

"OUR POLICY."

"We would simply take for the community what belongs to the community—the value that attaches to land by the growth of the community; leave sacredly to the individual all that belongs to the individual."—Henry George.

AN INSTRUCTIVE OBJECT-LESSON.

THE ASSUAN DAM AND EGYPTIAN LAND VALUES.

It is of little benefit to the general community if most of the profits are swept, in the shape of rent, into the pockets of land speculators.—Sir Charles W. Macara, interviewed in the MANCHESTER GUARDIAN (November 21st), on his return to England from the International Cotton Congress in Egypt.

As a French philosopher well says—It demands much philosophy to see the things nearest to us; therefore it is scarcely to be expected that the British people should appreciate the lesson to be learnt from their own political and economic history. Hence it is that we have so much pleasure in drawing the attention of our readers generally to a most interesting and instructive article by Sir Hanbury Brown, K.C.M.G., entitled "Land Values in Egypt," treating of the economic effects of the construction of the great Assuan Dam and other irrigation works, which appeared in THE ENGINEER of November 1st, 1912.

According to this expert, "whose experience of Egyptian irrigation works," THE ENGINEER assures us, "is unsurpassed." "Ten years ago the Assuan Dam was completed, and a reservoir with a capacity of 1,000 million cubic metres was thereby created above the first cataract of the Nile. A few years later it was decided to raise and strengthen the dam to the extent necessary to increase the storage capacity of the reservoir to 2,300 million cubic metres. The supplementary work has now been completed, and presumably the increased capacity of the reservoir will be utilised next year. The present is therefore a convenient time to take stock of the benefits resulting to Egypt from the dam as originally constructed to effect the storage of 1,000 million cubic metres of water."

Sir Hanbury Brown's timely stock-taking is, indeed, both interesting and instructive, not only from an engineering, or irrigation, but still more from the economic, standpoint. The Government, it appears, has borrowed for and expended on the reservoir and contingent works the sum of a little over £10,500,000. In Egypt, as soon as the land is classed as "cultivable" its owner has to contribute to the Land Tax, irrigated

land paying an extra rate; and so the Irrigation Works have increased the Egyptian Revenue by about half a million pounds sterling—nearly sufficient to pay five per cent. interest on the total cost of the works. The main result, however, has been that within thirteen years "the land of Middle and Lower Egypt and of the Fayum Province, taken together, has increased in capital value from 191½ million pounds (in 1899) to 487¾ millions (in 1912)—an increase of very nearly Three Hundred Million Pounds Sterling—and the aggregate rent has risen from 16¼ millions to 37¾ million pounds—an increase in the annual rental value of over Twenty Million Pounds Sterling."

We pause to take breath. Such figures, such results, give us reason to pause; they may well excite the cupidity of even a Rockefeller or a Duke of Westminster and draw the attention of those gambling or "investing" in Canadian land to the possibilities offered by Egyptian land. For they simply mean that the main result of these irrigation works, of the beneficent "art of directing the great sources of power in Nature for the use and convenience of man," of which the Egyptian Government have availed themselves so magnificently, will be to enable the Egyptian fellahs, or industrial population, to pay to the landlords of Egypt, whether London Banks or Turkish or Egyptian Pashas, an increased annual rent or tribute of over Twenty Million Pounds Sterling for the privilege and working in their native country. In other words, it has resulted in increasing the selling value of the privileges enjoyed by the landlords of Egypt by the nice little sum of Three Hundred Million Pounds Sterling. Yes, the landlords of Egypt, alien or native, absentee or resident, as well as the bondholders of the debt created by a late Khedyve for the purpose of building his palaces and stocking his harem, have good reason to be satisfied with the first-fruits of the British occupation of Egypt. And, after all, they are the most articulate, best organised and politically most influential of those "having interests in Egypt," or "a stake in the country."

But what about the fellahs, who form the great mass of the industrial population? some of those blind to the ways of the world may ask. Has the British occupation, and the wonderful public works these people under British guidance and direction have helped to construct, done nothing for them? That it has done something, something not easily to be formulated and not reducible to terms of pounds, shillings and pence, is undeniable. But we have yet to find any evidence that it has or is likely to improve materially their industrial or economic position or condition. The little finger of legalised landlordism they may find more oppressive than the mailed fist of tyrannical despotism.

