughout their lifetimes. As I became ever more involved in the Georgist movement I met many high-minded and brilliant people who also toiled in this field, writing magnificent books, scribing profound articles, doing painstaking research and organizing significant though small-in-numbers conferences. They have all succeeded. The flame still glows.

I want to now report my most recent and powerful encounter with the possibility that the zeitgeist is ripening; the golden thread of perennial wisdom teachings regarding the right and just relationship of people to planet is being rediscovered by political economists worldwide.

The 2012 Annual World Bank Conference on Land and Poverty, held at the Bank's headquarters in Washington from April 23th – 26th addressed the topic of "Land governance in a rapidly changing environment." Klaus Deininger, Lead Economist, Development Research Group, World Bank welcomed more than 500 conference attendees from 85 countries. Deininger told us, "There is an increased recognition of the importance of good land governance for economic and social development; there is an expanding community committed to its improvement."

Deininger introduced Paul Collier who gave the opening plenary address. Collier is Professor of Economics and Director of the Centre for the Study of African Economies at Oxford University. He is also an advisor to both the World Bank and the IMF. Early in his speech he indicated his understanding of the Georgist paradigm when he said "railways should be financed by the rents of natural resource extraction." Collier also told us that: Density is valuable and that value is reflected in the price of

land. The taxation of land appreciation offers huge scope for financing the cost of urban infrastructure. But the default option is for the costs of urbanization to be socialized, while private landowners capture the benefits... Clearly this is not the way to go. (There are) enormous rents on rising land value. Such big money should not go to corrupt politicians but these rents should be socialized.

Concerning the challenges of rapid urbanization in African countries Collier said that three elements are required: 1) Coordination, 2) Planning and 3) Taxation. Indicating his understanding of the land tenure and land rent problem he said, "Housing is important. If you mess up the process of developing housing you have done something horrible. If you look at nearly any African city... most people live in shacks and there are a few elite. There is a failure of coordination."

Referring to how much of London is owned by feudal estates he emphasized the importance of capturing land rent for public benefit. "The process of increasing density creates value," Collier said. "To whom should that accrue? (he means land rent) Not to the Duke of Westminster, rather that gain should be socialized."

After Collier completed his speech I was the first to ask a question: "How do you understand the role of escalating surface land rent as a contributor to the rich/poor gap, to wealth inequality; and what role do you think surface land rent can play in addressing poverty?"

His response: The challenge is to create land scarcity, which government can do by creating zones; then the land becomes valuable, then you get competition and can socialize rent. Currently the costs but not the benefits of development are socialized. Clearly this is not the way to go. In the urban centers there are enormous rents on rising land value. Such big money should not go to corrupt politicians but these rents should be socialized.

Collier is a game changer. A few short years ago he was talking about the "resource curse." Now he knows how to structure an economy so that the curse becomes a blessing.

At the conference poster session I presented "Land Value Capture and Resource Rent for Public Revenue – Addressing Inequality, Poverty and the Land Rent Problem." I was also co-discussant with Rogier V.D. Brink, World Bank Lead Economist, for the session titled "Land valuation and taxation: Conceptual issues and implementation challenges." The writers of two of the papers in this session have a firm understanding of land rent and the importance of land value taxation. They are Lawrence Walters, Professor, Brigham Young University and Thiago Oliveira, Research, UNICAMP, Brazil. Walters began his paper with a land rent quote from John Stuart Mill and also favorably mentioned Henry George.

Strong interest was expressed by Dr. Tajamul Hague, Director of the Council for Social Development and formerly Chairman, Commission for Agricultural Costs and Prices, Government of India, for the possibility of partnering to develop a forum or conference on land value taxation while I am in Delhi, India at the end of December.

I also had a focused conversation with Solomon Haile, Human Settlements Officer, UN-Habitat. We discussed, inter alia, the work Gordon Abiama is doing for the Land Value Capture Policy Implementation Research Project in Yenegoa, capital city of Bayelsa State, Nigeria.

Another high point was the hour-long private meeting I had with the Dean of the Board of Directors of the Bank and two of his top advisors. I had met this gentleman, who is also one of the 24 executive directors of the Bank, the previous year at a UN conference in New York. Readers might enjoy the story of how we first met.

