ER Swafana

Rev. Mathew Fox on George's Compassionate Economics

In his search for a new economics to heal the global village, Rev. Mathew Fox, OFM, a local Dominican theologian who heads the Institute for Creation-Centered Spiritualism at Mills College in Oakland suggests that we examine the ideas of Henry George.

In his book, <u>Compassion</u> Fox lists Henry George's ideas as part of a seven-point program for renewing the American economic system. The advice is particularly timely as Eastern Europe jettisons 40 years of command economies.

A contemporary of Karl Marx, George saw his ideas as an alternative to Marxism or, in Fox's words, "as a radical solution to an unjust economic system that rewards the speculator and puts millions out of work."

Fox lists seven proposals for discussion:

- 1. <u>Local Control over economics</u> through programs that encourage small businesses and family farmers.
- 2. Simplificiation of the income tax structure "that resembles the tithing of old."
- "Money that is earned by work should be untaxed or taxed minimally, while money that is earned by money is greatly taxed."
- 3. Institution of Land Tax

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"The relationship we have with land is a sacred one, "Fox says, "none of us created it, and all of us will return to it. And yet much land in America goes unused, abused or becomes reduced to the status of one more object possessed."

"A land tax would tax all land but not improvements on the land and in this way would encourage initiative and jobs, rather than discourage them. It would run the land speculator and the absentee landlord out of town."

As a theologian Fox admits that he does not understand, "the full ramifications of George's economics," but believes his "starting points are impressively ampassionate."

Fox thinks that George will not "scare off Americans with talk of 'nationalizing' the land or private property. For many Americans this carries with it the myth of self-independence."

4. Emphasis on distribution rather than production.

"Growthmania and myths of infinite possibilities of economic growth delude us all and distract us from the real purpose of economics, which is to make a liveable home for our human family."

The fact of economic life is that the poor are increasing in numbers and the poor are getting poorer and the rich are getting richer. Economist Kenneth Boulding points out, growth in its present form simply widens the gap between the rich and the



poor."

As an example of the new attitude in America, Fox suggests the rewarding of inventions that truly save energy and that put people to work, instead of eliminating them from work. These inventions that bring homelife and worklife closer together should be rewarded, since they should be part of a humanly based economy.

5. Skill the hardcore unemployed where they live.

Forty percent of Harlem youth are unemployed, and yet Harlem needs improved housing, shopping, safety, street cleaning, child care centers etc. All of these jobs can be done by residents who will develop a commitment to group activity that will help create a new viable community.

<u>6. Making Economics Global</u>

We must realize that it is not only the wealth of nations but the wealth and poverty of nations. As Barbara Ward said, "we have to place what is valuable in nationalism within the framework of a political world order that is morally and socially responsible."

7. Economics as an Ideal and Motivating Force: Towards an American Socialism

The intangible in Fox's seven-point program is idealism, the "myth that arouses generorsity and team work."

Individual profit is not what economics is about, says Fox, it is about people, not profit. America needs a new kind of "socialism - an American effort toward a truly democratic socialism. It would need to go beyond slogans and rhetoric and deal with complex issues of modern economics."

It would reflect the uniqueness of our country and its peoples - its size and variety. Henry George chastized Americans for bringing to America the same private property system that had created inequality in Europe. Mathew Fox,in this work, challenges America to start again by looking for an economics where the individual and the community matter.

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