

LVT & THE ENVIRONMENT

UK supporters of Henry George and others who advocate abolishing and/or reducing negative taxes and instead, collect land and other natural resource rents have a real opportunity to explain these arguments in discussions relating to the environment and with whatever grants will replace the Common Agricultural Policy (CAP) subsidies.

We know all too well that any government subsidies or grants will automatically capitalise into land value thereby pushing up the rents for tenant farmers and the selling price of farm land. If public money is to be used to rewild marginal farmland etc. then, I argue, the public should have common ownership of that land through a democratically managed national land owning body. I also believe that decisions on which land should be returned to wetlands or rewilded should be based on pro-active decisions taken by local authorities and local communities and *not* by farmland owners.

Even the EU recognised how CAP subsidies actually increase the value and therefore the price of land, benefitting land owners, not the farm business located on it. This means that all taxpayers have been subsidising big land owners through CAP subsidies to the tune of billions of pounds which in turn has encouraged mega farms and intensive farming methods that are helping to destroy the UK's rural environment.

Given some 50% of food produced in the UK is wasted while food banks are essential for a growing number of families is immoral and highlights how our economy has got it wrong. Indeed, our whole economy is skewed towards benefitting those claiming ownership of land and other natural resources, including owners of farm land, and the super-rich whilst penalising folk on low and middle incomes. If local and national governments moved to collecting natural resource rents, through a transparent, fair and redistributive system, instead of using negative, avoidable and distortive taxes, we would have a fundamental economic tool that would make us use all land (rural and urban) sparingly whilst returning the land wealth we all create to the public purse: land wealth is not generated from ownership but it is generated from our collective demand to use it for food, homes, public services, transport, businesses etc.

An annual Land Value Tax (LVT) applied to every site including farm land will make land owners use their land more efficiently and sparingly and together with much needed positive planning laws and good environmental based land use laws, we will all benefit from economic, environmental and social changes such a policy will bring about. With LVT, farmers will only farm the land they need and will release other land for new entrant farmers or, if it is not productive, then have it returned to wildlife habitats or wetlands with responsible public access. Villages and market towns have seen homes become unaffordable for more and more low and middle income earners because second homes and homes bought for holiday lets have pushed up house prices and rents. This reduction in a permanent local population has led to fewer customers for local businesses which have been forced to close and that has reduced local jobs – a vicious spiral of de-populating villages and small towns. LVT will stop land speculation which is affecting the price of homes and business premises in towns and cities and will bring idle development sites and empty buildings into their proper use and that will reduce the pressure to build on green land in rural areas.

Rural and urban land should be used for local food production, homes, businesses, leisure and recreation whilst protecting the environment and wildlife and not be seen as an investment by individuals and corporations. Real investment in our public services and in productive businesses - paid for by all of us as taxpayers, consumers and entrepreneurs – is what generates land value together with natural fertility. The many urban community based initiatives that not only produce and transport locally farmed food but connect us with nature, our communities and with each other offer beacons of hope where land is used based on local need and not for unearned wealth.

When we talk about our economy, we must also talk about our environment and social inequality as being part of the same issue. If not, we ignore how so many of us have become detached from nature and how our greed for more and more stuff to be produced and easily discarded is damaging our environment and leads to poverty, inequality and social unrest. For generations now, since most people have moved from working directly on the land and in cottage industries and have moved into commerce, manufacturing, public and private services etc., we have forgotten that access to land underpins every aspect of our lives. Land not only provides sites for homes, food, jobs, services, transport etc., it also provides everything we need to survive as humans – air, water, minerals, raw materials, airwaves, landing slots at airports, the ecosystems all life depends on and so on. We know that we can have a world free of plastics, pollutants and waste but we need the political will and courage of all governments to speed up how we can repair our environments and shift to an economic system that protects the earth from being destroyed in the name of economic 'progress'. We have to intertwine economic and environmental and social policies to find sustainable and fair systems the world over.

The fact that access to land has been restricted by those who claim ownership to it, and are still doing so with the privatisation – i.e. enclosure - of public spaces in our towns and cities, has not only controlled where we can or cannot live, walk or set up business but it has also enabled land wealth to be sucked out of our economy by a minority of the population. This very act has separated us from nature physically and emotionally. Too often, to talk about land today is only to talk about that part of land which we can see, meaning many politicians, economists and others ignore land and land value under homes or roads or hospitals or shops or offices or schools etc. So long as we praise those who make money from owning their land and celebrate rising house prices whilst ignoring the cost of rising rents for so many can only mean the continuation of an unfair and unequal society and ongoing misuse of land and other natural resources adding to the damage our environment is suffering.

By shifting the basis of taxation off earned incomes and on to land and other natural resource rents we would have a tool which would encourage us to use all natural resources in a manner that benefits the whole of society, economically, socially and environmentally. We still need other policies put in place that ensure positive planning, maximum recycling, renewable energies, easily repairable goods, local production and distribution of food and goods, affordable and efficient public transport, sufficient affordable, safe and good quality homes for all, the best education and health care services free for all and much more to ensure a fair and just society and clean environment. We need to remember that we are all a part of nature and not apart from it. 