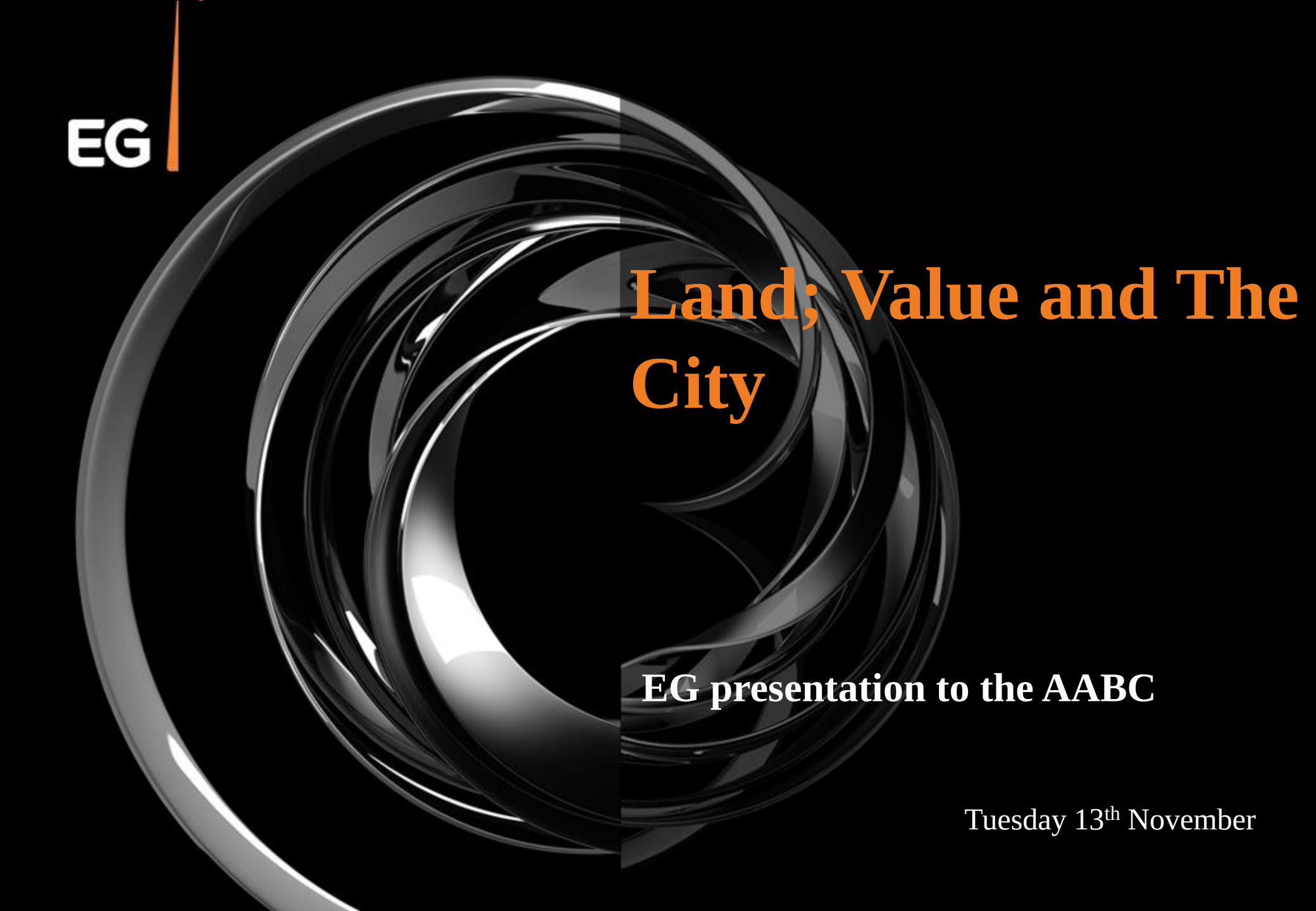


Land; Value and The City

EG presentation to the AABC

Tuesday 13th November

Land Value: A Journey Through the Ages

- For centuries land represented the only true wealth of people: the crown, nobility and the landed gentry all derived their near-plenary power from land ownership, from what they could sow, reap, extract and harness. There were also the primary assets of livestock, cultivated crops, serfs and soldiers, all requiring land availability, in its various productive forms.

