

## HE BOUGHT JOHANNESBURG FOR £350—AND NOW?

We are indebted to a Yorkshire reader for a copy of the *Black and White Budget* of date June 2, 1900, an illustrated weekly periodical then published in London. The striking article is that concerning

### THE MAN WHO BOUGHT

#### JOHANNESBURG SITE FOR £350.

It was Mr. James Pratt and the story was told by himself from the seclusion of the infirmary attached to Guildford, Surrey, Workhouse. To that condition he had been reduced in his advanced age of 69 years. Born in 1831, Mr. Pratt at the age of sixteen was sent as a cadet in the East India Company's navy. Later he fought in the Crimean War and returning to the East India Company's service he was through the thick of the Indian Mutiny. After that he went to South Africa and proceeded to the Transvaal where, as he said, he met a geologist who had been engaged by the Boers to prospect the country for them. That geologist gave some good advice saying, "You might do worse than buy land near the source of the Crocodile," which is now known as the Limpopo. Mr. Pratt acted on the advice, made enquiry and was able to buy sixteen or seventeen thousand acres for the sum of £350. The time was in the late seventies, as far as we can judge from the general statement made; and the land was described as "like a triangle; on the two sides was the Limpopo and on the third was the Witwatersrand"—that is to say it was within the site on which the City of Johannesburg now stands. The surprising thing is that a man who made such a purchase and of such a site should have ended his days as a pauper. But Mr. Pratt was a restless man and the country was in a state of great disturbance. He took part in the Zulu War and as soon as that was over, he joined the forces against the Boers, heading a band of about 500 volunteers which marched into Pretoria. In 1880, on Dingaan's Day, December 16, the Transvaal flag was raised at Witwatersrand—"Then you know what followed; sacrifices were made to the Boers; when the Republic was declared I was remembered; my land was confiscated; I was declared an outlaw and I was possessed only of what I stood upright in." Unfortunately the story, which as told is pertinent only to Mr. Pratt and his fate, ends there. It is not stated what the Boer government did with the land, or how it allowed immense fortunes to pass into private hands instead of insuring that the rent of that site was collected for all time as public revenue for the good of the community.

Johannesburg is now a city of 60,000 acres. Its population is now 864,900 including 349,900 Europeans, 470,700 natives and 44,300 others. The *site* of the City—that is the land on which it stands and apart from the buildings and improvements—is assessed at a capital value of £188,640,940, according to the latest valuation. From these figures one can make a fair computation that Mr. Pratt's 16,000 or 17,000 acres which were within the present area of Johannesburg have now a value—*site* value—of no less than £50,000,000. That fortune he and his successors would have enjoyed without any work or sacrifice on their part. That it has been engrossed by others makes no difference to the moral involved—the £350

that grew to £50,000,000 by virtue of the growth and activity of the community, while landowners "slept, but thrived" under the most unjust institution of the private appropriation of the rent of land. There is at least this partial satisfaction, that under Transvaal law, the wrong has been recognised to the extent that municipalities are empowered to levy their local rates on the value of land (whether used or not) with partial or total exemption of improvements. By that means, and fully exempting improvements, Johannesburg is deriving an annual revenue of approximately £3,200,000. Nevertheless, seeing that the *selling* value of the land, namely the amount that is left in the hands of private ownership, is still £188,640,940, which is the value *after* the local taxation has been paid, and seeing that the *rent* of land can be computed at 4 per cent, at least, of the selling values, this is the picture that presents itself: Out of the total annual land rent of Johannesburg ground, the community is collecting £3,200,000, whereas the private landowners are appropriating (the use of that word is justified) no less than £6,683,000. Incidentally, this is striking evidence of the "sufficiency" of land values to meet the public requirements in the way of revenue, abundantly answering the contentions to the contrary of a number of influentially placed opponents in South Africa, of land value rating, who are trying to undermine or halt the progress of that reform.