

PACE UNIVERSITY LEFT FORUM PANEL

(from p. 10)

Yet, he pointed out, the recession continues for most people. "This crisis has not gone away," he said, though there is hope for a new period of openness, hope, and an end to government secrets from the example of people like Julian Assange.

George, Hehner continued, turning to Hudson, has to be distinguished between being a theorist and a politician. "As a theorist, you may call (George) simplistic," Hehner said, but he did stress the ecology of resources a hundred years before almost anyone else and the concept of one planet. Meanwhile, the failures of the current system, Hehner continued, have resulted in high unemployment figures, two lost decades in Japan, and even here where "some have made some money" the overall picture is still abysmal. The next bubble is forming. Increasingly, as this author and many others have also noted, the FIRE sector lives in its own world, pumped up by nearly free monopoly money, while the real economy, boring and unrewarding to such speculators, goes wanting for funds; it is possible to have an inflationary boom in a subsidized FIRE sector and a deflationary depression everywhere else, as Hudson has written. This finding also reinforces a previous conclusion of Mazzone's – that the top 15% basically sells to itself. (And, increasingly what that 15%, and especially the top 1%, is reselling, has no price basis in reality). In the old definition of a recession being 2 quarters of negative growth, said Hehner, an economy that was down for 6 quarters (2008-2009) would have been said to have been in a depression.

Continuing on in a larger theme, Hehner said the problem with economics as a science is that scientists have been able to make accurate predictions, whereas only Georgist economists have made accurate predictions as to the economic cycle. Without the ability to predict, a field of study cannot be called a science at all. (Although not covered in this talk, Hehner, a career educator, has hit upon a revolutionary theme now spreading across campuses, and beyond: that economics has little relation to the real world, and needs to be reinvented from the ground up). Hehner cited Fred Foldvary as one such accurate predictor, but Hudson interrupted here to say that Foldvary is basically a 'stopped clock' who had predicted a downfall for years. A more useful example, in my opinion, would have been Fred Harrison, who follows the 18.6 year land cycle, or even Phil Anderson, who wrote "The Secret Life of Real Estate," and who uses it to time the stock market, to the betterment of his high net worth clients, perhaps cynically (not cyclically). Recovering from the interruption, Hehner went on to say that what is needed is a "coalition of the Left and Right, and to get a fresh start." By way of example, Hehner cited China as an example of a new kind of economy – a Market Communism. China introduced the Free Market when they realized that things were not working, and we need to do something just as radical. Supposed free-market worshiper George Bush began the largest bailout in history. Yet today, both American and Chinese systems are broken, said Hehner, and in need of further reform.

Hehner, while agreeing that George's ideas were sometimes hijacked by right wing libertarians and reactionaries, ar-

gued that progressives need to come together to support taxing value from monopolies, value from obligations, surplus, and resources, and to provide a citizen's dividend (Common Ground-Oregon/Washington chapter member's Jeff Smith's idea as well). An example is the tax on resources in Alaska, which also makes sure the resources are not destroyed and are used most efficiently, Hehner noted. Instead we have a system that covers up environmental damage. Hehner's example: the Deepwater Horizon oil spill that was treated with a chemical that made it worse, while removing it from sight. (This author sometimes worries that a system based on charging for environmental damage would still be gamed. Just as Georgism needs honest assessors, neo-Georgism needs honest pollution monitors).

Hehner continued: today, we instead have a false two-party system, which is really a one-party system. There is no left wing party, no party for the workers. They have been crushed.

Taking the stand again, Hudson rebutted to explain where he felt he (and by inference, other Socialists) and Georgists including Hehner disagreed. He said that "Marx was the last free market economist...free from the banks, free from the rentiers, free from the landlords" – a radical idea that he also claimed was opposite of Henry George. But here there were audible audience guffaws and denunciations of "Wrong! Wrong!" over his claim that George was "for the landowners, and the rentiers." Hehner exasperatedly interrupted to say that one should not confuse George's followers with George himself. "To say that George was for the landlords is complete nonsense," Hehner said, with visible restraint. Mazzone made a similar comment later as well, to absolve the Henry George School of such unhealthy alliances, to which Hudson good-naturedly agreed.

Hudson attempted to discredit George's environmental background (the concept of environmentalism, he said, came into being in 1860), who, he said, opposed a former Whig party idea, then taken up by Republicans, that statistics on soil depletion should be kept and included in the balance of trade as a form of deficit. Hudson claims that George worked with southern ex-slave-owners to attack ecology – a word coined in 1870 and, Hudson claimed, the root of protectionist doctrine, which George opposed, particularly in his book "Free Trade or Protectionism." Perhaps due to an audience interruption, Hudson never finished citing the reference specifically, but here is what George said in two of his other books:

"Man produces by drawing from nature...In the production of wealth land cannot act; it can only be acted upon." – p.p. 408-409, *The Science of Political Economy*.

In *Social Problems*, George goes even further, complaining:

"...12,000 head of cattle (are) killed weekly in...New York...as to the elements of fertility, which, instead of being returned to the soil from which they come, are swept out through the sewer of our great cities. The reverse of this is the destructive character of our agriculture, which is year (continued on page 12)