

ECOLOGY AND TAXATION

A HOLISTIC STRATEGY FOR ENVIRONMENTAL SECURITY

BY FRED HARRISON

TRADITIONALLY, people respected nature, the community and the individual. This was a holistic relationship. It was sustained by a sophisticated set of rights to land linked to the correct system for financing the public sphere of life.

The abuse of nature stems from the same forces that encourage us to abuse our communities and to abuse people. My analysis of past mistakes applies to both capitalist and communist societies. The difference is one of scale only.

We cannot solve the ecology crisis if we do not develop a plan for the comprehensive renewal of civil society. This plan must include the restoration of the rights of every citizen.

PROGNOSIS. We have lost the traditional understanding of the intimate connection between ecological security, social harmony and individual liberty. Taking into account the laws and attitudes of modern society, we can say that members of the CIS will fail to develop a plan for rescuing their environment from further degradation. Because of the economic crisis in your countries, we can expect a deepening of the environmental crisis. This will correspond with the further loss of civil liberties of the citizen.

Can the problem be solved? Yes. There is no mystery about the mechanism that provides the

MEMBERS of the Commonwealth of Independent States - ten republics of the former USSR, excluding the Baltic countries - met for a top-level conference on the environmental crisis on March 1.

The CIS Interparliamentary Assembly's ecology committee is searching for solutions to the damaging Soviet legacy. Senior government ministers were addressed by three members of the European Parliament and Fred Harrison of London's Land Policy Council.

The conference was held in the palace used by the Duma in St. Petersburg before the 1917 revolution. We print here an edited version of the speech by Fred Harrison.

solution.

Can the problem be solved in time? Yes, if you adopt the correct policies.

Are there a range of policy options from which to choose? No. There is one policy only that offers the comprehensive solution. This policy integrates the needs of the environment with the needs of society and the needs of the individual.

What is that policy? Everyone must pay for the benefits they receive from the use of land. If they extract minerals from the earth, they must pay rent. If they pollute the air, the river, the ocean, they must pay rent. They are using those resources of nature as dumping grounds, and that dumping ground should not be treated as free.

What is the general model for achieving this?

First, the framework is the free market. It is in the market that rents are freely set by people who compete for the use of land.

Second, no-one should be allowed to use any part of nature without paying the market rent.

Third, the rent of land must be socialised. This means that, as people compete in the market, the more rent they offer the more revenue is received by the government.

This third point serves two main purposes:

* it provides the financial incentive not to damage the environment. The less you damage, the less you pay. As users become more efficient, they reduce the rate at which they deplete scarce resources. This pricing system is the most effective policy for conservation.

* socialised rent provides the money - the natural fund - from which to clean up the damage of the past. Investment in good ecological practises raises the rent of land, especially the rent of locations in cities. This in turn increases public revenue. The adoption of sustainable ecological practices also improves the quality of the social environment. This reduces social and economic problems which in turn reduces the tendency to abuse nature.