

## GLASGOW LAND PRICES

BAILIE A. B. MACKAY, of the Glasgow City Council, addressed a meeting of the local Fabian Society on April 3rd, taking as his subject, "Land, the Basic Question," and fully explaining the principles of Land Value Taxation. He gave his audience some examples of the high-priced land, previously entered on the valuation rolls at a mere song, illustrating how our rating laws do but protect the all surrounding land monopoly and place it in the position to hold the community to ransom.

The two latest instances happening this year are the purchases by the City's Education Department. For  $1\frac{1}{2}$  acres of the Scotstoun estate, on the rate books at an annual value of £1, the Department had to pay £8,107. In the other case, for a quarter of an acre rated at 5s. a year, the price was £550.

Bailie Mackay proceeded to give a list of the instances which were supplied to him by the Office of Public Works in December, 1943. "The large and highly educated audience," he writes, "was shocked at these revelations."

We have eliminated the fractions of acres and pounds, giving the figures to the nearest whole number :—

	Area Acres	Rateable Value (annual) £	Consideration Purchase Price & Ground £	Burdens £
<i>Housing Sites.</i>				
Cadder Road ...	107	161	19,334	4
Castlemilk ...	1,490	666	154,000	70
Cowdenrill ...	223	21	40,349	26
Cranbill Wester	177	28	22,743	22
Milton ...	303	126	26,341	136
N. Cardonald ...	57	30	15,655	—
Priesthill ...	339	86	59,922	12
Rosshall ...	25	3	6,117	1
Toryglen ...	204	320	71,173	40
<i>Health Department.</i>				
Langlands ...	12	5	6,796	—

These are surely facts helping to explain why rents and rates are high. The landowner sleeps, but thrives. It is a story long told. A Government pledged to end the scandal by the Taxation and Rating of Land Values bends to this state of affairs and produces, it is beyond belief, the Town and Country Planning Acts, with the millions more of public money to go the same road—the endowment of privilege and monopoly.

Cause and effect are related, as this item from the *Glasgow Herald*, February 2nd, shows: "More than 200 tenants in the Central Chambers, Hope Street, Glasgow—one of the largest blocks of offices in the city—have been asked to buy the premises they occupy and formal notices to quit by Whit Sunday have been served.

"Many of the tenants occupy single-room offices and others two or three rooms, but a number of larger firms are housed in the building, which extends along Hope Street from Bothwell Street to Waterloo Street. It was built originally as a hotel to serve railway travellers when the extension of the Caledonian Railway across the river Clyde to its present terminus was decided upon. Tenants state that the request to purchase their premises places them in a difficult position because it is almost impossible to secure alternative accommodation. The present owners of the property are the City Property Investment Trust, control of which was acquired by a London investment trust last year."

## LAND VALUE POLICY IN DENMARK

## ITS FULL ADOPTION UNDER CONSIDERATION

A signal step has been taken by the Danish Government in the appointment, announced on March 11th by the Finance Minister, Mr. H. C. Hansen, of a Parliamentary Commission to inquire into the full application of the land values principle—the *fuld Grundskyld*, literally the "full ground-due," that is, to consider the proposition that the whole rent of land exclusive of improvements, be taken as public revenue, with remission of taxation on industry and its results.

Thus, by the intense campaigning of the Justice Party, the Henry George principle and policy is in the foreground of the Danish parliamentary stage.

Denmark has gone some distance already, as our readers know, in the matter of land-value legislation. It is a small step toward the realisation of the Henry George principle and policy, but such a sound and good beginning that other countries would be well advantaged if they had gone thus far—the periodic valuation which ascertains the land value of every property in town and country alike—the national land value tax levied each year at a uniform rate (0.6 per cent. or  $1\frac{1}{2}$ d. in the £ capital value)—all local authorities deriving some part of their revenue by rates on land values, a modicum in the provincial towns, somewhat more in Copenhagen, where the rate is 0.8 per cent., or 2d. in the £, and considerably more in the country districts where the rate averages 3 per cent., or  $7\frac{1}{2}$ d. in the £. In 1947-48 the national tax and the local rates yielded a revenue of £8,768,000. Even so, that makes a mere fraction of the public revenues, especially of the State and of the urban communities, the towns being still obliged to meet quite four-fifths of their expenditure by local income tax and taxes on personalty. The point, however, is that the principle of land value taxation has been safely established, that it is understood and accepted and it invites the fuller application which will liberate the people from the taxation that has been piled on their work and wages in these latter days; from the Customs tariffs, too, and the monopolies that have grown up under them.

Additional to the tax and rates on land values, there is a special tax on increases in land values, levied annually at the rate of 2 per cent. on such increases as come under assessment—in the circumstances because of the allowances that were made, only large increases (since 1932, which is the datum line) have been affected. The tax yielded a revenue of £312,000 in 1947-48.

A Bill was promoted to amend and improve this tax, to ensure its proper incidence and to provide that all future increases in land value be subject to a tax of 4 per cent. per annum. In the course of the debate the Government decided that the whole matter of land value taxation should be reviewed, taking into account the possibility of far-reaching measures. The Parliamentary Commission was appointed. It is a strong, influential and authoritative body.

The terms of reference give instruction by which the Commission will investigate and clarify the questions bound up with the carrying into effect of *fuld Grundskyld* (land value taxation to its full extent), that is to say, the collection for the benefit of the public of that part of the rent of land exclusive of improvements which is not collected nor is collectible by the existing general tax and rates on land values and the increment tax; and to make legislative proposals based on the results of the investi-

gation; to take occasion to deal with the connected problems of valuation and the relative positions of title-holders and mortgages during and after the change; and to indicate its effects with respect to the distribution and use of the land and the reduction of taxation on industry.

