

# the Henry George News

PUBLISHED BY HENRY GEORGE SCHOOL OF SOCIAL SCIENCE • OCTOBER 1960



## In Jamaica

You will not pay taxes on  
anything you put on your land  
with your labor

CHRISTOPHER COLUMBUS, in answer to a question from his Queen, described the geography of the island of Jamaica in the West Indies by crumpling a piece of paper, indicating many hills and rivers with few plains. It is a land of wood and water, with varied and sudden temperature changes. The tallest building is seven stories high.

On this island, one of the first to be discovered by Columbus, a knowledge of the philosophy of Henry George led those engaged in an early study of the cause of widespread poverty, to agreement on the policy of land value taxation as the best solution. Now after twenty years of critical discussion of the unfair burdens on the poor and small landowners, a land valuation bill is an actuality.

Mr. S. O. Veitch, Deputy Secretary, and for 16 years the administrative leader of the People's National Party (PNP) of Jamaica, brought to the Henry George School in New York on September 14th, a first-hand report on the results of the new law, and while it is not a complete illustration of George's tax reform, its adoption has proved effective even in the initial stages. As Robert Clancy said in introducing the speaker, "land is different from wealth, and whenever that distinction is recognized it is a great step forward."

Mr. Veitch referred to Urquhart Adams of Canada as the "pioneer" who introduced him to Henry George's philosophy last year, and readers will remember that Mr. Adams, who organ-

*(Continued on page 14)*

(Continued from page 1)

ized two classes in Jamaica reported on his experiences at the Detroit Henry George School conference (see August HGN p. 9).

St. Catherine and St. Ann were selected as the first of Jamaica's 14 parishes to have the unimproved land revalued under the new assessment procedure, based on the advantages of the location of land, its proximity to centers of population, etc.

St. Ann's was chosen for the initial venture because the people there were "pro-PNP" and it was assumed they would readily accept the new taxation principle. Also, the benefits would be noised about in all directions.

St. Catherine was chosen because it is near Kingston where much opposition had been voiced. It was believed that benefits experienced there would "blunt the sword of the wealthy land-owners," who had been the opposers. Actually it is considered that the residents of Kingston will benefit even more than the rural dwellers because of a gradual increase in the well-being of the country people. The principle advantage as shown in figures published in HGN in February, show that in these two areas 53,000 taxpayers out of 75,000 now pay only 4 shillings in taxes a year instead of some £8 to £10, for these peasant owners, many of whom had eked out a pitiful existence, had been for many years paying a disproportionate levy. Only 2,000 owners had properties valued at more than £1,000 and while they will in many cases pay higher taxes, they will not suffer because the higher levy indicates possession of either a large amount of unimproved land with a potentially high yield, or locations in areas where rentals are very high.

It was agreed that the holdings of owners with property valued at less

than £100 would be tax-exempt. However, these owners are taxed 4 shillings a year, and thus are entitled to a tax receipt which helps to establish their legal ownership. As might be expected there have been a number of requests for relief, and those which are considered to be genuine will be reviewed every five years. There are some requests which are not quite genuine, such as that of a widow who owns very valuable land near a resort, which she is holding idle. Ironically it was found that the office of the opposition (Labor) party which has attacked land value taxation, had their tax bill reduced from £116 to £14 when the law took effect.

The total valuation of land in St. Catherine, according to the new assessment figures, is £8,901,869, as compared to the old valuation £2,048,818. St. Ann's new valuation on land is £9,558,074, whereas formerly the land was valued at £2,096,224.

Two additional parishes, St. Mary's and Portland, have been completed and were taxed beginning April 1, 1960. Two more are now being processed. It is expected that valuation for the entire island will be completed within five years and that all of Jamaica will then be on the land value tax system.

**T**HE HISTORY of the land question in Jamaica is an interesting one. In 1834, when slavery was abolished, the population numbered 370,000—290,000 of whom had been slaves. Less than 1,000 persons owned all the land and most of the slaves fled to the hills. The good land, of course, belonged to the planters, but they were finding it difficult to get laborers, so they began to tax the land of the workers so heavily that they would in most cases lose their holdings and be forced to return to work.

