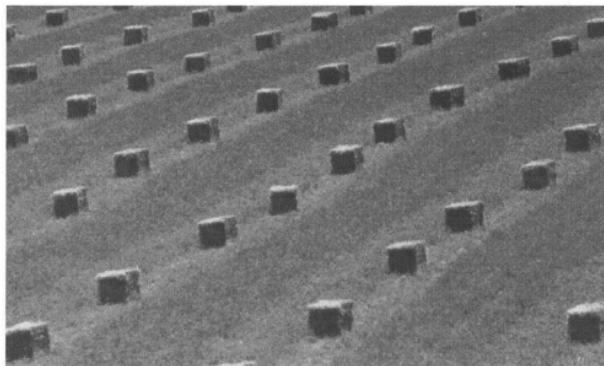


Your views



Agricultural land: what rate tax?

Green Party erodes its pledge on land value tax

Tony Vickers (L&L Summer 2001) states that the land value taxation policy of "the Green Party of England & Wales" hasn't changed significantly since the 1997 general election. Its official policy has changed. Ten years ago the party conference voted for a new land section for the Manifesto for a Sustainable Society (MFSS) which is the compendium of party policy. The land section proposed gradual, complete implementation of LVT.

However, at the Green Party's 2000 conference an additional taxation part was added to the MFSS. This defined what is now Green policy on LVT. It states: "LVT will be introduced to replace the Council Tax and the National Non-Domestic Business Rates" and "agricultural land will be taxed at a low rate so that intensive farming is not encouraged or basic food prices forced to rise". Three amendments that would have kept party policy as it was (that LVT would gradually increase until there would be a 100 per cent collection of the annual rental value of land) all fell. The Green party has no interest in LVT. Green economists support LVT but the party ignores their opinions.

What is required are clear LVT political alternatives, but exciting new movements or parties will only come through if we have electoral reform. All LVTers should support Roy Jenkins's proposal for partial PR, so distinct LVT alternatives can be put to the electorate. Perhaps HGF and/or the Progressive Forum should become partner organisations of Make Votes Count?

Martin Childs
Orpington, Kent



Payment for privilege

Apropos the letters by Messrs. Giles and Boorman, both of Australia (L&L Autumn 2001), land rent is not "payment for service" but payment for privilege enjoyed – that of having, temporarily, sole right of possession and use of something which does not belong to anybody, and to the use of which nobody has any absolute right.

If it was recognised in law that the land did not belong to anybody, but was subject to the administration of the state, that entity could perfectly well charge

a fee for its possession and you can call it whatever you like. But it would be better not to call it a tax since, if the politicians are permitted to tax one thing, then it is difficult to stop them taxing another and what we want to do is to end taxation altogether. So there must be no exceptions.

Robin Raynham
Isle of Wight

Regenerating Scotland

I must take issue with the concept in Ian Mason's review of Alastair McIntosh's *Healing Nationhood* (L&L Spring 2001) that "a simple

and practical fiscal reform is more likely to follow from than to be the cause of a spiritual and cultural regeneration".

Addressing the Scottish Executive in May 2000, I pointed out in a letter, with regard to certain legislation it was proposing, that it took "as [its] standpoint, the concept of a discriminatory, first and second class citizenship for the people of Scotland: i.e. that some are owners of the earth, while others have to pay them for the right to be here".

This status of second-class citizenship is the fundamental fact of life, born of present land tenure, for the great mass of the Scots, and it is clearly impossible to hope for a "spiritual and cultural regeneration" among a people so grossly held down in this way. To try to state otherwise is to aid in the great cover-up of what is no less than the mutilation of a people's soul.

This great cover-up is financed by such conjured-up terms as "the stakeholder society", and purported policies of social inclusion. Indeed, in its on-going rush to blind the people, the Scottish (as it is called) Parliament has actually conjured up a Minister of Social Inclusion!

