

# Congestion Charges

by Richard Giles

**L***and and Liberty* (Summer, 2003) asks “Is road pricing effectively a form of mobile LVT — levying a charge on those who monopolize valuable locations with their cars?”

Many Geoists support congestion charges as a tool to promote land value taxation and as a way to connect with the Green movement. It all seems to make good 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 principle, George tells us in *Progress and Poverty*, is equal rights to land. Where persons lay claim to the exclusive use of land (as landowners) they should pay to the community a ground rent that reflects the market value of its advantages.

Other land is common land. George suggests in *A Perplexed Philosopher* that its multiple use is more like the use of a club. Equal rights in that land is maintained by custom and courtesy. Thus, for example, there are customs that govern the use of beaches. One also has the rules of the road (written and unwritten) by which we as a community try to maintain the equal use of the road among motorists, pedestrians, cyclists and so on. 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.

Thus, *Land and Liberty* uses the word “monopolize” to suggest what motorists are doing when they use the roads. Those terms are not just strained when applied to common land, they are wrong and dangerous. Simply, motorists (or any other user of the roads) are not “in effect” or in any other way possessing land. They make no claim of exclusive use. Let one of them stop for just an instant in any busy city when they might move, and that will be made abundantly clear.

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The mistake that makes it seem as though congestion charges are a form of LVT springs from the idea that the land is owned by the community. If land is owned by the community, some body representing the public 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.

For some time Henry George himself was unclear upon this vital question. In both *Progress and Poverty* and in *The Land Question*, George

maintained that land value taxation was simply a more practical way to make land common property than schemes of land nationalization. It was only in *A Perplexed Philosopher* that he asserted that equal rights to land were not joint rights to land. Whereas before he had been ambiguous, here he most definitely denied land nationalization. We have an equal right to use land. That is a fundamental principle — not merely a fancy tax proposal by which some few organize others into bringing about results that they deem to be desirable.

If we advocate congestion charges, which are a type of tax on movement, we contradict George's view that no charges should be made for the use of public transport (let alone for merely using roads). He pointed out that, 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 (and using roads!) would diminish rents along thoroughfares.

True, some people park along the curbs and sometimes leave their cars there for hours. They do that because that land is marginal; no one else is using it. When the community signals it wants to use the whole road as a thoroughfare, the right to park is removed.

Congestion charges are just another manifestation of that increasing interference with that spontaneous or unconscious cooperation which George said in *The Science of Political Economy* lay at the base of production.

Congestion charges interfere with movement. We perhaps do not see this because it is disguised by the argument that congestion charges will *take away* interferences with movement. These 'interferences' are other road users! This fascination with congestion charges can be dispelled by absorbing the ethos of George's *The Science of Political Economy*. To which some might reply "And pigs might fly"! **CJ**

## ISTA Returns

The International Single Tax Association (ISTA) began many years ago under the leadership of Prof. James Busey of Colorado. Its purposes are: 1) To join with other groups in their efforts to get the views of Henry George back into the public forum, and 2) to preserve the expression "single tax", as the best and most comprehensible name that can be applied



*Pia DeSilva*

to his proposal. ISTA's new President is Pia DeSilva, who is re-organizing the group and planning robust participation in CGO conferences and other movement-building events. For more information, write to Pia DeSilva, c/o HGS, 121 East 30th Street, New York, NY 10016.