

## PROPERTY BELONGS TO THE CUBANS

Times Union, April 25, 2016

<http://www.timesunion.com/tuplus-opinion/article/Property-belongs-to-the-Cubans-7331533.php>

<http://www.timesunion.com/tuplus-opinion/article/Property-belongs-to-the-Cubans-7331533.php>

Commentary by H. William Batt, Albany, NY

A recent Times Union editorial urging an end to the Cuban embargo (March 24) offers the thought that the "old (property) claims, which are estimated in the billions of dollars, can be addressed in time."

The U.S. Office of the Foreign Claims Settlement Commission records that the overwhelming numbers of these assets are large industries. The least valuable of the top 50 is GMAC South America, listed at \$3.88 million; the electric power and telephone companies, once American-owned, are together valued at about \$400 million.

Among those once titled to non-corporate bodies, most were enormous plantations, like "a 14,000-acre farm, a factory that made guayabera shirts, and a stately 17-room Spanish colonial home in a section of Havana then known as Country Club," was once owned by the Rosoff family, now in Saratoga Springs.

No wonder the Cuban people rose up and ultimately succeeded in taking back their country from foreign ownership and exploitation. Today, most of whatever capital investment those industrial plants and family mansions represent in market value is largely depreciated. What remains is the value of Cuban natural resources — land, minerals, forests, and coal, for example. It represents what today we know as a "land grab" by foreign interests, a historic practice known well over prior centuries.

When the 1959 revolution finally came, all holdings by other nations were settled with a negotiated price. It remained only for American interests to hold out and continue their claims to the present time. The revolutionary government took title to all land in order to establish an economic regime that would provide more equitably for its people.

To be sure, the leadership made many mistakes in its planning. It faced the challenge of setting up not only an experi-

ment of a radically new and different kind, but also the looming threat of what Cuba's national hero, Jose Marti, had once called "the Monster" to the north. It adopted a siege mentality, and turned to the Soviet bloc to shelter itself from the threat of an American-sponsored counterrevolution.

Today, the Cold War's end has relieved all that pressure. And the Cuban government now holds title to all the natural resources of the island. Returning them or settling those titles by compensation legitimizes a pattern of commodification of the Earth and theft of resources that was, and continues to be, a grave historic error.

A much more economically efficient, and indeed just, course of action henceforth would be for the Cuban people to view these natural resources as their common birthright. This was the view of Marti, arguably one of the greatest disciples of 19th-century economist Henry George.

We can now show that Henry George was right. George wrote in "Progress and Poverty": "We must make land common property." By this he meant that the natural world he called "land" were all a commons to be shared, the economic rent from which should pay for the goods and services of government.

"Let (opponents) continue to call it 'their' land. We may safely leave them the shell, if we take the kernel. It is not necessary to confiscate land — only to confiscate rent." Capturing land rent generated from the shared economic productivity of the community and from any part of nature with a market price can supplant all present taxes on wages and goods that are created by human brain and brawn.

It can also do so without the roughly 20 percent deadweight loss in productivity that the other economies we know presently suffer. Cuba could possibly point the way to an improved capitalism.

(H. William Batt, of Albany, is a former university professor who worked for the state Tax Study Commission. Now retired, he works on exploring Henry George's economic theories.) <<