

thought that some people are so wealthy and powerful that they would find ways around it. He felt that "If you don't sort out the wealth then you can't sort the land out". He was not yet at the stage to make the link between the two. When asked about the recommendation of a vacant land tax suggested by Lord Roger's Urban Task Force to the British Government in 1999 he responded in characteristic fashion.

"I advocated something different. I advocated going back to 1946. General de Gaulle and his government brought in a kind of tax in a way. If a property was empty for more than two years then it fell into common use and was taken over by the council. Two years was considered long enough and there was enormous shortage of housing in France."

More than anything our encounter revealed the need for him to debate these issues and as he would later admit he does not have anyone to really to debate these kind of issues with. Time was running out so I unfortunately could not tie up some philosophical loose ends, and we agreed to meet again to discuss further. He concluded with some interesting comments following remarks made by my assistant for the

day Lori Osnow that "we need to get way from the ideology of left and right" and "create a new social theory and new social practise".

He also felt he needed a year or two to reflect and "not be the beast of burden that I am". His final and perhaps most intriguing comment referred to the current climate of ideas, as lacking 'oxygen' and again urging the need for a debate to begin. This insight followed from something he had recently read about what cancer was, that essentially its cells are not oxygenated. I particularly look to see where his interest in this might lead.

He is a man still very much on a journey, one that will inevitably lead to providing more insights into the real causes of the breakdown that he has witnessed in individuals in the last ten years. These years have been about healing and in this sense he is social doctor. The shift to prevention rather than cure is very significant for readers of this magazine. Those of us inspired by the understanding that land, in all its forms, gets its value chiefly from the population and the presence of a community are well placed to offer a vision that is holistic, inspiring and still very relevant.

The Big Issue as land speculator

THE BIG ISSUE has just sold its Glasgow headquarters in College Street for £1.6m. The organisation is moving operations to the Gorbals.

The selling price of the property is more than five times what *The Big Issue* paid for it in 1996. The building is going to be converted into expensive executive apartments. Spokesperson Kate Caskie has been quoted as saying: "There might be an irony, but we haven't thought about it".

Well indeed there is an irony. And if *The Big Issue* doesn't "think" about it, then it can say goodbye to its credibility as an anti-poverty and homelessness campaign force. *The Big Issue* has just actively taken part in the very system that, at root, causes the problems it's supposed to be addressing. So what is happening here?

DURING the period that *The Big Issue* owned its headquarters, the value of the building itself would not have risen much. After all, the cost of the materials and labour required to replace it have remained more or less stable through that time. Certainly there's been no five-fold increase in labour wages or brick prices. And, if anything – the ongoing need for maintenance being what it is – the value of the actual building may well have fallen over those five years. So where has this five-fold increase in property value come from?

The £1.3m increase in the value in *The Big Issue* headquarters is the result solely of a massive increase in the underlying land value.

When *The Big Issue* acquired the site, the area in which it sat was not one that was sought after. The HQ was surrounded by vacant and derelict land. Most of that land was being held, under-used as car parks, by property speculators, waiting for a boom. And the boom has come. *The Big Issue* has joined the ranks of those speculators who are now raking it in.

It is by playing the role of landowner, that *The Big Issue* finds this £1.3m cash has come its way.

But where has this local boom come from? Why this sudden increase in land values? Why the increased development activity in the High Street and Candleriggs areas?

Land values in the area have increased for a variety of complex specific reasons. But, in fact, in general terms, the causal reason for all this is quite simple: there is now competition from Glaswegians to be in the area – to live there, and to have their work there – where there was none before.

It is in fact the presence and economic activity of the surrounding city, and Scotland beyond, that has created these land values.

We should ask: what have these landowners done to merit their new-found riches? By what effort on its own part has *The Big Issue*

brought about this happy state of affairs for its own finances? Well, the answer there is just as simple – by precisely no effort whatsoever. *The Big Issue* did nothing to gain this windfall – it just happened to be sitting there when the boom came.

It may be a pleasant irony that one of the beneficiaries of these speculative gains will be an organisation dedicated to helping those in society less well off. But the fact remains that, whether legitimised or not by our iniquitous land tenure and taxations systems, such increased land value is created by the presence of the whole community, and not by the landowner. The value is, therefore, rightfully, the property of the whole community.

Land values are at present privatised in Britain – but it was not always so. Nor can it remain so for long, for the privatisation of what economists call the "rental income" of the land (and all other natural resources) is actually the root cause of the very thing *The Big Issue* exists to eradicate – poverty. And homelessness – commonly as an effect of poverty – is linked in closer still.



Peter Gibb
reports from
Glasgow

POVERTY in the world is caused by the iniquitous effects of our systems of wealth distribution. The usual response of many trying eradicate poverty – such as *The Big Issue* – is to argue for counter-systems of wealth re-distribution. They attempt to mitigate or counteract what they resignedly accept as a "natural" and inevitable result of our harsh economic systems.

But such efforts, we are constantly disappointed to see, inevitably fail. Re-distribution, as a principle strategy for ridding the world of poverty, will never work. We must look again at the primary system of distribution. For it is there that the problem lies.

The enduring answer to poverty must be in ensuring that each human being is granted equal access to our common resources, so that each and every one of us has a way to prosperity. The practical means of bringing this about is the replacement of our current poverty-creating taxation system, with a radical system of land value taxation, linked to a "citizen's dividend".

The Big Issue has been lucky. Its windfall will no doubt greatly benefit its charitable work. But that must not blind us, or it, to the underlying wrong of what is happening here. *The Big Issue*, of course, is simply acting rationally and intelligently within the given system. But that system must now be radically reformed.

The Big Issue must "think" about what has just happened to it. For the organisation has just acted as part of the very system that causes what it's fighting against. That must surely raise some big issues.

The Big Issue might use its unearned landowner windfall to support research and campaign work along those very lines. For our landowners, that would be a delicious irony indeed.