

and Jørgen Jørgensen and Viggo Starcke next in command. After the death of H. C. Hansen in February 1960, Viggo Kampmann became prime minister. The Triangle government ruled Denmark three-and-a-half years. The Justice Party held three of the nineteen cabinet posts, but its influence was proportionately far greater.

With the co-operation of H. C. Hansen, the Justice Party's programme was largely put into practice. The first thing they agreed upon was to continue Denmark's membership in the United Nations and in the North Atlantic Treaty Organization. The Triangle government arranged for the conversion of certain residential construction from state to private financing. It voided certain import regulations and revised custom laws; it again placed Denmark in the free trade basis which had been abandoned in 1932. Apart from an immediate levy to cover a deficit inherited from the previous administration, no new taxes were levied. But the communal land-value tax was more than doubled, and the additional amount received was used to reduce the communal income tax. Also, the land increment tax was increased. Debts owed to parties outside Denmark were reduced to the lowest in a generation. The Justice Party was instrumental in leading Denmark in to the free trade area, the European Free Trade Association.

The results were dramatic. Unemployment, which had been a real problem, practically vanished. Inflation was halted, Real wages had the greatest rise ever. Industrial production increased 37 per cent. Saving climbed sharply, and speculation in land was sharply curbed. Denmark enjoyed an unusual period of prosperity and stability.

When the time came for the election near the end of the year 1960, the Justice Party was at a decided disadvantage. Starcke, because of illness, was not a candidate; he was in fact too ill to campaign. Of the original nine members in parliament, four had died and been replaced by men who were not well known by the voters. None of the Justice Party members was permitted to appear on television. The entire press was hostile. The party had in 1957 received 5.3 per cent of the vote; it now fell to 2.2 per cent and failed to win a single seat in parliament.

Since 1960 most of the constructive legislation has been repealed. The other parties have governed badly. Inflation has flared up again, taxes have tripled, interest rates increased, and there is more land speculation than ever before. Starcke comments, "It was a misfortune for the Justice Party that in 1960 it slipped out of the parliament and the government, but it was a still greater misfortune for the Danish people."

The great achievement of the Triangle government

was that it showed that something can be done to improve economic conditions in a country. The Triangle government came nearer than has any other government to putting into practice the Georgeist philosophy. Dr. Starcke had the courage to fight the good fight with all his might. Despite the set back, Dr. Starcke has faith that eventually justice will triumph. He writes, "We were within forming the best government Denmark has had in this century. We had an appreciable part in its good results. That is a triumph. The results were destroyed, - for a time, - and the Justice Party's influence weakened, - for a time. That is a fiasco, - for a time!"

Confusing the Voter and Me

T. O. EVANS

I DON'T quite know what to make of an article in *the Liberal News* (August 9) entitled "How to Cut Your Rates: Liberal Plan for Land Tax," written by Tudor Jones.

"The centrepiece of Liberal land policy is Land Value Taxation (or Site-Value Rating), which Liberals have been advocating ever since Lloyd George's 1909 Budget," begins the article. (In fact Liberals were advocating LVT as early as 1889.) Now the words "Land-Value Taxation" are customarily used to denote a national tax on land values in lieu of existing national taxes; Site-Value Rating is correctly understood to be a system of raising *local* revenues, and the terms are not strictly interchangeable. Which do the Liberals advocate — LVT or SVR? Or perhaps they advocate both?

The continuation of the article, instead of enlightening me any further, confuses me for immediately following the opening sentence quoted above, we get: "Liberals aim to levy taxation on the value of land sites zoned for residential development." What is this, some development charge on residential vacant land only?

Before confusing me further, I get, in parenthesis, "Agricultural land would not be eligible (liable?) for rates under the Liberal Plan," so perhaps there is to be a special *rate* on developable residential sites? This appears to be so from what follows and of course it is a misuse of words to describe this as "site-value rating."

