

The Land Project

LABOUR governments made three attempts to solve "the land problem" in postwar Britain. Each exercise ended in failure.

The people of Scotland deserve better. They should not now be treated to yet more Quixotic escapades. Can Liberal Democrat leader Jim Wallace lead the first bloodless coup in democratic politics?

Although Scotland's politicians may not realise it, a revolution is in the making: the first of its kind with a real chance of success. If it happens, the impact will be felt throughout Britain. And politics in Westminster would never be the same again.

The "Mother of Parliaments" was created by English aristocrats. They had one aim, and they were racing against the pace of social evolution. They had to detach the social obligations from the feudal rent they were receiving. They were employees of the state, and rent was pay for the job. But as their duties were transferred to professionals – standing army, civil servants, circuit judges – they saw the writing on the wall...

So, posing as champions of "free" Englishmen, they challenged the rights of kings. Their objective: control of the public purse. Their purpose: privatise the nation's flow of rent, downgrade the land tax and shift the financial burden onto wages.

Aristocratic control continued into the era of democracy. Westminster was allowed to do anything it liked, but one subject was off-limits. Parliament could not revert public finance back to the principles of justice and efficiency. Returning publicly-created revenue – rent – to the public was taboo. Liberal and Labour governments discovered that *frontal attack* on the rent of land was useless. Rent was ring-fenced.

Margaret Thatcher's scrapping of rates (the local property tax) was the logical culmination of this fiscal history.

SCOTLAND can now unwind this disgraceful history.

Her new Parliament's first task is to nourish native common-sense wisdom. Politicians need to realise that land and taxation are two sides of the same public coin. That understanding will not come easily.

For example, what would policy-makers think of this statement: "Revenue collected by most conventional taxes is actually at the expense of the rent of land and natural resources"? Economists of the Scottish Enlightenment formulated the scientific principles that underpin that social law. But at first, few people will find the statement intelligible: even fewer will comprehend its significance for governance.

Without that realisation, the aspirations aroused by the devolution of power will be frustrated. Which is why the Liberal Democrat
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QUOTE from Scotland's Land Reform Action Plan:

"A comprehensive economic evaluation of the possible impact of moving to a land value taxation basis. A specification will be developed for evaluating the implications; and Ministers will consider whether this research would represent good value for money. Proposals by end 2001"

Member for The Orkneys carries an onerous burden. Mr. Wallace is Scotland's Deputy First Minister and Minister for Justice. He is responsible for the reform of the law of the land in every sense of the phrase. It is his business to connect the land of Scotland to the material and spiritual welfare of the people.

DISPOSSESSED people are traditionally betrayed by politicians.

Not all politicians were or are self-serving pretenders. But by privatising our culture – the inevitable outcome of the privatisation of the resources used to nourish community life – the nobility was able to fashion the mind-sets of their servants. As landowners, they controlled the junction boxes in the flow of power that wrapped the nation. Through education they shaped ideology, to safeguard their private interests even as they pretended to discharge duties in the public interest. It could not be otherwise.

So Mr Wallace will have to search his soul.

- Can he and his colleagues who are promoting land reform educate fellow MSPs in the virtues of rent-based public finance, which (as Winston Churchill emphasised in his Edinburgh speech in 1910) would deliver material prosperity for everyone?
- Can he, as a lawyer, abandon the crude notion of property that was tortured into shape to suit English landowners, in favour of a matrix of rights and responsibilities that unites citizens in a healthy contract with nature?


OTHER NATIONS will monitor the Scottish experiment to see if it fulfils the promise of a new politics of consensus and inclusion.

Mr Wallace invites judgement on his record. After the government published its Land Reform Action Plan in August, he said: "Judge us on how well we deliver. With over 30 points for action, this plan demonstrates the scale of our commitment to overhauling land ownership in Scotland and delivering real changes".

The government will evaluate the policy of re-socialising publicly-created rent and privatising people's earned incomes. Its approach is cautious: is this a value-for-money policy, it asks? But the

real question is: Can Scotland afford not to reform public finance?

- Britain's GDP in 1993 was £430 bn below full productive capacity – because of the damage inflicted by conventional taxes.
- Scotland's pro rata losses, today, are about £40 bn. THIS is the record against which the people will judge their parliament.

There must be an audit of the government's record, starting with the impact of fiscal policy on the health and wealth of the nation. Promoting a public dialogue on the need for this audit is a paramount task of the civic institutions that established the Land Reform Convention to act as watchdog and guide dog over Parliament. 

The Law of Whose Land? – Analysis, p.10.