Spiritual and cultural regeneration will follow, as day follows night, once there is restored to the people of Scotland their essential dignity, and equality of status – which can only be achieved by the restoration to them of a direct stake in their own land. The Australian Aboriginal people got it right. "Land," they said, "is kinship, family and clan. It is the basis of life, identity and spirituality," – and the Scots know this just as well.

Shirley-Anne Hardy
Pitlochry, Perthshire

Can a leopard change its spots?

Georgists have always presented the case for their right to freedom – of action, of speech, of movement and of trade – in a context of respect for the rights of others. In the modern world it is proper to qualify the right to free trade with the right of government to interfere if it considers public

health to be at risk. If there was free trade at present, I don't think millions of livestock would have been slaughtered in Britain on a voluntary basis. And, thankfully, the Australian government would not permit the import of such health threatening consumables from Britain. But to suggest that Georgists abandon the term, and maybe the concept, simply because certain promoters of powerful bureaucracies are uncomfortable about personal freedom beggars belief. Western parliaments did not abandon the word "democracy" when the Soviet satellites chose to strip the word of its time honoured meaning, did they?

Henry George stressed time and again that free trade would be of little general benefit without equality of access to land by means of the public collection of site rent. It is distressing to note that the new people are demoting that basic Georgist call. We note (L&L Spring 2001, page 5) that taxes on carbon/nuclear fuel, minerals, toxic chemicals aimed at the big corporations take precedent. I am not convinced that the same enthusiasm is evident for collecting the site value of all land upon which stand houses, shops and small businesses.

Indeed Mr Lefmann (L&L Spring 2000) expresses considerable concern that "companies



No need to change these marks

are able to direct their profit to nations that give them the advantage of low taxes". Why not? It is a fundamental Georgism that "man seeks to satisfy his desires with the least exertion" and that "taxation is robbery". Who wants to pay taxes on profits? It is no Georgist solution for government to demand money from companies merely because it fails to collect site rents. He also laments that "today nobody is able to regulate international trade". Is that bad?

As for taxes on pollution, although excellent in concept, they are not rent collection, nor are they taxes. They should be regarded as penalties for breach of public health laws. If public health is being endangered the perpetrators should be penalised like drunk drivers. Finally, as for sustainable production, George reminded us that "the more the jay hawks, the fewer the chickens, but the more the mankind, the more the chickens!"

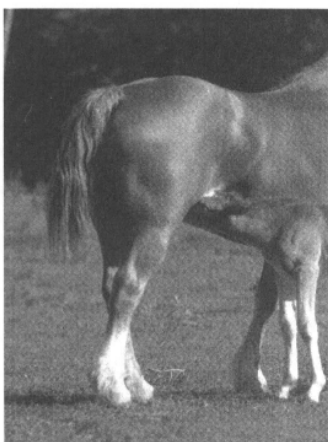
Frederick Auld
Tasmania

Asset rich, income poor

An item in the 29 September Sydney Morning Herald was headlined "Prix d'Amour a thorn in Rose's side". It reads: "Ms Rose Porteous says she may be forced to pull down her West Australian mansion Prix d'Amour to make way for luxury apartments because she cannot afford a new annual tax bill of \$400,000."

The residence, built for Ms Porteous in 1990 by her late mining magnate husband, Lang Hancock, is on 8,117m sq overlooking Perth's Swan River. At today's values, the property would attract about \$400,000 a year luxury land tax. The tax has caused an outcry from people living on exclusive properties, many saying they are asset rich but income poor.

Ms Porteous's real estate husband, Willie, who has been trying to sell Prix d'Amour, said yesterday that architects were looking at ways to rezone the sprawling block. This could



Would you buy this horse?

include bulldozing the home to make way for up to 30 luxury apartments.

