

SACRED RULE ECONOMICS Presented by Alanna Hartzok

Alanna Hartzok



Author, The Earth Belongs to Everyone, a collection of 30 of her article and essays; recipient of the *Radical Middle Book Award*

pdf here: https://theiu.org/books/

Co-Founder, Earth Rights Institute

Administrator, The International Union for Land Value Taxation and Baltimore Thrive Project

Candidate for Congress in PA two times

Initiated Property Tax Reform Legislation that passed PA Legislature by a nearly unanimous vote

Has given lectures and seminars on Land Rights and Public Finance Policy in 18 countries (four continents)

Transpersonal Psychotherapist - Psychosynthesis

Degrees from Ohio Wesleyan University, University of West Georgia, Institute of European Studies, Vienna, Austria



"It's time to shift from a fear-based state of emergency to a love-based state of emerge n' see."

- Swami Beyondananda



Sacred Rule Economics is the Application of the Golden Rule to the Production and Distribution of Wealth

The idea (of the Golden Rule) dates at least to the early Confucian times (551–479 BCE), according to Rushworth Kidder, who identifies the concept appearing prominently in **Buddhism**, **Christianity**, **Hinduism**, **Islam**, **Judaism**, **Taoism**, **Zoroastrianism**, and "the rest of the world's major religions".

THE GOLDEN RULE ACROSS RELIGIONS



"And as ye would that men should do to you, do ye also to them likewise." - Luke 6:31



"None of you will believe until you love for your brother what you love for yourself." - 40 Hadith, n13



"Do naught unto others what you would not have them do unto you." - Mahabharata 5:15:17



"Hurt not others in ways that you yourself would find hurtful."

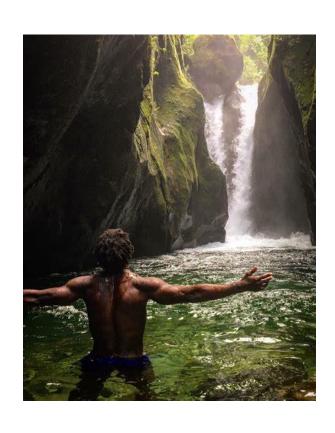
- Udanavarga 5:18



"What is hateful to you, do not do to your neighbour."

- Talmud, Shabbath 31a

Sacred Rule Economics and Natural Law



Sacred Rule Economics also draws from Natural Law as the manifest expression of the Divine Laws of Creation and Life Expression - what is necessary in order to secure, protect and further unfold the Creation – Nature and human beings as a part of Nature.

Thus understood, Sacred Rule Economics sets forth the foundation for the Evolution of Consciousness, for "spirit and nature dancing together."







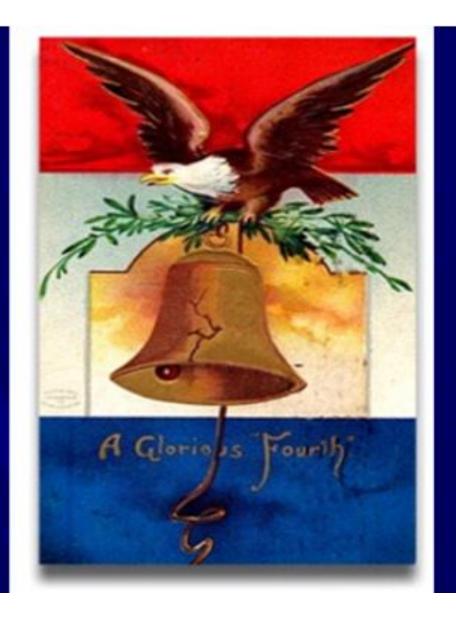




The **Liberty Bell** is an iconic symbol of American independence. It was cast with the lettering "Proclaim LIBERTY Throughout all the Land unto all the Inhabitants Thereof."

This is a Biblical reference from the Book of Leviticus (25:10) – "And you shall consecrate the fiftieth year, and proclaim liberty throughout the land to all its inhabitants. It shall be a jubilee for you"

This scripture is a reference to the Jubilee Year of ancient Israel when all debts were to be cancelled and each person had the right of return to land that had originally been allocated in a just manner.



PROCLAIM
LIBERTY
THROUGHOUT
ALL THE LAND
UNTO ALL THE
INHABITANTS
THEREOF.

LEV. XXV X.

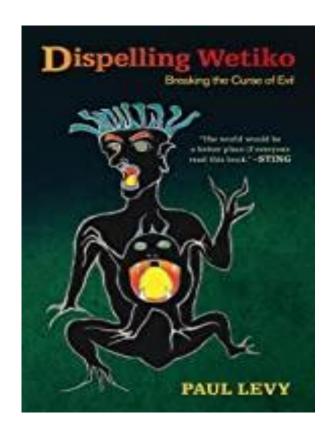
The **Liberty Bell** cracked upon its arrival in Philadelphia shortly after being forged. In the image Native Chief Little Bear points to the crack as though reflecting upon the major flaw in the founding of American democracy – the lack of economic human rights based on each person's birthright to the earth's land and natural resources and to a money and banking system that enables fair trade without usury.

The **Crack in the Liberty Bell** thus understood has brought us to the point of gross wealth and power inequality which is fast destroying the basic freedoms and liberties of the inhabitants of the United States of America.

Wetiko Consciousness Unity Consciousness

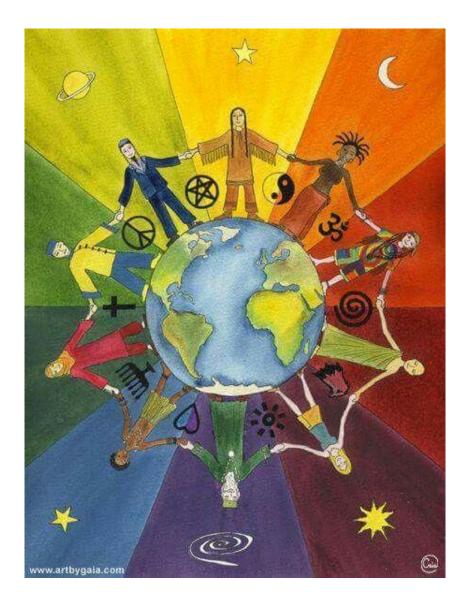
Self Separated, Divided, Hierarchical, **Predatorial, Trauma Inducing, Ugly**

Connectedness, Unity in Diversity, Circular, Holistic, Healing, Beauty









Country people leaving a village due to enclosures Date: 18th Century

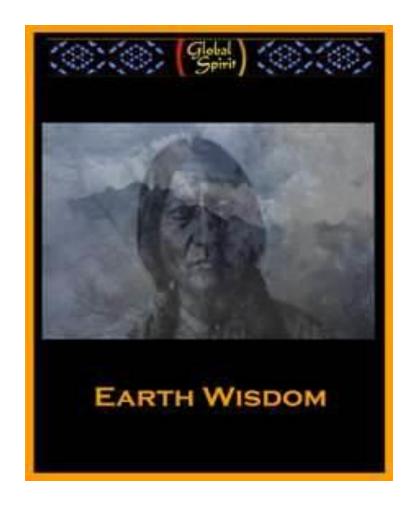


The Inclosure Acts, a which use an old or formal spelling of the word now usually spelt "enclosure", cover enclosure of openfields and common land in England and Wales, creating exclusive legal property rights to the land baron to land previously held in common.

