

Bernardino Rivadavia was Argentina's first President. Assisted by J. S. Agüero, one of the greatest brains that Argentina had the good fortune to encounter at the start of its development, he introduced the law of May 18th, 1826, called the Law of Agrarian Emphyteusis which forbade the sale of common land in the State of Buenos Aires, permitting only the grant of such land by deed of *emphyteusis* for periods of 20 years, renewable every 10 years. Thus it was impossible for private individuals to retain unused land and to create vast fortunes by land speculation, and for great estates to be devoted exclusively to low-yield cultivation, such as sheep-raising on a large scale, which, though far less expensive, is extremely uneconomical, leading, as it does to a reduction of land cultivation. Thus the State was armed with the means of providing itself with a revenue sufficient to meet all expenses, of preserving itself against those ravages which have made themselves felt with the passage of time, of removing labour troubles and the urge to get rich through the abuse of official power and all the other ills which chequer the history of our family of nations.

The Uruguayan, Andres Lamás in his book "Rivadavia and the Legislation concerning Public Lands" (1882), tells amply of the wonderful results of the Rivadavia legislation during the short time it remained on the statute book. In his book Lamás not only digs deeply into the inspiring ideals of that legislation, but links them with those expounded by the most famous economists, from Adam Smith onward. These ideas serve as a lesson to the reader, a lesson which many rulers have still to learn. The Rivadavia legislation was annulled by the

Dictator, Rosas, who thereby destroyed Argentina's immediate chances of becoming a great nation, and prevented Rivadavia's sure and accurate remedy being again applied, except for a weak attempt under the presidency of Roque Saenz Peña.

Today the Rivadavia Legislation would have to be reframed. Ideas have progressed, and the world too. After Rivadavia, Henry George wrote his wonderful book, *Progress and Poverty*, renewing the fundamental concepts of classical political economy, and exhausting the subject of the influence of land monopoly upon society. Society in accordance with a natural law governing its organisation has concentrated large populations in great cities, thus creating valuable urban sites which are far more important economically than agricultural plots and have far more influence upon living standards. As to the importance of this factor, Rivadavia could not possibly have had any conception at the beginning of the formation of the Republic, when Argentina's population scarcely exceeded one million. But as it is merely a question of a *change of direction* in fiscal legislation, there is still time to make it.

This change, which initially may be slow and halting in its progress, would take Argentina as far as human possibilities permit. She would be an example, not only to her sister-nations, but also to the European countries themselves, not least to those Latin countries where there still prevail errors which took root under Roman Laws and vitiated all our colonial efforts, so that today we see the Latin-American republics transformed into seedbeds of revolution.

## LETTERS

### A Plea For Self-Assessment

To the Editor of Land & Liberty.  
SIR,—In your article "Symmetry in Budapest" by the late Dr. J. J. Pikler (L&L Dec. 1960) self assessment of land value is condemned as being "odious, hateful, complicated and difficult."

With all due respect to the famous author I must say that this verdict is absolutely erroneous. We had self assessment, guided and supervised by the municipal valuation office in Vienna in 1919 and it worked well and would have continued to do so, if the land value taxation law of which it formed part had not been abolished as a consequence of the then raging violent inflation, which made its results illusory.

Looking at things impartially it seems unfair and illogical not to give

the landholder a chance to utter his opinion as regards the value of his plot or estate when everybody else, as for instance in the Danish valuation law, is at liberty to express his.

Certainly the last word should be said by the valuation authority, with due provision and after careful consideration of appeal, but the first word should belong to the man who holds and works the land. It is just the great number of quotations produced by the method of self assessment which can guide the valuation and planning authorities and prevent their deviating from realistic appraisal as described in Dr. David Ascher's excellent article "Isovals and Isopols" (Feb. L&L).

Apprehensions that self assessment would lead to far too low valuations,

as proprietors would try to avoid high rates or taxes, are needless, as other considerations, such as indemnity in case of expropriation, reference to their estimates in case of sale, mortgaging and inheritance, will keep their decisions on or near the right level.

An opinion requested from the Vienna municipality has described self assessment as a practical and cheap method of ascertaining the value of land even in its first application and it would have improved if it had been continued. Self assessment is at present once more applied in the Austrian valuation law of 1955. Unfortunately rent and lease control and many other encroachments of the state on the economy have caused an anarchy of land prices so that many land owners were at a loss what to state in the

questionnaire in 1956. However they will gradually learn to avail themselves of their right to have a say in fixing their charge considering that they will forego their right of appeal if they do not use it. It is in the interest of the community that they should.