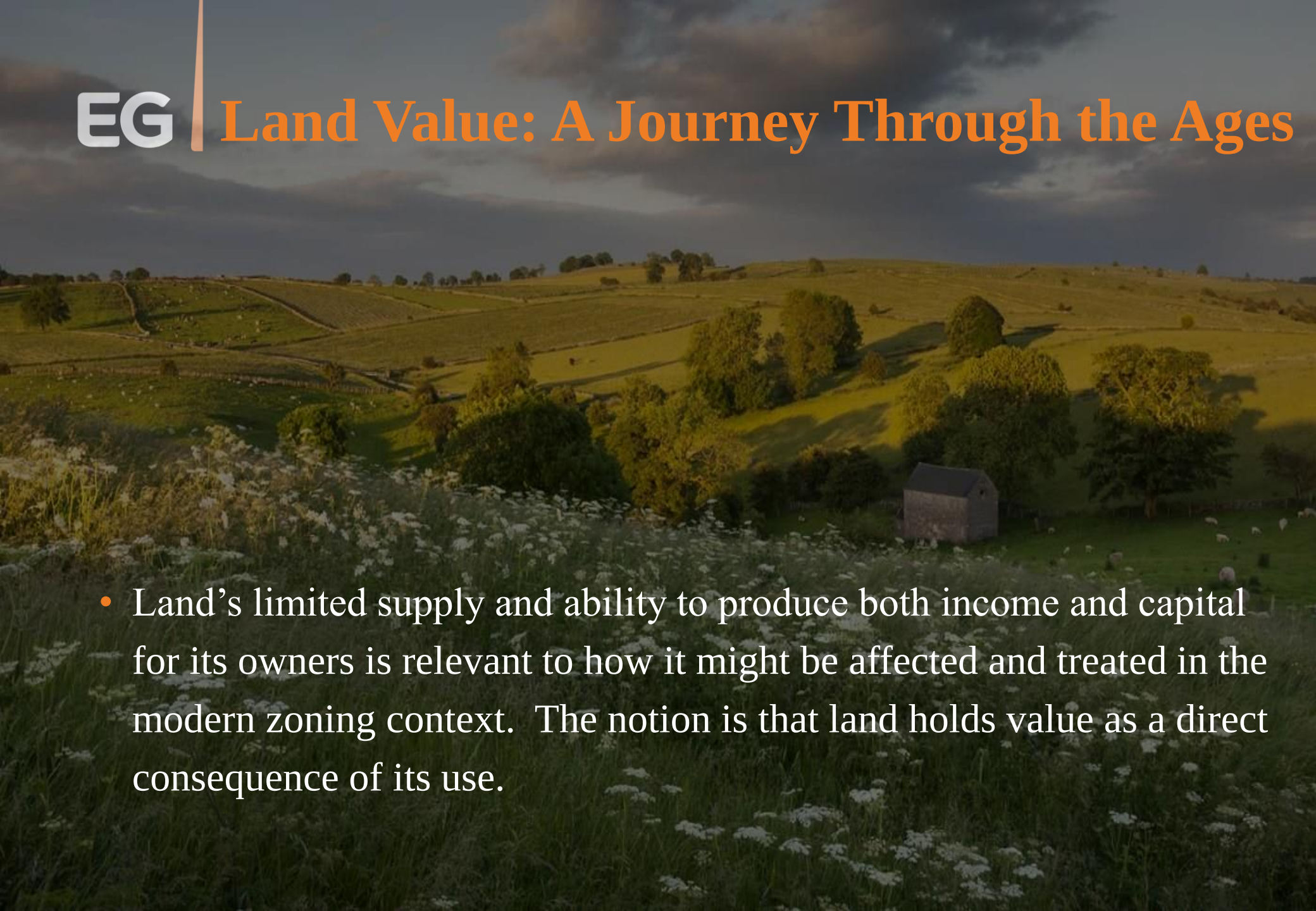
- For centuries, property represented the only means of production in kingdoms and territories and colonies for the oligarchic elite who owned the established and conquered realms and all upon them. People were born on the land, worked on the land, grew up on the land and died on the land but did not ever get to own any part of the asset .

