

A VISIT TO DENMARK

By A. W. Madsen

In the latest issue of GRUNDSKYLD, the monthly journal of the Danish Henry George Union, the President, Mr. F. Folke, rightly remarks that friends and co-workers in other lands look to Denmark for great encouragement. The demand for the Taxation of Land Values is rooted deeply and strongly in public opinion; already a sound and substantial step has been taken in legislation, and the prospects of further advance on right lines are very favourable. What Denmark has achieved thus far is to secure a periodic valuation of the whole country showing separately the value of land apart from improvements, and the introduction of a national tax on land value, the first instalment of which was due this year and has been collected. The land value tax is certainly small in amount, only $1\frac{1}{2}$ per 1,000 or one-third of a penny in the £ of the selling value of land, and not likely therefore to produce much revenue or, at its present rate, to have any material economic effect. But it is of great political significance for two reasons: Firstly, it is levied at a uniform rate and in both town and country, without gradation or exemption in favour of any special class of landowner; moreover, when it was imposed, some of the taxation levied on improvements was abolished. Secondly, what is of the utmost importance, the existence of the tax, small as it is, establishes and justifies the valuation of land value, which can now become the basis and starting point for far-reaching reforms in both national and local taxation. The stage is set for this advance and its greatest promise lies in the persistence and determination of those who are working to make the question still better understood among the people. At the recent General Election the Taxation of Land Values was widely discussed, and the new Government has since undertaken to introduce some further instalment of the reform.

During a recent holiday trip to Denmark I was afforded exceptional opportunities to become more intimately acquainted with the splendid efforts that have brought about so much progress, and the journey enabled me also to get first-hand information on a matter that is of special importance to us, *i.e.*, methods and results of the Danish Land Valuation of 1923. There were many conversations at the places Mrs. Madsen and I visited, where we were cordially welcomed in the name of the Henry George movement. The Henry George Union in Copenhagen, Aarhus, Vallekilde, Odense and Esbjerg called meetings of their members, at which I was invited to give a statement on the position and prospects of the movement in Great Britain, and I was much indebted to my interpreters on these occasions, Messrs. Folke, Pedersen, Grosen, Lange and Jensen, who translated my remarks into Danish and thus made it possible to have most successful meetings. Many matters of common interest were discussed bearing both on principle and policy. I was deeply impressed by the searching questions I was called upon to answer. There were other gatherings of a more homely nature not only in the above-mentioned places but also under the hospitable roof of Mr. Brink in Gentofe, Mr. K. J. Möller (the Editor of GRUNDSKYLD) in Hellerup, Mr. S. Berthelsen in Copenhagen, Mr. P. Larsen in Olstykke, and Mr. S. Larsen in Görlev.

THE PROPOSED INTERNATIONAL CONFERENCE

A special meeting of the joint committee formed in Copenhagen to consider the suggestion made at Oxford last year, that the next International Conference should take place in Denmark, was held in Copenhagen on 15th August. I attended as representative of the

United Committee at their request, and conveyed a cordial message from co-workers on this side expressing great interest in the proposal and readiness to be associated in making such a Conference a success. The best date for holding the Conference was naturally discussed very fully, and the meeting came provisionally to the conclusion that no arrangements should be made in the meanwhile. Our Danish colleagues felt that they should choose, if possible, the most favourable circumstances and it would be better to await further knowledge as to the nature of the Danish Government's intentions. It was hoped that the promised measures would be introduced at an early date, but even so, and however acceptable these measures might be, it would take more than a year to communicate with all who ought to be invited to join the Conference, and to make the necessary preparations after that. It seemed, therefore, that if a date was named it should not be earlier than the summer of 1926. But the matter was referred for further discussion to the Annual Meeting of the Henry George Union on 4th and 5th October. I had a pressing invitation to return to Denmark as the representative of the United Committee to take part in these deliberations but could not do more than prepare a statement to be read at the meeting of the Henry George Union, making recommendation in regard to the scope and purpose of the Conference and expressing again on behalf of the United Committee their anxiety to co-operate in every way as soon as the Danish movement was in the position to name a date.

THE LAND VALUATION OF 1923

Two visits were paid to the Central Valuation Board in Copenhagen, where Mr. S. Berthelsen, a member of the Board, Mr. K. J. Kristensen, Secretary of the Urban Section, and Mr. Abel Brink, Secretary of the Rural Section, gave instructive explanations of the manner in which the Valuation has been conducted. One appreciated the enormous importance of the publicity of the Valuation, and that provision in the law which requires that the Valuation lists shall be deposited for public inspection during the period of 14 days in every district in the country. City valuations are now made on the principle of establishing street frontage values, much on the same lines as in such cities as New York and Cleveland, excepting that the values are stated at so much per square metre instead of so much per foot front. The practice thus adopted is eloquently made clear in the Land Value Map of Copenhagen which I was shown.

LANDOWNERS' RETURNS AND ESTIMATES

Another essential aspect of the Valuation work is that the particulars of all transactions in land must be registered at the Board, and in this way the Board possesses that material key to Valuation practice that should be placed without delay once more in the hands of our own Valuation Office. Denmark is organized into Valuation Districts with two valuers in each appointed by the local authorities, and one valuer who acts as chairman, appointed by the Finance Ministry. The proprietors of land were required to give information that would assist the valuers in their work, and it is interesting to note that they were invited at the same time to state, if they cared to do so, what they estimated the value of the land to be. I was informed that, so far as Copenhagen was concerned, very few such estimates were given. In the vast majority of cases the forms were left blank at that point, with only an occasional remark that "no estimate could be made." The ascertaining of the values were thus left to the valuers themselves and in those few cases where estimates were given they were very much lower than the values placed upon the land by the responsible officials. Here are some of the examples: Owner's estimate, 205,000 crowns; valuation made, 366,000 crowns.

