

Single approach to solving problems

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8 June, 2017

When I first became politically aware, I noticed many pressing social problems: income inequality, housing shortages, urban sprawl, resource depletion, toxins in our air and water, and looming over it all, climate change due to burning fossil fuels.

Yet, it seemed like every solution to one problem would worsen another: strict environmental regulations would kill jobs and worsen poverty, ending sprawl would reduce housing options, economic growth would consume more resources, etc.

Then I was introduced to an economic remedy via a shift in taxation which promised to address not just one, but all of these issues, and to end the perpetual boom-and-bust cycle of economic bubbles followed by recession or depression.

I couldn't believe a single approach could solve so many disparate problems, while at the same time unburdening us from burdensome taxation on sales and wages and freeing us to be prosperous workers and traders.

Yet, the more I studied this remedy, not only in theory but in practice, the more I realized it was indeed the holistic virtuous circle that would lessen each of these problems in turn.

This remedy was first clearly expressed in the world best-seller *Progress and Poverty*, published in 1879 by Henry George, who observed the paradox that as growing communities created more wealth, poverty worsened for those at the bottom.

George correctly deduced the cause: while many people work to produce things of value for each other, some instead lay claim to gifts of nature which should belong to all, forcing others to pay for access.

Those who own land or resources they didn't produce but simply grabbed, levy a tax on everyone else to access the spaces and materials we must use to satisfy our needs.

When some set themselves up in this way as “haves,” it makes others into “have-nots,” who must pay double taxation: to government for public services, and to rentiers for basic needs.

George saw that if government were to capture this unearned income by taxing the full value of land and monopoly rents, there would be enough revenue to provide all government services without taxing trade, production, or income. Genuine earnings would be kept untaxed by workers and investors, while the community-created value of prime locations would be remitted to government in exchange for the economic benefits received.

Of course, this remedy threatened the wealth and power of land barons, oil tycoons and rail monopolies, who endowed university economics programs that ignored George and his analysis.

As George himself noted in almost winning the mayoral race in New York City: “The vast majority of men, women and children in New York have no legal right to live here at all. Most of us – 99%, at least – must pay the other 1% by the week or month or quarter for the privilege of staying here and working like slaves.”

Yes, Henry George originated the 1%-99% meme Occupy Wall Street made famous 125 years later.

To celebrate the new scholarly edition of *Progress & Poverty*, Living Green is hosting a discussion and reception this Sunday beginning at 6 p.m. at Unity Market, 25 Toronto St.

You are invited to attend and explore, with our expert panel, Barrie’s struggles with infill development, housing shortages, lack of jobs and rising tax rates.

Does George’s remedy offer a path to address all of these issues together? Let’s find out.

And beforehand, for those who prefer a more active event, will be a Jane’s Walk (named for urban activist Jane Jacobs) meeting at Unity Market at 4 p.m., looking at the potential of Barrie’s underused downtown waterfront spaces. Join us for these free, educational events and learn how economics could work for us, instead of against us.

Erich Jacoby-Hawkins serves on the boards of Living Green and the Robert Schalkenbach Foundation. Read and comment on this and other Root Issues at www.ErichtheGreen.ca.