The Western Australian politicians do not have a clue about rent in its economic sense, but they certainly understand the word tax. Although we have unemployment with its attendant crime and poverty, we have virtually no slums. With LVT it does not pay to keep a slum.
Lionel Boorman,
New South Wales, Australia

Meet the challenge head on

I note one article and several letters (L&L Spring 2001) urging the adoption of new terms (all different) in place of Land Value Taxation to avoid the word tax.

All are, of course, quite correct that LVT is fundamentally different from conventional taxes, like income tax, VAT, stamp duty, etc. It is beguiling to think that the adoption of a new term like "sovereign's rent", or whatever, would help emphasise this difference whilst avoiding the unpopularity of taxation in general. Beguiling, but dangerous.

I can see the headlines now – "Sovereign's rent: the stealth tax to end all stealth taxes!"

Sorry, but it would be a public relations disaster and a gift to our opponents. Most people would have their minds closed to the idea before we had even opened our mouths to explain what we are talking about.

There are no shortcuts to the argument that a civilised society needs good public services; public services have to be paid for by taxation; taxation should be fair; here's why LVT, and related taxes,

are fairer than other forms of taxation. We can't avoid the term taxation – we have no option but to meet negative feelings head on.

John Simpkins
Farnborough, Hants

Horses for courses

Tommas Graves suspects James Robertson doesn't see the full cat, since he suggests a social salary (L&L 2001 Summer). Actually, Graves sees less than the full lion. The point of a citizens' dividend is not to alleviate poverty, although it surely would. The point is to put into the pockets of the owners their rightful property. Rent belongs to us all, not to landowners, not to an elite, not to the state. Lacking our fair share is what impoverishes us, and creates class and hierarchy and all the evils of inequality. Hiding this universal payout, as Georgists do, while touting a tax, any tax, is like trying to sell a horse by showing off its rump. You got it completely backwards.

Jeffery J Smith,
President, Geonomy Society,
Portland, Oregon, USA

Over-farming is over-egging

Recently I saw an e-mail from a member of The Land Is Ours movement who was sceptical about LVT as he thought it would mean over-farming. I have heard and read many arguments against the proposal to implement LVT, but never before have I heard that it means over-farming.

The supporters of landholders' interests seek to maintain today's rights for landholders to withhold the main part of the rent of land. They have not created the rent of land. It has been and will be



Henry George under the plough

created by other citizens' demand for sites. It will increase even further every time the community invests taxpayers' money in better infrastructure.

Therefore to me The Land Is Ours means all citizens should benefit from the total value of all land in the country on an equal footing. Such an arrangement will only become reality through public collection of the annual rent of all land, rural as well as urban land. Public collection of the annual rent of land and other privileges protected by the government will give each citizen equal economic rights. That gives the citizens the best basis for acknowledging other citizens as equals. That gives all human beings more tolerance, better relations, greater harmony, warmer friendship, peace and prosperity, which is what the Georgist movement is aiming at. If such a thing as unwanted over-farming becomes a possibility, the means for combating it will be restrictions – in the same way as for controlling pollution.

It is quite normal that governments plan and regulate how sites may be used: residential, meat, milk, corn growing; market gardening; leisure parks; forestry; infrastructure; industrial and nuclear plants. Restrictions commonly mean that some citizens will be allowed to do what others are not, or allowed to avoid doing what others are obliged to. Such privileges, protected by government, will be of value to the holders of the privileges, but such values, created by the government, have to be forwarded to the public chest; if this does not happen through the collection of land rent then it has to be collected in other ways, and all such public collection has to be used for the betterment of all citizens on an equal footing.

In Denmark LVT meant that smallholders' properties were farmed more intensively than bigger properties, but it never resulted in over-farming.

Ole Lefmann
London

Your views are edited by Jerry Stovin. Please send letters to the editor at Land & Liberty, 427 London Fruit and Wool Exchange, Brushfield Street, London E1 6EL. You can also fax them to 020 7377 8686, or e-mail them to henrygeorge@charity.vfree.com