

THE HENRY GEORGE CENTENNIAL  
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Development and Prospects for  
the Danish Henry George Union

In 1886 the "Progress and Poverty" was translated into Norwegian by Mr. Ullmann, Folk High School Leader, who in inspiring lectures introduced the new thoughts to several Danish folk high schools.

In 1886, Mr. Jacob E. Lange, Teacher at an agricultural school, was studying in England, where he learned about the "Progress and Poverty".

Upon his return, and after having made profound studies, in 1888 he went in for his work on the thoughts of land duty. When in 1889 Henry George came to England, Mr. Lange also went over joining his meetings and he became personally acquainted with Henry George. This contact continued in correspondence.

On the 13th October, 1889, a small group of persons sharing Henry George's views assembled in Odense, and the first Danish Henry George Union was founded under the name of "Scandinavian Union for Community Reform".

"Vor Tid" (our time), Mr. Ullmann's Norwegian magazine, published in Kristiania, became the periodical for the members, with Mr. Jacob Lange as co-editor.

This small group especially through Jacob Lange's activities succeeded in avaking a remarkable discussion, opening people's eyes for the problem and creating the background for later political results.

The last public meeting was held in 1894, at which among others participated Mr. Johs. Madsen, a sailor - lateron editor of the "Husmanden" (the small-holders).

Now there came an interval.

At a meeting on the 2nd March, 1902, the present Danish Henry George Union was established. There were 15 participants, and the Union started with 24 members.

There were close connections to the Danish small-holder movement and to craftsmen.

In the same year, on the 8th November, 1902, the Køge Resolution was made up by the Sjaelland small-holders. In this Resolution 3 <sup>propositions</sup> claims were argued:

1st Claim: No official protection of any class.

2nd Claim: Abolition of customs duties and consumption tax.

3rd Claim: Taxation of the land value not created by individual persons.

This famous resolution was put into words by Mr. Sophus Bertelsen, Lawyer, who was the third founder of agitation in Denmark and one of the founders of the Union. On many occasions this resolution has been of great political importance.

Mr. Villads Christensen, philosophical doctor, was one of the participants in this early work. His ability of establishing contact to important intellectual people and groups, especially in the radical party, turned out to become very fruitful. His historical insight made it possible for him to connect Henry George's thoughts to the old Nordic ideas of freedom. He therefore trusted that it was possible to progress by small steps, and he was the first member of the Union to realize the importance of the specified valuation, which means the separation between land value and the values created by labour in cities and in the countryside.

It is remarkable that these three members, Mr. Sophus Bertelsen, Mr. Villads Christensen, and Mr. Jacob E. Lange, were born in the same year, 1864, when Denmark starts rebuilding the country after a terrible war.

From 1902 until 1932 the Union experienced great progress, to which contributed the American, Mr. Joseph Fels and his wife. Through British friends they became interested in the Danish movement. They started sending financial contributions and increased their financial support after a visit to our country. Not least the incredible efforts of Mr. Fels made it possible for several members to work very fruitfully. Among these people I would mention the father of Dr. Starcke, Mr. C.N. Starcke, Professor.

A main office was established from which all activities could be organized.

Mr. J.L. Bjørner and Mrs. Signe Bjørner became the first leaders of this office. In 1905 they had started their own district at Østerbro, a part of the city of Copenhagen, from where now the literary work, publishing and meeting activities were started,

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which should later on, in times of depression, turn out to become the valuable thread of life which is the basis for the existence of the Danish Union. Throughout a long lifetime Mr. and Mrs. Bjørner were working with an admirable enthusiasm, and when in 1914 contributions from abroad had stopped and when 20 years later the number of members decreased, thanks to the sacrifices of Mr. and Mrs. Bjørner and their children, the Danish Henry George Union is still able to work for the people's ownership of land.

In those days Mr. J.L. Bjørner had great influence in his party, the social democracy, and he was so successful that even though Keynes's thoughts firmly gripped the social democracy in Denmark after the second world war, the thought of a fair duty on land and of free trade was still under active consideration in the party.