Owner's estimate, 10,272 crowns; valuation made, 18,600 crowns. Owner's estimate, 47,000 crowns; valuation made, 68,600 crowns, and so on. The only thing that can be said about estimates of this kind is that they are not very helpful. They are apt to obstruct and confuse the valuers if any attention is paid to them; and there is a good argument for not even inviting such expressions of opinion.

PEOPLE'S HIGH SCHOOLS

The visits to Vallekilde, Roskilde and Odense were spent at the People's High Schools in these centres. Although the ordinary students were not in attendance, because it was the summer vacation, there were at Vallekilde and Roskilde some 100 people who had come from Copenhagen to spend a week's holiday and get the benefit of the kind of association and instruction that these People's High Schools afford. There are some 60 of these Schools in Denmark and Mr. Grosen, Mr. Vedel and Mr. Lange, whom we visited, explained much about their influence on the spiritual life of the people. The Schools are an institution of which other countries may well be envious.

SMALL HOLDINGS WITHOUT STATE SUBSIDY

By the kindness of Mr. S. Berthelsen we were able to inspect at Egholm 43 small holdings that were formerly part of one of the feudal and entailed estates in Denmark. Special legislation, which is described in *LAND & LIBERTY* of January last, converted these estates into freehold on the condition that the owners surrendered one-third of the area and value for the establishment of small holdings at no cost to the State. As to the new small holdings created, the holders get title to the land as if they are freeholders and pay a rent based upon the assessed land value of the land, which is subject to revision on each periodical revaluation of the whole of Denmark.

Some 2,000 holdings have been already formed in this way, and 1,050 existing holdings have been enlarged, and it will take several years before all the land made available will be taken up. The latest Statistical Year Book of Denmark shows that the new small-holdings average 17 acres in extent. They are large enough to support a family in independence. Loans were made by the Treasury to build houses and steadings and are repayable at the market rate of interest, so that there is no State subsidy throwing the cost of the scheme on other taxpayers. The present annual payment for the land, apart from improvements, averages 15s. per acre. The subdivision of the feudal and entailed estates is of course one development, and a minor development, of the process in Denmark to give greater access to land and promote its better use. The rest remains with the movement for the Taxation of Land Values, powerfully supported as it is by the organizations of the *Husmaend* or small peasant proprietors. Meanwhile, a great public sentiment is being moulded and directed to a fuller appreciation of economic justice and of the equal rights of all to the land.

"Land is going out of cultivation all the time. In the present season the figures given in the returns just issued by the Ministry of Agriculture show a further alarming decrease in the acreage under cultivation in England and Wales. The total area of crops and grass at midsummer was 70,000 acres below the figures returned in 1923. As compared with last year, the arable area has fallen by 253,000 acres, and the area under wheat alone by 194,000 acres. . . . The country, in spite of the lesson of the war, has gone back twenty years.—*THE TIMES*, 14th August,

NOTES AND NEWS

Speaking at the Annual Conference of the Scottish Mine Workers held at Glasgow, 15th September, Mr. Robert Smillie, M.P., the President, said that Mr. Lloyd George, in a book which was recently published, drew a picture of the three parties engaged in the mining industry—the workers, the mine-owners, and the landlords. They were all harnessed to the same cart. One, the landowner, did not draw anything at all. Indeed, he retarded the work. The other two had all the pulling. Mr. Lloyd George made two little mistakes. He said the landlord did not draw. The landlords certainly drew, said Mr. Smillie: they drew over £6,000,000 a year out of the mining industry, into which they did not put any brains. Probably £240,000,000 had been drawn from the industry by that class during the last 40 years, or twice as much as the mines were worth. They did not want the mines nationalized in the interest of the miners so much as in the interests of the nation. They said to the interested parties, we will give you a reasonable value for the mines, which have been the work of man, but we are not prepared to give you anything for the minerals, which were not the work of man's hands.

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A Hastings correspondent writes: "When I see Mr. Lloyd George proposing to give £70,000,000 to certain parties who, as he said take £8,000,000 a year wrongfully, I do not wonder that many are going over to Labour. If the Liberal Party is not 'straight' on the Taxation of Land Values, more will follow."

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LAND AND FREEDOM (formerly the *SINGLE TAX REVIEW*), in its July-August issue, has a timely article entitled "Has the Single Tax Theory made Progress?" The article was written by Mr. Joseph Dana Miller for the *DEARBORN INDEPENDENT* and is reprinted by permission. It deals with Valuation and the Taxation of Land Values in Denmark, British Columbia, Alberta, New South Wales, Queensland, New Zealand, Transvaal, Argentina, Brazil and other countries, giving facts that have been stated repeatedly in *LAND & LIBERTY* and are familiar to our readers. A footnote states that, through the gift of Mr. Harry H. Willock, of Pittsburgh, the article has been issued in pamphlet form for free distribution in quantities on payment of the postage alone. We hope it may have a wide circulation, for the question asked in the title is answered emphatically in the affirmative.

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I should like to pass just one remark in connection with the Oxford Summer School. One afternoon, during the week at Oxford, about forty of us got together and discussed Land Values. We were all of the opinion that such an important question was deserving of a Paper and Discussion, and keen was our disappointment that this subject did not figure in the School syllabus.—*Jack A. Clark, Willesden Green, in the WEEKLY WESTMINSTER*, 30th August.

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Glasgow's City Chamberlain has issued a report to the Corporation on Mr. Wheatley's Housing Bill. This report states that Glasgow will be required under the measure to build 105,000 houses in fifteen years. While the cost is problematical, he says it is not likely to be less, including ground, than £550 a house, thus involving an outlay of nearly £58,000,000, or equivalent to an extra 8d. in the pound on the rates.

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