



LABOUR LAND CAMPAIGN PRESS RELEASE – 30 JUNE 2022

It's a shame about the real world

In the exciting world of Massively Multiplayer Online Role-Playing Games (MMORPGs or Middle-aged Men Online Role-Playing as Girls), once-popular games with a land component such as Ultima Online and Star Wars Galaxies are collapsing. On the one hand under the weight of speculation: people acquire and hold land not because they intend to use it, but because they hope that its value will go up over time; and on the other hand, because of limited class mobility: the player base becomes divided into landed “aristocrats” and landless “peasants” with the latter locked out of core features of the game.

If the rules of the game restrict formal trade of land, black markets emerge leading to scams and loss of trust; if it is unrestricted, land prices and rents skyrocket. This causes not only a housing crisis but undermines the whole economy: high commercial rents raise the price of goods and services thereby hurting both productive businesses and consumers; and high residential rents prevent workers from building up savings which gives employers disproportionate leverage in labour market negotiations. The result is that players who got in early and acquired land completely dominate so no new players come in and the game withers on the vine.

But the game development community has come up with a cure to reanimate their ailing space: a virtual land value tax (LVT) to harvest 85-100% of the unearned income that accrues from the ownership of land and other natural resources. An interesting aspect of this “tax” is that it has nothing to do with raising revenue for socially beneficial projects: its one and only purpose is to repair a broken market. A recurring LVT makes it cheap to buy land but expensive to sit on it without doing anything, thereby ensuring that it gets into the hands of players who will put it to some use that will generate revenue and grow the economy by providing useful goods and services that the community wants and is prepared to pay for. Rather than it being squirrelled away by game-ruining speculators.

Henry Abbott of the Labour Land Campaign says, “Hallelujah. The Metaverse is saved. It’s a shame about the real world.”ENDS

***The Labour Land Campaign is a voluntary organisation working for land reform.
It advocates a fairer distribution of land wealth through a Land Value Tax.***

For more information see www.labourland.org

URL for posting on Twitter:

<https://www.labourland.org/wp-content/uploads/2022/03/Press-release-28.02.22.pdf>

Contact details

Press Officer: Anthony Molloy

Email: anthony1molloy@gmail.com

Telephone: +44 (0)7704 116 238