

in 1934 by Prime Minister Ramsay Macdonald excusing his Government for the repeal of the Snowden Finance Act of 1931 and admitting that this step indicated the power of certain interests.

PUBLICITY IN INDIA

The Libertarian Book House (Arya Bhuvan, 1st Floor, Sandhurst Road, Bombay, 4) advertises in the literature it has for sale books by such writers as Henry George, Tolstoy, Prince Kropotkin, Von Mises, Frank Chodorov. Its monthly journal the *Free Economic Review* (16 pages, annual subscription 3s. or \$1) deals broadly with economic subjects but a main feature is the space it gives to expositions of the Henry George social philosophy. For example in its May issue, it reprints (acknowledgments to our International Union) the Conference Paper *The Dispossessed are Overpopulated* by W. A. Dowe, of Australia. In the same issue is a contributed article *What Tax Structure Do We Need?* an exposition of land value taxation. In the June issue (acknowledgments to the *American City*, LAND & LIBERTY and again the International Union) are the articles *Saner Taxes for Real Estate*, by Harold Buttenheim, *Land Value Taxation in Practice*, by A. W. Madsen and (abridged) *Monetary Reform or Revolution*, by J. E. Holloway. We are also pleased to see in these columns such matters as the "Ten Pillars of Economic Wisdom," being the basic creed of the Foundation for Economic Education, Inc., New York. Providing education of that kind, the *Review* deserves an ever increasing influence, for its education is urgently needed in India as elsewhere.

PERSIA'S PROBLEM

The Need for Land Reform

The press has made many comments about what is happening in Persia. This extract from a *Manchester Guardian* leading article, August 22, appears to go to the heart of the matter:—"Dr. Musaddiq's policy was to strengthen the great landlords whose estates dominate some provinces of Persia against the threats of reform for which the Shah stood. He took control of the royal domains and put an end to the Shah's steady distribution of his lands to the peasants. The disappearance of Dr. Musaddiq does not, unfortunately, mean the disappearance of landlord influence in Tehran. The absentee owners, who have abandoned feudal obligations without abandoning the rents based on them, have plenty of other champions, among them Qavames-Saltaneh, whom the Shah tried unsuccessfully to substitute for Musaddiq. The Shah has before him a long struggle with the landlords before he can get the system of land tenure reformed, and in that struggle he has few powerful allies. The civil servants and professional classes have anomalous privileges of their own to defend, which makes them readier to co-operate politically with the landlords than with the peasants. Even the urban workers, Tudeh and non-Tudeh alike, are more concerned to increase their advantage over the villager than to help him. If the restoration of the Throne and the Constitution is smooth and rapid the Shah may have some initial advantages for this work of reform, and the backing at least of the army. But it will hardly be accomplished without some degree of turbulence, recurrent crises, and sullen resistance from the landlords and their friends. It cannot safely be set aside. Rural poverty and rural chaos are too real not to afford splendid opportunities for Russian mischief-making. The landlords do not even pay the taxes for which they are nominally assessed; only the smallholders pay. But a settlement of the land question in Persia, by a distribution of ownership on the lines which the Shah has already indicated by example, could set a standard for the Middle East which might eventually go farther than any industrial or oil-drilling development to stabilise the whole area."

The Secretary of the Legation of The People's Republic of Bulgaria in London has received at the request of the Attaché, Mr. I. Raschkov, full particulars about the aims and objects of our International Union together with a large selection of the papers presented at our last two International Conferences. This material has been acknowledged in a letter expressing grateful appreciation.

LAND VALUE RATING

A County Alderman's Views

As we reported in a previous issue, the *Municipal Journal*, June 12, contained a contributed article which suggested that locally collected entertainment taxes should be made available to local authorities, and a leading article which, in rejecting the proposal, reiterated the *Municipal Journal's* support for site value rating and the repeal of de-rating.

The sequel to this episode appeared in the *Municipal Journal*, July 3. The contributor concerned, Essex County Alderman Charles Leatherland, declared his own support for both these measures. Nonetheless he maintained that since the need of local authorities for additional revenue is immediate, some form of extra assistance is required now to tide them over until the national economy assumes a different complexion and until the whole question of local government finance has been fundamentally reorganized.

"I am prepared to march with the editor of the *Municipal Journal* along the road that leads to the shrine of Henry George, the Philadelphia philosopher who first put the taxation of land values on the map. I think the rating of site values would help our local finances enormously. I think, too, that on grounds of morality there is much to be said for it. But that march would take us along a very long road, with some very steep ascents, and with the risk of skidding—at some of the nasty corners—right back to the spot at which we first started.

"The taxation of land values was introduced in this country in the Budget of 1910*. It aroused a storm. There was no very great harm in that. But it was repealed. It was introduced again in the Budget of 1931.* And it was repealed again. If it were ever introduced again in this country, and there were a change of government it would certainly be repealed once more. So if we are looking for a quick, certain source of extra money with which to aid our local finances, I fear that to look in the direction of the rating of site values would be to indulge in wishful thinking.

"It is not as though the rating of site values were one of those politically non-controversial topics about which general agreement could be obtained. If that were possible, I would say, let us have it now. But no Conservative Government is going to introduce it. And no Conservative Government is going to allow such a measure to remain on the Statute Book for more than ten minutes after it comes into power.

"A Labour Government certainly might introduce it again. The party's new statement of policy promises a 'full review of local government finances, including the possibility of the rating of site values.' But all that is mentioned there is 'a possibility.' And we who are on local government finance committees want the money this year, now. It is true that alongside that reference to site values, Labour's policy statement contains a definite pledge to repeal de-rating, both of industry and agriculture. But the chances of the Parliamentary Labour Party being able to persuade Mr. Butler to adopt this as an agreed measure are fairly remote. And again we need the money now."

* This legislation is examined and the fate it suffered recounted in *LAND VALUE TAXATION IN GREAT BRITAIN: PARLIAMENTARY SURVEY COVERING YEARS 1906 TO 1951*, By A. W. Madsen, presented as Paper No. 10 to the 1952 International Conference in Denmark. Price 1s. 0d., obtainable from our offices.

"PENALIZED" FOR IMPROVING COTTAGES

Objecting to the proposed increased assessment which more than doubled the rateable value of a pair of semi-detached cottages at Sedgeford, Norfolk, Major C. Ingelby asked the West Norfolk Valuation Panel: "Are you opposed to the agricultural worker having the best house that can be built for him? An owner puts up good accommodation and he is penalized for it." The valuation officer maintained that because structural alterations had been made to the cottages their assessment should be raised from £5 gross, £3 rateable, to £12 gross, £7 rateable, and £10 gross, £6 rateable. The panel decided on an assessment of £8 gross, £5 rateable, on one cottage, and £6 gross, £4 rateable, on the other.—*Farmer and Stockbreeder*.