Between 1604 and 1914, over 5,200 enclosure acts were passed, affecting 6.8 million acres

(2,800,000 ha; 28,000 km²).[1]

Natural Law



The equal right of all men and women to the use of land is as clear as their equal right to breathe the air. It is a right proclaimed by the fact of their existence. For we cannot suppose that some men and women have a right to be in this world and others do not. - Henry George

The Earth Belongs to Everyone

The claim by birthright can only be legitimate if it is acknowledged that all other human beings have an equal claim to land and natural resources.

The deepest ethical dimension of territorial rights recognizes that humanity is one and indivisible in its fundamental claim to the earth as a birthright of all.





Basis of Present Land Claims - a complex historical weaving of territorial claims by discovery, purchase, constitutional law, length of residency, military might and other ways to gain and maintain secure possession.



LAND = Commons



LABOR



CAPITAL TOOLS OF PRODUCTION





Labor (physical and mental) on Land (gifts of nature) yields Capital (tools). Basic needs can be secured with minimal capital.

The Classical Economic Terms for Distribution of Wealth



Land, Money and Taxes

- In "three factor economics" Land is the term for all the gifts of nature surface land, natural resources, water, the electro-magnetic spectrum and even the L5 zones in outer space where satellites can best balance between the gravitational pulls of the earth and the moon. In a fair society, access to these "commons" is secured with the payment of "commons rent" to support the well-being of all as the basis for public finance / taxation.
- In a fair society, money is a utility useful for the exchange of goods and services. When the money system becomes a way to accumulate wealth for the few via various practices of "usery" then wealth inequality grows to the point of social breakdown.

The Early Christian land ethic echoed Old Testament teachings concerning land rights.



- The land must not be sold beyond reclaim, for the land is Mine; you are but strangers resident with me. Lev. 25:23 '
- The profit of the earth is for all. Eccles. 5:9
- Woe unto them that join house to house, that lay field to field, till there be no place. - Isaiah 5:8
- Restore, I pray you, to them even this day, their lands, their vineyards, their olive yards, and their houses. Nehemiah 5:11

Patristic period quotes on land ownership.

St. Ambrose, sometimes called Grandfather of the Western Church.

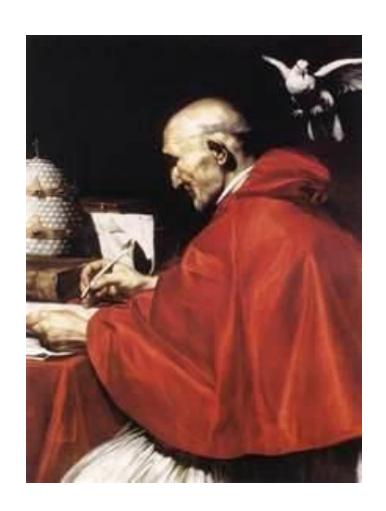


How far, O ye rich, do you push your mad desires? Shall ye alone dwell upon the earth? Why do you cast out all the fellow sharers of nature and claim it all for yourselves? The earth was made in common for all. Why do you arrogate to yourselves, exclusive right to the soil?

St. George the Great (Pope 590 - 604)

Rebuked the Romans when he said:

They wrongfully think they are innocent who claim for themselves the common gift of God.



Land Tenure in the Promised Land Described in Leviticus

Those with poorer land were to be given more acreage and those with more fertile land would be given less.

But what about land locations regarding the market place?



The Gemara, Baba Bathra, (122, A) Solomon Solis Cohen, "The Land Question in the Talmud"

Upon the more valuable holdings was to be imposed a tax, or lease fee, the measure of which was the excess of their respective values over a given standard, and the fund thus created was to be paid out in due proportions to those whose holdings were in less favorable locations.



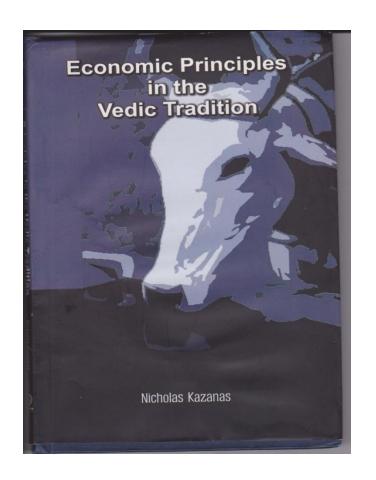


As for land disadvantageously situated, the adjustment was to be made by money;

that is to say, those holding land nearer the city (Jerusalem) should pay into the common treasury the estimated excess of value pertaining to it by reason of its superior situation, while those holding land of less value, by reason of its distance from the city, would receive from the treasury a money compensation.

Economic Principles in the Vedic Tradition by Nicholas Kazanas

Dr. Nicholas Kazanas is a Greek-born scholar of Vedic history, Indology and the culture in the Indus Valley back to 5,000 years ago.



Ancient Indian Codes of Law

...the sages who instituted their Laws, recognized fully all the needs...for bodily wholeness, food and shelter, locomotion and assembly, property and reputation, solitude and peace, physical work and spiritual development.



The Indus River Valley and Land Value Taxation



A most surprising feature of the Indus River Valley Vedic civilization is the principle of free access to land for all and the Land Value Tax which was the source of Government revenue and expenditure. This was 5,000 years ago!

It is surprising because land value taxation is thought to be a fairly modern concept.

There is a concept of "land rent" or surplus - a higher charge was placed on the more fertile land and land in the population centers.

Economic Principles in the Vedic Tradition, Nicholas Kazanas

Land Tenure in the Vedic Age

In ancient times...law-givers provided their people both with common lands and individual holdings.

The land is a divine entity and belongs to the whole of mankind.

The land belongs to all men equally; the whole community holds the region where it lives....

Land is cultivated by individuals (or families), not jointly by a community.





These ancient teachings affirm a just land ethic, that natural advantages are common property, and may not be diverted to private gain.

Physiocrats



Francois Quesnay
1694 - 1774



Anne-RobertJacques Turgot
1727 - 1781



Victor Riqueti de Mirabau 1715 -1789



The Physiocrats coined the phrase "*l'impot unique*" ("the single tax") and urged the French kings to levy taxes on land instead of labor.

One of the Enlightenment's wise men, Mirabeau the Elder, held that their discovery would be if enacted a "social advance equal to the inventions of writing and money."

Forbidden City, Beijing



Quesnay is known for his writings on Chinese politics and society.

Because of his admiration of Confucianism, Quesnay follower's bestowed him with the title "Confucius of Europe."

Many tax principles put forth by him and other Physiocrats were derived from land and tax policies of dynasties of China.

