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The Great Discovery Land Speculation is Dangerous

JUNE 1960 marks a turning point in Britain's history. It was then that the press discovered and the public learned that land speculation is rife and threatening. In years to come the discovery may be seen as no less significant than the Allied landings on the Normandy beaches in June 1944—a stage in the protracted, bloodless battle to liberate the British people from the tyranny of landlordism.

Straws in the wind which preceded the present storm were the isolated press reports of land changing hands at greatly enhanced prices, and the comments of certain builders, estate agents and others, some of which have been noted in our columns. The vast local press publicity secured by the Rating Reform Campaign and many of our readers cannot have been entirely without effect and perhaps the speeches by Labour M.P.s, few and guarded though they were, led newspapermen to sharpen their pencils in readiness.

The cloud burst at Kingston on May 31 when builders gave evidence of the spiralling prices of building land in Surrey. A spate of articles, some of which were mentioned here last month, appeared in the national press during the ensuing weeks. The figures quoted at Kingston provided the Labour leader, Mr. Gaitskell, with ammunition for his Oxford speech, and this, too, was widely reported.

The issue really came to life, however, when Mr. Basil Spence, the architect of Coventry cathedral who received a knighthood in the Birthday Honours list, delivered his address as retiring president to the Royal Institute of British Architects at its Manchester conference. With an eye on the press and in a few deftly chosen words, he appealed at once to the patriotism, sense of fair play and aggressiveness of the ordinary Briton as well as to the aestheticism and self interest of his audience. The stark picture he painted could be understood and remembered by the ordinary person not greatly interested in political and economic questions, and therein lies its value. Mr.

Spence's speech (an extract from which we publish elsewhere) received bold and generous notice in most national and provincial newspapers on Friday June 17.

Next day Mr. Gaitskell spoke at Durham about the "land scandal", returning to the subject a week later at Hull, and on both occasions attracting headlined newspaper reportage. Meanwhile the National Federation of Building Trade Employers released the text of a report on land for housing which they had sent in February to the Minister of Housing. This described the present situation as one of crisis demanding immediate action in the interests of the community at large. "Crisis" is a word dear to newspapermen and the report duly received wide publicity.

Like an iceberg, the greater (and more dangerous) part of the land question was obscured from public view. Instead attention throughout June was focussed chiefly on the price and scarcity of land for housing and on whether the Government would relax its policy on the Green Belts. Sir Keith Joseph's categorial assurance on this point given on June 17 at the architects' conference so failed to dispel doubts that the *Daily Mail* on July 5 published an interview with the Housing Minister in which his similar assurance was presented as something new.

When Mr. Brooke called on the Prime Minister on June 28 the press immediately deduced that it was to decide what to do about land prices. Next day there were questions in Parliament. Sir Keith Joseph rejected a demand by Mr. Stan Awberry (Lab., Bristol Central) for an inquiry into the "exploitation of land values which increases the cost of houses and rents" and announced in general terms that the Ministry of Housing and Local Government would provide more land for development and would encourage the fuller use of land in towns. Two days later, June 30, Mrs. Joyce Butler, M.P., Labour M.P. for Wood Green said in the Commons that land for factory development adjoining the London Green Belt had rocketed to £100,000 an acre.

July roared in like a lion. Two national newspapers, realising that by now public interest had been thoroughly aroused, made the land question their major front page-news story. *NEW LAND LAWS SOON*, proclaimed the *Mail*. Ronald Camp reported, without disclosing his source of information, that legislation will be introduced this year to give the Minister of Housing authority to order the demolition or rebuilding of offices and flats as part of what he called a vast "bulldoze and build" plan to redevelop town centres which are not making full use of their available space. Two-storey offices and small blocks in the hearts of cities and towns throughout the country will be demolished and replaced by "tall modern buildings accommodating thousands more workers", he stated. "By providing more living and working space in town centres the Government hopes to ease the demand by industry for land outside and thus help ordinary home seekers to find building plots... The plan now being examined would be expensive. It would mean paying compensation where business activities were interrupted during rebuilding. But the Government believes the expense would be worth while, and a survey of under-used sites is now starting."

Arthur Butler was less emphatic. In his *News Chronicle* front page story he said merely that Ministers believe that legislation might have to be introduced. "Councils would need new powers to (1) pull down large space-consuming old properties which could not be classified as slums; or (2) to provide grants and loans to encourage builders to wait until enough land has been cleared, then make the most economical use of it by constructing large blocks of flats." Despite discrepancies in the two reports it is safe to assume that they have some factual basis.

An upside-down system of taxation, national and local, alone is responsible for the non-use, misuse and under-use of valuable land. Any attempt the Government may make to secure further authoritarian powers must be resisted to the uttermost by all who cherish freedom, and they must enlist the support of those against whom they would be used. Any move to disburse public monies in the ways suggested in these two press reports must be similarly opposed.

Neither dictatorial direction nor taxpayers' money is needed to bring all valuable sites to the fullest state of permitted development as fast as building resources allow. Quite the contrary. Freedom and the profit motive would transform our cities and towns if only taxation were converted from a destructive weapon into a constructive tool. At present taxation depresses buildings and jacks up the price of land. The precisely opposite effect would be secured if taxes were taken off buildings and levied solely on the value of sites—buildings would be "levered up" and land prices would be forced down.

To return to our diary of events. On July 2, in speeches which were widely reported, Mr. Gaitskell at Cannock included a tax on site values among many suggestions for dealing with the land question, and Mr. Donald Wade, M.P., Liberal chief whip at Chesterfield in a slightly disappointing speech called for a "modified" form of land-value taxation. Both speeches are reported elsewhere.

Newspapers on July 5 reported the sale of a half acre site in Luton for £250,000—the *Daily Mail* made it boldly headlined front page news—and next day Mr. Brooke's written parliamentary answers (see page 120) to questions were given even greater prominence. The *News Chronicle* (front page across six columns) summed the matter up as *The Green Belt stays but—NO CURB ON LAND SPECULATORS* and the *Daily Mirror* exaggerating, we fear, claimed: *Housing Minister shocks M.P.s—'NO' TO LAND PRICE CURB*. By this time popular interest in the price of land approached that previously reserved for cricket scores, pool winnings and the transfer fees paid for leading footballers. As luck had it, land in Bedford and Wolverhampton changed hands at prices which dwarfed the Luton sale and so once again the land question was "news".

At the time of writing—before publication of the United Committee's statement and before the Commons debated the price and use of land, it seems likely to remain a burning topic.

There is no prospect of a quick easy victory for the British land values movement and it would be naive even to hope for one. But henceforth, we believe, it will command increased authority and respect. People now know that at least some of the problems to which we point are real. That is a great gain.

LIBERAL PARTY ASSEMBLY

NO clarion call to tax land values will come from this year's Liberal Party Assembly. The matter is not to be discussed. Apologists may say that this is because the excellent Torquay (1958) resolution, calling for the taxation and rating of land values, still stands. However, as the executive is once more urging the Government to encourage employers to introduce co-ownership, profit-sharing and joint consultation, this argument carries little weight. The executive also calls for legislation to reform certain aspects of trade unions, and wants Britain (and other countries) to join the Common Market. (Resolution on page 116).

Among the 53 constituency motions submitted is one on the rating system. It reads: "This Assembly, being aware of the nation-wide dissatisfaction with the present rating system, calls upon H.M. Government to set up immediately a Royal Commission to consider alternatives." It stands in the names of Southgate, S. Ilford, Barnet, Hornsey, Finchley, Wood Green and N. Tottenham associations. Only four constituency motions are likely to be considered. The Assembly meets at Eastbourne from September 20 to October 1.