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WEALTH AND MISERY IN SINGAPORE

The year 1951 was a record trade boom year for Singapore. Seven and a quarter million tons of cargo were handled in the port, compared with five and a half million tons in 1950, itself a record year. The revenue collected by the Island's Government broke all records. Yet, such is the paradox of modern civilisation that this increased prosperity was attended by increased want and despair among the working people of the Colony.

An article by its Singapore correspondent published in the *Manchester Guardian*, January 15, states that for 84,000 children in Singapore there is no school provision nor even a fraction of the public playing grounds they need. There is a "shocking congestion" in the slum areas, the result of a shortage of 50,000 dwellings.

The number of out-patients thronging the hospital waiting rooms is now 500,000 a year compared with 90,000 in pre-war days. The tuberculosis death-rate is about two and a half times that of Italy. Despite the untiring efforts of the overcrowded Government hospital and the privately organised Singapore Anti-Tuberculosis Association, the number of tuberculosis sufferers is about fifty thousand. Only a very greatly expanded programme of re-housing can reduce the ravages of this disease of squalor and overcrowding. Yet the number of low-cost dwellings built in 1951 was hardly enough to house a tenth of the population increase, let alone replace the existing slums.

What are the causes of the failure of the Singapore Government to combat effectively this mounting misery? What does it propose? What does the *Guardian's* correspondent suggest should be done?

"One main cause of the slowing down of the Government's social development programme," writes the correspondent, "was its reaction to the inflation which sent building material prices sky-rocketing at the beginning of the year." So Government building was halted for several months.

"A more fundamental cause of the failure of the social development programme," he says, "is the very great shortage of architects and surveyors...; great difficulty in securing steel, cement and timber in face of expanding world demand and offers by competing local purchasers; and a shortage of skilled building labour, most of which is being snatched up by

private builders who are in a position to outbid the Public Works Department in wage offers." [Our italics.]

At this time of unprecedented prosperity resulting from the world-wide demand for Singapore's tin and rubber, is it not strange that she has difficulty in obtaining the building materials she needs? The diversion of allegedly "scarce" materials and skilled labour to the erection of hotels, cinemas and luxury residences is *not* the cause of the shortage of homes for the Island's workers. It is an effect, a manifestation of the basic problem of poverty cheek by jowl with great wealth. For what are houses but wealth in a particular form? Had the workers of Singapore the full value of their labour all who wanted houses would be able to compete effectively for the available supply of building materials and labour. And if for a while demand exceeded supply the consequential rise in the price of materials and the wages of building labour would attract further supplies of each until demand was satisfied.

The task, then, for the Singapore legislature is to introduce such measures as will result in the Island's present poor classes receiving the full, just value of their labour. Arbitrary governmental restrictions to prevent the wealthy from spending their money this way or that will benefit poor people little, if at all. Yet such has been the method adopted in Singapore. A Control of Building Ordinance imposing a licensing system for all private buildings costing \$50,000 and over has been introduced. "It is," says the *Guardian's* correspondent, "half-hearted both in conception and execution."

The correspondent writes approvingly of attempts to teach birth control now started in the post-natal clinics. At present this teaching is making slow headway against "a good deal of mental resistance resulting from superstition and suspicion of Western ways." Perhaps these "suspicious" Asiatics realise that there is poverty in Western nations where birth control is commonly practised. Perhaps they cannot understand why people able and willing to produce and exchange the goods the rest of the world wants, need fear that density of population which permits the maximum co-operation and specialisation in production. The thought does not appear to have occurred to this Singapore special correspondent. He

writes that the solution of Singapore's most intractable problem—housing—will be brought much nearer if the birth control campaign is successful and "the incessant additional pressure on accommodation can be progressively lessened."

The crux of Singapore's economic and social maladjustments—the ubiquitous land problem—is revealed at the end of this newspaper article. The correspondent writes: "Another prerequisite to the provision of enough low-cost houses is some control over soaring land values and speculation in land. Sir George Pepler, the Town Planning Adviser to the Singapore Government, recently said that land legislation in Singapore is 'back where it was in 1909 in Britain.' An ordinance providing for a Singapore Survey and 'Master Plan' with zoning for residential and factory areas has just been passed, but unless it is soon followed up by legislation to control land speculation, the price of land will make low-cost house building a pipe-dream long before the time comes for operating the Zoning Plan in 1954."

Here is the answer to the riddle set Singapore by the Sphinx of Fate; the explanation of poverty, homelessness and disease in a prosperous Colony. Every increase in the Island's trade and industry is reflected in higher land values. Sites for banks, warehouses, docks, factories, offices and shops grow steadily dearer as the world demand for Singapore's products increases, for on those sites more wealth can be produced. Inevitably, inexorably those who hold the land can—and do—take more and more in rent. And as they get richer, so do those who have only their

labour to offer, get poorer. Enriched by the Island's producers and traders, landholders can command "scarce" building materials and skilled labour for luxury building. Cooped up in festering slums the workers find the land of their Island locked against them. Land prices and rents are more than they can afford.

If the Singapore Government is to halt speculation, it must increase the market supply of land. This may properly and best be done by applying a sufficiently large tax on the unimproved value of land to make it unprofitable to hold land idle. But a tax on land values would do more than this. Existing taxes could be reduced. Building would be encouraged. The owners of slum tenements would find them uneconomic; of their own accord they would demolish them and redevelop. Tuberculosis figures would begin to fall. The dangerous disparity in incomes would lessen as those who produce became wealthier, and those who live on rent grew poorer. Economically, socially and politically, the Island would be healthier.

The lesson of China which ignored Sun Yat Sen's proposal to tax land values and succumbed to Communism is clear to all with eyes to see. With the whole of S.E. Asia smouldering with discontent and armed insurrection taking lives and destroying property across the narrow Johore Strait on the Malayan mainland, Singapore dare not delay much longer reforms of her systems of land tenure and taxation. Raffles enjoys a sacred spot in her history and tradition. Will she not now heed Henry George?

P. R. S.