See:

Http://www.fampeople.com/cat-françois-quesnay 2
Writing by Tan Min

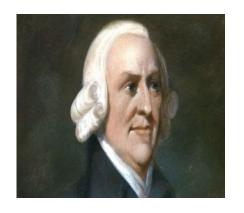
Mencius 372–289 BC inherited Confucius' ideology and developed it further.



The government should have a mostly hands-off approach regarding the marketplace. Taxes on the property were acceptable and to be the only means by which the dukes and states would collect money.... These taxes were also progressive, meaning the families that owned larger, more fertile pieces of land would pay more than the families with uniform land allotments.

Thomas Paine, Agrarian Justice 1797

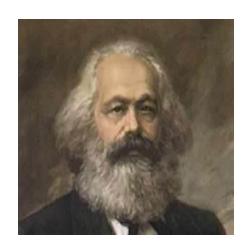
"Men did not make the earth...it is the value of the improvements only, and not the earth itself, that is individual property...Every proprietor owes to the community a ground rent for the land which he holds.;...from this ground rent...I...propose to create a national fund, out of which there shall be paid to every person...a sum."



Adam Smith

Adam Smith (1720-1790) wrote in his classic, The Wealth of Nations, that "Both ground rents and the ordinary rent of land are a species of revenue which the owner, in many cases, enjoys without any care or attention of his own... Ground rents seem, in this respect, a more proper subject of peculiar taxation... Nothing can be more reasonable than that a fund which owes its existence to the good government of the state should be taxed peculiarly..."

Vol 3, Book 5, Ch 2, Pt 2, Art 1, P 289



Karl Marx

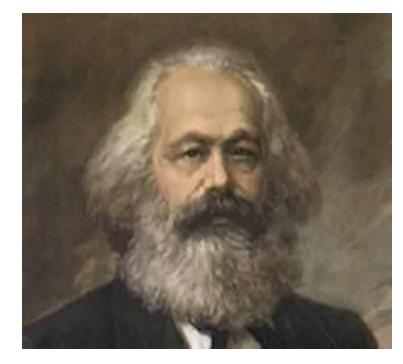
"[As capitalist production develops], landed property acquires the capacity to capture an everincreasing portion of this surplusvalue by means of its land monopoly and thereby, of raising the value of its rent and the price of the land itself.

The capitalist still performs an active function in the development of this surplus-value and surplus-product.

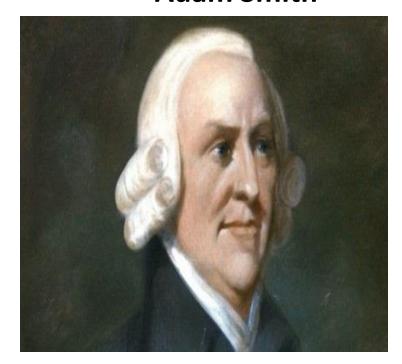
But the landowner need only appropriate the growing share in the surplus-product and the surplus-value, without contributing anything to this growth."

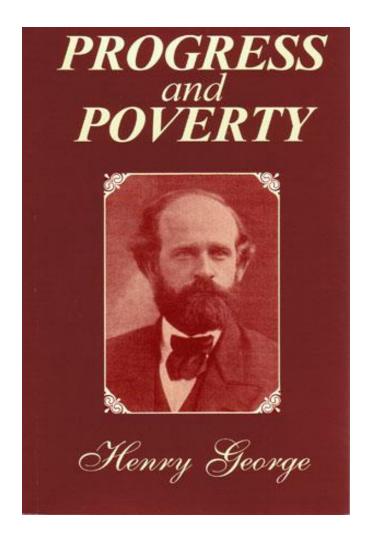
They are in Agreement that Rent Should Be Socialized.

Karl Marx

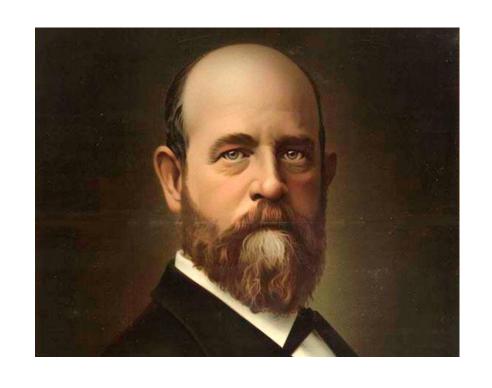


Adam Smith



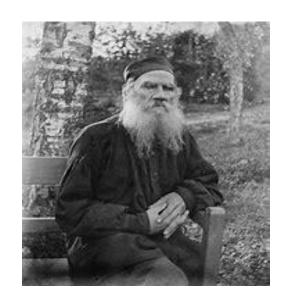


It is not enough that men should vote; it is not enough that they be theoretically equal before the law. They must have liberty to avail themselves of the opportunities and means of life. They must stand on equal terms with reference to the bounty of nature. – Henry George



...when there is correct thought right action will follow.

Henry George 1838-1897





Solving the land question means the solving of all social questions.

People do not argue with the teachings of Henry George, they simply do not know it.

-Leo Tolstoy 1828-1910

Henry George, Jr. and Leo Tolstoy 1909



Sun Yat Sen (1866 – 1925) First provisional president of the Republic of China



"The teaching of Henry George will be the basis of our program of reform...The (land tax) as the only means of supporting the government is an infinitely just, reasonable and equitably distributed tax, and on it we will found our new system."

We can build a system of public finance that will strengthen and maximize incentives for:

- Fair distribution of wealth
- Environmental protection
- Efficient wealth production



Peaceful resolution of territorial conflicts





by Sharing Commons Rent (socializing rent, the "unearned income")

- Surface land sites based on land value
- Oil and minerals
- Water
- Farm, timber, grazing land
- Electromagnetic spectrum
- Geo-orbital zones, etc.

while reducing or eliminating taxes on labor created wealth:



- Income, especially from wages, payroll
- Capital (tools, machines), especially of sustainable quality
- Sales, especially for basic necessities
- Homes and other buildings.



Socializing rent to fairly share the commons and the surplus of our collective efforts while untaxing the production of our individual mental and physical exertions can help us build a world that works for everyone.

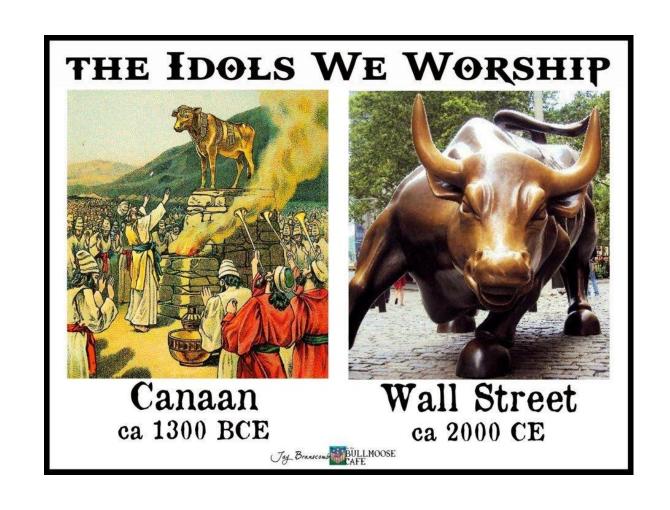
Joseph Stiglitz

Nobel Memorial Prize in Economics, 2001



"In their simplest form, rents are nothing more than re-distributions from one part of society to the rent seekers. Much of the inequality in our economy has been the result of rent seeking, because, to a significant degree, rent seeking re-distributes money from those at the bottom to those at the top.... rent seeking distorts resource allocations and makes the economy weaker.