The People's National Party was formed in 1938 and at once took cognizance of these inequalities. The party program of 1939 included a recommended levy on the unimproved value of land, in an attempt to bring all land into use and to penalize owners who were holding "broad acres" out of use. It was clearly evident that the more a man developed his land the more he was taxed for putting it into use, but the man who was holding land idle was not taxed for doing so. The new policy would force owners to use land or get rid of it, for land was now seen to be too valuable to remain without control in the hands of a few.

In 1943 nearly one-half of the land was held by 807 people. A million and a quarter acres were held by 200,000 with holdings of less than two acres each, a large proportion of whom stood in need of more land. Furthermore the poor owners were paying nearly one-half of the total property tax of the island.

The new proposal seemed fair in that if all land was taxed at the full value the owner would be compensated for the yield on the land in use, furthermore, it would give employment to others. If land was not being used, and the tax was not met, small owners would have a chance to buy it. The man who was making no use of his estate, waiting for it to increase in value, would be taxed for so doing.

In 1944 another effort was made to plead the cause of a more equitable distribution of the tax burden, so the owners who had worked hard to increase the productiveness of their land would not be penalized by being taxed heavily for their efforts and their improvements. A commission was appointed to make a study of this problem with the result that in 1950 a bill was presented calling for revalu-

ation of all unimproved land with proportionately increased levies. The land barons were quite naturally up in arms against it, and so the government had no alternative but to shelve the bill.

Mr. Veitch said there was unfortunately "not yet any land where people do not take graft." There were frequent rumors that because Mr. X was a friend of the collector of taxes his were not as high in proportion as his neighbor's. There was always "something under the table." However, when the small man added a room to his house someone would hurry to the collector and say "you realize that Mr. Brown has improved his place." This perpetual game of hide and seek undoubtedly added spice to life, and those who had formerly been receiving "under the table" bribes opposed the new measure.

Twelve years later, in 1956, the People's party took office and within a year the bill was taken out of its dusty pigeonhole, remodeled and taken back to the House. It was one of the first of many reforms that took place under the leadership of the Hon. Norman Manley, who then became Premier and voluntarily accepted a salary only one-fourth as large as his former remuneration as Queen's Counsel—a sacrifice he made willingly. Mr. Manley is an orator of great power and Jamaica's most distinguished barrister. It was he who insisted again and again, that Jamaica could not afford to have lands lying idle.

There are no television stations on the island and very few radio stations so all efforts to acquaint and arouse the public must be done through publications. One of these was a graphic and interesting pamphlet explaining the proposed taxation on unimproved value and the method by which it

would be revalued. It was made clear that there would be no tax on buildings, growing crops, trees, any development, or any work done on it by the hand of man.

Mr. Veitch explained that the language in the booklet was kept extremely simple because there was not as yet a high degree of literacy in his country. However, he should not apologize for the booklet which has attracted the attention of everyone who has seen it. The illustrations have engaging eye appeal (the figure on page one is an example), and the text

is clear, simple and entertaining. If this is the kind of printed matter that appeals to people with little schooling, then let's have more of it.

The Deputy Secretary boasted that the new budget (strengthened by a loan of two million dollars, two years ago, from the U.S.) included an expenditure of £5,801,000 for education. We hope his amount of education will not rob the native Jamaicans of the artistry demonstrated in the aforementioned booklet, a copy of which we can send you, if you are very, very curious.

Confirmation of the success of the PNP reform measures was noted in a 10-page progress report from The First National City Bank of New York in September, stating: "Only ten years ago, Jamaica faced the bleak prospect of economic stagnation. Today this Caribbean island is bustling with a new prosperity and appears well on the road toward establishing a sound foundation for continued economic growth."

---

#### NEW SCHOOL OFFICERS IN NEW YORK

Ezra Cohen, so long a beloved trustee and instructor at New York headquarters, left vacant a place which no one would presume to fill in his inimitable way. But we are fortunate that two friends who admired him greatly will carry on in his place. Lancaster M. Greene, a security analyst, the new vice president succeeding Mr. Cohen, has been prominent in all important school administrative policies for many years. He, like Mr. Cohen, is remembered by many as the teacher who "won them to Henry George." He is also the one trustee who said a kind word for HGN in the dark days of the depression when others talked of dropping this benighted little journal. As might be expected, he was told that if he was in favor of continuing it he could jolly well be the chairman of the Publication Committee—and that he happily has remained to this day.

Joining the Publication Committee for Mr. Cohen is his devoted friend, Arnold A. Weinstein, an attorney, who has been named as Secretary of the Board of Trustees.