

rights to oil revenues leads him.

The fact that the oil reserves and thus the revenue may one day run out does nothing to alter the above principles.

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*Letter from N. H. Slater published in the Financial Times, Oct. 24.*

Mr. Brittan in his excellent article "Oil and tax: an alternative manifesto" (October 13) states that "North Sea oil is an income-earning asset held by the Government in custodianship on behalf of the citizens of this country." This statement is profound because it acknowledges that what has been provided by nature is rightfully the property of all. Mr. Brittan could, with complete logic and justice, extend his manifesto along the following lines.

Similar to the income deriving from oil is the income accruing from the very presence of the peoples of these islands on the land surface. The land, of which the oil is only a part, was provided by nature for the benefit of all and its appropriation by a small minority is an injustice, the magnitude and repercussions of which are

little realised. Each concentration of people causes the site value of the land to be enhanced and this site value produces an annual income which is at present appropriated by those whom history, privilege or whatever has allowed legal possession of the title deeds.

We have acknowledged the right of all to the revenue from oil. To be logical we have to denounce the laws which perpetuate private property rights to the earth's surface. The injustice of the private appropriation of large speculative gains resulting from land sales has been recognised by all political parties for a long time. All legislation both enacted and proposed to deal with this injustice has been misconceived. Such legislation only reduces the supply of land, and inhibits development.

The correct approach would be to allow the landowner to develop in accordance with permitted use in exchange for an annual payment equivalent to the unimproved site value. The imposition of a site-value tax on to the "passive" factor of production would encourage optimum use, thereby promoting

trade and industry, surely a great advance on our present penalising and confiscatory tax structure.

What would be the total revenue from such a tax? I submit that it would be immense and would enable the present tax structure to be abolished. The result would be dramatic, for economic development would be positively encouraged, the restraining effect of the present tax structure would be removed and Government expenditure would reduce as employment would be stimulated, industry would no longer require subsidies and poverty would be virtually abolished. There would be a natural movement of valuable human resources away from the negative activities associated with the present tax structure towards positive activities associated with wealth creation.

It would be a revolutionary change to hear politicians arguing about the fairest means of distributing surplus central revenue rather than listening to the sophism which all but deafens so many of us.

## BEHIND THE FRONT

THE bitter and often violent antagonism between the National Front and those of Marxist persuasion, reflects not a struggle between rival philosophies but a struggle for power by two factions having basically the same philosophy. This is the conclusion of a newly published booklet\* that examines the policy proposals of the National Front.

Two paragraphs from a socialist booklet by Paul Foot are placed together with two paragraphs from a National Front publication. Readers are asked to identify the sources. It's not easy. They both condemn capitalism and the profit system, and want a state-planned economy and more nationalisation. But not only are their basic policies almost identical, their language is the same and so are their methods, says Stephen Eyres, the author. It is interesting to read of his commitment to free trade which he reveals in his examina-

tion of the nationalistic and protectionist policies of the Front. And Hong Kong is cited as an outstanding example of the virtues of free trade.

A National Front Government would control investment capital, institute workers' participation and profit-sharing, determine the location of industry, consider nationalising the entire banking system, restrict imports and nationalise monopolies. Other policies include the licensing of every trader, large or small. The City, the Stock Exchange, speculators, financiers and "cigar-puffing tycoons" all come under fire in the Front's manifesto. The author has an easy task in making his point, for the National Front are self-confessed left-wing socialists, although they may not like the term. Indeed, fascism, as an economic ideology is but a form of socialism—state control of the means of production and distribution. "The racialist dimension of the National Front does not cut it off from the mainstream of Soc-

alism," says the author.

The booklet is written in an easy readable style—here is a sample:

"The National Front join with others on the left in demanding yet more socialism to repair the damage that earlier doses have caused. I thought it was a bit of a cheek for the Communist miners' leader, Mick McGahey, to goad his striking miners into supporting the election of a Labour Government in February 1974, in order to build 'a truly socialist society.' His miners, more than most, were already living in one. They were, after all, employees of the State, their wages at that time were being determined by an agency of the State, their buses to and from work were owned by the State, their houses provided by the State, their children educated by the State, their families provided with social security from the State—even, in Fife, the local colliery band was subsidised by the State. Not much there of the rough-and-tumble of the capitalist system! And the National Front want to give us more from the State as a way out of our problems!"

\*The National Front is a Socialist Front, Stephen Eyres, Aims for Freedom and Enterprise, 45p.