

Land&Liberty

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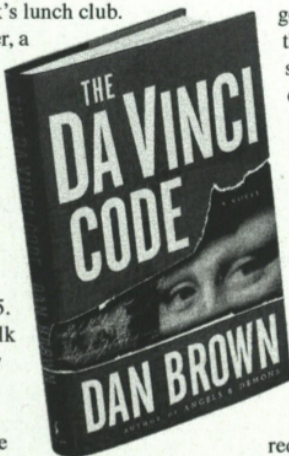
ka-ching! hit-and-run rent - da Vinci style!

The normally tranquil village of Roslin grabbed its first taste of Hollywood this month when Oscar-winning actor Tom Hanks and his entourage swept into town. They were filming the finale to Dan Brown's international best-selling novel *The Da Vinci Code*.

An interesting angle was picked up by *The Scotsman* newspaper. In the village a group of pensioners owned cottages in Manse Road with the best views of the scene-setting Rosslyn Chapel. They organised a "bidding war," according to the newspaper - selling prime-location spaces at bedroom windows to the world's paparazzi. All proceeds were being split between a kidney research unit at an Edinburgh hospital and the village's old folk's lunch club.

The main organiser, a retired teacher who did not want to be named, began the day by charging £25. But after a steady stream of desperate inquirers, his price for a day's pitch soon rose between £50 and £75.

These wise old folk of Roslin effectively socialized the value of the benefit of their location, for the benefit of the local community. Some owners might simply have pocketed an unexpected profit.



UK policy blunder? outcry over "1947 all over again"

In anticipation of the UK Treasury announcing plans to re-introduce a development land tax, or 'planning gains supplement' - as proposed by Kate Barker in her Housing Supply report - the development industry is gearing up its opposition.

A new report from the Royal Institute of Chartered Surveyors says the initiative is "seriously flawed" and based on a misunderstanding of how land is valued, how planning gains arise, and how the property market operates.

The key problem with the proposals, say the writers of the RICS report, professor Tony Johnson and Chris Hart, is that planning permission is only one stage of development, and the tax would be paid when the permission is granted. They conceive the actual and eventual gain in value coming at some later point.

Philip Davies, chief executive of property developers Linden Homes, pointed out that "land development tax would only serve to put landowners off releasing land in order to avoid the charge and instead wait for a new government to come to power and change the legislation. This would make the housing shortage even worse and push up prices of existing stock still further, thereby fuelling the housing crisis."

Ian Trehearne, a partner and co-head of planning and environment at Berwin Leighton Paisner, a City law firm, said that over the existing system, a development land tax "would be better for levying larger amounts of tax, but would inevitably take longer and use up more professional time and fees. Either way, there seems to be a prospect of higher costs of development with only some of the proceeds of the new tax returned to fund the infrastructure that is required. The original intentions of the proposed supplement - more and cheaper housing - seem to have been replaced with more urgent economic considerations."

HGF new groundwork for Foundation

The Henry George Foundation has now put into effect its 2005 plans for wholesale institutional restructuring. All the Foundation's work is now proceeding on a voluntary basis.

Management of the organisation remains the responsibility of the Council of Management - recently augmented by the appointment of Mr John Rider. John was for several years the Foundation's external auditor. Council chair, Mr David Triggs, is now executive chairman, leading the Foundation's executive programme. All projects and other outreach work will be led by him. Foundation Treasurer, Mr John Cormack, has found his input to activities increased several-fold, as he takes on everyday responsibility for all matters financial.

Several other individual members have taken up tasks with the Foundation. Former chief executive Peter Gibb has been appointed company secretary.

The Foundation's London premises have been secured long-term thanks to the generous support of the International Union for Land Value Taxation. The Edinburgh offices and bookshop are also retained, meantime, staffed by Lars Rindsig. That decision will be reviewed in the new year.

Iraq first the oil - then mobile phones

Before its dissolution, the Iraqi Coalition Provisional Authority sold the license to transmit mobile phone signals in Iraq - to a single company, Sanatel, for around US\$150,000 a year, according to **L&L** reporter Jon Mendel.

Compared to the sums licenses have realised in other countries, this seems like an unbelievably good deal for the company - and included free use of a satellite! The CPA's management of Iraqi common resources - especially oil - has been the subject of hard criticism.



John F. Rider



John Cormack

the newsletter of the Henry George Foundation



Lyons pauses
while
Burt rolls on



New! Improved!
The evolution of a
new council tax