

fresh thinking

Congestion charges - against ...

The debate on the merits of congestion charges continues: presenting the case against is **Richard Giles**

Land&Liberty (Summer, 2003) asks "is road pricing effectively a form of mobile LVT - levying a charge on those who monopolise valuable locations with their cars".

Congestion charges is seen as a tool to promote land value taxation and as a way to get up there with the latest environmental economists - and thus with the Green movement. It all makes sense.

But Henry George wrote in *The Land Question* that "to a clear understanding of the whole subject, the question of principle must necessarily precede that of method". Land value taxation, congestion charges; both are methods. The questions is: What is the principle?

If congestion charges are a form of land value taxation, they are governed by the same principle. The principle, Henry George tells us in *Progress and Poverty*, is equal rights to land. Where persons lay claim to the exclusive use of land, they should pay to the community a ground rent that reflects the market value of its advantages.

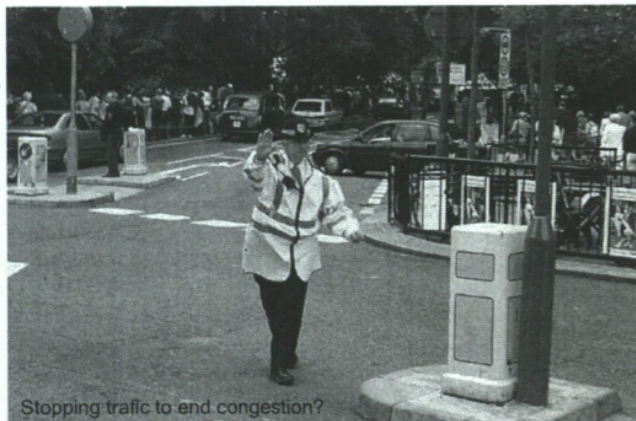
Other land is common land and George suggests that its use is more like the use of a club, governed by custom and courtesy. To put a charge upon such common land for the purpose of excluding some from using it is contrary to the principle of the equal use of land. The way this problem has been dealt with is to use words which suggest that what we are dealing with is private land subject to rent.

Thus, **Land&Liberty** uses the word 'monopolise' to suggest what motorists are doing when they use the road. Other opinion says that moment by moment motorists are asserting 'exclusive use' of land, and thus they must pay a rent. Those terms are not just strained when applied to common land, they

are wrong and dangerous. Simply users of the roads are not 'in effect' or in any other way possessing land. Let one of them stop just for an instant in Sydney when they might move, and that is made abundantly clear.

The idea that makes it easy to think that common land has been privatised springs from the idea that land is owned by the community. It is not; it is the rent of land that is owned by the community. Land is there for all to enjoy equally.

Once it is thought that land is jointly owned by the community, or nationalised, somebody



representing the public such as a council assumes the right to say what will happen to it. And, just as in the Soviet Union where the state owned the land, the individual has then effectively lost any rights in it.

Not only this but the officers of that public body administering 'our' joint rights in land begin to assume that it is this body who owns the land, which means, in effect, that those officers (elected and unelected) own it. As Henry George warns us, government will always attempt to take as much power to itself as it can. In other words, these congestion

charges will multiply, grow in complication and breed other interferences with freedom of movement.

For some time George himself was unclear on this vital question, maintaining that land value taxation was just a more practical and subtle way to make land common property than schemes of land nationalisation. It was only later that he asserted that equal rights to land were not joint rights to land - and most definitely denies land nationalisation.

By embracing congestion charges, we group ourselves with those 'advanced thinkers' who are well on the way to taking charge of our private lives, who are substituting a mass of legal prescriptions with for the customs and courtesies by which we have lived for generations; who are replacing principle with rules.

These congestion charges which are a tax on movement contradict George's own view that no charges should even be made for the use of public transport (let alone for using roads). You will remember that he pointed out, in the same way as putting a charge on the use of lifts in buildings would diminish rents in those buildings so too charges for public transport would diminish rents alongside thoroughfares.

Congestion charges are just another interference with that spontaneous or unconscious cooperation which George said in *The Science of Political Economy* lay at the base of production. Congestion charges are an interference with movement. From my own experience, the glamour of congestion charges is that they are not seen as base and dangerous. This can only be dispelled by absorbing George's ethos. But, as they say, pigs might fly. **L&L**

Fundraising - gearing up the action

The Foundation's Council of Management has initiated a priority strategy for fundraising. The project builds on the preliminary strategy work pursued over the last two years with marketing man Brian Niblett, process consultant George Clark, and communications expert Alan Reid.

Discussions are now taking place with specialist fundraising professionals. An in-house fundraising executive may be appointed.

First under discussion are reserves policy, financial management systems, mission statement, and aims. Next up will come a new business plan which will look

at income streams, marketing and public relations, board development and succession plans, membership and supporter policy and fundraising.

Foundation members will have an opportunity to contribute to this process. A brainstorming workshop is to be held as part of the AGM day event. **L&L**