It is a centripetal force: the rewards of rent seeking become so outsized that more and more energy is directed toward it, at the expense of everything else. As the land rent grows and earned income shrinks, the power elite play their "funny money" games.

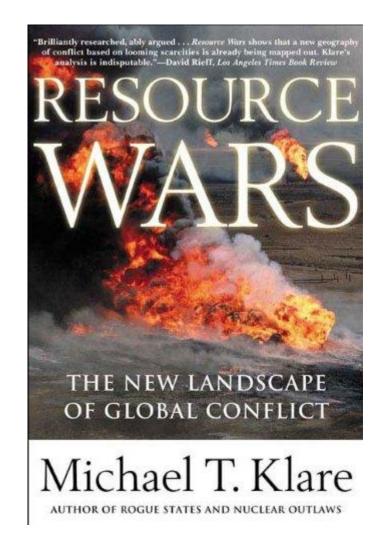


THERE ARE TWO WAYS TO CONQUER AND ENSLAVE A NATION. ONE IS BY THE SWORD. THE OTHER IS BY DEBT." JOHN - ADAMS

769-8884



AND



The Land and Money Problems are Intertwined

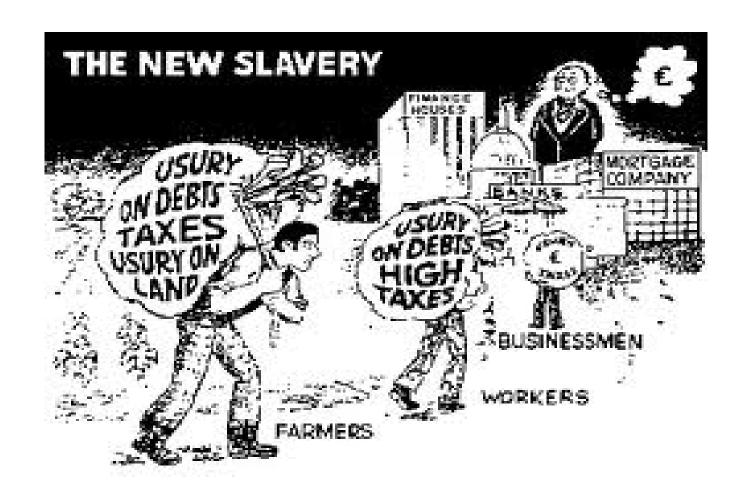




Land and Money issues are intertwined. Whoever controls the most valuable land sites and natural resources will eventually control the money supply. Whoever controls the money supply will eventually control the land.

- Money is a Social Utility.
- Land is a Common Heritage.

Today, debt is the new serfdom.



Ellen Brown



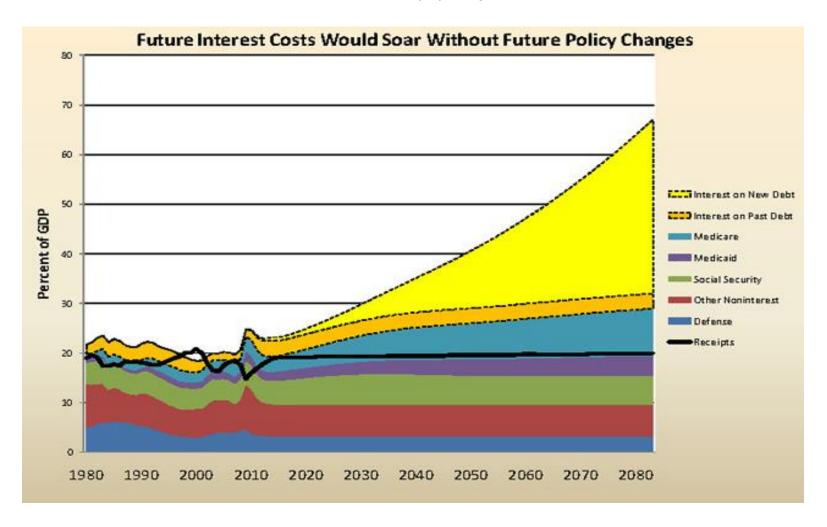
Founder & Chair, Public Banking Institute

Developed her research skills as an attorney practicing civil litigation in Los Angeles.

Author of 12 books, including the groundbreaking Web of Debt and The Public Bank Solution. The latter traces the history and evolution of the current private banking system, showing how it usurped the power to create money from the public, and how the people can take that power back through public banks that operate in the public interest.

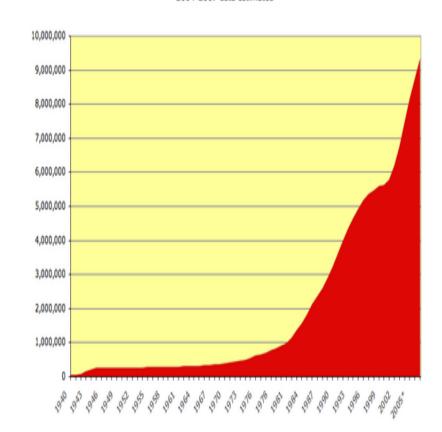
Ellen's 300+ articles are posted at EllenBrown.com Co-host of the radio program "It's Our Money" on PRN.FM.

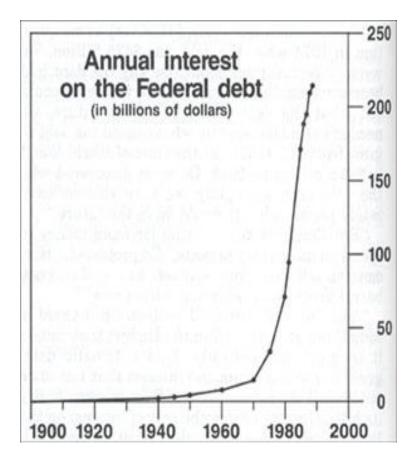
A Fellow of the Democracy Collaborative Degrees from UC Berkeley and UCLA School of Law The problem with running up the debt is the interest. Without interest, even a large federal debt might be sustainable (2009 Dept. of Treasury projections).



Without interest, there might be no federal debt. Today, *only* the interest gets paid.

