

The Battle Of The Towns

English Municipal Campaigns

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SOME of the finest hours in English history, when not taken up with crowns and dynasties, have been those which tell of the long struggle for freedom of the boroughs, towns and cities. John Richard Green, in his "Short History of the English People," says: "In the silent growth and elevation of the English people the boroughs led the way . . . The rights of self-government, of free speech in free meeting, of equal justice by one's equals, were brought safely across the ages of tyranny by the burghers and shopkeepers of the towns."

This was written of the period from the Norman Conquest onwards. The struggle was against tolls, privileges and monopolies of all kinds. "Land," says Green, "was from the first the test of freedom, and the possession of land was what constituted the townsman." But he goes on to say: "In England the landless man who dwelled in a borough had no share in its corporate life; for purposes of government or property the town was simply an association of the landed proprietors within its bounds." So that, against the merchant guilds composed of the landed burghers, there arose the craft guilds of the landless townworkers. "The longest and bitterest strife of all," we read, "was naturally at London. Nowhere had the territorial constitution struck so deeply, and nowhere had the landed oligarchy risen to such a height of wealth and influence." About the year 1196 it was "the unfair assessment levied on the poor, and the undue burthens which were thrown on the unenfranchised classes, which provoked the first serious discontent."

This discontent exists unremedied at the present time. "Unfair assessments levied on the poor" are still the main feature of municipal life. The complete freedom of the English towns in local affairs is yet to be won. It is hardly credible that the great cities which sprang up after the Industrial Revolution, almost as rapidly as the American cities described by Henry George—Manchester, Glasgow, Birmingham, Liverpool, each with a million inhabitants—have no local option in the method of raising their municipal revenue. The assessments levied on the poor townpeople are as unfair as in 1196. Local authorities are bound by statutes passed in Queen Elizabeth's time 340 years ago. The Industrial Revolution and the Great War have made no difference in that. In the valuation of property no distinction is allowed to be made between the land and the improvements upon it. The site and the super-structure must be taken together, and no attempt is made to assess the true economic value of the land alone. This unscientific provision may have made little difference in Elizabeth's

day. It is working havoc in the finances of the great industrial and commercial centres of modern times.

The huge totals of municipal indebtedness constitute a second National Debt, imposing an enormous burden of interest payments, which falls mainly on the small householders. The level of local taxation, or "rates," rises inexorably in spite of the strictest economy and the reduction of necessary social services. Vacant land and vacant property escapes local taxation, and owners of valuable city sites are thus encouraged to withhold their land from its true economic use. Thus the community can neither use the land it has made valuable, nor secure the values it has created thereon.

A striking example of the effect of these local taxation laws is shown by the Bill passed last year enabling municipalities to exempt from local taxes any increases in the value of properties due to the erection of Air-Raid Shelters (See *Land and Liberty*, June 1938, p. 82). Special legislation was thus required to free our local authorities from the obligation they would have been under to impose local taxes upon the value of the people's protection from bombs. Thus the Government also admits that taxation levied on improvements discourages the making of them. But it is only protection against bombs that is to be now encouraged—protection against rain and cold, the houses which people need to live in, are still to be taxed and rated as before.

It is no wonder that in the face of such anomalies there has grown up a public sentiment in this country for the principle of land value taxation for local as well as national purposes. A principal evidence of this is the long agitation of the municipalities for freedom to levy taxes (or "rates") on land values separately from improvements. The numerous resolutions in favor of this change, and the action taken in following them up, would not have been carried out by Councillors and M. P.'s if it were not for their being pressed forward by their constituents.

The people of this country are as much awake to the "aggression" of land-monopoly as they are to the outside aggressor. The ceaseless work of educating the public in Henry George's principles has been carried on by the United Committee and all its associated Leagues until there is now a wide appreciation of our basic principle. It is no mere "rating reform" that is in question but a step forward in the struggle of the towns and their citizens for fundamental justice.

I guess our American friends would consider it a great thing if any of their cities were doing as Cardiff did in 1935—taking a definite lead on this question; passing its

resolution in favor of this fundamental change; inviting all other municipalities to a Conference demanding the necessary legislation; and communicating its declarations far and wide. Here is one instance of the "campaign", and it is only fair to remember work done by the United Committee, and by the International Union for the Taxation of Land Values, in support of the Cardiff initiative. It should be repeated that such action as that of Cardiff could not have been undertaken but for the urge of public opinion already created.

