

LAND & LIBERTY

MONTHLY JOURNAL FOR LAND VALUE TAXATION AND FREE TRADE

Fifty-seventh Year—No. 679.

4 Great Smith Street, London, S.W.1.

December, 1950.

6d.

| | | | |
|--------------------------------------|-----|---|-----|
| Land-hunger and Poverty | 242 | International Notes and News | 247 |
| Pashas and Fellaheen | 243 | Approach to the Esperantists | 248 |
| Plans and Palliatives | 243 | The Example of Pittsburgh | 249 |
| Breakdown of the Planning Act | 244 | Study Classes and Press Correspondence | 250 |
| From Cobden to Cripps | 246 | Programme for Peace and Prosperity | 252 |

Liberal Policy and Land Values

The *News Chronicle*, November 15, reported that the President of the Association of British Chambers of Commerce had sent a 9,000 word memorandum to the Chancellor of the Exchequer and the Minister of Town and Country Planning demanding the urgent review of the operation of the 1947 Town and Country Planning Act. The memorandum pointed to the financial injustice and the stifling of personal enterprise being caused by the Act and recommended that development rights should be restored and the charges already levied repaid. In a leading article the *News Chronicle* commended the Association for the public service it had rendered by drawing attention to the repressive effects of the development charge, and urged that it should be abolished or at least reduced. The next day, under the title "Enterprise Penalised," the *News Chronicle* gave prominence to the following letter from Mr. Phillip Fothergill, President of the Liberal Party Organisation.

"Thank you for your admirable leader arising from the attack by the Chambers of Commerce upon the Town and Country Planning Act (*News Chronicle*, November 15).

"The licensed roguery of Tory landlordism is now replaced by the legalised robbery of State Socialism.

"Every Liberal principle is violated by an Act which imposes a direct and arbitrary penalty on enterprise and development.

"Firstly, its financial provisions must be repealed, which involves refunding development charges so far paid.

"Secondly, the Liberal policy of taxation and rating of land values must be adopted. To the academic planner it has the supreme disadvantage of being simple. It is recommended by Liberals on three grounds:—

"1. To give much-needed encouragement to development, by transferring rates and taxes from houses and buildings.

"2. To meet the just claim of the community to share the benefits resulting from land values which are created by public improvements.

"3. As a reform fundamental to the solution of the housing shortage."

We applaud Mr. Fothergill for his forthright condemnation of the financial provisions of the Act, and for his unequivocal advocacy of the taxation and rating of land values. We await hopefully similar declarations from other prominent Liberals. It is our confident belief that if this measure is given its rightful place in the Liberal

Party's policy, if it is widely publicised and generally understood, and if it is in the forefront of the programmes of each and every candidate it will meet with a most ready response on the part of the electorate. The tendency towards increasing regimentation and Statism will be arrested and reversed, and a new era of liberalism and sound government will be ushered in.

The Perplexed Professor

Many can be excused their ignorance when it is no less a person than the Professor of Political Economy at the University of Manchester, Professor W. Arthur Lewis, who thus introduces his article on "How Countries Go Down" in the *Observer*, November 19:—

I have just spent three months reading the history books, seeking to discover the causes of economic progress and decline—especially decline. Why did Egypt, after a thousand years of extraordinary inventiveness, go into a decline, about 2500 B.C.? Why did the great prosperity of the Roman Empire melt away in the third century A.D.? Why do the last three centuries of Chinese history contrast so strongly with the progressiveness of earlier times? At what point did the vigour of Islamic society begin to peter out?

Needless to say I have found no answers. Historians are scared of this kind of question. Very few will touch it, and these few have to face the scorn and ridicule of most of their colleagues. The causes of economic progress and of stagnation are still almost any man's guess.

Can it be that this learned man is unacquainted with Pliny who put it in these terse words, *Latifundia perdidere Italiam*—the great estates ruined Italy? Was it not worth while consulting de Laveleye, Taine, Guizot to name only a few of the historians who have so convincingly brought the land question into their testimony? Are the brothers Gracchi so unknown in this economic library that what Tiberius Gracchus said is not for the student's eyes: "*Men of Rome, you are called the lords of the world, yet have no right to a square foot of its soil! The wild beasts have their dens, but the soldiers of Italy have only water and air?*"

Where the Answer is found

But quite significant is the Professor's aside, the remark which speaks volumes about the writers who have dealt with the causes of economic progress and of stagnation—those few who have to face the scorn and ridicule of