

MADRID 2004

the 24th conference of the
International Union
for Land Value Taxation
27-31 May 2004

... and afterwards

Reformers from all over the world attended this year's IU conference.

Land&Liberty was there and asked a few of them what they were going on to do next

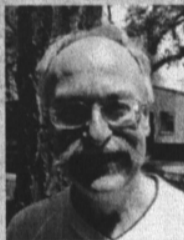
We have to consolidate and expand our movement in Spain. It was completely suppressed under the dictatorship of General Franco. Most important georgists were shot or put in prison and the movement was disbanded. But there is an enduring tradition in Spain of interest in the land problem.

I'll be involved in the proposal in my home city of Philadelphia to legislate land value tax. Hopefully, by our next conference, we'll have it in place.



Jake Himmelstein
treasurer CGO, USA

We're meeting the Spanish Ministry of Finance - hoping to get reforms at the national level and scoop up more economic rent for the Spanish treasury.



Frank Peddle, director
CRTC, Canada

Organising the IU conference has taken a lot of work. I'll be glad just to get the office back into some kind of order.



Ana Perra
AEPERS, Spain

I've just been put forward as an IU NGO representative at the United Nations. I want to make Henry George's ideas available for the developing world. That's my way to go.



Thomas Ammitzbøll
Bach, HGF, Denmark

My hope is to bring people to the important events organised by the UN Habitat. A lot of topics discussed there are relevant to our concern for the land value problem.



Tanya Roskoshnaya
president IU, Kenya



Fernando Gerstein
president APERS, Spain

conference report

This year's four day IU conference in Madrid began with a reminder that those of us seeking land reform would not want to start from here. Argentinian-born host Fernando Scornik Gerstein, president of AEPERS, outlined the tragic decimation of the Spanish land tax movement in the Spanish Civil War.

Talking on the subject of earthrights, co-director of the US-based Earthrights Institute Alanna Hartzok offered a scathing critique of the current US administration. She argued that the corruption caused by land speculation penetrates most government - up to and including the coterie around Bush.

Hartzok's contribution to the conference chimed with the next speaker. Jeffrey Smith, from the School of Cooperative Individualism, spoke on land ownership and corruption in the US. Smith talked about the appalling methods used to introduce and maintain land speculation: the genocide of the Native Americans is one example, and the sexual 'favours' of women also appear to have been involved in early land negotiations in the US.

Prof. Francis Peddle from Ottawa, and chair Fernando Scornik Gerstein gave us a starting point for looking at definitions in politics, arguing that we need to find precise definitions of what we as reformers mean.

Scornik Gerstein ended the session by offering what was perhaps a more pessimistic account of the prospects for radical land and tax reform in a country such as Spain. With its very high levels and spread of land ownership - 80% own their own homes - it would be very difficult, he argued, to persuade voters to support a land tax. The high level of home ownership effectively turned a high proportion of the population into land speculators.

The lack of affordable housing is very much in the news just now - and very much a land issue. The second day's opening panel addressed the housing crisis. The panel kicked off with IU President Tanya Roskoshnaya and a fascinating account from her home country of Russia. Post-Soviet Union, problems are being caused by the privatisation of Russia's land without any notable tax or charges being placed on the new owners.

Peter Gibb from the Henry George Foundation then spoke about the problems of the UK housing market. The cause of increasing unaffordability, and unavailability, he argued, was increasing land prices. And because of it, he said, the market was pricing an ever-growing number of people out of housing altogether. Gibb asserted that the problem of housing 'affordability' could be dealt with only by addressing - reducing - the general price of houses - which meant the price of land.

Transport for London's vice-chair Dave Wetzel then told the conference about the housing problem in London. Housing affordability for 'key workers' is a big issue he agreed. Wetzel spoke about ways in which the use of land value taxation as a broader policy instrument might help London find solutions to such problems.

Henry George Foundation council member Tim Glazier offered the conference a novel alternative to the current home purchase and ownership system. Instead of buying a house outright, using a mortgage, we could enter into a partnership arrangement with a lending institution, and share equity in the property.

Jon Mendel, also from the Henry George Foundation, concluded the session by looking at the roles that desire can play in the housing crisis (see essay page 4), and suggested some strategies that might defuse that crisis. Mendel argued that, whilst by buying a house we seek to gain certain desirable goods, the path this desire takes can actually destroy the goods we seek to gain.

Two panels then looked at economies in crisis in different ways. Héctor Sandler - consultant professor in philosophy of law at the University of Buenos Aires - was an Argentinian politician who had suffered intensely under various regimes, and was forced at one point to go into exile.

We also heard again from Fernando Scornik Gerstein and Francis Peddle, in turn looking at the results of his research on land ownership in China, and the links between the work of the German idealist philosophers and Henry George.

The third day set off with a panel on the practical problems in land reform. Australian activist Karl Williams spoke about the political struggles there and how progress might be achieved. Prof. Fred Foldvary argued for the need to eliminate the dead-weight cost of our public revenue systems - to try to move away from taxes on good things such as employment. Peter Gibb then spoke about how the appearance of our ideas can be key in our ability to win support for them (see *fresh thinking*, page 11).

Dave Wetzel offered a powerful demonstration of the successes of the congestion charge in London. He called this charge a 'land tax on wheels', and argued that it is justifiable to charge drivers for their use of a scarce resource such as the road space of central London.

It seems appropriate that the conference ended looking towards broader issues. Fred Foldvary spoke on the conflicts caused by land disputes across the world. He offered a two-fold solution - a move towards a federation of small-scale local governments, in order to allow different nations to co-exist smoothly on the same territory - and also to use a land tax to compensate those who are denied territory to which they lay claim.

The 2004 IU conference did, then, have useful suggestions for resolving seemingly intractable problems, such as the struggle in Israel/Palestine. What is now needed, as Gibb earlier argued, is presentation which will advance the substance of these solutions - which will move us past the tipping point, and bring profound social progress. **L&L**



I'm going to speak more to people outside the movement - the legislators and decision-makers, but equally importantly the people that influence them - the journalists, academics, the trade unionists and business groups. When you operate the levers of power in a little way like I do, you see the importance that those influences have on other people.

Well, I'm preparing for the UN Habitat cities conference in September in Barcelona. We really do represent and hold the new paradigm economics vision so clearly - it's time to really bring that up: it's a quantum leap beyond neoliberal economics.



Alanna Hartzok, Earthrights Institute, USA



Dave Wetzel, vice-chair, Transport for London, UK