

Re: Economic Rent As Sum of Externalities

Source: <http://sci.tech-archive.net/Archive/sci.econ/2007-06/msg00070.html>

- *From:* The Trucker <mikcob@xxxxxxxxxxx>
 - *Date:* Sun, 10 Jun 2007 11:59:39 -0700
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On Sun, 10 Jun 2007 03:08:32 +0000, jmh wrote:

On Fri, 08 Jun 2007 16:41:01 -0700, The Trucker in sci.econ
confessed to the world saying:

On Fri, 08 Jun 2007 02:03:37 +0000, jmh wrote:

On Thu, 7 Jun 2007 06:54:33 -0700, The Trucker in sci.econ
confessed to the world saying:

"jmh" <jmhall@xxxxxxxxxxxxxxxxxxxx> wrote
in message
news:slrnf6ecom.bbo.jmhall@xxxxxxxxxxxxxxxxxxxx

On Wed, 06 Jun 2007
00:37:07 GMT,
royls@xxxxxxxxxxx in
sci.econ
confessed to the world
saying:

No, that is
not the
issue here.
The issue
would be
the same
even
had Smith
never
existed.
You don't
seem to
understand
that it is a
scientific

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issue, not a
mere matter
of
exegetical
scholarship.

What "scientific issue"? The
question of material
existence
of the external world is not
in questions here.

The question of man having
created that external world
is
also not is question here.

The only question here is
whether or not man can
individually
own some of that external
world and then allow other's
to
use it for the owner's gain.
This is NOT a scientific
issue outside the question of
"Is that happening now or
not?" Since that's NOT the
question here your
"scientific
issue" is a red herring.

I think you are asking all the wrong
questions. The answers to
the questions you pose are readily apparent.
As RoyL might
say "A matter of objective reality". But what
about the question
of whether or not privatization of natural
resources is a "good"
thing? That puts us on the spot because it
insists that we reveal

Yes, the "can" should have been "may" or "should
we allow..."

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our social priorities, i.e. we must define "good"; we must define where we THINK we are going. Different people working toward different conceptualizations of "good" cannot possibly agree on the political economy that would be "best". I want equality of rights and, as much as possible, equality of opportunity as an end in itself. I do not propose that this will make people "better" or worse or that it will take them closer to some concept of God, or that it will tend to create a race of Gods or demons. Somehow I think the land ownership people have a different idea of "good" and that this is the real problem. I am not a big fan of Ayn Rand, but she is quoted as saying something to which I most heartily subscribe:

"If a person or group or culture or creed wishes to believe that an afterlife will offer eternal rewards that are proportional to one's Earthly poverty, sickness, disfigurement, ignorance, and brevity of life, then a system of rules promoting Earthly prosperity, health, and longevity would be inappropriate. If, however, one seeks rules that are likely to optimize or maximize 'life on Earth,' these rules must at least be consistent with, or respect, the natures of 'life' and 'Earth'." --- Ayn Rand

So let's have it. What is your idea of "good" and how does your economic ideal play toward that "good"? I can't imagine why someone would want privatization (in perpetuity) of any natural resource. Perhaps that might be a more fruitful discussion. Is private ownership of land somehow GOOD for the individuals of a society or for the society as a whole?

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First off, your ideal that natural resources will not be privatized in perpetuity is much more image than reality. Those special interests within society that currently have such disproportionate influence within government as well as the politicians will effectively be the private owners.

I want to start right out here, like instantly, and say that you have not given us a glimpse of what your ideal might be. Are you striving for maximum production, maximum freedom, maximum liberty, or simple economic efficiency? I understand your disillusionment with government, but I don't agree that the way to solve the problem is to dump government.

I cannot give you what I don't have. There is not "ideal". What we strive to do is find a balance between a number of competing ends/goals that are not 100% mutually compatible. If you want to force it into a simple statement then the general goal is to allow each of us to pursue our own ends and purposes in life while producing as little social conflict with the others who are doing the same.

Now that was not really all that difficult, was it? I think you did a pretty good job of stating a goal. At least you have a goal that is not objectionable to most of us.

I don't buy the argument that government collection of the rent will be done well. The most dangerous aspect I see is that the intra-social wealth transfers that occur in market transactions will shift to political transfers.

I do not have a lot of respect for intra-social wealth transfers (otherwise known as inheritance of daddy's money, and political payoffs).

And there we differ greatly. Inheritance is not a social problem. Envy of the inheritance is.

Inheritance will ultimately create a monarchy. That form of government has never directly provided what it is you claim to be seeking. The best that could be said is that monarchy may be a phase that is necessary to the attainment of the actual goal. I simply don't believe that. That happened in what is now the UK, but I don't think it necessary to repeat the exact same path. The UK still has a fascination with monarchy and

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landlords though they also seem very supportive of the House of Commons approach to governance.

I am ever amazed at the use of the "envy" pony even among those who otherwise seem quite rational. Surely that ploy has been worn out by now. Surely it is understood that inheritance flies in the face of "all created equal" and in the face of real justice or even meritocracy. I always wonder why some people believe that the privileged caste who has had an advantage for their entire life should continue to have that same privilege forever based on inheritance. The people receiving the inheritance have normally already had a huge head start on all the rest. Why compound the inequity.

The result
will be that the transfers will be less transparent, larger,
more costly to produce and taken from a smaller pie.