Later, - in 1924 - Signe Bjørner became one of the founders of the political party "Retsforbundet" (justice party) which endeavoured to become represented in the Danish Parliament. This happened in strong opposition to the Danish Henry George Union, which wanted to steadily maintain its usual cross-party line to ensure free enlightenment. But, as always, seen from some Georgists' views, politicians in the different parties seemed to be too half-hearted. Therefore, one party to keep them all to the fire. The party was founded and intermittently until today has been represented in the Danish Parliament. At the moment they have 6 seats in Parliament.

By this party great efforts have been made - in times with polarizing standpoints - to show alternative solutions of a more human character. It is beyond doubt that this party and the radical party as well have had great influence on Danish legislation, even though they have always been small parties.

Among the active members in the early work of the Union were a great number of young students who became the water-bearers. Especially three of them should be mentioned: Mr. Abel Brinck, Mr. K.J. Kristensen, and Mr. Bertel Dahlgaard, who came in contact through the activities of their youth, and they remained friends all through their lifetime. Mr. Abel Brinck and Mr. K.J. Kristensen were very important on account of their professional insight, available for politicians in their legislation work.

Mr. K.J. Kristensen later became Director of the Central Office for Land Value Assessment and of the office of the Superior Taxation Council. Within the radical party they came in contact with Mr. Bertel Dahlgaard. First Mr. Dahlgaard was engaged in administration offices, but later he became a radical member of Parliament, Minister of the Interior, and at last Minister of Economics.

In his capacity of proposer (in 1926) in Parliament he became the driving factor for Danish land legislation in the early years. Together with the late Dr. Viggo Starcke from the justice party and Mr. Viggo Kampmann, social democrat, in the fifties he formed the remarkable three-party government; during the period of this government for the first time after the 2nd world war Danish economy began to improve. Mr. Knud Tolstrup, who is participating in this conference, was one of the supporters during his membership of Parliament for the justice party.

At the "Change of the System" in Denmark in 1903 it had been agreed upon that the very old "hartkorn"-taxes to the municipalities should no longer exist. But in 1910 a railway tax was introduced, which formed the basis for trial valuations in 1911 and 1912. In 1916 a common land valuation was carried through, aiming at bringing land value taxation into practice. This land valuation was only meant to be tentative, but nevertheless during the last years of the first world war grain supplies were based on this valuation. It became effective, and in 1918 a common valuation as a basis for taxation was passed. This valuation was to be carried through in 1920, but in 1919 the law concerning disentailment of estates and parcelling out of government

property and vicarage land was passed. For this purpose land valuation was necessary. A number of errors became obvious and therefore resulted in the final step in 1922, when the state land value taxation was introduced and, what is more important, a distinct separate taxation of land and a lowered taxation of buildings and other improvements and the actual land value assessment was secured.

The first real valuation for land taxation then came in 1924.

In 1926 municipal taxation was transferred to state pattern, and from 1932 taxation of increases in land value became effective. The land valuations were carried through by means of democratically built-up local valuation councils, which from 1932 were able to introduce for official use land registration maps on which each individual valuation was marked. Today, through councillor work from the state's central office, this technique still functions. Hereto comes monthly statistics over sales of land properties sent out to all district valuation men. These statistics can be made on the basis of a general sales registration, because of the very old Danish "tinglysning" - registration - of landed property, a duty upon all landowners going more than 1000 years back.

A valuation system of such flexibility has shown its effects in Denmark under the rapid inflation. It has been possible to follow the change in values and keep valuation at the exact point.

This democratical system until today has protected legislation against all attacks, even the attempts of later years to a certain degree have been repelled. The apparatus for the introduction of full land tax assessment created from 1916 to 1936 is still intact and only waits for the slow process of political ripening which is necessary to obtain maximum exploitation.

In 1937 tax on land was increased to 6 per mille, and from this time until 1957 everything was quiet, except for the tax on improvement of houses, etc., which was lowered.

In 1954, under the social democratical government, the per mille limit from 1926 was ~~condemned~~ *repealed*.

In 1957 a law was passed according to which taxation of improvements both to the state and to town municipalities should be fixed at the amount ~~paid~~ before the common valuation in 1956. For the municipal taxation on improvements for towns a <sup>P/</sup>stewise settlement was decided.

During the so-called "3-party government", entered into by the social democrates, the radical party, and the justice party, over two years an increase in the land duty in towns and of the assessed duty on improvements by 14 per mille was carried through. This took place in 1958 in connection with a certain settlement of the rent regulation. By this step, the land duty of towns of 25-26 per mille came much closer to the duty of the countryside municipalities which, however, in 1960/61 for counties and parishes was totally on an average hardly 40 per mille for landed property and about ~~44~~ *about 40* per mille for other property.

