

WHY RENTS AND RATES ARE HIGH

Reviewed in "Labour"—February, 1939—*Journal of the Labour Party*

SINCE HENRY GEORGE'S *Progress and Poverty* was published 60 years ago, many books have been written concerning the taxation and rating of land values. Some have further expounded the theory, others have dealt with particular aspects of the problem such as the effect upon national and municipal finance, monopolies and public and semi-public undertakings. Hitherto, however, no book has been available giving the facts concerning the excessive prices paid for land, or details regarding the ineffectiveness of compulsory purchasing powers in preventing local authorities from having to pay extortionate prices.

The volume under review, *Why Rents and Rates are High*, supplies 600 examples of the results of land monopoly in town and country. It contains a foreword by Mr C. R. Attlee, M.P., and an introduction by Mr R. R. Stokes, M.P. for Ipswich, who is an enthusiastic advocate of land value taxation.

We are told that the London County Council paid £107,868 for nine purchases of land for parks, the same land being assessed for rates at an annual value of only £988. The same authority bought eight pieces of land for cottage housing estates the purchase price of which was nearly £1,000,000. The land had previously been assessed at an annual value of just over £7,000.

A question in the House of Commons in July last year elicited the information that 105 sites, compulsorily acquired under authority of the Board of Education for a period of three years, cost £218,477. The area was 290 acres and, as it was either agricultural land or vacant land, it was exempt from contribution to local taxation. Details of the 105 sites are given.

Some years ago the late Mr C. T. Cramp, then General Secretary of the National Union of Railwaymen, stated in the columns of the *Daily Herald* that the railway companies had paid on an average £1,000 for each mile of land purchased. This may be an average, but we are informed in the book that the London and South-Western Railway Company paid £4,000 per mile, the Great Western and London and North-Western paid £6,300 per mile, the London and Brighton £8,000 per mile and the London and Bristol £790,218 for land at the rate of £6,696 per mile.

In 1832 the London and Birmingham Railway Bill was thrown out of the House of Lords. The directors eventually secured the powers they required, but "the land which was over-estimated at £250,000 cost three times that amount." (*A History of English Railways*, by John Francis.) The railway companies are now demanding a "square deal." They desire to raise railway fares and rates in order to pay interest on invested capital. The information given above will indicate how much railway stock has been watered.

The same argument applies to other industries. Big stores such as Harrods and Selfridges purchased their sites many years ago. Their large profits represent in the public mind interest on capitalist enterprise. A considerable portion is, however, unpaid rent that would fall into the pockets of the landlords if the premises stood on leasehold instead of freehold sites. Thus are some issues frequently obscured.

Many municipalities have demanded powers to rate land values. Names of 222 local authorities which, since 1919, have passed resolutions on the subject are supplied. A further chapter deals with Land

Values Taxation in practice and gives information regarding its progress in Denmark, New Zealand, Australia, South Africa, Canada and Pennsylvania.

The section of the book dealing with the Speakers' Notes issued by the Conservative Party in opposition to the taxation of land values is particularly useful. It gives the Tory argument, the objection to the argument, and comments thereon.

The book is well indexed, and of a convenient size to slip into the pocket. Every platform speaker and propagandist should obtain a copy.

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LAND VALUES LTD.,

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ANDERS VEDEL

ON 10TH FEBRUARY we were grieved to have a letter from Mrs Vedel saying that her husband Anders Vedel had succumbed three weeks before to the long and painful illness from which he had been suffering. He died in the hospital at Skive, in the vicinity of which is his home, and the People's High School of Krabbesholm, where he had been the Principal for a number of years. His loss will be severely felt in those educational circles where he occupied such a prominent and distinguished place. And to the Danish Henry George Movement, as well as to the International Movement, the loss is very great.

Anders Vedel had devoted his life, inspired by the spirit of its founders, to the education and elevation of his fellow countrymen through the People's High School system, where service is so nobly given by the teachers to whom their work is a labour of love. He was one of the ablest on the staff at the school Jakob E. Lange (now retired) had at Odense, from which he passed on to Roskilde to be the Principal there, and then to his beloved and beautifully situated Krabbesholm, a one-time Danish manor. In the autumn of 1937 he visited Australia, where he was one of the Danish representatives at conferences in the main cities, held under the auspices of the New Education Fellowship and the Australian Council of Educational Research; and as an educational authority, as well as in connection with the peace movement, he had travelled much in Europe.

Those of our co-workers who attended the Copenhagen and Edinburgh International Conferences will remember his genial presence and his remarkable proficiency as an interpreter, based not alone on his knowledge of the English language or German or French, as well as his native Danish, but his own quick intelligence, and, above all, his profound understanding of the Henry George philosophy. His pen had been used in many writings in the exposition of the truths he held dear; and for ourselves, in the "International," we have on record the brilliant paper on *War and the Land Question* he gave us in Edinburgh. To Mrs Vedel and the children, as to our colleagues in Denmark, we extend our heartfelt sympathy in their bereavement.