You are, of course, entitled to your opinions. But I hasten to add that this is what they are. I do not share these opinions and I most certainly do not share these opinions if OUR House of Representatives is increased to a proper size to safeguard the common people from the lobby, and the rich folks. The solution to the problems of government as we have it today is more representatives looking out for the common people as agents of the common people. And lest you proceed to tell us that the common people are too stupid to govern themselves I suggest you read my signature.

Since I do think people will typically find peaceful ways to interact with their "neighbors" and "community" (quoted because form many those terms require some constance geographic proximity that I think no longer fully applies) without government clearly I think the common man will do just fine.

That is incorrect in that government is needed to protect the rights of all people in the face of the overbearing power of (primarily) corporations.

Increasing the size of HoR will accomplish nothing other than increasing the internal tentions and demands for political wealth transfers based purely on want and power to claim (via government) and increasing the power of the commitees within government that already control the decision making process.

Increasing the size of the HoR will result in smaller constituencies that

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promote the replacement of entrenched, bought and paid for government bureaucrats that are a vestige of Party affiliations. Democrats, that are true democrats should welcome such a change. Republicans and landowner authoritarians and those who embrace inherited wealth will fight such a change with vigor.

<http://GreaterVoice.org/econ/quotes/Madison.php>

What you advocate is to leave the system as it is, flawed, unchecked and corrupt politically, financial and morally while empowering it to even more harm. If you want to make the LVT approach work (and it's not without merit) you first need to fix the political process.

Oh, I mostly certainly concur with those sentiments emphatically but for the notion that the overall system is necessarily flawed beyond repair. The system as agreed upon by those who ratified the Constitution is not currently in operation. I suggest that we actually try it before we condemn it.

I'm not convinced that the LTV works that well for the type of large scale production inherent in the modern world.

I am much interested in LTV (labor theory of value), but I think you are probably meaning to type "LVT" for (land value taxation).

Correct, thank you.

Private ownership imparts a certain consistency or certainty for planning that is not present in the suggested approach.

There is a halfway measure that insulates certain resources from direct political mayhem and that is the notion of "trusts".

The US population, and the world in general, has been well served by that trust in our politicians and political process as they exist now.

I beg to differ on this and insist that change is in order. Perhaps you are being satirical.

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has not efficiency affects. Sounds like the perfect tax.

I don't live on a chalk board. You even acknowledge the political problems such an approach faces with out current arrangement. Other systems my be better or perhaps the cultures are better for it. Most are worse.

But I want to change the current political arrangement so as to impart more discourse in the elctoral process at the lower levels. Information and education as opposed to lying is the key here. The current plan is to simply borrow your way to prosperity. It works very well for a very long time. But inevitably the money is no good, the bonds are no good, and any attempt to actually collect will be met with stiff resistance. We may be going to find the true reason for "homeland security" and all those detention centers being built by Halliburton very shortly.

Theoretically that's not suppose
to matter in our society we in reality it most certainly does.

It can be fixed by expanding OUR House of Representatives.

LOL

Perhaps you'd like to tell us why such an expansion will not work.

<http://GreaterVoice.org/faq.php>

Today individuals are largely free from the bondage of land. Creating what I see as something that will just develop into the Feudal State (it almost is already) will only serve to make us all surfs once again.

Oh horsecrap, on both of those opinions.

The social evolutionary porcesses has done a great job of eliminating bad social structures and allowing the beneficial ones to flourish. If private land ownership is as bad as claimed, let it live and then die it's natual life with the replacement to the current function it provides within an economy and society as that better institutional framework emerges. That framework is not government.

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This is where we really disagree. A proper government is a solution as opposed to a problem. IMHO the US system AS RATIFIED was a good one. We

Yes and unicorns are lucky and will solve all the pain or at least keep hope and goodness alive.

We don't have any unicorns though.

My proposed solution is more practical than anything you've offered. (now that I think about it I don't recall you offering anything other than "stay the course"). My proposal certainly seems to be more in line with where you claim you want to go.

need to actually do it the way it was insisted upon by those who ratified the Constitution. What we have is a mistake or a deliberate sabotage. Most people are totally unaware of "Article the first" (the actual FIRST amendment to the Constitution set forth AHEAD of the "Bill of Rights" BECAUSE of the importance placed on it by those who agreed to ratify the Constitution). The "Federalists" would have been unable to get ratification without promising this amendment. As the text read in the version that went to the states for ratification ONE WORD WAS CHANGED BY THE ARISTOCRATIC SENATE AND THE HOUSE LET IT STAND.

That one word completely reversed the intent of the amendment and annulled the promise made by the Federalists. Thus the amendment was not ratified and should not have been ratified as worded. The amendment was destroyed before it went to the states. "Article The First" would have set the MINIMUM size of the House of Representatives in respect of population growth and thus, the MAXIMUM size of electoral districts. In the final stanza the words "no less than" were changed and it read "no more than" and that was the end of that.

http://www.thirty-thousand.org/pages/article1_history.htm

<http://www.thirty-thousand.org/pages/QHA-04.htm>

We need to double the membership of the House to FIX what is wrong with OUR government. The neocons and the neoeconomists want to throw out the baby with the bath water by destroying what is left. Aristocrats ALL.

I don't think you understand the actual political problem.

I disagree, but feel free to enlighten us all!

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"I know no safe depository of the ultimate powers of society but the people themselves; and if we think them not enlightened enough to exercise their control with a wholesome discretion, the remedy is not to take it from them, but to inform their discretion by education." – Thomas Jefferson

<http://GreaterVoice.org>

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