

New questers of insightful stats – meet new calculators of insightful stats.

CHAPTER 31

NEW HOPE FROM NEW STATISTICIANS, INC.(S)

“Being a statistician means never having to say you’re certain.”

OUTSIDE-THE-BOXERS DEMAND & SUPPLY TRUE STATS

A few on the cutting edge of economics may soon address basic statistics, on both the demand side and the supply side. New outfits have sprung up capable of ferreting out a figure for the worth of Earth in America. Plus, some new organizations may demand a grand total of the value of land, resources, and privileges. So, what if the Bigs have not yet come through. These Littles could fill the breach.

Not that we should give up on the Bigs, even though the official sources of statistics have not made basic research any easier, and the entrepreneurial sources have not made their statistics any cheaper. But at both places their personnel is constantly changing, so their degree of cooperation is constantly in flux. Perhaps some competition from the Littles may nudge them in the right direction.

The few big-name economists who criticize official statistics and demand better numbers are not alone (Ch 17). To meet the need for accuracy and relevance, already, lesser known, specialized organizations churn out stats and make the data available to inquiring minds. Given their self-described willingness to think outside the box, might such entities calculate the economic surplus which the presence of society generates?

POTENTIAL SUPPLIERS – FIRMS FOR REFORMED FIGURES

Here are the Top Ten groups that supply relevant statistics – stats that you cannot easily find elsewhere – who may find intriguing the challenge to measure how much we spend on the nature we use:

1. Geodemographics Knowledge Base (GKB) is a comprehensive directory of hand-selected websites for people interested in the application of geodemographics and geo-spatial analysis. Sounds so close to geonomics, it could work.

2. Statista's team of trained specialists analyze, audit, and update each of their statistics frequently. They attend to detail and adhere to academic archetypes and guarantee keeping to high standards. They claim to be fully equipped to meet the needs and expectations of their users. Of us, too?

3. Zero Hedge takes its name from the quip by Keynes who said in the long term, survival drops to zero, so don't hedge your bets on your lifespan.

Their mission:

- widen the scope of financial, economic and political information available to the professional investing public;
- liberate oppressed knowledge;
- provide analysis uninhibited by political constraint; and
- facilitate information's unending quest for freedom.

Sounds like a winner, eh? The next, a UK variant, looks promising, too...

4. New Economics Foundation (NEF) is the UK's leading think-tank, whose mission is to kick-start the move to a new economy through big ideas and fresh thinking.

They do this through:

- high quality, ground-breaking research that shows what is wrong with the current economy and how it can be made better,
- demonstrating the power of fresh ideas by putting them into action, and
- working with other organizations worldwide to build a movement for economic change.

5. The Centre for Research on Globalization (CRG) is an independent research and media organization. The Centre acts as a think tank on crucial economic and geopolitical issues. Its articles, commentary, background research and analysis focus on social, economic, strategic, and environmental issues.

6. The *Washington Post* has its Wonks blog which focuses on the economy among other subjects. Writers there break down issues and make their arguments with statistics. They explore issues in depth; one of them even writes about land topics!

7. Shadow Government Statistics ("Shadow Stats") by John Williams offers analysis behind and beyond government economic

reporting. Despite Williams coming from the mainstream, there are an awful lot of mainstream articles criticizing him. That actually could signify that he's telling the harsh truth that the powers-that-be don't want the public to hear. May he go broad and deep and tackle the worth of Earth.

8. Washington DC's first progressive multi-issue think-tank, the Institute for Policy Studies (IPS), has served as a policy and research resource for visionary social justice movements for over four decades. Barbara Ehrenreich, author of *Nickel and Dimed* (2001), who describes herself as "a myth buster by trade," once worked there.

9. G. William Domhoff, who goes by "Bill," is a Research Professor at the University of California, Santa Cruz. Four of his books are among the top 50 best-sellers in sociology for the years 1950 to 1995. *Who Rules America?* (1967, Ch 12) was loaded with statistics and described the local growth machines of real estate development.

All these outfits (except the next) are open-minded enough to go beyond the official numbers. Nine of them raise the expectations of curious geomonists, number 3 especially. Of them all, the best known is the least bold – #10 (coming up). You know all the oddities you find in statistics (usually negatives, like plane crashes or suicides bunching together)? There's money to be made citing those.

FREAKS TO FACT-CHECK THIS?

10. Freakonomics was launched by Stephen J. Dubner and Steven D. Levitt. They're academics, like Dr. Domhoff, but despite the great name, the "freakonomists" stick to the mainstream, unlike Bill Domhoff. Their "-omics" began as an article, then a book, then morphed into a documentary film, a Jon Stewart show appearance, and an NPR radio show. Freakonomics.com has been called "the most readable economics blog in the universe" (which, the Steves admit, isn't really saying much).

In 2014, Levitt and Dubner published their third book, *Think Like a Freak* – supposedly a blueprint for an entirely new way to solve problems. However, they use official statistics with blind faith. Like the rest of academia, they call their numbers "data" (though it's nothing like the accurate and relevant measurements in hard science).

Dubner and Levitt focus on funny things people do – like *When to Rob a Bank*. These little-picture oddities – not how economies work and don’t – they call that economics. Their legion of followers, who number in the millions, also think fun-with-numbers is real economics. Give the Steves their due for making economics entertaining and enlightening, even if less relevant.

