

ties situated on the city fringes and close to the centre. The land rent element of the fringe property can be adduced more rapidly by direct comparison with evidence of nearby agricultural rents or land sales. This rent deducted from the total rent gives the rental value of the improvements. The improvement rental is then deducted from the total rental of the more centrally situated comparable property.

The work undertaken in the U.S. by these three people is to be highly commended, for it clearly has application in different contexts throughout the world. The indicators for paths to reform are to be found in their writings:—

* "Perhaps, eventually, the difference between land and production will be expressed in assessment laws. A reform of assessment laws is a direct, simple and easily understood way to accomplish more land-value taxation." Tom Sherrard.

* "Only informed citizens alert to the implication of different modes of taxation can restore the balance [between land speculators, home owners, productive businessmen, workers and consumers]." Roy Davidson.

* "Let us gather truth as factual information and give it out regardless of personalities or politics, for this is what the human conscience demands." Benjamin F. Smith.

These words have as much significance, if not more, in European countries where the desirability of making land-value assessments for tax purposes has not been accepted to date.

Acknowledgments: *Henry George News*, New York, September, 1965.

Down to Earth Reasoning

BY G. K. R.

RECENT NEWS of interplanetary exploits tends to lift us off the problems of the earth, but down to earth we come with the Government's proposals for a Land Commission.

A rational Moonman with no knowledge of economics would probably have difficulty in understanding the nature of the land problem and how it has arisen. He would argue that plenty of land is available. It can be seen without difficulty. He would further argue that the real cost of using land is nothing, since it has cost nothing to produce. In his cosmic logical way he might think that civilised earthmen were fools to devote their energies to unreal problems. The animals, for example, do not seem to have difficulties of this kind.

In his ignorance of economics, however, the Moonman would have to be excused for not realising that one piece of land does not have the same attributes as another, and

that man has divided land up over the course of centuries into many tiny parcels and allotted these parcels by a complex procedure to specific uses and specific people.



If, to enlighten our interplanetary traveller, we tell him of this, and further explain that the result is that rent arises, originally out of the different productive attributes of land, he would doubtless conclude that the legal sanctions enjoyed by the current owners of land to appropriate rent gives those owners, in the face of an expanding population, considerable advantages of wealth and power.

If we were to add that against this background the state has imposed planning legislation, which further limits the use of land by owners and potential renters or purchasers in the alleged interests of orderly development, and that the effect of this is to increase the rent rewards that can be realised, our Moonman might concede that very real problems exist.

Left alone to work things out for himself, the man from space would probably conclude that land rent arises from the endowment of nature and the accumulative efforts of earthmen. Taking the problem a stage further, he would also probably conclude that since nothing can be done to prevent land rent arising, the best thing for the community to do would be to take it from those who benefit from it personally without toil and redistribute it on a more equitable basis.

Unfortunately, politicians and academics do not see the problem in such a simple-minded way.

Occasionally, however, a dissenting voice may be heard. The Liberals, for example, dissatisfied with the Land Commission Bill, and mindful of the results of earlier unsuccessful legislation, decided to vote against it. To take this stand required courage, particularly since nearly everyone is now agreed that something needs to be done about the problems of private land ownership. While the Government has tended to emphasise the supply side of the problem and its related brother of increasing costs within a framework of planning legislation, many others in the professions and the pressure groups are appreciative of the need for a rational solution to what has been colourfully called the "land scandal."

The need to act in political terms however often leads to compromise rather than true reform. Those who with the best intentions support the present Government's proposals show little signs of original thought or indeed of simple applied logic. Only the Liberals appear to be moving in the truly progressive direction.