Land Value: A Journey Through the Ages

- It was not until the late 1700s that land became a tradeable commodity in Britain, Europe and the colonies and somewhat accessible to ordinary citizens. It was arguably the commercialisation of the steam engine and the advent of the railway that began to break the inextricable bond between people's place of employment and landed property. As factories located away from the traditional estates, began to produce goods and satisfy demand distally of the land, so too did a large number of workers have to travel to work for the first time.

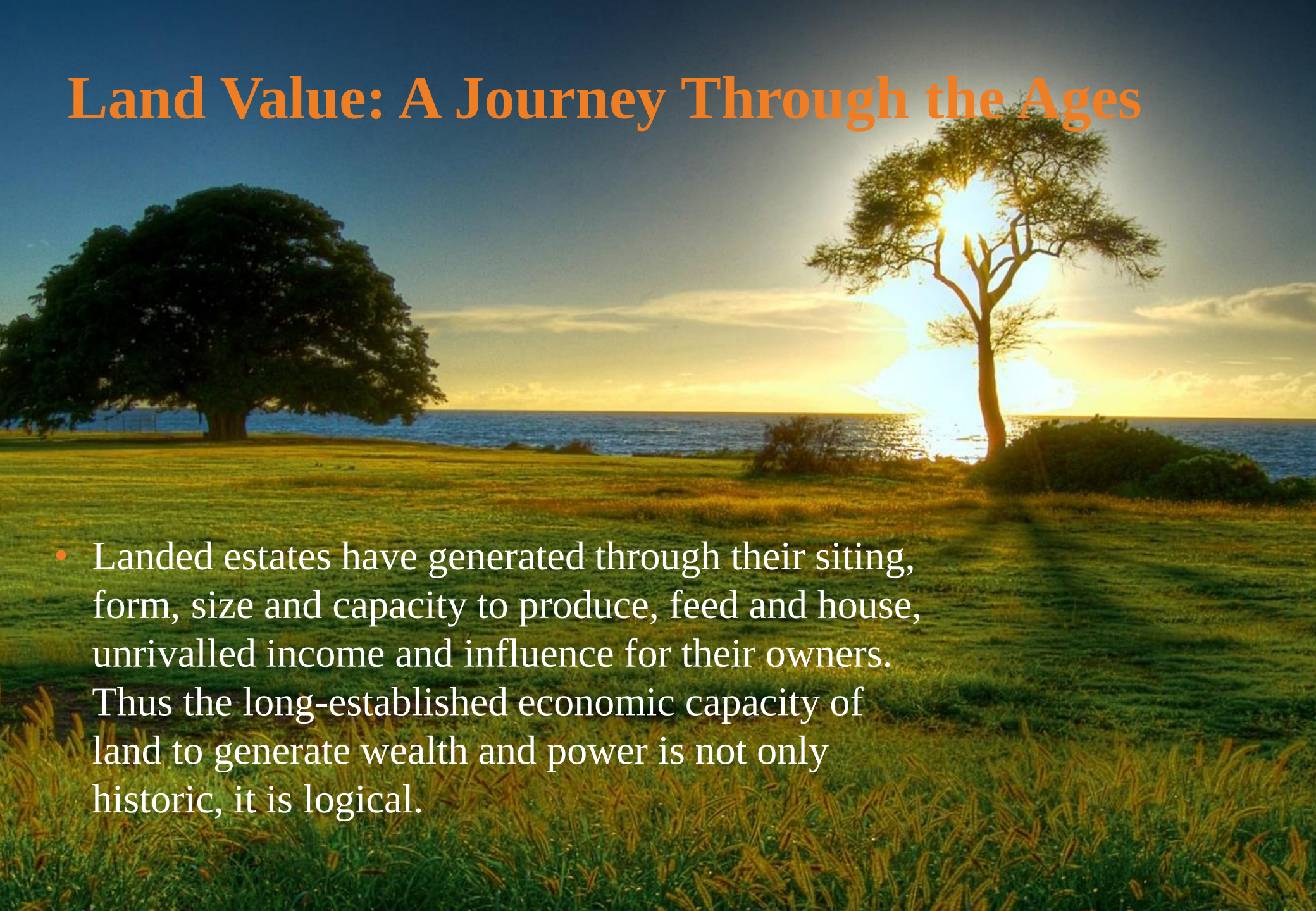
- Cities not only grew but were subdivided into new areas with commercial districts, housing for the factory workers and housing sections for the capitalists and managers. Social life had come to organise itself around the emergence and clash of new economic classes, segregated into new special zones mostly related to function or based on historical need.

