

Georgeist policy being ultimately adopted.

The history and fate of Labour's 1947 *Town and Country Planning Act* is too well known for me to repeat. Expediency had once again failed. One of the difficulties of our situation is that we operate on a non-party basis—we owe no party allegiances. At our headquarters in London, the parties' policies in turn come under scrutiny and if criticism is called for, it comes — without fear or favour. But no delight is taken in the often frustrating business of exposing fallacious economic arguments and timid and often reactionary political proposals designed to "solve" (always by some form of state socialism) our pressing social problems. The price of sticking to principles is often to plough a lone furrow.

But we still have friends in the political parties and they are growing in number each day thanks to the efforts of a new generation, many of whom have been trained at the Henry George School of Social Science.

The story of the later years of the Welsh League centred in Cardiff is in part the story of the other leagues—hope,

partial success, decline, renewed hope, and then steady but real progress with the impetus given by the Henry George Schools.

After the second world war, the League was sadly in need of new blood. Our ranks had been greatly depleted by removals, deaths, and lapsed memberships. There was no other way but to merge the various independent leagues into the reconstituted Land Value Taxation League centred in London and operating with the United Committee. It was just prior to this that Fred Jones came to Cardiff and when the position became clear he, Edgar Buck and Fred Giggs started a branch of the Henry George School, which has proved a most successful venture growing in strength each year. The School is training the propagandists of today and the future and already our voice is growing louder in the land.

I rejoice that what I have been able to do throughout the years has brought its own reward—and many lifelong friends.

BOOK REVIEWS

"A Tax By Any Other Name...?"

By ROBERT MILLER

HOUSING (Britain in the Sixties series) by Stanley Alderson
(Penguin Special, 3s. 6d.)

NONE but the coldly indifferent can fail to be impressed by Mr. Stanley Alderson's obvious sincerity and concern in his book on housing.

The first thing we read, on the flyleaf, is a quotation of Eric Lyons in the *Daily Herald*: "What I want people to do is look beyond the facade of Euston Arch and see the slums of St. Pancras. When they do that, something's bound to happen." It is sadly true that not nearly enough people do just that; if many more saw the slums as Mr. Alderson sees them, something would be bound to happen, and happen so much sooner. However, he says: "The housing problem has twenty different sides to it and needs to be attacked on them all at once — but not without a certain amount of co-ordination." Whether or not it is advisable, or necessary, to attack an enemy on as many as twenty fronts, with or without proper co-ordination, is of course debatable, but that this problem cries out for urgent radical remedies is indisputable.

It was pleasantly surprising to discover that "in a literal sense, the housing shortage is regional only. The Census (1961) divides England and Wales into ten regions. In nine of the ten there are more dwellings than households... In well over half the 400-odd areas outside London the number of dwellings exceeded the number of households by at least 1.5 per cent." It is, as he points out, the other way round in London and certain other large cities.



"The fact that houses cannot be moved has perhaps more to do with the shortage than is generally recognised. At the same time, we know that the greater part of the country is not prepared to be told it has no housing shortage." Very true; and it helps greatly if we try to view the problem in the correct perspective. "The explanation is that many people are dissatisfied with the houses they have."

Mr. Alderson has the gift of quoting statistics in an easily digestible manner, and of restating unsavoury facts in such a way as to revive afresh our indignation. He reminds the reader of the actual number of houses which lack bathrooms and proper sanitation, and makes this repetition sound like urgent news, which of course it is, and has been for far longer than we care to admit. He is not very thrilled with the rate at which these deficiencies are being made good: "Not even the combination of the Rent Act and improvement grants is doing much to reduce these proportions. About 26,000 baths a year are being installed in private property. At this rate it will take a century and a quarter to equip the more than three million privately rented houses that now have either no bath or a shared one... It is a safe assumption that we have three million houses that we ought to pull down right away."

Mr. Alderson covers the problem from every angle: from that of the council tenant, the private tenant, the

builder, the landlord, and the owner-occupier. Among remedies he suggests are leasehold reform, that insurance companies should issue policies covering major repairs, that building societies might increase loans to one hundred per cent, or even 105 per cent., to cover removal expenses — pointing out that “they might lose out on an occasional deal, but they must know as well as insurance companies and croupiers that they do not need to win every time in order to make a profit,” — and even the nationalisation of building societies.