Like their prototypes everywhere, the tribute they have to find for the privilege of living and working has increased and will increase *pari passu* with the increase in their powers of production, leaving them, despite what is popularly regarded as signs of the growing prosperity of the country, as helpless and as poverty-stricken as ever.

Needless to point out that had the Egyptian Government appropriated for the benefit of the fellahs or of the community generally the whole or a substantial portion of the "unearned increment" the construction of the Assuan Dam has created and which to-day is accruing to the Egyptian landlords, the position would have been very different. Instead of enriching a few beyond the dreams of avarice, such public works would have enriched and benefited all. The revenue it created could have been used for further irrigation works, where such are needed for the development of the country, without having recourse to the costly and burdensome policy of further borrowing; public schools of every sort and description, agricultural, medical and other technological colleges, public baths, halls, lecture rooms, and so on could have been provided: in short anything and everything calculated to instruct, elevate and regenerate the victims of the past misgovernment of Egypt. From such aspirations the British Government of Egypt seems as free as the old Khedival Government, or as the Sultanic Government of Turkey. Hence their good intentions and magnificent activities, though they may benefit and enrich some, are little likely materially to advantage the great landless industrial masses of the people. These they will leave as they found them, the mere hewers of wood and drawers of water for a small privileged class or caste.

However this may be, Sir Hanbury Brown concludes his valuable article by expressing his view that—"The severest critic of the Egyptian Government confronted with these figures can scarcely have the face to accuse it of rapacity in exacting its share of the unearned increment which has come to the Egyptian landlords." Well, if it is peace from such critics that the Egyptian Government desires, they should certainly be assured of it. Like their prototypes in this country, the rural agricultural labourer, the Egyptian fellahs are the most helpless, least organised and least articulate portion of the community; consequently they have little or no means of giving expression to their views on the subject—if they have any. And certainly the position would have been very different had the Government attempted to intercept any of this "unearned increment for their benefit or for the benefit of the community as a whole." For then we should doubtless have heard of the formation of an "Egyptian Rural League," enjoying the

support of the majority of the public-spirited and utterly disinterested Egyptian aristocracy, who after warning the Government that "Fanaticism is blind to facts and impervious to reason," would boldly and baldly have told them* :—

(A) That "they were conspiring to steal the land from its owners."

(B) That "they overrate enormously the value of land in the country."

(C) That "they are absolutely callous to the ruin and suffering which their scheme, if successful, would bring upon millions of their fellow-countrymen, rich and poor alike."

(D) That "their conspiracy is the most impudently iniquitous plot ever hatched in this country."

(E) That "they should be denounced by every honest man or woman as inciters to the wholesale plunder of vast numbers of their fellow-countrymen."

(F) That "the security of all capital, upon which industry and commerce depend, would be threatened by the success of their conspiracy, and that consequently capital would be more and more withdrawn from investment in this country and transferred to outside countries."

(G) That, as in the case of their "betters," "the appetite of landless men (the fellahs) for stealing would grow by what it fed upon."

And so on and so on, to the fullest extent that the poisonous malice of threatened privilege could dictate, and the perverted imagination of threatened vested interest could devise.

For ourselves we regret that the Egyptian Government did not give occasion for the formation of such an Egyptian Rural League. May they do so soon. For the struggle toward social justice, however bitter, violent and unscrupulous the opposition, can only elevate, purify and strengthen those fighting on its behalf whether in Egypt, Great Britain, or elsewhere.

L. H. B.

"This is the law of rent: As individuals come together in communities, and society grows, integrating more and more its individual members, and making general interest and general conditions of more and more relative importance, there arises, over and above the value which individuals can create for themselves, a value which is created by the community as a whole, and which, attaching to land, becomes tangible, definite, and capable of computation and appropriation. As society grows, so grows this value, which springs from and represents in tangible form what society as a whole contributes to production as distinguished from what is contributed by individual exertion. By virtue of natural law in those aspects which it is the purpose of the science we call political economy to discover, as it is the purpose of the sciences which we call chemistry and astronomy to discover other aspects of natural law—all social advance necessarily contributes to the increase of this common value; to the growth of this common fund."—Henry George, "SOCIAL PROBLEMS."

* See THE LAND STEALING CONSPIRACY, Pamphlet, price One Penny, issued by the Committee of the Rural League, 110, Strand, London, W.C.