

The Whitstable Experiment

FOR drama in the theater Americans are accustomed to deferring to the British; and now the British Georgists, true to form, have brought us a dramatic encounter in "Kent's Garden by the Sea," as the town of Whitstable is described.

A preview of the "Survey that Shook the Critics" by V. H. Blundell in the May HGN revealed the plot, and readers of Land & Liberty have followed it with interest for several months. While a group in the U.S. has been trying to confer a unique distinction on Erie, Pennsylvania — in England a similar activity has attracted attention to the pleasant seaside town of Whitstable some sixty miles from London, with a population of 20,000, many of whom commute to the city.

Under Britain's present rating (taxing) system, only occupied property is assessed, and the basis of the assessment is the annual rent which the property would command if it were let in the free market on a yearly basis. Naturally the more the property is developed, the higher becomes the assessment. Unoccupied buildings and vacant land are not assessed. Understandably there has been growing discontent with a system which penalizes the owners of occupied property. Because of this discontent, Britain's leading association of professional valuers decided to examine possible alternatives by using Whitstable, a fairly representative area, as a proving ground.

V. G. Saldji of London brings the human side of the story in his conference report. It can be imagined, he said, with what keen interest those of us who have absorbed the philosophy of Henry George learned of the pilot survey that was to be undertaken by the Rating and Valuation Association. It was the first such survey to be made in Britain by a professional body, and

it came none too soon, for the misconceptions are legion. The justice of site value rating rests on the simple basis that the services provided and maintained by the ratepayers as a whole enhance the land value in any locality. No discussion of this enters into the report however — the figures speak for themselves.

The field work was directed from an improvised office by the firm appointed to carry out the valuation. The permanent and part-time office staff sifted and digested details brought in daily by field workers who were briefed and sent out in pairs. There was a call for volunteers and Mr. Saldji gladly offered his services for a week. He describes himself holding the end of a measuring tape at the business end of which, checking the measurements against the survey map, was Victor Prada from the U. S. But since the householders asked many questions when asked for permission to measure their land, these continually held up the progress of the two men with the tape. It was therefore agreed (in a very satisfactory division of labor) that Mr. Prada would concentrate on detailed sketches and Mr. Saldji would do the talking.

The general feeling on the part of the professional valuers during the survey was that the land value of Whitstable would prove to be only a small proportion of the total existing rateable value (i.e., the alleged value of buildings and lands taken together, having regard for their existing conditions). However the combined total proved to be £724,100, while the land value total was £642,250. Taking into account various considerations arising out of the somewhat complicated machinery of local government finance, it seemed reasonable to conclude that to collect the same revenue, the rate in

the pound to be levied under both systems would be of the same order, but there would be a vastly different incidence of the tax under site value rating.

As a group, "residential" property was particularly interesting. The sites of houses and flats accounted for less than 50 per cent of the site value total, whereas this property group comprised nearly 75 per cent of the present composite total. But the individual divergences within this group were even more interesting.

Although the British Isles, with their population of over 50 million, would fit comfortably into the area of California, they have thousands of acres of unused or poorly used land. Agricultural land is becoming too expensive for any but the most prosperous and astute to enter the farming industry. Part of the reason why agricultural land is so dear is that only the farm dwelling, not the land, is assessed and rated. This is thought to be an encouragement for agriculture but it has the opposite effect. Many acres of fertile land have gone out of production and are overgrown with weeds because they have been acquired by speculators who gamble on planning permission being granted for building development at some time in the fu-

ture. During the waiting time there are of course no taxes to pay.

Among much valuable information in the survey the following point deserves mention because it comes from a disinterested valuer but answers a common allegation often put forth, that valuation of sites alone would be too costly to be practicable:

"It is clear to me that the field work involved in valuing sites only is very much less than valuing sites plus improvements. When the buildings are altered in any way, no alteration takes place to the site value. Once the method is established and the evidence of market transactions is passed to the valuer, the speed of work in the office is considerably greater than on the orthodox method."

While the economic significance of shifting taxation from the composite value of occupied property to the value of land alone whether used or not, is far from being recognized, and while "the harvest is still a long way off, some of the shoots are beginning to break through," Mr. Saldji observed. "It may take time but the day must come when enough people in Britain will be alive to the alternative to our out-dated system that discourages the development of property whilst encouraging land speculation."

Philipp Knab of Vienna, though unable to come to the conference, wrote of an American book he read recently, *The Death and Life of Great American Cities* (Random House), which, in a German edition, has attracted considerable attention. The author, Jane Jacobs, a journalist and wife of an architect, wages war on conventional town planning and town building. "She is not afraid of dethroning as obsolete idols the grand old men of the planning creed such as Ebenezer Howard and Le Corbusier, and no doubt adds a new and vital line of thought to the science of framing modern human symbiosis in large centers of work and habitation. She even furnishes us with a gleam of hope in our so far unsuccessful struggle against the apparently irresistible onslaught of the automobile by showing us how some cities in their effort to prevent their nuclei from desolation and their outskirts from overspilling have throttled individual motor traffic, with the aid of vested real estate interest, by adverse road construction, to the benefit of communal commuting facilities."

But alas, writes Mr. Knab, "she does not seem to have heard of Henry George. Her book is like the report of an able botanist who splendidly describes plants and trees and offers advice for better culture, but knows nothing about the soil and strata on which they grow."