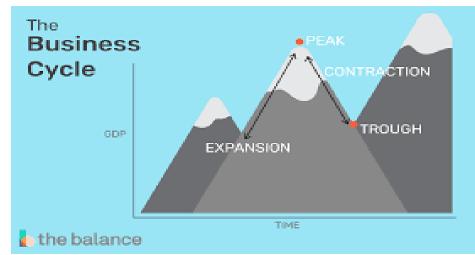
United States Gross Federal Debt: 1940-2007 Millions of (Unadjusted) Dollars 2004-2007 data estimated



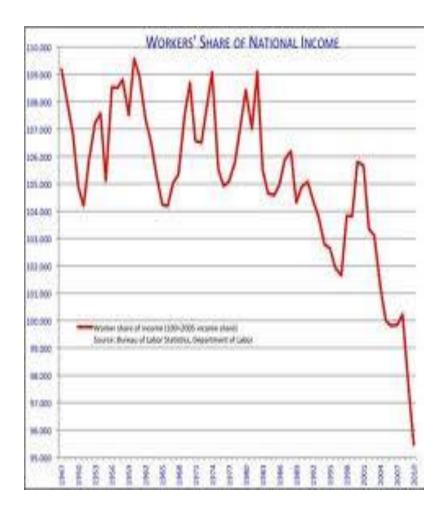


http://www.reformation.org/federal-debt.jpg

Instead of jubilees we have the "business cycle" -- periodic financial collapse, widening the wealth gap.







We didn't start that way. The original money system of the American colonists used public money and credit.

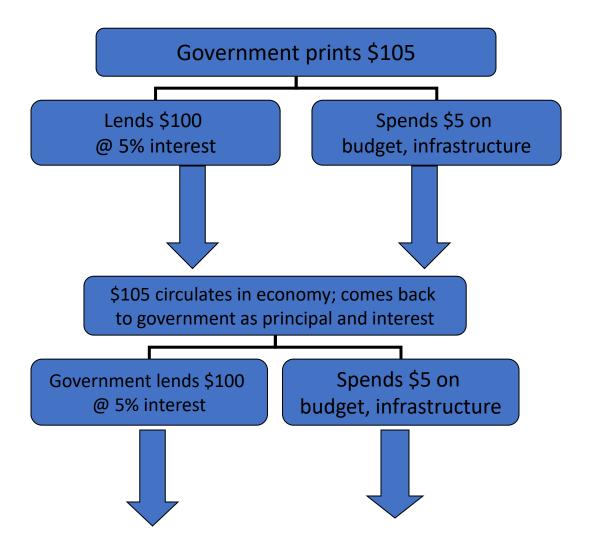
- Precious metals were scarce and the colonists resisted taxation.
- Government-issued bills of credit (scrip) solved those problems but sometimes created another: inflation.



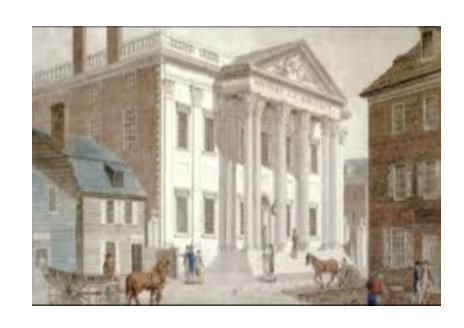
Pennsylvania's sustainable solution: bills of credit issued by a "land bank" were LENT to the farmers.

The result:

- No taxes
- No inflation
- No govt debt!



The first U.S. reset (or bailout of state and federal debt): Hamilton's First U.S. Bank issued the first U.S. currency, backed by state debt sold as bonds.





Jackson shut Hamilton's US banks down. President Lincoln then avoided a crippling civil war debt by returning to the "American system": government-issued paper money (Greenbacks).

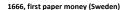




But Lincoln was assassinated, the Greenbacks were discontinued, and silver was demonetized. A deep depression resulted.

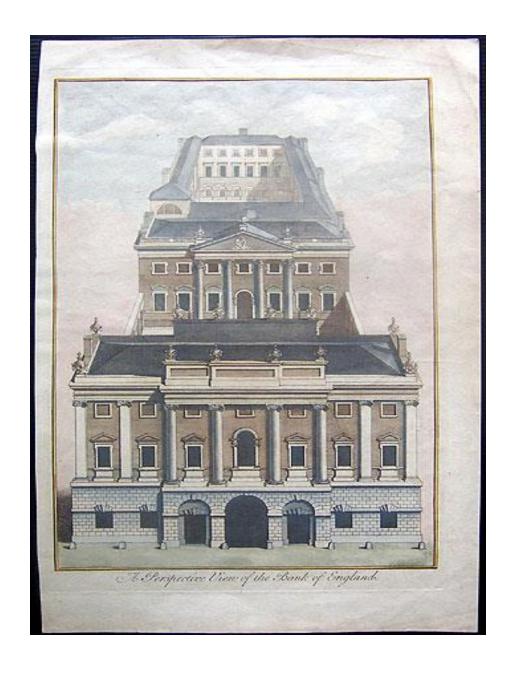


Meanwhile in Europe, goldsmiths-turnedbankers established fractional reserve banking with private banknotes.









In England, fractional reserve banking was institutionalized when the privately owned Bank of **England** was founded in 1694

. . .

The colonists issued paper scrip until the Bank of England leaned on King George to forbid it. The result was depression and the American Revolution.





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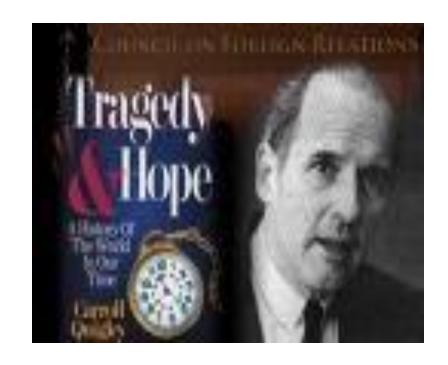
But the Federal Reserve, passed in 1913, was modeled after the Bank of England.

- The central bank issued money and lent it to the government, originally at interest.
- The **16**th **amendment** authorized an income tax to pay the interest due to the Fed for creating the money lent to the banks that would lend it to the government.



According to Georgetown Prof. Carroll Quigley in "Tragedy and Hope" in 1966:

"The powers of financial capitalism had another farreaching aim, nothing less than to create a world system of financial control in private hands able to dominate the political system of each country and the economy of the world as a whole. . . .



"The apex of the system was to be the Bank for International Settlements in Basel, Switzerland, a private bank owned and controlled by the world's central banks which were themselves private corporations. Each central bank . . . sought to dominate its government by its ability to control Treasury loans



But banks too create money – in fact most of it.

"[B]anks do not act simply as intermediaries, lending out deposits that savers place with them

Commercial banks create money, in the form of bank deposits, by making new loans.... [B]ank deposits make up ... 97% of the amount [of money] currently in circulation."

Money creation in the modern economy', Quarterly Bulletin,2014 Q1, Bank of England.