"In practice, all residentially zoned land - in both public and private ownership - would become liable for taxation as from the first date designated for development. This would involve site-value rating on a sliding scale, with zero rating for the first year rising to 100 per cent rating for the third and subsequent years that a site is left unreasonably underdeveloped."

But no, that is not what is meant at all - or is it?

Site-value rating would, in fact, replace the existing rating system whereby rates are levied on properties and improvements - a system riddled with anomalies and injustices. Why should the householder be penalised for improving his house? At present if a bathroom is added to a house up goes the rates bill. Site-Value Rating would change this."

Site-Value rating would indeed, but taxes on "land sites zoned for development" wouldn't.

But we have it wrong, for it is explained that the Liberal policy of site-value rating would "substantially reduce the burden imposed on domestic ratepayers . . . would ensure the rating of undeveloped building land and of unoccupied building sites (same thing?), penalise land hoarding and stabilise land prices."

So it does seem that Liberal policy is the rating of site values plus a betterment levy after all - or is it?

The article concludes: "The acute problems of soaring land and house prices will be a central issue at the next Election. The Liberal policy of land-value taxation explained on this page looks capable of changing the situation in which these problems arise."

Unless Liberal policy is explained better than this, not many voters will know what they are voting for when and if they vote Liberal.

Confusing the Liberals and Tories

AN extraordinary misrepresentation of site-value rating was contained in an election leaflet distributed by Tonbridge and Malling Conservatives during the local election in June. They were attacking the Liberal Party policy of site-value rating and their leaflet was devoted exclusively to this attack.

Whether these absurd statements were made by ignorance or design we cannot tell, but for the record we print the statements followed by our comments.

"Tenants and home-owners will be equally hard-hit."

Home owners would pay rates on the site value of their houses. The tenants, as tenants and not owners, would not. "Hard-hit" is an expression that simply begs the question.

"Rates will be calculated solely on the amount of land your house occupies."

Rates will not be calculated on the amount of land but on its value.

"Basically it is the size of your garden that will decide what your rates will be."

It is not. It will be the value of the plot you occupy garden included. Gardens are already included in the assessments of present rateable values.

"A family living in a £10,000 home in the country with a modest garden would pay more in rates than some-

one living in a luxury £25,000 town house with no garden."

The opposite is the case since the value of land occupied by the town house would be greater than the value of the land occupied by the country house and it is the value of the site which determines the rate, not the size of the plot or garden.

"Very wealthy people would spend a fortune doing up dilapidated houses and then pay very little in rates."

The assessment under site-value rating would be arrived at independently of whether the house was dilapidated or done up. Doing up dilapidated houses may not reduce rates, but they would not be increased as they are under the present system.

"Land would become even more expensive under site-value rating."

It would not. It would become cheaper.

"All high buildings would get off with absurdly low rates because only the area of the site is rated."

It is not the area of the site that is rated but the value. The owners of an expensive site with a high building on it would still pay high rates.

"There could be no rating of unoccupied buildings."

All unoccupied buildings stand on a site, and the site is rated whether occupied or not.

"Site-value rating is a property speculator's dream."

Property speculators would find the speculative element in property (the land) severely curtailed if not eliminated - not a particularly good thing for them to dream about.

"Agricultural land would bear crippling rates, causing increases in the price of food."

If agricultural land were rated it would be paid by the owner of the land and would not be passed on in the price of food. When agricultural land was de-rated in 1929 the price of food did not go down, but the price of land went up!

"Recreational amenities using a lot of land - sports grounds, golf courses, tennis courts and allotments - would be taxed out of existence."

This is untrue. Such areas of land would be rated upon their permitted use value only, so that rates might well be lower, as was indicated with one of the golf courses at Whitstable.

"In a trial study of site-value rating at Whitstable, they even taxed the graveyards."

There has been no tax at Whitstable. What is probably meant is that graveyards were included in the assessment, but cemeteries are taxed today under the present rating system.

"People's rates would increase under site-value rating."

The study of Whitstable showed conclusively that residential properties would pay reduced rates even if agricultural land, church land, etc., were exempt.