

Homeland Revisited

by ROBERT MAJOR

MOST American tourists to Europe this past year have been impressed by the spirit of optimism pervading the old continent. But vacationers seldom stay long enough to look behind the facade, and few are perceptive enough to understand the underlying issues. On my recent visit to my homeland, Hungary, I was encouraged to find the post-war reconstruction there highly successful—they have had their "economic wonder," and their living standard is higher. But my Georgist friends were skeptical. Being well acquainted with history, they are not deceived. They remember the booms of the twenties and earlier when prosperity led to depression and war.

Has the world learned anything from these disasters? After World War II Germany was fortunately not burdened with unrealistic reparations. The U.S. did not bar the goods with which other nations paid their debts. Europe was not flooded with short-term credits. Foreign investors were cautious and certain stockmarket abuses were eliminated. These measures were helpful in avoiding sudden depressions, but there are aspects of European life which still arouse grave doubts as to whether optimism is fully justified.

Life is better in Western Europe than it was before the war, but its progress — its increasing population, production and consumption — is leading again, as it always has, to higher than ever land values — especially in urban, industrial and recreational areas. This compels the great majority to pay an ever-increasing part of their income for habitation and transport. We have seen it before, always and everywhere. We know where it leads. As long as

this aspect of economic progress is neglected, as it is in America, European booms cannot still our doubts and fears concerning the future.

A tourist leaving the luxury beaches of Spain, Portugal or Sicily sees abject poverty scarcely touched by the *Wirtschaftswunder*. When he leaves the Champs Elysées he finds three kinds of Parisians: those living in rent-controlled, decaying, neglected houses; others commuting from far away suburbs where they pay somewhat less exorbitant rents; and a minority in publicly owned houses whose deficit is carried by other taxpayers. And if the tourist buys British newspapers he may read how land speculators are chasing away the old tenants to cash the immense increments in site values.

World population has doubled. The demand for goods has multiplied — natural resources are being rapidly depleted and urban sprawl devours Europe as it does America. To the delight of visitors, most cities are found to be preserved somewhat in their traditional pattern, and are not allowed to decay — many are still surrounded by green belts. Budapest, for instance, has mountain areas that can be reached in 15 minutes for only a four-cent fare. But in Western Europe land speculators are relentlessly destroying the charm of many famous tourist centers in the Alps, such as the Cote l'Azur, Riviera and Costa Brava. The Mediterranean's shores have enchanted visitors for more than two millenia, but now they have been commercialized and over-built.

Many Europeans do not mind the exhilaration of this "economic wonderland." Absorbed by the race for material gains, they want more goods — first of all, cars. These, however, de-

grade cities and countrysides faster in Europe than they did in America, where it took fifty years, while one decade was sufficient in Europe. In this short time the marvelous Grand Place of Brussels and the Josefsplatz in Vienna have been transformed into parking lots. Road traffic in Southern England and Metropolitan France is almost at a standstill and is now eroding the British railways. Britons are pondering the interdiction of auto traffic in cities and towns, but that is an obstinate problem. Whether industries are owned privately, or publicly like British Petroleum and Renault, so much business and so many jobs depend on them that further furious expansion cannot be stopped.

Perhaps Georgists should take time to reconsider the so-called problem of over-population. When I was young we refuted the theory that this was the cause of hunger, depression and unemployment by declaring that if the artificial barriers between human work and natural resources were removed there would be employment for all,

and the needs of a much larger population could be amply satisfied.

But what will be the consequences in many parts of England and Germany of more than 1000 persons living in a human anthill of one square mile? It is true that these industrial countries have virtually limitless productive capacities, thus there is no natural or technical obstacle to the gratification of the needs of the people. However, the abolition of want has been promised ever since the start of the machine age, and it could have been realized 150 years ago, especially in Europe.

Economic statistics indicate that northern and northwestern European countries will soon reach the American income average. In Switzerland and Sweden they have reached it already, and without U.S.-like mass poverty. We are told that when all of Western Europe will have reached that level, all social problems will disappear. But did they disappear in the United States? Have they disappeared in Sweden?

The Whitstable Breakthrough

The February - March issue of *Land & Liberty* (London) was largely devoted to the Whitstable Report on a pilot survey by the Rating and Valuation Association, which puts to rest a number of long-held objections. The goings-on in this English town in Kent have attracted attention in the U. S. as well, and an article in *The Christian Science Monitor* by its London correspondent, John Allan May, refers to it as a "Tax Breakthrough."

Mr. May, somewhat familiar with the principle of land value taxation, recalls such objections as the charge that it would not work, is difficult to apply, would be very costly, and offers advantages better obtained by

other means — but in conclusion he "heartily commends the report to all politicians everywhere."

The survey proves, he states, that "occupiers and owner-occupiers would pay lower taxes than at present, vacant land would no longer be held out of use, and neglected premises would pay less in taxes than they do now."

A tabulation of the results and a report on the technique of valuation and collection, as revealed by the Whitstable pilot land valuation survey, will be presented at the Eleventh International Conference of the International Union for Land-Value Taxation and Free Trade in New York beginning August 30th at the Henry Hudson Hotel, 353 West 57th Street.