

The Liberals' battering at yesterday's election should give LVT supporters no pleasure, but it is well-deserved. Given the first serious taste of government since the end of World War One, they failed utterly to present the party's distinctive philosophy. LVT, together with free trade, was an important component of that. Even today, two members of the cabinet claim to be LVT advocates, but not one word have they uttered on the subject since they came into the government. This is the more shameful since LVT is an essential ingredient in any programme of economic recovery.

It seems as if the Liberals lost their soul when they merged with the Socialist-lite Social Democratic Party in the 1980s, but this would probably never have happened if members of the party had not, long before, forgotten what the Liberal Party actually stood for. Over the decades from 1950 onwards, its intellectual quality degenerated as it turned into little more than a party of compromise occupying the soft centre of politics in the middle ground between left and right.

This is not a safe place to be, as it is a requirement that the occupants have no political principles. Without firm principles, any politician is liable to be blown in any direction, depending on the strength of the wind. This is what we have seen.

What are LVT supporters to make of this? The first conclusion is that, in the absence of an improbable break-through, an effective switch to land-rent collection will not happen in Britain for at least two decades. We should therefore stop rushing around and spending time and energy explaining to the Treasury and other officials how it would function. They are not interested and neither is any conceivable government. Nobody in power wants, or has the courage, to upset the huge home-ownerist interest, let alone the banks and the old landowning classes. Even if they had, their understanding is so weak that they could easily be talked out of the policy we advocate.

What we can do, however, is to lose no opportunity for pointing at the inefficiency of the present tax system and the real harm that it does. Above all, we need to work at spreading an understanding of the economic theories out of which the concept of land rent as public revenue arises.