

The British Land Wars – Part 2

The Scots take up the fight

by **ROY DOUGLAS**

In some places, for example, the emphasis switched to land purchase by peasants through what was in effect a long term mortgage. In other places, the main stress was on land acquisition by public authorities for the benefit of those with no holdings, or inadequate holdings; while, so far as the English tenant farmer was concerned, the main stress was on security of tenure; the farmer should go on paying rent, but would be safe from arbitrary eviction.

What brought land reform back to Georgist lines was a Land War in the Hebrides, of all the unlikely places. It began when some fishermen from the Isle of Skye landed in Ireland in 1881 and caught the ideas of the Irish Land War, before these had become corrupted. Throughout a large part of the 1880's, rent strikes were endemic in the Western Isles, and were frequently followed by riots when the authorities sought to enforce payment by seizing cattle or issuing

eviction orders. Through much of the 1880's, police, marines, gunboats and even soldiers were in widespread use in the Western Isles.

What interests us today is not so much the solution (or perhaps I should say the patching-up) of the complaints of the Hebridean crofters; rather the fact that the Hebridean Land War went on intermittently for a very long time, and throughout that period it was a matter of great public interest in the Scottish towns – especially Glasgow – where many people were of Hebridean origin. If you read the major Scottish newspapers of the time, events in the Isles formed major news items. Then there would be a lull; then the Hebridean agitation would pick up again.

After the land wars – Britain today

The land problem in this country has reached crisis proportions. In the past two years the value of land in the United Kingdom has risen by more than 50,000 million pounds – equivalent to the entire gross national product.

This figure owes almost nothing to the efforts of landowners. Nevertheless, most of the benefit has gone to a comparatively tiny handful of companies and individuals. Windfall fortunes made from land have become the most conspicuous example of inequity in our society.

As vital investment funds have flowed away from industry into property, we have seen absurdities like the one recently pointed out by Lord Stokes – that a single office block in the City is today worth more than the market value of British Leyland, a company employing nearly 200,000 workers.

Britain's housing programme faces almost complete breakdown. The farming community watches in consternation as agricultural land changes hands at 100 times its annual rental. While far outstripping the cost of living rising property values have in the past few years become themselves a major factor in accelerating inflation.

If the Government really wishes to tackle the land problem at root, it must ask itself what precisely it is trying to achieve. The answer must be that it is hoping to win back for the community

British writers **CHRISTOPHER BOOKER** and **BENNIE GRAY** comment on the land problem in contemporary Britain – and offer a contemporary solution

that part of the value of property which is created by the community rather than by the property owner – i.e. the value of the land.

This aim in itself is nothing new. It was most forcefully urged 100 years ago by Henry George with his proposal for a Land Value Tax. George's system was conceived from an agricultural economy and one of its chief purposes was to encourage development at almost any cost. What is required today, however, is what amounts to an entirely new form of tax, which would be levied on that proportion of rental value attributable to the value of the land, rather than that of the building or any other improvements.

By its application to land values right across the board, the tax would amount to the greatest land reform in the history of this country. Not only would it relieve the enormous inflationary pressure of the land spiral overnight, but it would provide so substantial a revenue that it could replace several existing forms of taxation. Unlike proposals for nationalisation, it would, by retaining the play of the free market, not create problems of land allocation.

A land tax would certainly create serious disruption of the property market – which would probably have to be palliated by introducing it progressively over a period of years. But its benefits would be felt at once. And so grave is the present land crisis that any real attempt to correct it is bound to be disruptive.

By 1884, if not earlier, people in Glasgow were beginning to ask whether the "land question" was not as much an urban problem as a rural one. By the late 1880's, a great deal of interest was being directed to the idea of levying local rates on the basis of site values. Some of the bolder spirits were actually envisaging a "single tax" on land values, which (on the current scale of public expenditure) would defray all requirements.

The idea of site-value rating, with its overtones of "single-taxing", spread outside Scotland, and demonstrably played a large part in the Progressive victory at the first London County Council elections in 1889.

Through the 1890's and into the early 20th century, land proposals with an obvious derivation from Henry George spread through most Scottish towns, along with many places in England. At one time, well over 500 rating authorities – some of them even Conservative – petitioned for the right to levy rates on the basis of site values.

A Royal Commission, reporting in 1901, produced sharply-divided opinions on this subject. Even at a time when the Conservatives still held a great majority in the House of Commons, three Bills in favor of site value rating experiments went through the Second Readings.

(to be continued)