

Catalytic effects of LVT

THERE ARE many ways of disseminating the news of the relevance to contemporary issues of Henry George's philosophy. For some years now Steven Cord has made his own contribution to the effort.

His latest publication¹ takes a further step in sustaining the momentum inspired by *Progress and Poverty* and earlier works by others on the land question and their relevance to economic understanding. The sub-title on the cover of Prof. Cord's recent book reads "How a reform of the property tax can revitalize our cities and counter inflation". Few people would argue that these are not burning issues of the day.

Starting with an exposition of land value taxation and how it works (using U.S. property tax as square one) he goes on to consider its application to urban problems, protection of the countryside, its appeal to homeowners and to interested politicians.

He then turns attention to the need to reduce inflation, makes an analysis of depressions and draws attention to the continuing search for measures that will help reduce unemployment which he sees as an "eradicable evil".

He then considers the moral imperative

Land survey: secrecy is irrational

NIGEL BROAKES, Chairman designate of the proposed Docklands Urban Development Corporation, in London, has commissioned a land value survey. This, it is understood, is being undertaken by officials of the DoE and the District Valuers. But there is no intention to make the findings public. Why not?

The answer must be: Irrational fear! There is no secrecy about land prices in Australia and the U.S.A. where they are used for taxation assessments. Why should the British be so concerned? There is nothing to lose!

How can enlightened policies be formulated without publicly available facts? We have the right to know how much the national estate is worth and it is high time it was surveyed nationally.

THOSE WHO advocate land reform can gain a little comfort from contemporary trends. There is a genuine desire for more accurate information to guide public policy-making. We can only hope that better information and knowledge of the facts will lead to more enlightened policies.

A Page of News & Views By PETER HUDSON



for land reform, and cites numerous examples of the success of land value taxation where *ad valorem* land taxes have been applied. Prof. Cord concludes this work with a six-page schedule of reputable endorsements of land value taxation or its variants, a concise and informative summary of the history of the battle for land reform, and a short but optimistic statement.

IN PREPARING this highly commendable book (which is aimed primarily at the American reader, but is equally informative to others), Steven Cord has painstakingly assembled quotations, articles and opinions from a wide range of sources, including material that he has previously published in *Incentive Taxation*. This synthesis of views and data is admirable. It is concise (115 pages), wide ranging and above all provides a formidable challenge to those not familiar with the subject and its development.

As far as development of the Environment could usefully read Prof. Mason Gaffney's excellent little booklet on the subject.* I see no conflict between the desire to make land available at "the right price" and Gaffney's objective of making land "dearer to hold but cheaper to buy" through the implementation of taxes on the *ad valorem* value of land.

**Containment Policies for Urban Sprawl*, Mason Gaffney. Government Research Series No 27, University of Kansas.

Derelict land Reclamation

SPEAKING recently in the House of Commons, Marcus Fox, Under Secretary in the Department of the Environment, reminded Members that only a little over 10% of land in England is in urban use while 75% was believed to be used for agriculture. His estimate of land being taken into urban use was about 17,000 acres a year. Fox also pointed out that some 5,000 acres of officially classified derelict land is being reclaimed each year under sponsored programmes. "If more of that effort can be channelled into reclaiming land for development, it should make a useful contribution to reducing the losses of agricultural land," he claimed.

There are far too many gems in this book to attempt to extract the most significant. All are pertinent to the issues of to-day. However, to give just one example of the fascinating information it contains I shall quote the following from the historical survey section, for I feel that in to-day's world of East-West political alignments the views are of great significance:

"In the conservative atmosphere of the 1920s, many people mistakenly thought of the single tax on the rental value of land as a brand of socialism, and this did not help its popularity. (In fact, George had called Karl Marx 'the prince of muddleheads,' while Marx criticized the land value tax as an attempt 'to rescue the rule of capitalism and to establish it anew upon a firmer base than its present one.') Many Georgeists reacted to these charges with an extreme dogmatism and cocksureness, especially toward professional economists, which did not help their cause... But when all is said and done, the land value taxers of that era were faced with a huge task."

Since this exchange of views, much has happened. Now, more and more professional economists are extolling the virtues of the land value tax (while not necessarily embracing the 'single tax' object put forward by George). This is an encouraging sign. It is still not too late to consider the possibility of a synthesis of both Western and Eastern approaches to economics emerging in the future with land value taxation acting as a catalyst. Both George and Marx are still being studied, but the gulf in analysis and understanding still exists. The interested reader can follow this up further for himself.²

To conclude his very useful book and, no doubt, to stimulate continued advocacy of George's principles, Steven Cord invites us to consider that even if the obstacles to implementation appear too great we should reflect upon Ralph Waldo Emerson's statement of despair made in 1859: "No man living will see the end of slavery." Abolition of slavery was proclaimed in the U.S.A. in 1863. I would add that the date for the world-wide adoption of land value taxation has yet to be recorded!

REFERENCES

1. *Catalyst*, Steven Cord, Henry George Foundation of America, Indiana, Penna. 15701 U.S.A.
2. See, for example, D. Massey and A. Catalano, *Capital & Land*, London: Edward Arnold, 1978, which provides an insight into the Marxist view of land rent, and F. Harrison, 'Gronlund and Other Marxists', in R. V. Andelson, editor, *Critics of Henry George*, Rutherford: Fairleigh Dickinson UP, 1979.