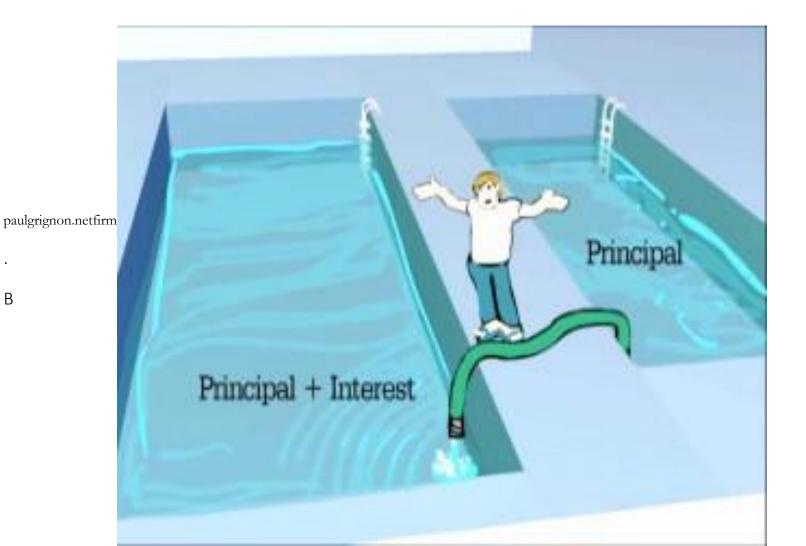
What's wrong with this system?

1. Private bankers are in control.

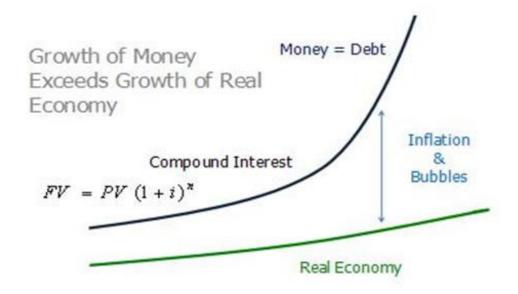
"We are completely dependent on the commercial Banks. Someone has to borrow every dollar we have in circulation, cash or credit. If the Banks create ample synthetic money we are prosperous; if not, we starve." -- Robert H. Hemphill, Credit Manager of the Federal Reserve Bank of Atlanta, 1934



2. The mathematical problem: banks create only the principal, not the interest.

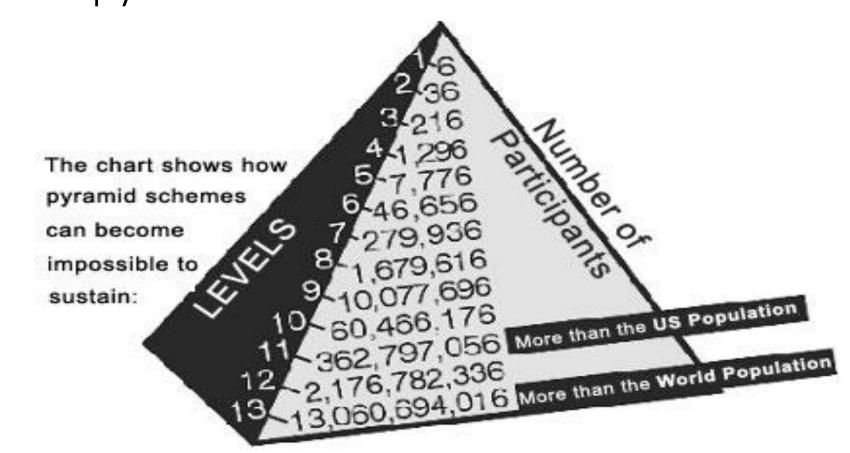


As a result, debt-at-interest always grows faster than the real economy.

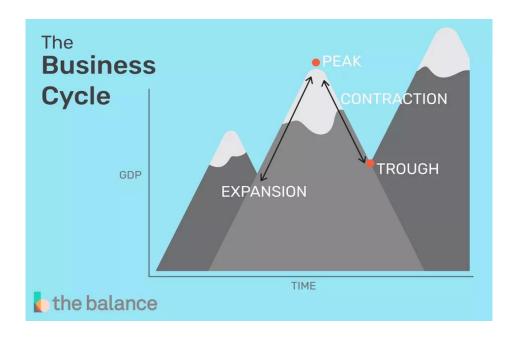


We have noted earlier that Land Rent also grows faster than the real economy.

The gap is filled with more debt. It's a pyramid scheme.



5. Credit booms lead to busts.

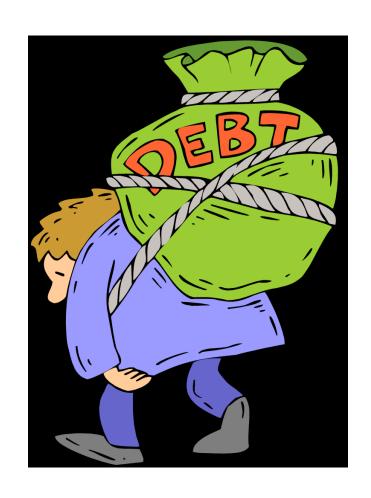


Busts could be avoided with Debt Jubilees as described in Leviticus and practiced in ancient Mesopotamia. But they can't be done today because the lenders are not the government.



The First Great "Resets"

The Sumerian kings avoided debt overload with periodic Debt Jubilees.

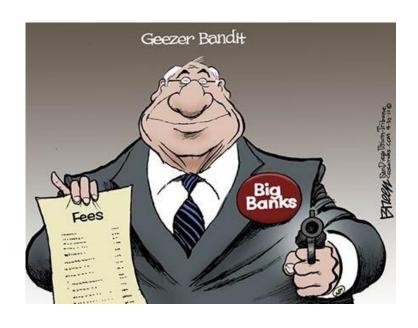


The system worked for 2000 years – until money, credit privatized and land was controlled by the few rather than the many.

The king was no longer the lender.



Why Public Banks? Private Finance is Expensive



- The high cost of private finance:
- More is spent on Wall street fees than on roads in Los Angeles
- LA school districts are paying over 3x principal on Capital Appreciation Bonds
- Debt-strapped governments wind up selling off public assets, which means high user fees and tolls

So there is plenty of room for increasing the money supply for public purposes:

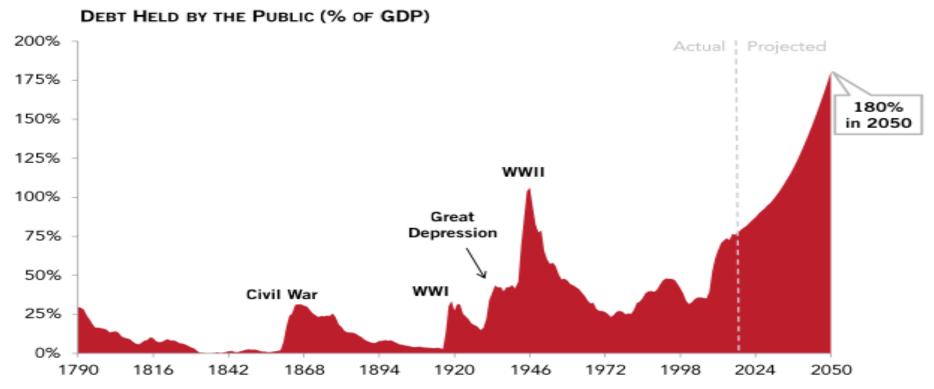
- For infrastructure
- For saving the environment
- For a national dividend/stimulus checks
- For Medicare for all
- For student debt relief



We do need a currency reset, which historically has happened after a debt crisis.



