



THE ECONOMIC PAMPHLETEER
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Land use planning for sustainable food systems

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A sustainable food system must be firmly rooted in the wise use of land. Fortunately, local foods initiatives increasingly involve planned uses of agricultural land. While professional planners, architects, and staff of nongovernmental organizations may all be involved, land use planning begins with decisions made by state and local governments. Effective land use planning requires a public consensus to support making land use

decisions on some basis other than economic value. Such a consensus ostensibly exists in most urban areas for residential and commercial uses of land, although economic interests typically dominate actual planning and zoning decisions. Public support for planning and zoning of agricultural land in rural areas is even more tenuous. Lack of a public consensus for wise land use planning could

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Why did I name my column “The Economic Pamphleteer”? Pamphlets historically were short, thoughtfully written opinion pieces and were at the center of every revolution in western history. Current ways of economic thinking aren’t working and aren’t going to work in the future. Nowhere are the negative consequences more apparent than in foods, farms, and communities. I know where today’s economists are coming from; I have been there. I spent the first half of my 30-year academic career as a very conventional free-market, bottom-line agricultural economist. I eventually became convinced that the economics I had been taught and was teaching wasn’t good for farmers, wasn’t good for rural communities, and didn’t even produce food that was good for people. I have spent the 25 years since learning and teaching the principles of a new economics of sustainability. Hopefully my “pamphlets” will help spark a revolution in economic thinking.

become a major obstacle in the development of sustainable food systems, thus the need for greater understanding of the issue.

Sustainability is about the long run: meeting the needs of present generations without diminishing opportunities for generations of the future. Economic value is inherently short-run in nature. In the absence of land use planning, economic incentives allocate parcels of land to their highest economic use. Economic value accrues to the individual. There is no economic value in doing anything solely for the benefit of someone else or for society in general. In addition, there is no means for individuals to realize economic value after they are dead. Since life is inherently uncertain, economic value places a premium on the present relative to the future. It is worth more to the individual to have something today rather than to wait until sometime in the future. That's why people are willing to pay interest — and why they expect interest when they borrow or loan money. For example, at an interest rate of 7%, an economic payoff of \$1,000 expected one hundred years in the future is worth less than \$1 today. The needs of future generations have little, if any, effect on the economic value of land. Allocating land to its highest economic use simply is not sustainable.

Land must be treated as a common good, rather than private property. There is no inherent problem in allowing users of land to realize economic value from their improvements to land. Individuals should be able to benefit from improving fertility, reducing erosion, or building physical structures on their land. However, the inherent capacity of the land to produce things of value, including the geographic space occupied by land, wasn't created or produced by any individual. It does not and cannot belong to any individual. It is a part of the commons — meaning if it belongs to anyone, it belongs equally to all. The people in common, not the mar-

kets, must decide how land is to be used for the common good — for the good of society as a whole. There is no function of government more critical to sustainability than land use planning.

All natural resources were once in the commons — equally accessible to all. It wasn't until the seventeenth century that John Locke declared that although “God hath given the world to men in common,” any individual could appropriate some bit of it for himself by mixing his labor with the resources of nature.¹ This is the classic justification for today's private property rights. However, Locke also wrote the Lockean Proviso, which states that although individuals have a right to acquire private property from nature, they must leave “enough and as good in common...to others.”² Locke recognized the equal rights of all to the use of land.

Land use planning for sustainable food systems must protect the productive potential of agricultural land. Current agricultural production is supported by cheap and abundant fossil energy. Those of future generations, however, will again have to rely for their food on the solar energy collected by healthy green plants grown on healthy, organic soils. The organic fraction of soil can be restored through wise use over time. However, the mineral fraction of healthy soils and hospitable climates and typographies are essentially nonrenewable resources that must be conserved and recycled in place. In addition, agricultural, residential, and commercial land uses must be integrated in the process of redesigning an efficient food distribution system for a world running out of fossil

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¹ Locke, J. (1690). *The Second Treatise of Civil Government* (Chapter V, Of Property). Retrieved from <http://www.constitution.org/jl/2ndtr05.htm>

² Wikipedia, The Free Encyclopedia, *Lockean Proviso* (last revised 6 July 2011, 22:49 UTC), retrieved 8 March 2011 from http://en.wikipedia.org/w/index.php?title=Lockean_proviso&oldid=438136864

energy. If we continue to allow parcels of land to be allocated to their highest economic use, enough productive land simply will not be left in the right places to meet the food needs of future generations.

Innovative land use planners have already devised various promising strategies for sustainable land use planning. Purchasing development rights for strategically located agricultural land probably is the most prominent. While commendable, the cost of acquiring rights to sufficient quantities of land to meet the food needs of future generations will almost certainly be economically prohibitive. A more promising economic alternative is cluster development, which can realize most of the development value while preserving the most productive agricultural land as key parts of planned developments.

Ultimately, land use decisions must be made for the good of the people in common, including those of the future. This means large acreages of land will have to be permanently zoned for agriculture. Such

parcels will lose the portion of their current value associated with potential future development. This development value was created by society, not by landowners, so there is nothing ethically wrong with society taking it back. However, current landowners may have purchased such parcels from someone else at a price inflated by the development potential, which raises legitimate questions of compensation for down-zoning to permanent agriculture.

Planning and zoning decisions obviously create economic value whenever land is up-zoned to more-intensive uses. Again, such values are not created by landowners, but rather by society. It seems only logical and ethical that increases in land values associated with up-zoning to more-intensive uses be taxed to compensate owners of land that is down-zoned from commercial, residential, or agricultural to “permanently agricultural.” Regardless, the means of compensation will become feasible once there is a public consensus supporting sustainable land use planning.