Self assessment controlled by the public authorities constitutes an equitable agreement between both parties, the individual and the community. It is cheap, democratic and just. On its firm basis land value taxation should rest.

Yours faithfully,  
PHILIPP KNAB.

Vienna.

### DEFINING TERMS

To the Editor of Land & Liberty

**S**IR, — Mr. Robert Sage's example of the exact terms used in chemistry, compared with the vague words of accredited economists, throws light on the striking disparity between the improvements men have made in science and their failure to improve themselves.

Every scientist clearly defines his terms, he acknowledges no authority other than natural law, and he relies entirely on his individual judgment. Moreover, scientists are good historians. They hold fast to what their predecessors have proved to be true, and never repeat their mistakes. In social enquiry today all these considerations are ignored. So we are back again to the regime of human animals governed by bread and circuses — even although, thanks to scientists defining their terms, the largesse is more abundant and the roundabouts circulate in outer space.

Yours faithfully,  
East Anglian

Suffolk.

### THE COMMON MARKET

Letter by Mr. H. R. Lee in the *Portsmouth Evening News*, June 27.

**W**E are being urged to enter the Common Market, which we are told embraces 200,000,000 potential customers. Others are telling us that if we fail to join the Market we shall be starving in about ten years time.

This Common Market is not like Covent Garden or Billingsgate or Petticoat Lane or Charlotte St., or any of our national markets. It is just an invisible circle, with visible

customs officers along the line who will stop you from trading unless you have signed the Rome agreement.

All markets want more trade but what is wrong with the British Market? It is cluttered with masses of taxation, restriction, purchase taxes, etc., until our merchants become almost wizards in getting their businesses going.

When we have enough sense to clear these obstructions — and the power is in our hands — trade will flow naturally and regularly.

Trade is a two way arrangement and has nothing to do with employment or unemployment. It has been the fundamental factor in the development of civilisation. It has raised the standard of living by giving us the best and choices of the world's produce.

Keep out of the Common Market, where we should be just a cog in the wheel of protectionism. Do justice to our own people by removing monopoly barriers to the use of their own country and the world fellowship will come within our reach.

### TAXING LAND BY THE REAL VALUE

Mr. Edgar Buck in the *Western Mail*, June 21.

**Y**OUR recent editorial in the *Western Mail* draws attention to the fact that land values taxation may have to be introduced. It goes on, however, to say that it would be extremely complex and costly.

It would be neither complex nor costly. Compare a tax on the value of land with other forms of taxation such as income tax, which is one of the taxes it could replace. Land can be seen, it cannot be moved, nor hidden, nor misrepresented. Its value is dictated by its situation, which is fixed and immovable. With an adequate plan and knowledge of the surroundings a valuation could almost be carried out in an office. Besides this, the records of past transactions in land are available to Government valuers under the present law.

It would not be necessary under land values taxation for the Government to control land. It would merely tax the value of it.

Far from causing any great amount of agricultural land to be used for building a tax on all land, whether vacant or occupied, but exempting buildings and improvements, would lead to the better use of land.

Take, for instance, that area in the very centre of Cardiff bounded by Queen Street on the north, Bute Terrace on the South, Churchill Way on the west and the Hayes on the east. Much of it has been either undeveloped or underdeveloped for many years. Some of it is an eyesore. If it were taxed according to its real value it would immediately come into development because the owners could not continue to hold it out of use and bear the tax burden.

The mind's eye can readily see shops with blocks of flats over, of high standard. Obviously such development in this and other such places would reduce the need to sprawl. In fact, development plans would at last be implemented by land being brought into its designed use. The taxation of land values is a reform, the fundamental nature of which most people do not even suspect. Until it is introduced all the social evils of land monopoly and speculation will persist.

### PLANNING REFUSALS

Extracts from letter by Mr. Edgar Buck in *Western Mail*, May 24.

The reasons given for refusal usually include the assertion that land other than that concerned in the application is available under the development plan for the proposed development.

Land is **not** so available in the real sense of the term. There is nothing in the law to make the owner of land so designated part with it for development nor to make him develop it himself.

The consequence is that there is no way to give effect to development plans, and if owners continue to refuse to sell or develop, and if the authorities continue in their present attitude, all development plans become so much paper.

In the meantime, the demand for land in a dynamic community — and South Wales is very much that — mounts, and provokes higher prices anyhow. With the planning situation as here described prices rise to fantastic heights. Anyone with eyes to see can see this happening for all types of development. It is most familiar in housing.