All the probing into the unusual by the Freaks has, so far, kept them clear of the rent factor. Limiting “economics” to the incidental, while eschewing big-picture analysis of an economy’s actual workings and its resultant wealth, does the discipline no favors. Their analyses elevate what’s merely entertainment, distracting the public, and trivializing what the public should know, cementing their institutionalized indifference to deeper analysis.

Maybe another source is the fact-checkers. Nowadays, some Internet divers (not surfers), organizations, and newspapers pride themselves on testing official numbers for veracity. With the rise of the Internet and googling, fact-checking has become big business. Perhaps one of them would check Larson’s, Albouy’s, or our total for America’s land value.

FactCheck.org is a project of the Annenberg Public Policy Center of the University of Pennsylvania. The APPC was established to create a community of scholars within the University of Pennsylvania. It addresses public policy issues at the local, state, and federal *breadths* (not levels, a misnomer).

Once an official estimate of the social surplus that land-value represents comes out, then let doubters fact-check that.

POTENTIAL DEMANDERS – THE RICH

May this soloist effort of ours play matchmaker and introduce those whose mission it is to supply insightful data to those who could put out a figure for Earth’s worth to good use. There are a few groups already interested in land, in rents, and in statistics.

First, believe or not, some rich folks want to share the wealth – not *all* the wealth, but some. They may not go so far as to advocate changing the system that made them wealthy. But they do want to close the income gap at least somewhat.

- Bill Gates’s dad wants to tax very rich people.
- Warren Buffett’s son wants to require charities to spend all their money on charity, so that they can no longer perpetuate fortunes.

- Likeminded top one-percenters have banded together to form groups like Patriotic Millionaires and Smart Capitalists for American Prosperity.

In the past, some of the wealthy have even bit the hand that fed them.

- The US has a Communist Party due to one of the inheritors of the General Motor's fortune funding its supporters.
- An inheritor of a tobacco fortune campaigned against the sale of cigarettes. And ...
- An inheritor of the Baskin-Robbins ice cream fortune tried to persuade Americans to adopt a diet that left out sugar.

Perhaps it's self-serving – they wish to stabilize the system that put them so high above everybody else, since yawning disparity de-stabilizes the social order. Or maybe it's merely an embarrassment of riches. Or those elite are being charitable out of the goodness of their hearts; philanthropy is a normal human trait. Whatever the motive, it's exciting to know that people with the power to make change are advocating change. Some even advocate fixing or replacing GDP to measure an economy's success; a figure for rent could make a great replacement statistic, updatable daily.

Rather than share just any kind of wealth, maybe these elite would warm up to sharing rent, once they hear how society generates it and how much it is – enough, if shared, to make a real difference. Rent is the kind of wealth that's less a product of individual effort and more a result of social progress and natural advantages. By tapping sites, resources, and privileges, we can avoid taxing the successes of useful producers, and thereby not diminish the incentive to produce.

MORE MAYBE DEMANDERS: RELIGIOUS, COINERS FOR THE REALM, YOUTH

Second, some of the faithful talk up land issues that cause suffering: concentration of land ownership, homelessness, unaffordable housing, pollution, etc. Many recent Roman Catholic Popes have urged followers to reform land holdings and to quit contaminating the earth. The Catholic Worker Movement in the US and Oxfam in the UK might lend their voices to a chorus calling for officials to measure the Bible's "fruit of the earth," which belongs to all.

Third, people bothered by the fact that dollars are no longer backed by gold propose returning to gold, or backing with some other valuable

tangible, like land. Whether that's a practical idea or not, its proponents might first need to know how valuable land is. Certainly, they would join the call.

Fourth, youth is a time when humans tend to be more open to new ways to see the world. Inexperienced. Ahistorical. Impatient. Idealistic. And lacking an intellectual lineage they're deeply emotionally attached to. Note that it's grad students who criticize economics. And youthful activists who latch on to cutting-edge causes. With the youth wing of monetarists, religions, and wealthy families leading the way, demanding answers, then suppliers of measurements would come up with a good, useful number.

For academics, always in need of young blood, it must feel odd to regard the coming generation as a potentially disruptive force. Some professors would not want to be out of step with their students. Those young-at-heart profs would sniff around the issue of rent and echo the call for a serviceable number for the value of land and resources.

DEMAND SPURS SUPPLY, RIGHT?

Once a critical mass of economists requests decent measurements of spending on assets never produced, then the bureaucratic part of government would raise their bar. Once enough reformers demand to know the size of social surplus, then the legal system itself would push up the bar. The data-minders would make their statistics as accurate and relevant as possible.

You may want to ask any of these organizations for a reliable figure for the rental value of all land and resources in the US or UK. Your question could add to earlier ones, putting those interrogated at a tipping point, where they will take on the challenge of digging deeper. Or you may find by then they'll have come up with an answer and you'll be one of the first to learn it.

The past successes of the above interest groups give one grounds for believing that a gadfly can win. Such groups have expanded their horizons before and can do so again. Once cognizant that our spending for things never produced is a social surplus, probably they'd seek to know not just its size but also the identity of its recipients.