

LETTERS

The Problems With Liberal Policies

SIR, P. E. Poole's article on the Liberal Party (September/October 1978 issue) has proved valuable if only in prompting the reply by Bernard Greaves in which he summarises Liberal Party policy. It is not always easy to get such a direct statement of policy from the Liberals.

I am glad to see that the Liberals are proposing the introduction of the taxation of land values up to 75 per cent of its annual value over a five-year period, although there is no mention of when it would be extended to 100 per cent — if ever. Agricultural land is exempt but no reason is given.

I note that the Liberal Party have now abandoned site-value rating in favour of national land value taxation, but none-the-less the rating system under their policy is to be replaced by local income tax. Do the Liberals not realise that the abolition of the present rating system (which falls on land and buildings, albeit in a clumsy way) is making a gift to property owners — i.e. essentially land owners?

What, however, is more subject to criticism is the Liberals "long term solution to inflation" which they think can be solved by what they call industrial democracy and profit sharing. It only goes to show that they too have fallen victim to the brain washing of successive governments who have sought to put the blame for the result of their debasement of the currency on to others by presenting inflation as a problem of employers versus wage earners. The truth is, of course, that wage earners can only react to a fall in the value of

money by asking for more of it. The Liberals compound this fallacious argument by proposing a prices and incomes policy which, it is said, will be "effective in preventing inflation."

They are to be commended for advocating land value taxation but there is much else in their economic policy that does not make sense.

Yours faithfully,

Wallace Crompton

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PRIVATE AGRICULTURE IN THE USSR

MEMBERS of collective farms and employees on state farms, as well as large numbers of workers in non-farm areas, are assigned small plots of land for their personal cultivation. The plots range in size from less than one-half an acre to somewhat more than one acre and account for approximately three per cent of the total sown area, yet they provide approximately 30 per cent of gross agricultural output. In recent years, approximately one-third of total Soviet meat and milk output has been produced in the private sector, as well as almost two-thirds of all potatoes and two-fifths of fruit and vegetables.

—From *Soviet Impact on World Grain Trade*, The British North American Committee.

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Rates Pledge: Tories Back Down

THE PROMISE by Mrs. Margaret Thatcher that the Conservative Party would scrap domestic rates is being rescinded—for the time being, at any rate! Michael Alison, the party's spokesman on local government, told the Rating and Valuation Association's conference in Bournemouth that this objective could not be achieved in the lifetime of a single Parliament. So instead, he held out the prospect of tax relief for those paying rates on their houses.

The Centenary: How are you celebrating?

1979 marks the centenary year of Progress and Poverty and although some fortunate Georgists will attend the International Conference in San Francisco, I cannot. So I have decided to do something special to promote Henry George's ideas throughout the year. I have produced a little leaflet explaining one central aspect of George's thought: land value taxation and how it might be applied in this country in the late 20th century.

My first draft was commented on by others and then I had a thousand copies of the improved version printed. I have already given some of these away and sent others to local and national newspaper correspondents, and have promised myself that I will dispose of these by 31 December 1979. Copies are available from my home address.

That is my contribution to the centenary year. I would be interested to hear what other Georgists will be doing.

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WHITE PAPER

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with the role of speculators (individuals, statutory bodies and councils) in the economy. And this, incredibly enough, is something which the Labour Government is unwilling to do.

1. *Policy For The Inner Cities*, Cmnd. 6845, HMSO.
2. *Ibid.*, p. 28, para. 10.
3. *Land Values and Planning in the Inner Areas*, RTPI, 1978.
4. A. A. Gibbons, 'Valuation and the inner city areas,' *Chartered Surveyor Urban Quarterly*, Summer 1978.
5. See *Land & Liberty*, July/August 1978.

LAND & LIBERTY