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LAND NATIONALISATION

ITS NECESSITY AND ITS AIMS.

BEING A COMPARISON OF THE
SYSTEM OF LANDLORD AND TENANT
WITH THAT OF
OCCUPYING OWNERSHIP

In Their Influence on the Well-Being of the People.

BY

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A P P E N D I X.



ON THE NATIONALISATION OF HOUSE PROPERTY.

IT has been already intimated (see p. 215) that house property may be advantageously dealt with on the same general principles as the agricultural land of the kingdom, but details were avoided, because it was felt that this part of the scheme was beset with exceptional difficulties and was open to many objections. A fuller consideration of this subject, after reading the criticisms to which my proposals have given rise, and after discussion with friends who consider the crucial test of the practicability of land-nationalisation to be its applicability to towns, enables me now to treat it more fully; and I therefore propose to indicate a method by which it may be effected. I wish however clearly to state that the proposals which follow are put forth as suggestions—not as the only method by which the problem may be solved. They will, at all events, serve to show how nationalisation *can* be applied in towns, and will thus afford an answer to the cry of “impracticable” which is always raised if no workable plan is sketched out.

The State should resume possession of Agricultural Land first—of land occupied by house property, &c., at a later period.—Much consideration of the effects likely to follow nationalisation have convinced me of the importance of this proposition. When all the agricultural and waste lands of the kingdom are resumed by the State

and rendered available for personal occupation in the manner indicated in the latter part of Chap. viii. (pp. 192-224), there will inevitably result an outflow of the congested population of the large towns into the country. All villages and small towns which have long remained in an almost stationary condition, owing to the impossibility of obtaining land from the great landlords, will at once start into healthy life and growth. Numbers of persons who have been hitherto unable to obtain a country residence with a few acres of land in the district of their choice, except perhaps at an exorbitant price, will, so soon as land is obtainable everywhere, build houses for themselves, and thus there will arise a large demand for labour and a considerable extension of trade all over the country. Many labourers, mechanics, and small tradesmen, who have left their native town or village and are struggling vainly to earn a living in some great town, will then be able to return to their former homes, attracted both by the fresh demand for labour and by the enormous boon of being able to obtain plots of land at low rents and on a permanent tenure. The effect of this outflow of population will undoubtedly be, that rents and house property generally must fall in value considerably below the monopoly prices they have hitherto commanded. On the worse class of houses the fall will be considerable, on the better class probably little if any. Numbers of houses will become temporarily vacant, while the worst of all will have to be destroyed as uninhabitable.

Some of the evils of land-monopoly in towns will thus be removed merely by the free access which nationalisation will afford to rural land ; but other evils will remain, and in order to remove these it will be necessary for the State or the Municipality to become the sole ground-landlord, while every householder should be able, if he desires it, to obtain possession of his house or premises on the easiest terms. The most convenient arrange-

ments, and those best adapted to secure the full benefits of nationalisation to the entire community will probably be somewhat as follows :—

How House-property may be dealt with.—When the free-selection of rural land for dwellings, the opening up to cultivation of the more extensive wastes, and the subdivision of large farms, have brought down ground-rents in towns to their true value (which may perhaps be effected in about ten years after the complete nationalisation of agricultural land), the entire house-property of the country will be in a condition to be advantageously dealt with on the principles already laid down in this volume.

Application being made by any person desirous of purchasing his house and premises, the local Land Court (established to carry out nationalisation) will cause a valuation to be made of the property, separating the value of the ground-rent from that of the buildings or other improvements on the land, and the occupier will then be entitled to purchase the latter, either by payment of the amount of the valuation or by means of a terminable rental extending over a period not exceeding, say, fifty-five years; and on paying this amount or this rental, as well as the annual ground-rent, he would become the virtual owner of the dwelling-house or premises. Persons who do not wish to purchase their houses might remain as tenants, but in this case the Municipality or the local Land Court would become the landlord, receiving the rents from the tenant and applying them to the payment of the terminable annuity awarded to the former landlord in lieu of ground-rent and also in liquidation of the amount at which the buildings, &c. upon the land have been valued. The terminable rental by which this last is to be paid would be always so adjusted to the valuation as to secure the public from loss. In this way the Municipalities or other local authorities would gradually become possessors of large quantities of

house-property which they would be always ready to sell at very low prices to any occupier desirous of purchasing them.

Additional powers of Municipalities.—In order to provide for the wants of an increasing population, every municipality should have power to take any land required for the use of its inhabitants, either for health and recreation, for the sites of public buildings, or for the erection of dwelling-houses, paying only the official valuation price. Thus the needs of every locality would be provided for without trouble, delay, or unnecessary expense.

Replies to some objections.—Some of my critics have objected that the complete stoppage of speculative building would be highly injurious to the community and ruinous to many builders. I reply to this, that people would still build houses, and that, owing to the land on which they must be built being so much cheaper, larger and better houses would be built than now, so that the building trade would not suffer, except in so far as it had already built beyond the needs, or in a style unsuited to the wants of the community. It will hardly be urged that people should continue to live in bad or unsuitable houses in order that builders may thrive.

Fear has also been expressed that many who require houses, but who have neither the means nor the inclination to build them, would suffer. But such a fear is quite groundless, for Society will, as it always does, adapt itself to new conditions; while failing other means of supply the local authorities will always be able to meet a public want. It must be remembered, too, that the large number of houses which, under the present system are always "to let," will have to be absorbed before there is really a pressing want of new houses. When most people own the houses they live in, and it becomes the general custom for houses to be built only when people require them, instead of by speculators on the chance of

finding tenants (who often leave some other houses vacant), unoccupied houses will be comparatively unknown. It will then be perceived that the many thousands of houses now always standing empty represent a vast loss of capital entirely due to the system of speculative building arising out of landlordism.

Concluding remarks.—Without going into further details it has, I think, been now made clear that the principles of Land Nationalisation as developed in this work, can be applied to house-property as well as to agricultural land; and that by so applying them the ever-increasing value of ground-rents in populous centres which now go to enrich individuals and give them injurious power over their fellow-men, will, as the annuities to landlords expire, form an ever-increasing fund for the expenses of government, and will ultimately render other taxes as well as local rates, altogether unnecessary.