Federal debt is on an unsustainable path



SOURCES: Congressional Budget Office, The Budget and Economic Outlook: 2020 to 2030, January 2020; and Office of Management and Budget, Historical Tables, Budget of the United States Government: Fiscal Year 2021, February 2020.

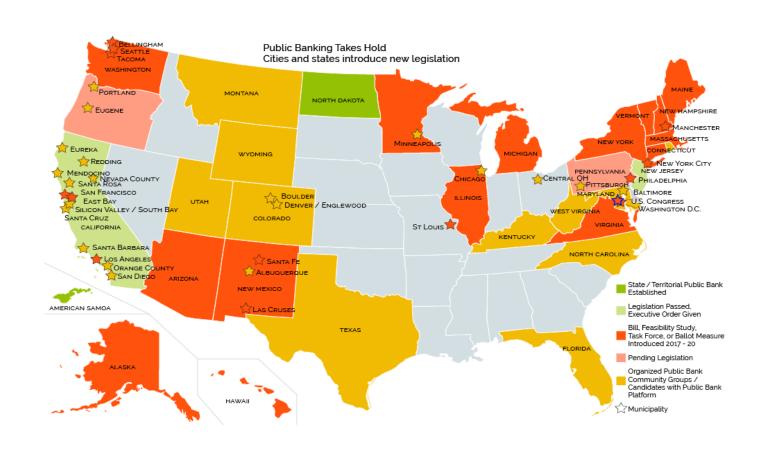
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HOW STATE AND CITY OFFICIALS CAN SAVE MAIN STREET

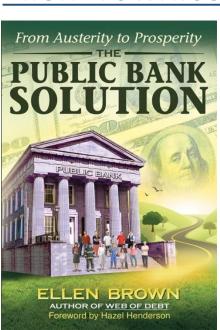


- Establish public banks by emergency executive order in response to the pandemic and shutdown
- According to banking experts, the basic mechanisms for a public bank could be set up in a couple of months
- The bank can then:
- Borrow from the Fed at o-o.25%
- Provide 10x the bank's capital in credit at below-market rates to distressed communities
- Work with community banks to fund loans for small and medium-sized businesses

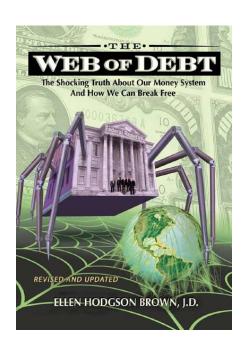
PUBLIC BANKING IS NOW A VIBRANT MOVEMENT. US LEGISLATIVE PROGRESS 2017-2020



For more information – <u>PublicBankingInstitute.org</u> <u>WebofDebt.com</u> EllenBrown.com







Derek Green, candidate for Mayor of Philadelphia and former City Council member, supports both Land Value Tax public finance AND Public Bank for Philadelphia



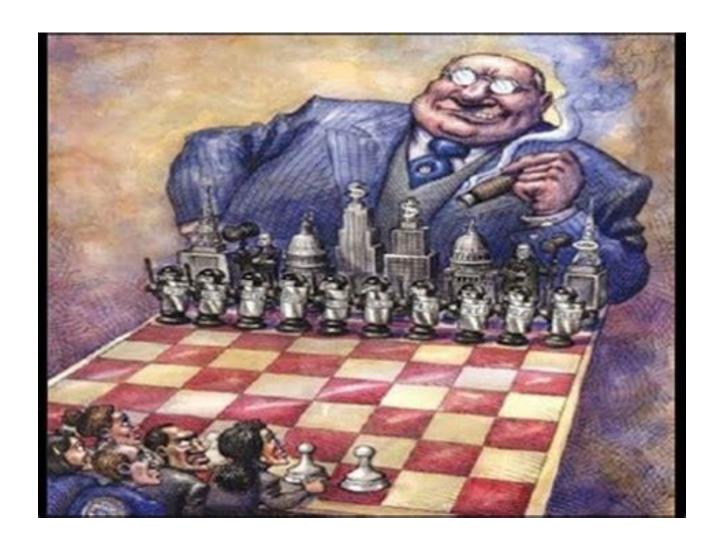




Depopulation should be the highest priority of foreign policy towards the third world, because the US economy will require large and increasing amounts of minerals from abroad, especially from less developed countries