It was a “chance encounter” in the UN’s Vienna Café where I asked the gentleman with crossed legs to “excuse me sir, we have to unblock the commons” in order to pass into the area where the Commons Action for the UN group was meeting.

While waiting for my group to gather this gentleman and I engaged in conversation. After I put forth the benefits of land value tax policy, the gentleman said, “It sounds like your group has the answer to what our group has been searching for, which is how to harness the market for the production of affordable housing.” I asked, “What is your group?” to which he replied, “The World Bank.”

He then handed me his card that showed he was Executive Director of the World Bank. Our Commons Action for the UN group quickly put aside its planned agenda to continue the conversation with this man. Two hours later we had discussed a wide range of topics about how to build a better world and he had shared with us bits of his life story, beginning with his birth in a tent in the desert of Saudi Arabia.



So fast-forwarding one year at the World Bank headquarters in Washington, I entered his luxury office suite adorned with Persian carpets and portraits of Saudi Arabian sheiks. The featured coffee table book was about desert date palms.

For an hour the four of us engaged in a lively and far-reaching conversation. We ranged from the topic of economics, to the big picture of the meaning and purpose of life, to the reality of “the one human family” beyond borders and boundaries. We talked about the need to eradicate poverty and war so that everyone can have basic needs met and how this would support humanity’s evolution to limitless realms of mental and spiritual expansion.

One of the advisors asked if I had heard the Dalai Lama’s speech the previous day. “He was talking about your book,” he said. Well, they laughed, not really my book in particular, but the theme of my book, “The Earth Belongs to Everyone.”

We discussed the truth of this understanding and then I directed the conversation to the other advisor whose name was Ibrahim. I mentioned the Abrahamic faiths of Judaism, Christianity and Islam and how they all contained the teachings about Jubilee justice of debt cancellation and fair distribution of land.

I also referenced the Talmudic rabbinical discussions wherein it was decided that those having locations closer to the market (Jerusalem) would make a cash payment to those further out to equalize labor’s rewards since land has varying location values. I pointed out that this is in effect the same concept as LVT today.

We all agreed that since many if not most religious conflicts are over land and resources then the policy of land value taxation and resource rent for public revenue held great potential for resolving religious conflicts.

I then mentioned my meeting with Dr. Hague and that he and I had briefly discussed the possibility of a conference on land value taxation in Delhi at the end of December. The World Bank has a major office in India and they told me to tell the lead people in that office that this World Bank executive director says that land value tax policy is important to explore and that the Bank in Delhi should partner with this event.

Joseph Stiglitz was mentioned and they told me that he is considered an economic guru by the chief economists at the Bank. Stiglitz has written about the role of land value tax policy and if he were to speak out about it directly to those at the Bank it would gain traction, they said.

Hopefully my experiences at the World Bank Land and Poverty conference will inspire other Land&Liberty readers to participate in this annual event. The previous year there were 250 participants, and this year of 2012 there were 500 and it was oversubscribed. Several people told me that this is “the place to be” for the global conversation on land policy issues. The next conference in D.C. is planned for April 2013.

As I noted in the beginning of this essay, since the time of Henry George’s passing, the flame of the perennial wisdom that he rediscovered and so eloquently and profoundly brought forth through his books and lectures has been kept aglow by dedicated individuals in several countries. Many lived far distances from each other and were separated by the earth’s great oceans. Wondrously, outside of the acceptance of academia, apart from the mainstream of human thought, and most often in obscurity with little or no public recognition these high-minded souls persisted, often for entire lifetimes, in their efforts to educate and enlighten others.

Each of us who work today to bring forth this great truth stands on the shoulders of those who have gone before. It may be that it is our good luck to live in the time when this awakening dawns upon the world. Until then may we continue our high endeavor with ever-greater cooperation, harmony, strength, skill and good will. 🇺🇸

*Alanna has developed an online course, which can be found at www.course.earthrights.net. For details on the World Bank Land and Poverty conference including papers presented, sponsors and collaborators go to: www.landandpoverty.com/agenda/index.html Info about Alanna’s upcoming teleseminar, *Sustainable Economics for the 21st Century*, can be found at: www.earthrights.net*