

Want this job done right, DIY? So we can figure out the worth of Earth in America?

## CHAPTER 9

### OUR TURN WITH THE TORCH

*Practical men who believe themselves exempt from intellectual influence are slaves of some defunct economist.*

– John Maynard Keynes

#### BETTER THE DEVIL WE KNOW – REALLY?

Currently, most of us are stuck in a worldview of the economy as something that happens to us. Despite living amid plenty, we endure dehumanizing poverty, scarcity of free time, overbearing elites running amuck, plus a sickening of the natural world. Then we flail about for solutions.

*It is hard to imagine [in America] poverty that is worse than this, anywhere in the world. Indeed, it is precisely the cost and difficulty of housing that makes for so much misery for so many Americans, and it is precisely these costs that are missed in the World Bank's global counts.*

– “The U.S. Can No Longer Hide From Its Deep Poverty Problem” by Angus Deaton; *New York Times*, January 24, 2018

Disciplined economists, content with current axioms, continue to tread water. Do we curious ones follow suit or raise the bar and nail down that number for the worth of Earth in America? Such a stat would help show that people respond differently receiving payment for land and resources than they do receiving payment for goods and services.

When hearing of requests to know the value of land and resources, most economists and statisticians seem to recoil in horror. *They want to know how much we spend on the nature we use? Heaven forbid!* Finding that out would capsize the conventional economics boat. That good dunking alone lures me onward.

## PROFESSIONALS WONDER ELSEWHERE

Any other economic topic is fair game, but not society's spending for the land and resources they use. Lacking a total for rent, it can't be used in calculations. Without an awareness of rent, it can't be used in theorizing.

Consider the standard explanation of the Great Depression. The supposed cause was the crash of the Stock Market and the purported cure was the entry into World War II. Unmentioned is the huge role that the rollercoaster ride of land values played. Before the crash, *speculators went belly-up in Florida, farmers went bankrupt in Oklahoma*. Turn from cause to cure; before we went to war, the economy was already rebounding. Hence the crash-then-war story amounts to a widely accepted urban myth – and land is a blind spot.

*Although Oklahoma agriculture had been in the doldrums for a decade, signs of the Great Depression emerged only in 1930 as a drought hit the region.*

– “Great Depression” by William H. Mullins  
at Oklahoma Historical Society

To address economic problems, many laypeople favor one or another conventional proposal. Economists who:

- suggest a stimulus – don't distinguish between spending that rewards effort and spending that does not;
- endorse austerity (for others) – don't calculate the size of society's surplus; and
- extol growth – can't predict the business cycle.

All those competing voices generate much noise for the rent-signal to penetrate.

Most economists consider capital and overlook land, relegating it to a lesser item in the category of tangible assets. In their take on reality, capital accounts for growth. Yet it's the soaring price of land that stymies growth.<sup>1</sup>

Economists who ignore privilege propose what does not work. Complicit politicians, who can't deviate from the norm, adopt what does not work. Officials bark up the wrong tree while society marches along like the apocryphal lemmings off a cliff. All three prove Einstein (a proto-geonomist) correct. Repeating the same behavior while expecting different results is madness.

<sup>1</sup> “Land-shackled economies: The paradox of soil”; *The Economist*, 4 April 2015

Once a critical mass sees how cost of living depends on location rent, they may demand the statistic from responsible agencies. So far, however, a total of all rents that's serviceable has not dropped into our laps. It's a bit much to expect hirelings to go against the grain, even if public servants, paid with public funds, should serve the public at large.

Yet ascertaining that number would win key insights: we could anticipate booms and busts, while not knowing the stat loses us that insight. We remain ignorant of the value of the never produced, unable to shake our collective poverty consciousness. And economics will likely stay adrift.

### TIME FOR AN ENCORE?

Once found out, the annual total of all rents could be an "ah-hah!" moment for economists. The discipline could embrace the challenge of prediction and develop into an actual science (Ch 28). Economics could play its role of helping make life on Earth as easy and as pleasant as possible.

At last able to watch rent flow, people in general could grasp how economies work, why sometimes they don't, and what we can do about it. We'd figure out how to stop working for the economy and have it work for us, as it is supposed to. We'd get to live in societies with high-performance economies.

Some mainstream economists have felt aroused by the lack of good data. Some have taken a stab at calculating an accurate figure for the worth of Earth in America. Those who went before should not have labored in vain.

Let us gadflies root around, see what those specialists had to say. Googling should dislodge the statistic easily, eh? The keys are the key words. Which will lead to the number for the current worth of Earth?

Even if the web bears fruit, to cover all bases, let's also visit libraries. Hard to believe, but not every printed word is in cyberspace; some still hide away in real books and journals. We'll dig into the US Information Almanac and check card catalogs for tomes never uploaded.

Besides being an armchair investigator, we can trot on over to the hall of records, see what officials have to say. We must pester them, librarians, and researchers. Who knows what overlooked nuggets they may hold?

This could get interesting. Johann Wolfgang von Goethe was paraphrased by an American, John Anster (1835), writing, "*Whatever you can do, or dream you can do, begin it. Boldness has genius, power, and magic in it. Begin it now.*" Such perfect inspiration for a Don Quixote. Whatever we find, we'll eagerly report back. Expect to be inundated with data.