— Henry A. Kissinger —

AZ QUOTES

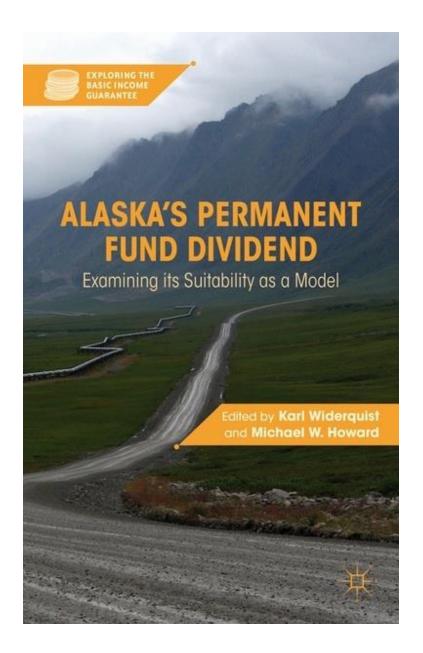


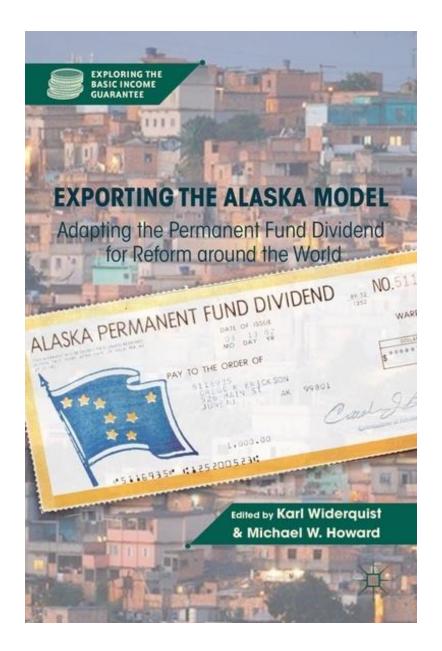




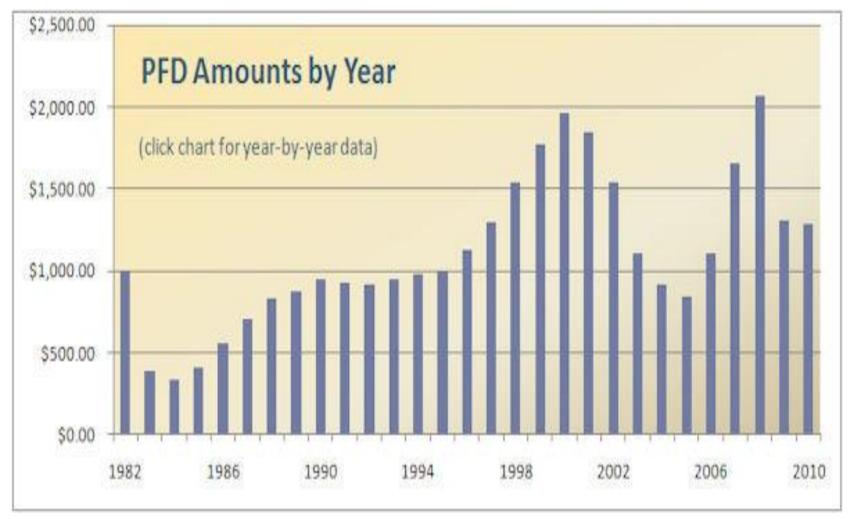
Not the House but the Land Values Keep Rising in proportion to the other factors of production, like wage labor.







Timeline for Alaska Permanent Fund Dividends paid to each citizen of the state.



California Irrigation Districts – Wright Act



After one California rancher (Henry Miller) who owned over one million acres of land won full rights to the water of the Kern River (1886), citizens organized and the Wright Act was legislated permitting local irrigation districts to build dams and canals and other infrastructure to be funded by bonds paid off by land rent.



In ten years, the Central Valley was transformed into over **7,000 independent farms**. The Wright Act was amended to mandate the total exemption of improvements from the tax base. Irrigation Districts included and taxed land that was used not only for farming but also for residence and commerce within townships.

Steadily the Irrigation Districts evolved to provide reclamation, recreation, and electric power. The formerly semi-arid plains of the San Joaquin Valley became the "breadbasket of America", one of the most productive areas on the planet.

State of Pennsylvania, USA



Twenty cities in the US state of Pennsylvania have been gradually shifting their taxes off homes and other buildings and onto land rent. Although citizens still must pay state and federal income taxes, this "splitrate" or "two-tier" approach has proven benefits.



Steven Reed, Mayor of Harrisburg from 1981-2005 says:

"The City of Harrisburg continues in the view that a land value taxation system, which places a much higher tax rate on land than on improvements, is an important incentive for the highest and best use of land in already developed communities, such as cities."



In 1982 Harrisburg, the state capital, (pop. 50,000), was second on the national list of distressed cities after three decades of decline. Thereafter it gradually restructured its tax base and now taxes land value six times heavier than building value.

According to the Harrisburg Office of Business and Industrial Development, the number of vacant structures, some 4,200 in 1982, is now less than 500 and the city was voted the second "best investment" city in the Eastern U.S. two consecutive years in a national banking institution poll. **Crime and fire rates dropped while businesses, private sector jobs and homes have increased.**

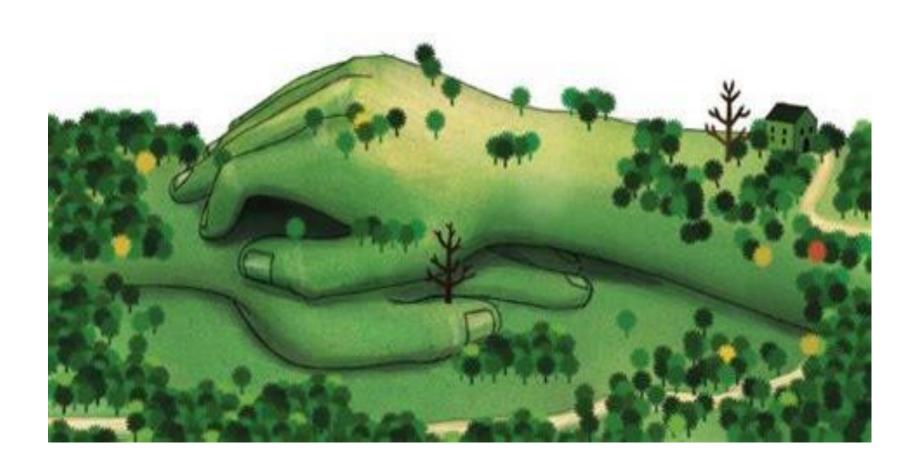
Allentown, PA USA



In 1997 Allentown (pop. 105,000) started taxing buildings less than land after a popular vote.

According to analysis by the Center for the Study of Economics (urbantoolsconsult.org) Allentown's new construction and renovation thereupon grew by 32% in dollar value in the three years after the shift to land value taxation as compared to the prior three years.

Sharing the Earth



Pre-distributive Justice

The Land, Money and Tax Systems are Fairly Established so that extreme wealth inequality is simply not possible. This combines Freedom and Fairness and gets us out of the Left / Right Box



The International Declaration on Individual & Common Rights to Earth states:



The exercise of both common and individual rights in land is essential to a society based on justice. But the rights of individuals in natural resources are limited by the just rights of the community.

Denying the existence of common rights in land creates a condition of society wherein the exercise of individual rights becomes impossible for the great mass of the people.

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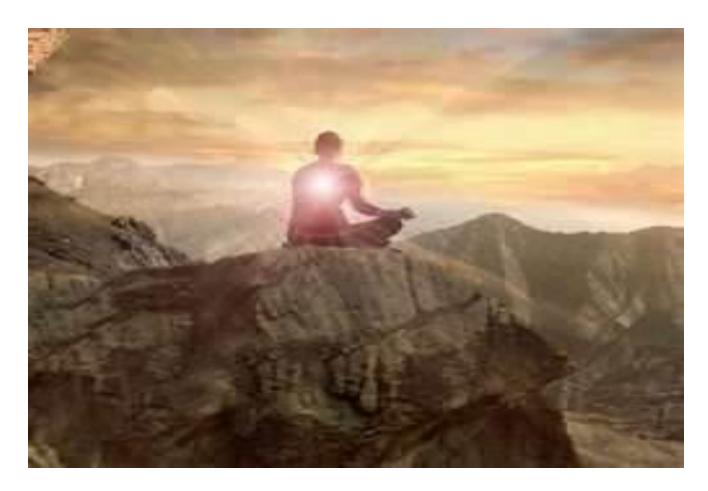


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Peace Prevails when Individual Humans Understand that Each is a Part of All.



Thy Kingdom Come Thy Will Be Done on Earth As It Is in Heaven.



RESOURCES and NEXT STEPS

For further study you can enroll in FREE line courses and seminars here:

https://www.hgsss.org

Engage with our international Land Value Tax Implementation work: https://theiu.org

The Earth Belongs to Everyone book, free pdf here:

https://theiu.org/books/

Public Banking Institute: https://publicbankinginstitute.org