### Research summaries edited by Katharine Deighton

#### Land use and the limits to (regional) governance: Some lessons from planning for housing and minerals in England

Cowell, R. and Murdoch, J.
INTERNATIONAL JOURNAL OF URBAN
AND REGIONAL RESEARCH (1999) Vol.
23 (4)

THE supposed shift from government to governance is examined in the context of land-use planning in England and indicates some of the problems which surround increased regional autonomy in governmental systems.

Decision-making processes around land use, especially when they concern conflicts between

development and environmental protection, are not easily rendered into the flexible arrangements deemed characteristic of governance. Two case studies in the housing and minerals sectors show the existence of strong "strategic lines" which tend to subsume local representations and limit the formation of partnerships. In both cases, the strategic line comes dressed in the language of technical (numerical) forecasts and projections which raises problems for any local opposition to the thrust of the strategy.

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In conclusion it is argued that although some recasting of the planning regime is underway, this has only served to highlight continuing problems in linking strategy and locality, especially in cases of conflict around land use, which regional governance may not easily alleviate.

# Transaction costs of allocating increased land value under public leasehold systems: Hong Kong

Hong, Y.H. URBAN STUDIES (1998) Vol. 35 (9) pp 1577-95.

USING Hong Kong as a case study, the paper explores the viability of four land-value-capture mechanisms available under public leasehold systems: initial land auctioning; contract modification; lease renewal; and, the collection of land rent. These mechanisms do not work equally well; their viability depends largely on the context within which the

contracting parties practise land leas-

ing.

By applying a modified transaction on - c o s t s framework to the case, it is shown that the transaction costs of allocating the land value at the initial land auction are the lowest among the four mechanisms. This explains why the Hong Kong government relies on public land auctions to capture land value. The paper discusses the implications for Hong Kong and for countries where officials are experimenting with public lease-hold systems.



### Brownfields and Greenfields: An ethical perspective on land use

Swearengen, J.C. ENVIRONMENTAL ETHICS (1999) Vol. 21 (3) pp 277-292.

AMERICA'S industries and families continue to forsake cities for suburban and rural environs, in the process leaving non-productive lands (brownfields) and simultaneously removing greenfield land from agriculturally or biologically productive use.

In spite of noteworthy exceptions, urban regions that once functioned as vital communities, continue in economic and social decline. Debate about the problem invokes systems of values which are not often articulated. Some attribute the urban exodus to departure from personal ethical norms (e.g., substance abuse, violence, welfare addiction),

as though ethical decline is driving the phenomenon. Others take the opposite stance, Land & Liberty Spring 2000 that social and economic decline follow the departure of the economic base. There is no consensus on what (if anything) government should do about the problem.

The author presents elements of a land-use ethic which can accommodate the foregoing and argues that government is already involved in the brownfields problem because urban flight is subsidized by public policies. The debate invokes key - but unexamined - assumptions regarding limits. Where there are few substitutes for resources and the social cost of exploitation is high, government intervention in the market is necessary; "value-free" economic approaches need to be supplemented by values concerning what ought to be, i.e., what is desirable for society.

## Land valuation and land rents in Hungary

Burger, A.

LAND USE POLICY (1998) Vol. 15(3) pp

STATE and co-operative agricultural land had neither a market nor an assigned accounting value in the former socialist countries. This led to tremendous waste and underuse. For this reason, in the reform movements of the 1960s and 1980s a monetary valuation of land was demanded by some economists and several methods were worked out to determine this.

After the political transition, private land ownership was reinstated. In Hungary, land was redistributed partly free and partly sold inexpensively in exchange for compensation bonds given for confiscated properties. The large number of owners not cultivating the land has created a plentiful supply. Owing to this, and to low agricultural incomes, rents are low. Selling prices of land are also low. Since the demand for renting is higher than for buying, and selling is controlled, rents are higher relative to those than in countries where a free land market prevails.

## Incentive property taxation - A potential tool for urban growth management

Gihring, T.A.
JOURNAL OF THE AMERICAN PLANNING ASSOCIATION (1999) Vol. 65
(1) pp 62-79.

IN THEIR efforts to find more effective policies and mechanisms for urban growth management, planners have yet to step off the regulatory plateau and discover new approaches. Vancouver and Seattle employ "incentive" property taxation linked to growth management. Using county property assessment files, hypothetical tax applications were performed on classes of land use. Simulating a heavy tax on land values and light tax on improvement values demonstrated the shifting of tax burden onto the landextensive uses associated with urban sprawl, such as parking lots, and the reduction of tax burden on land-intensive uses such as apartments and office buildings.

The study suggests that property owners might respond to tax-based financial inducements to reduce the ratio of land-to-improvements value by building more intensively on under-utilized sites. Prospects for infill development and the appropriation of speculative gain are also examined.