

crucial advantages.

(1) The economic benefits of land ownership are transferred to the whole community through the Exchequer.

(2) Idle land, of which there is a great deal in Zimbabwe, would be brought into immediate use.

(3) Skilled white farmers would be encouraged to continue farming. Agriculture is the most important sector in the Zimbabwe economy, and this option offers the prospect of creating an efficient rural sector.

● A compromise on Henry George's solution would be a discriminatory tax policy.

Owners who bought their land 20 years ago or more have fully recovered their capital outlay, in the form of imputed rental income. In a regime of rising values, this is generous compensation for the original purchase price, in fact.

So these people could immediately start paying tax on unimproved land values at a rate of 100%.

Owners who can prove that they bought land within the last 20 years could be taxed on a sliding scale. Thus, someone who paid for land 10 years ago can be assumed to have recovered half of his original capital outlay: he could be charged at the rate of 50% of the current annual value of land.

Someone who bought land five years ago would pay at the rate of 25%, and so on until everyone has recovered his original outlay and is paying the full rental income to the community.

● A variation on the cash compensation approach, which has been used by a number of Third World countries, is to give bonds to the dispossessed owners.

To defend this solution as equitable in the eyes of owners, however, the interest payments on the bonds would have to equal their rental income.

A huge on-going financial burden is imposed on the developing country, but it at least removes the need to raise enormous sums in ready cash at the outset.

This solution is of dubious value from everyone's viewpoint, however.

If, as is normally the case, the value of land is rising, the increase in rental income accrues to the community if land value taxation is adopted, or to the new landowner if land value taxation is eschewed, in which case one set of landowners have been merely replaced with another set.

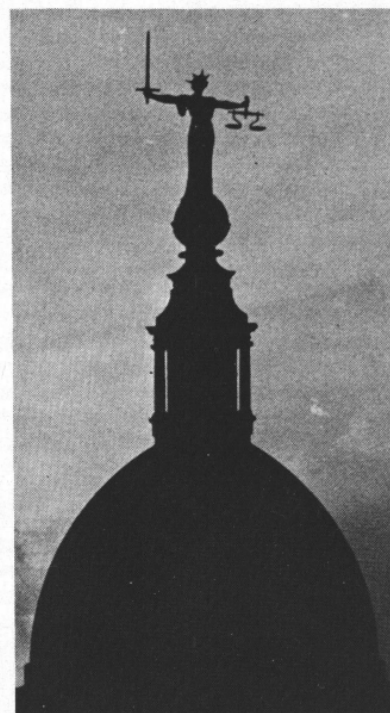
With inflation, the value of the bonds decline. This is another way of

Cont. on page 93

JUSTICE Is She Blind? THE LAW

How It Is Rigged By The Lawmakers

BY P. E. POOLE



IN A RECENT Lands Tribunal case, a Welsh houseowner successfully won £1,600 from Mid Glamorgan County Council as compensation for the noisy construction work on nearby Cardiff Airport. The value of his property, he contended, had been adversely affected.

But what happens when the value of land is *increased* by public expenditure? There is no equivalent right by the taxpayer to claim "compensation" from beneficiaries.

The scales of justice are tipped in favour of landowners, even to the point of determining who – in law – has the right to breathe oxygen. For there is a common law rule which dictates *cujus est solum ejus est usque ad coelum et ad inferos* – "to whom the land belongs to him it belongs all the way to the sky and to the infernal regions." Thus, those who do not own land can only claim legal access to light and air vertically over publicly-owned land!

The belief that we are all treated equally before the law is a grave error. People cite Magna Carta (1215) as evidence to support the belief. But this states (clause 39) that everyone is equal before "the lawful judgment of his peers *or by the law of the land*". But what if the law-making political system is dominated by a sectional group? The law is liable to treat people unequally, the practical effects of which are obscured by the belief that "we are all equal before the law." Magna Carta was a political document more than a statement of law, and its main aim was to protect the interests of landowning barons.

The judicial system on which we pride ourselves treats everyone equally in the sight of promulgated laws. **But justice depends on who is writing the laws!**

● **MRS. THATCHER'S Government has announced its intention to amend Part I of the Land Compensation Act 1973, to remove the time limit for making claims for compensation for depreciation in the value of property caused by public works. But there are no plans to finance public projects out of the increase in land values created by such undertakings.**