Land Value: A Journey Through the Ages



- Land's limited supply and ability to produce both income and capital for its owners is relevant to how it might be affected and treated in the modern zoning context. The notion is that land holds value as a direct consequence of its use.

Land Value: A Journey Through the Ages



- Landed estates have generated through their siting, form, size and capacity to produce, feed and house, unrivalled income and influence for their owners. Thus the long-established economic capacity of land to generate wealth and power is not only historic, it is logical.

What Gives Land Its Value?

The Bay of Marseilles,
Seen from L'Estaque

Artist: Paul Cézanne
Created: 1885

Value: $42 Million

“Art imitating Life or Life imitating Art”?

Land Plus Transport Equals Value
The Road to Damascus

- Anjar: Site of Ummayyad Khalife's Al Walid's Grand Summer Palace in 714 AD
- Two Grand Palaces and Large at Intersection of Road connecting Beirut and Damascus in Roman Empire
- Greatest example of integrated transport planning and city-making

Roman Roads planned the Space Shuttle

- Space Shuttle needs Booster Rockets
- Rocket length = 45.46m
- Weight = 590 tonnes
- Cost/launch = $450 Million USD
- Made in Utah and Launch in Cape Canaveral, Florida
- Too big for trucks and no deep water port to send by sea.
- Must use rail.
- All rail going through tunnels contain standard rail gauge of 4ft 81/2 inches.

Google Images, 2018

Roman Roads planned the Space Shuttle

Google Images, 2018

Google Images, 2018

- American Railroads all built by British.
- Used Tram gauge of 4 ft 8 and ½ inches.
- Used same gauge as Wagons - same tools
- Spacing in England of Wheel Ruts.
- Roads and Wheel Ruts designed by Imperial Rome to march Roman army chariots, allowing one chariot in each direction

Rules set by bureaucrats can rule the world even 2,100 years later.

Moral of Story? Choose Your Rules Carefully

Sydney Planning: Rules, Rules and More Rules

- Are we planning or retrofitting?
- Sydney Metro Northwest and WestConnex – Great Projects or Expensive failures?
- Debate: Transport First or People First

Photo by Steven Siewart, SMH 2018

Economic Global Cities

EG | Sydney: Economic Global City

- The Holy Roman Empire was “neither Holy, nor Roman, nor an Empire” – Voltaire (1694-1778)

Australia's Good Fortune
Can The Lucky Country Get Luckier?

- 26 years of continuous GDP growth

- "Allan Greenspan once told me that the Middle Class in Australia is the most successful middle class in the world"

- Prime Minister Howard

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Solution: Ockham's Razor

- William of Ockham (1287-1347)
- 14th Century Philosopher, theologian and physician

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"Simplest Solution tends to be the correct Solution"

"Select the Solution with the fewest Assumptions"

Population and The Federal Budget

- The 20-60 demographic pays all of Australia's Tax
- Two decades ago, approx. 53% of us in this demographic. Today, it is only 48.5%
- So 48.5% pays the Tax for 100%
- In 20-30 years, this demographic will be 40%

- We will be in permanent Structural Deficit

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Government's Solutions

- Raise GST to 15%
- Raise Top Marginal Rate to 60%
- Raise New Taxes: Inheritance Tax, Death Duties
- Increase CGT
- Increase Company Tax Rate to 40%

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Shane of Coogee's Razor

- Import more people in 15-50 Age Group
- Add 50,000 migrants to the current 275,000 every year for next 10 years.
- People will power new economy.
- People will create new GDP wealth for Nation.
- Budget can afford new Infrastructure.
- Health and Education and Social Security for Budget.
- Australia will be 3rd largest economy in the world.