The Commission consists of twenty-four members. The Chairman is Mr. Magne Nöhr, ex-M.P., Radical Liberal and Editor of the *Randers County Times*. The Vice-Chairmen are Mr. Hans Hansen, Social Democratic member of the Upper House, and Mr. Oluf Pedersen, ex-M.P., member of the Justice Party. For the rest there are nine members from the Lower House, representing the various parties; six from various ministerial departments, including Mr. K. J. Kristensen, the chief of the Central Valuation Board; and six special members, including representatives of smallholders, farmers, the land-owners' and the tenants' associations.

On this mixed body both the "ardent supporter" and the "violent opponent" have a place so that a unanimous report is not to be expected. But it is safe to say that the majority opinion, if not for the full policy, will recommend legislation promising a long step forward. The reports will be awaited with exceptional interest and the hope is that the Commission's deliberations will not be protracted—that action will not be delayed by what so often happens in such cases where Governments leave matters for committees to decide upon.

## THE DEFENCE OF LIBERTY

DEAR SIR,

To the Editor, LAND & LIBERTY.

The recent action of the Government in taking steps to remove from confidential positions men who are known to be Communists has caused much perplexity to many lovers of Liberty even amongst the Government's own supporters. Such people are afraid that it is an infringement of the liberty of the individual and a misuse of the power of the State. A careful analysis shows that it is the exact opposite and is in accordance with the Duty of the State to maintain the liberty of the individual unimpaired.

Some years ago the Liberal Liberty League issued a Declaration of their philosophy of Liberty in which they asserted the limits of individual freedom and of the use of State power. This reads as follows:—

### LIBERTY OF THE INDIVIDUAL

"The unselfish, objective attitude which produces brotherhood, utterly denies the right of any individual, majority or sovereign power to use force to coerce another *except to prevent such misuse of Liberty as will restrict the liberty of others*. By nature man has been given the priceless freedom of choice only limited by the duty of respecting that of others.

### POWER

"Therefore, the question of the right use of Power, by individuals, majorities or nations is whether it is used aggressively or defensively.

"The Aggressive use of power (whatever the motive) to coerce the neighbour and restrict his freedom, is immoral.

"The Defensive use of power to preserve and protect the freedom of the neighbour is a moral obligation."

Whatever qualities Communism may have, individual liberty is certainly not its product. The thirty year

history of Communism in Russia and the repeated publication of Communist instructions to its fifth columnists in other lands shows that direction of labour, direction of thought, control of publicity, control of the substance of education of the young are all involved in that system. Overseas Communists are instructed to profess what pleases their listeners, but by all possible means to seize power and to purge the land of those who think differently. Thus, they may be correctly described as spies and traitors to their neighbours' liberties. As such they come under the heading of "Misuse of Liberty as will restrict the Liberty of others."

In this respect they are an outstanding case where the Power of the State should be used Defensively, as a moral obligation, to preserve and protect the freedom of the neighbour.

This defensive power should be used in these circumstances even more widely and resolutely than is proposed by the Government. It is a protection of the liberties of the individual and not a contravention of what our fathers fought and died for.

WILFRID HARRISON,

*Joint Treasurer, Liberal Liberty League.*

[This letter is of considerable interest when read in conjunction with the article on Germany by a correspondent who was recently there and who objects so strongly to the use of State Power to coerce and restrict the lives of its citizens by Planning and Currency Management, which he contends is aggressive and immoral. In these days it is more than usually important that the ethical foundation on which our policies are based should be clearly and truly understood. As Norman Angel states: "The cure for the dangers of Power is to know its proper function."—Editor, L. & L.]

## HOLLAND

The Journal, *Ons Erfdeel*, organ of the Dutch League for Justice and Freedom, is in regular publication month by month under its Editor-in-Chief, Mr. A. Sevenster. Its articles are always instructive in their exposition of the Henry George philosophy and its practical application. In the January issue first place is given to the "Open Letter" addressed by Mr. J. Buma to Secretary of State Mr. Marshall, showing and why the aid from America can at best give only temporary relief, and that unless the causes of the maldistribution of wealth are removed, Europe will lapse back to the conditions which the "Plan" of providing aid is attempting to alleviate. The letter is a well-stated vindication of Free Trade and exposition of the Freedom of Production, which requires the end of privilege. "If we are to cure a patient of his illness," Mr. Buma writes, "we must first discover the cause of the illness; when we know the cause, only then is there a chance of recovery. . . . Our society is based on a great injustice, namely, the private appropriation of the rent of land. That rent is either a gift of nature (greater fertility or favourable situation) or the result of the collective activity of the community." Taking that as his keynote, Mr. Buma points to where the salvation of Europe and, indeed, of humanity alone lies.

Address of *Ons Erfdeel* is: A. Sevenster, St. Anna Parochie, Holland. Annual subscription is 5 florins, and we cordially commend the journal to all Georgeists acquainted with the Dutch language.

"The Communists have a wonderful organization and the Western Nations have only a negative policy. The only possible policy which might hold Communism is ours, and if the Western Nations will not accept it, they will fight a losing battle."—C. E. CLARKE, Bewdley.

3s. 6d. LAND AND FREEDOM. A comprehensive treatise on Land Value Taxation. By Fredk. Verinder.