

## INTERNATIONAL NEWS

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## THE LAND REFORM MOVEMENT IN CHINA

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## I.—UP TO THE YEAR 1932.

Sun Yat Sen, the great leader of Young China, was the founder of the Chinese land reform movement. This lay at the roots of his earliest thinking and preparation for the revolution. Even then it was clear to him that the downfall of the Ching dynasty must be accompanied by the sweeping away of the old land conditions. When after his first world tour he formulated the "three principles," the third was fashioned on the old idea of land reform together with the principle of capital control which he had gained in Europe and America.

In 1910 the revolution triumphed, that is to say the Ching dynasty was deposed and the Republic established, but the "third principle" was not carried out. From 1910 to 1923 the militarists ruled the young republic, and Sun Yat Sen himself had little power. However, during this time he prepared for the new revolution, the revolution against erring revolutionaries and for the carrying out of the third principle. The demand for land reform was made a powerful means of propaganda, for this revolution must come from the lowest classes.

In 1923 Sun Yat Sen was able once more to gain power in Canton. From it the new revolution was to spread over the whole country, and with it land reform. He set at once to work. A Land Office was established in Canton. At the same time he took into his counsel Dr Schrameier, who had been a successful land reformer in Kiauchow and was then a leader of the German Land Reform Union. A more complete plan for carrying out the reform was prepared. All seemed to be going well, but fate willed otherwise. After barely a year of activity Dr Schrameier perished in Canton, and Dr Sun Yat Sen died in the same year.

After the death of Sun Yat Sen there followed the severe struggle between the revolutionary South and the militarists of the North. Pressing problems pushed land reform into the background. The victory of the revolutionaries ultimately eventuated in the founding of the Nanking Government. Its first two years were occupied with important political questions and the first land reform law was promulgated in 1930 by the Li Fa Yien, the law-making chamber of the Kuo Min Tang. This was closely in accord with the land reform principles of Sun Yat Sen. Its four basic principles are:—

1. Valuation of the land according to its pure land value.
2. Taxation on the pure land value.
3. Determination of the land value by "self-valuation."
4. Unearned increment of value belongs to the State.

Definitions and explanation:—

1. The pure land value means the value of land in its natural condition, that is values added by labour and capital are not taken into account.
2. All increases of value due to labour and capital are tax free.
3. Every owner states the value of the land, according to his own valuation. False returns for the purpose of reducing taxation are eliminated by

the following means: (a) The State has the right at any time to buy the land at the value returned; (b) Every increase in value, whether upon a private sale or upon a State valuation to be made every fifteen years, is treated as an unearned increment.

4. Every increase of value not due to the owner's capital or labour is an unearned increment.

This law is, however, not yet in full operation. The principal reason for this is the difficulty of surveying this great country, which is necessary for carrying out the law.

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NOTE.—This article is translated from *Bodenreform*, Berlin, 16th December. A German translation of the principal clauses of the Chinese Land Reform Law of 30th June, 1930, was published in *Jahrbuch der Bodenreform*, 1931, with a foreword by Dr Damaschke. The summary given above implies that the only valuation is a landlord's or self-valuation; the law, however, provides for the making of an official survey and valuation as well. Undue emphasis is given to increment. Although the law provides for a tax on increment it also provides for an annual tax on the full land value. It may be added that the tax is a provincial one and only benefits the central government to the extent that the costs of the central land office are to be defrayed out of it.—EDITOR, *Land & Liberty*.

## DENMARK

Last month we mentioned the debate in the Copenhagen City Council on 24th November on the motion by Mr Lannung in favour of Parliamentary powers to increase local taxation on land values in lieu of taxes on improvements and incomes. Responding in the debate, Mayor Hedeboel said: Mr Lannung had made much the same representations as Mrs Elna Munch recently in Parliament, which had since been discussed between himself and Mr Daalgaard, the Minister for Home Affairs. It will be remembered that the local tax (like the national tax) on buildings and improvements was now three-quarters of the tax on land values. Mrs Munch urged that a strong public opinion favoured the further transference of taxation from buildings to land values and that this would be of benefit to the city's development. I agree, and the point can be stressed that in Frederiksberg the land value tax is already higher than in Copenhagen itself. Also we have to bear in mind that in 1933 the County rates on property were altered so as to fall to a larger extent upon the value of land alone. The Home Minister had declared that they would be investigating the effects of the 1933 reform, in the Counties, and he hoped that it would be possible to make an advance on the same lines with respect to local taxation in the other local authorities. This would give Copenhagen and the provincial boroughs the opportunity for greater option in the matter of land value taxation. "For my part, I consider this is a matter of great importance for the welfare of Copenhagen. A reform in that direction is called for and is desirable, and one can be gratified that the Home Minister has again had his attention drawn to the matter and is prepared to bring it forward in Parliament."

Mr Abel Brink, in a letter to the International Union, reports that in 1934 Copenhagen has enjoyed the greatest building boom in its history. From 1st November, 1933, to 1st November, 1934, there had been built in the Metropolis (Copenhagen, Frederiksberg and Gentofte)