As regards Schedule A tax, Mr. Alderson states that the owner-occupier asks, with some self-righteousness, “why he should be taxed on income represented by his house, when he is not taxed on income represented by his other capital goods such as a cigarette lighter and his car.” (You are urged to resist the temptation to challenge an implied definition of capital with which you may not agree, or the main point may be lost.) “The explanation,” says Mr. Alderson, “is that the income they represent is negligible. Matches are cheap, and petrol for a car costs about the same as train fares (which must be regarded as the alternative, since few people would hire a car for seven days a week, year in, year out). Suppose, however, that someone invented an atomic car that needed no refuelling for fifty years. The Inland Revenue would immediately want to tax the income it represented — and no doubt it would have the sympathy and support of the majority of owner-occupiers who had to make do with internal combustion engines.” No doubt at all, more’s the pity, but even if you accept the logic, a more fundamental reason than this must be sought. Sour grapes never made sound law.

Mr. Alderson says that, “in the place of subsidised rents, rent control, and the abolition of Schedule A, the State should give allowances, tied to expenditure on housing, according to a scale that decreases with higher income and increases with the number of dependants,” and then, with theoretically sound reasoning, presents the suggested scheme in detail. Unfortunately, this chapter is heavy with the threat of the inevitable amount of yet more form filling, and the costly employment of innumerable civil servants necessary to run the scheme. Moreover, it comes after, and not before, his excellent chapter entitled “The Property ‘Racket’,” in which he comes down handsomely in favour of a “land tax”. Still, one is left with a strong impression that he favours it most out of all the proposed remedies, for he pleads the case as eloquently as any Georgist.

Thus, criticising our present rating system, he says: “Rates cannot even be defended as an effective means of encouraging the profitable use of scarce land. Rateable value does not bear a proportional relationship to the value of the land on which the property stands, but to the value both of the land and the property itself. If property is improved, its rateable value goes up. This is to say that if a better use is made of the land on which the property stands, higher rates must be paid. To this extent the rating system discourages the better use of land. It is even true that rates do not have to be paid on a property if it is

standing empty, which is encouragement to sheer waste.”

He maintains that a capital gains tax on real estate, to be really effective, would need to be levied whether or not property was sold, and then proceeds skilfully to prove it:

“Our single capital gains levy can be converted into a continuing tax equivalent to the interest on it. In short, our capital gains tax ceases to look like a capital gains tax at all, and looks more like the rates . . . If planning permission has been granted for an office block of a certain size to be built on a site (and a reasonable time allowed for building), the tax would be imposed as though it had been built . . . To summarize, the tax would depend only on the demand for land, on the use of land made before planning powers were assumed, and on planning permission. We may as well call it a land tax.”

Indeed, we may, the real problem being to persuade the powers that be that although in some quarters it occupies the ‘four-letter word’ bracket, it is not really as dirty as it sounds, and would seem even less so if it were given an airing.

“If one argues from the premise that private property in land is as inviolate as private property in toothbrushes, then it follows as the night the day that a land tax is unjust. But there are few who do argue from this premise today. For everyone else it is the lack of a land tax which is unjust.”

So say all of us, and on that profound note we leave you with the recommendation that you read this book. You will be delighted to find out how much we have not mentioned.

Debits and Credits

By E. P. MIDDLETON

THE CITY, by Paul Ferris (Pelican Books, 4s.)

AS WITH a number of institutions, there are two main points of view regarding the City — the golden square mile at the heart of London — that of those who are in it, and that of those outside it. To the former, of course, it is an “institution,” one of the greatest by every test: historical, geographical, economic and financial; it is, also, at one and the same time a centre of power and a power regulator and therefore an influence for great good in this unstable world. To those on the outside, on the other hand, it is certainly a power centre, but whether its influence is for good or evil is a matter of considerable doubt, not to say scepticism.

The truth, as usual, lies somewhere between these extremes. Undoubtedly, this great concentration of headquarters, exchanges and clearing houses for financial transactions, unique in the world, is a power house which those in control of it may utilise for either good or ill purposes. On the whole, it would seem from events, it has been mostly an influence for good, for which the credit must be given to the remarkable mechanism which has