During the period of the social democratic/radical government formed after the election in the autumn of 1960 the duty on improvements in counties and parishes was settled on the basis of the rates paid in 1960/61 for settlement together with the assessed duty on improvements in town districts.

Thus, the ordinary taxation on improvements had become a death link in taxation both to the state and to municipalities, and now municipalities had to choose between land duty and personal taxation, insofar the law gave the municipalities the right of self-determination on this point.

Already in December, 1964, the new social democratic government carried through abolition of the duty on increases in land value. (About 92 mill. kr. in 1964/65). In January, 1966, the land duty to the state (about 98 mill. kr. in 1965/66) was also abolished, and a stepwise settlement of the assessed duty on improvements to the state was passed.

For the year 1966/67 - and only for this year - the first year after the valuation in 1965, a rough limitation of municipality access to increase the amounts to be imposed for land duty was carried through. This in order to prevent the relief in personal taxation which municipalities might naturally be inclined to choose as a consequence of bringing land values up to date.

The reaction on this limitation of the self-determination of municipalities in December, 1966, however, was the cause not only for the abolition of this rule of obstruction, but also for the right of municipalities to raise their land duty, the higher limit of 35 per mille valid until that time being cut away.

As a result of this whole development with ordinary property taxation during the existence of the Danish Henry George Union, after it has become possible to carry through by law a separate land valuation and the first moderate land duty - the situation as of today is the following:

- 1) Taxation of buildings has been limited and partly stopped so that all building activity and other increase in building values has been relieved from this burden (except, however, from duty on rent value).

- 2) Land duty <sup>to</sup> ~~at~~ the state has been abolished and partly been transferred to county municipalities.



- 3) According to firm rules, the county municipalities only impose land duty and personal tax, however, land duty by 20 permille as a maximum, a limit which has been reached by all counties and which they can hardly pass beyond with increasing taxation needs.

As concerns agricultural land, the county land duty has been regulated according to level of interest of landed property as compared with the commercial value by means of state subsidies, with the effect during later years of inflation in property prices that this duty has been wholly paid by the state.

- 4) Copenhagen and Frederiksberg and all primary municipalities within the counties are free to fix their rate of land duty, and the choice stands between land duty and personal duty, duty on improvements having been abolished.

The increase in land prices as expressed in valuations, and

This experience, ressembling experience from the abolition of "hartkorn" taxes, has now vaguely asserted itself. The thought of land duty is again becoming interesting.

On this occasion, unfortunately, it is not possible to mention the many workers and craftsmen, business people, technicians, and scientists who have been working for the ideas of Henry George and paved the way for all progress obtained.

However, it should be mentioned that in 1926, when the municipal land value assessment was carried through, the Union held a World Conference in Copenhagen from 20th - 26th July. The meeting was organized by Mr. Folke, polytechnical engineer. Seventeen nations participated, and Henry George's daughter was among participants.

Climax of this Conference was a public meeting in the open streets of the City of Copenhagen, at the Column of Freedom, the memorial for the liberation of the Danish peasants in 1788, the peaceful Danish revolution. Many old Georgists remember those days and the yearly conferences which the Union managed to hold even up to our time.

Crisis has now come over us. The Union stands in a new age. Mr. Dan Bjørner and Mrs. Gudrun Bjørner throughout later years have been capable of being the bearers of the Union. We now are a group of 300 members against 3000 in 1926. Thanks to the leadership of Mr. Dan Bjørner, publishing activities are lively. We are still issuing a magazine, "Grundskyld", but we have to fight with the economical problems caused by the crisis. Therefore, sometimes, we are facing future with a certain anxiety.

What are we going to do then?

In the first place we shall try to come in contact with younger people.

Further, we must try to strengthen our connections within the different groups of the labour movement.

In earlier periods, crises have created a possibility to convince people of the ideas of Henry George. We, therefore, trust that if we can put more bearing in convincing and calling attention to the remedies we can contribute with, based on the work of our fathers only waiting for ripening, the possibility of finding a fairer order of community by means of the ideas of Henry George can still be accomplished.