Since 1919, to go no farther back, resolutions calling for power to levy local taxes on land values have been passed by more than 235 local authorities, including such great cities as London, Glasgow and Cardiff. Not only has this individual action been taken, but a number of them have from time to time organized Conferences of Municipal Authorities, as in the case of Cardiff, for the purpose of influencing Parliament to grant them the necessary powers. Many have set up special "Rating" (local taxation) Committees to investigate the question, and have published valuable Reports, such as that of Sheffield in 1928, now one of the publications (No. 77) of the Henry George Foundation of Great Britain. Like other municipalities Sheffield had a long and bitter experience of the exactions of city landlords when land was required for schools, playing grounds, hospitals, and other public purposes. The city saw the values it was creating by its public expenditure being diverted into private channels by our effete taxation laws. It had good reason for its Report which has had a wide and influential circulation. Similar Reports were made by Newcastle-on-Tyne, Stoke on Trent, and others.

Special mention should be made of the Report on the question of the Finance Committee of the London County Council and the Bill which was its consequence. Just as, when the Land Value Tax in the 1931 Budget was repealed, a large number of municipalities passed resolutions of protest, so, when the L. C. C.'s Bill was being considered by Parliament, numbers of local authorities sent up resolutions of support.

This incident in the age-long battle of the towns is one of the most significant. In 1936 the London County Council, that great and influential body, decided to demand legislation from the Government to enable it to tax land values. But its demand was refused by a Parliament in which the influence of landowners is paramount. The Council then decided to prepare and introduce a Bill of its own which would have been a "Private Bill" since it applied only to its own area. Again the Council was frustrated. It will be appreciated what great importance attached to this determination shown by our greatest local government body and how its fortunes were followed by the rest of the country. The landed interests, whilst they opposed the proposal in the press, knew of course that a majority would vote against

it in the House of Commons, but they shunned any debate on it in the House, as they knew it could only help the agitation in the country for the land value policy. They therefore secured a ruling by the Speaker that such a proposal could not proceed by way of a Private Bill. For the time being the issue was decided on a technicality of procedure.

It should be mentioned that Mr. F. C. R. Douglas, who is chairman of the L. C. C. Finance Committee, and now, happily, a Member of Parliament, took a leading and determining part in all these proceedings. There can be no doubt that his statesmanship, his quiet, persistent, and genial conduct of controversy and debate from beginning to end were largely responsible for this triumph for our movement. Warm tributes were paid him by opponents as well as by friends. It has been well said that there are two ways of hitting a fellow, one is in the solar plexus, the other is by way of a pat on the back. One is the way of a certain type of propagandists, of angering and estranging their opponents. The other is that which has resulted from the L.C.C. debates. The Labor Party came to see the virtue of land value "rating", and schemes like the local income tax and other palliatives have been killed stone dead so far as London is concerned. The adoption of the land value principle for local taxation by the London Labor Party has done more to turn them toward the appreciation of the Henry George solution of the poverty problem than reams of wordy debate with its "ad hoc" fling at Socialism. A case in point:—The representative of an important assessment authority called recently at the United Committee offices. He said he had been an ardent and uncompromising Socialist but now as a practical man, obliged to look into the "rating" problem, he has come to see that the Henry George plan is the right one.

The important thing in the L. C. C.'s Bill was not the "rate in the pound" (i. e. the percentage of the tax levy); it was the fact of the Bill itself and the principle it stood for, the fact of the London County Council challenging a reactionary House of Commons, the fact of the nation-wide propaganda that came out of the Bill. The echoes of that fight have by no means died down. The war itself has not suspended the agitation. On July 31, the Derby Town Council on the recommendation of its Audit and Finance Committee passed a resolution urging the Government to empower local authorities to levy local taxes on site value. On the same day a similar resolution was debated by the Smethwick Town Council. The reports of these debates are given in *Land & Liberty* for September 1940. And so the battle of the towns goes on, war or no war, justifying the words of A. W. Madsen at the time of the L. C. C. ruling: "The determination of the municipalities and of the advocates and friends of the land value policy to knock still louder at the door of Parliament has been powerfully stimulated by this setback, hastening the day when the Government in power must enact the necessary legislation".