

# letter from the editor

CLASS JOINS us and divides us. It is our personal identity, our social environment and our economic means. Those who claim the arrival of the new classless society, are usually themselves the unwitting recipients of the new class privilege.

The evidence for the demise of class in the West was always muddy. While the old classes may still contribute to personal identity and social environment, they no longer define our economic means. A new class divide now gives that definition: it cuts right across and through the old divisions, and comes from the wealth of urban land value.

This is not to say that landed privilege has never before existed. Most people are well aware of the historical heritage of the old landed classes. From the modern ages' European aristocracies and New World nouveau rentiers, back through history and before, to ancient civilisation, the ability to capture—and enjoy for private advantage—the value of the common wealth of land and resources, has always been the mark, prey and pleasure of insidious landed privilege.

The unearned wealth that accrues to those who hold the value of the land beneath our cities is in the order of the population's wealth-earning capacity by honest work. That unearned wealth is captured and enjoyed directly by the equity-holding homeowner, and indirectly by the security-holding and interest-receiving financial services industry. The West's established institutions of property and taxation mean the homeowner gains about as much wealth by the simple fact of idle ownership, as the working citizen does by their application and industry. Power as always rests with the holders of land value.

So only one social division today really matters (as it really ever did). Western society finds itself defined by the emergence of the New Urban Landed Class. You're either in it, or you're not. Nothing else really matters so far as your life chances are concerned. It is the mother of all postcode lotteries.

But never before has landed privilege been available so widely yet still selectively; never before so importantly has landed privilege manifested as a peculiarly urban phenomenon; never before has landed privilege structured society with a unique, majority polarity; and never before has access to the universal right of a fair, sustainable share in the global and national commonwealth seemed so broadly blocked by the obstacle of such a significant minority class interest.

Since entry to the 21<sup>st</sup> century New Urban Landed Class is—on the face of it—available to all of us, its influence as a powerful barrier to reform for the good of all is the harder to see; the more difficult to oppose; and the more tempting to which to succumb.

The new class divide separates not the 'haves' and the 'have nots', but the 'takers' and (when we get down to it) the 'givers'. Faulty fiscal policy is the means by which today's class inequities continue—indeed are built into the system. This, in the UK, is the root of the failure of the New Labour project: in the US it will be the downfall of President Obama's programme for change. Fiscal reform that returns community-created value to the exchequer is the way forward.



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