

## SQUATTERS CAPTURE THE LAND

"Jamaica is trying mightily to encourage enterprise and trade. One of its most desperate endeavors is to earn foreign exchange. It has tremendous debts to the IMF, and is severely constrained, under IMF guidelines, to qualify for loans. The manifestation of the problem -- poverty -- is strikingly demonstrated in the squatter communities in Montego Bay, the main entrance point for tourism. Recently conditions have become acutely worse.

"Squatting is now so firmly entrenched that many squatters are making extensive permanent improvements on land they do not own. Middle-income people are building attractive brick houses, for example. I met one woman who runs a school in a squatter district, to which people from well-to-do neighborhoods send their children!

"The process of squatting has been going on for a long time, but it began way back in the hinterland. As numbers have increased it has come fully into view. Attempts have been made to move squatters off, but they are generally back the next day. It would be impossible, though, to move whole mountainsides of squatters.

"One squatter area has been 'regularized' by the government. Roads, sewers, etc., have been provided, and the government has begun collecting property taxes. Of course, this is only an option when squatters are on land owned by the government.

"Clearly, the same situation that causes homelessness causes squatting. The difference is that here in the U.S. there is no land to use. I think the essence of this phenomenon is summed up by the term used by the squatters themselves: they speak of 'capturing' the land, which evokes the idea of taking something back, the assertion that it is just as much mine as it is yours." - George Collins



## LEADING ECONOMISTS STUDY GROUND RENT IN EASTERN EUROPE

The conference on Concepts and Procedures for the Collection of Rent in the Soviet Union sponsored by the Robert Schalkenbach Foundation and the Henry George School in New York, August 22nd to the 24th, drew a delegation from Eastern Europe of one Estonian, a Hungarian, a Czechoslovakian, and five Russian economists. The conference also included twelve American, Canadian and British economists and technical specialists. Each paper was presented, and then evaluated by a Discussant whose critique will serve as the basis for revision. The revised papers will be edited into a book to be published soon.

In three days of deliberations, all came to acknowledge that land rent is a crucial issue in the establishment of free markets. The Soviet economists were fully aware of the element of land rent in their economy and were in total agreement that it had to be collected as public revenue. Prof. Mikhail Bronshtein, A People's Deputy of the Supreme Soviet of the USSR and Chairman of the Subcommittee on Economic Reform Issues, put it bluntly at the close of the conference, saying that without a transition to land value taxation as the dominant tax, the Soviet Union would never be able to mobilize production.

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*A mountainside of squatter dwellings in Jamaica's Montego Bay*

## ASSESSING JAMAICA:

### *An Interview with George Collins*

George L. Collins, Executive Director of the New York HGS, and Ted Gwartney, Major Loan appraiser for First Nationwide Bank of Canada (and an activist with Common Ground USA) traveled to Jamaica on October 18 - 29. Mr. Gwartney conducted a five-day training program for officers of Jamaica's Land Valuation Department. They also made presentations and distributed HGS books and teaching materials at six colleges and high schools in Jamaica.

**HGN: How was the connection made between the Henry George School and the Jamaica Land Valuation Department?**

**GLC:** Eighteen months ago, Dr. Steve Cord attended a land valuation conference in Taiwan, at the Taiwan Institute of Land Reform, and there he met Mr. Edwin Tulloch-Reid, a former Jamaican Revenue Commissioner. Steve was impressed by the paper presented by Mr. Tulloch-Reid, and by the fact that Jamaica has a property tax system based exclusively on land values. Mr. Tulloch-Reid expressed a need for better-trained land valuation officers in Jamaica. A visit was planned then, but fell through; this was the second attempt to set up a program.

**HGN: Jamaica's property tax system is based on land values only, but apparently the rates are too low to deter speculation. How did this system come about?**

**GLC:** The land-only property tax was introduced in 1956, by the government of a Jamaican national hero, Norman Washington Manley. Manley studied in Britain, and was influenced by British liberal advocates of LVT; at that time the British parliament had passed land value taxation bills. Back in Jamaica, he worked as a barrister, and became instrumental in the forming of one of the two political parties that led Jamaica from its colonial status to full independence in 1962. LVT was a plank in the platform of Manley's Socialist Party.

I don't know if the land value tax rates were ever any higher than they are today. They are unlikely to be increased, as is the case here, because of the prevailing view that other broad-based taxes are better able to get at wages and interest. Jamaica's land value tax

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