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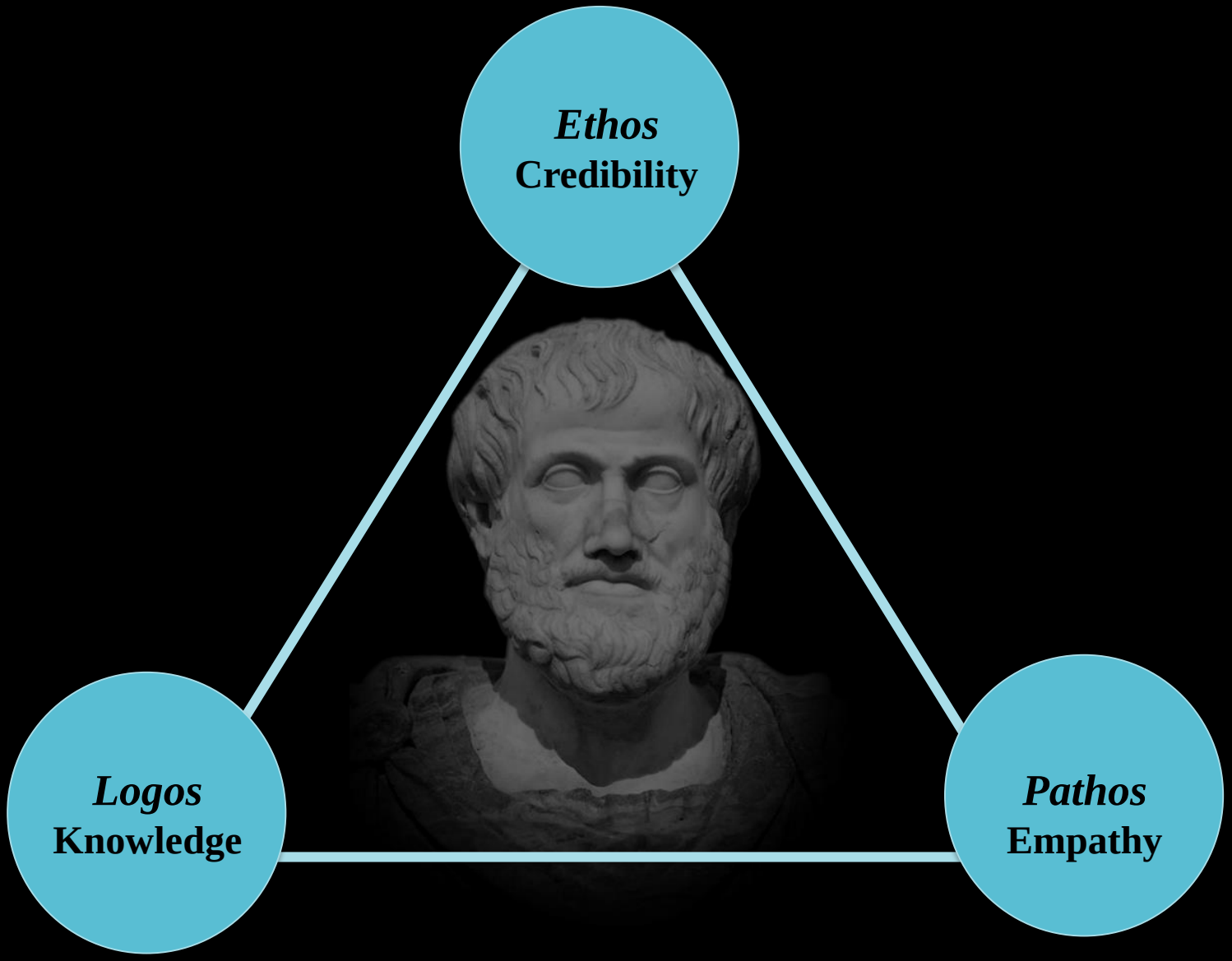
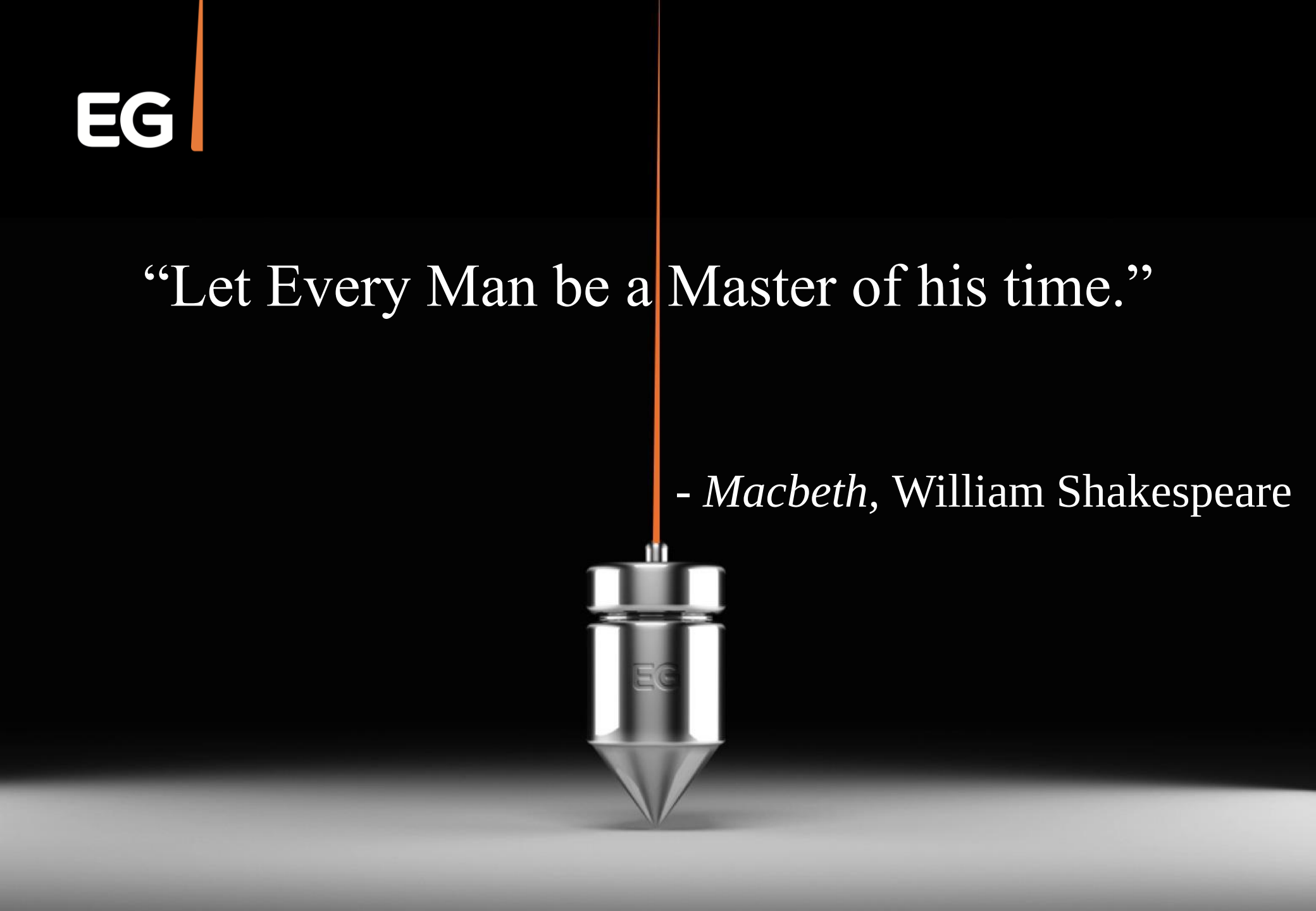
Winning The Debate
Aristotle's Three Modes of Persuasion

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“Let Every Man be a Master of his time.”
- *Macbeth*, William Shakespeare
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