

prominently with the same principles as those expressed by the Bishop of Meath. In 1892 these views, after examination by a Committee of four Professors of the Catholic University of Washington, were declared "to contain nothing contrary to Catholic teachings".

The investigation itself was evoked by the publication of *The Condition of Labour* a comprehensive letter addressed by Henry George to Pope Leo XIII after the appearance of *Rerum Novarum*. This letter, in terms reflecting the writer's profound respect for the Pope's personal character and exalted office, pointed out His

Holiness's oversight in assuming that the undoubted private right to possess an estate in land meant also ownership of the land itself, with all its socially-created value. In tracing the implications of this oversight Henry George uncovers the false basis of modern industrial society and all the evils and confusion of thought arising from failure to perceive it. How this confusion hampers Christian teaching today is apparent in *Mater et Magistra* and in the opinions expressed by leaders of other Churches.

F.D.P.

## NOTES OF THE MONTH

# Design for Disaster

Only a totalitarian regime could carry through to completion the "bold and far-reaching" plan for the State to buy the freehold of the British Isles which an unofficial Labour group of experts has devised.

**E**VEN more disastrous than the partial land nationalisation scheme proposed by the Labour Party's national executive in *Signposts for the Sixties* is one published last month in *Socialist Commentary*. It has been drawn up by a group of architects, town planners, economists and some other experts who dismiss the *Signposts* scheme as "extremely vague" and as "administratively cumbersome". They believe that the only real solution of the land problem is "an extremely bold and far-reaching measure" by which the nation would acquire the freehold interest in all land, subject to a number of conditions and safeguards which, they claim, would answer all "legitimate objections".

Details of the scheme are as follows. From vesting day, under the new law nationalising freeholds, a public authority, probably the regional planning authority, would become the ground landlord. Existing users of land, whether owners, tenants or sub-tenants would continue in occupation. All leases and sub-leases would remain in force. Trained valuers would then begin a systematic valuation and appraisal of all property, beginning with the older buildings. By this process, spread over many years, they would assess the reasonable life of each building, taking into account its age, condition, amenities and suitability. The life given to each building would then be called its "statutory life", ranging from nil up to a maximum of, say, 80 years. This is on the principle that 80-year-old buildings have normally reached the end of their life, and should be continued in use only if they are of exceptional quality or value.

The former freeholders would continue to hold their land, initially without payment of rent, as statutory lessees for the "statutory life" fixed by the valuers. At the end of the lease the land and buildings would revert to the owning authority. All statutory leases of former privately owned property would incorporate a rent revision clause enabling the owning authority, at intervals of seven years, to fix rents that would recover a share, say 50 per

cent, of the increase in land values for the community. At the end of the lease the owning authority would decide either to renew it or that the building should be replaced by a new one under a new 80-year lease. At the end of the statutory life of the building, but not before, compensation would be paid for the loss of the freehold. This would be assessed on the value of the site, not the building, for its existing use at the vesting date, plus a percentage, say 50 per cent, of the increase of its value since that date.

Nobody knows how much the land of Britain is worth today but it must run into thousands of millions of pounds. This fantastic sum, it is calmly proposed, should be handed over to present title holders and, presumably, their successors in title. Aside altogether from the fact that the value of land is communally created and belongs of right to the community, as they seem to acknowledge in a hazy, half-hearted fashion, where do they propose the money should come from? Certainly not from the rents the public authority would charge since those, presumably, would be needed in part to amortise buildings and in part to provide that "say 50 per cent" bonus which would be added to the vesting day value and paid as compensation on the statutory death of freeholds. Nor could it come from taxation. The only other alternatives are to unleash an inflation which would raise the price of a postage stamp or cup of tea to hundreds or thousands of pounds and smash the economy, or to increase by some thousands of millions the national debt which already stands at more than £27,000 million and that too is unthinkable. Clearly, then, the scheme is financially impracticable as it also cumbersome, unnecessary and morally indefensible. Politically it is unacceptable and only a totalitarian regime could carry it through to completion.

Had the eminent, well meaning people who drew up this scheme studied and discussed the case for land value taxation, they would have seen that it holds promise of the regeneration of society and its physical environment