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## LAND & LIBERTY

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### THE MORAL ISSUE IN TAXATION

Taxes are a forced contribution to the State from the individual. Inasmuch as they rest on force, they must be utterly just, or a great wrong ensues. Couple with this the accepted fact that what a man earns belongs to him, or he feels that it ought to belong to him, and we get a conflict of economics, ethics and politics, with disastrous results. Unless taxes are moral, they are not only unmoral; they are demoralising. And that is the present situation. Taxes are a demoralising force in the life of the nation to-day.

We need taxes to support Government. Admitted. But government at its best is a clumsy animal, an unwieldy pachyderm. And while we are ready to carry water and hay to the elephant for our tickets to the circus, we object to carrying it beyond a given point. We want to see the circus. When we are faced with the alternates of drudgery, lying out of it, taking a licking, of fighting for our rights, why let's get together and fight, on paper at least. But who are we to throw a stone at the man caught in a lie. "Let him who is without sin, cast the first, etc."

And the sequel to that—"Go thou and sin no more." Just how can we go and *not* sin? That is a question, a moral issue in taxation. We have the eighth Commandment—"Thou shalt not steal." It should have a corollary—"Thou shalt not be stolen from." When we submit passively to being stolen from, we become a party to the crime. We are guilty with the thief. When we feel that taxes are stealing from us our earnings, and a good many of us feel that way, and most of our taxes are stealing, why, there must be something wrong with the system. Picking out a victim and stoning him won't do any good except to satisfy the Pharisees and the mob. The victim becomes a meaningless scape-goat, sacrificed to ignorance and passion and publicity.

Taxes are spent, or should be spent, for the common good, the common need. They should therefore come out of a common fund, the common wealth. Are incomes common wealth? No. Incomes are individual wealth. They are earned either honestly or dishonestly. If an income is earned honestly, it belongs to the man who earns it. If it is dishonestly earned, society is concerned with the way it was earned, and has a right to investigate and penalise, and correct the condition. It is a principle of law, as I understand it, that a court, in trying an absconder for instance, is not concerned with what he has done with the money. It is only *how he got it* that

is relevant to the case. The moral implication of the income tax law is that we have not made our money honestly and that we must hand over part of the swag. But the Government must have income, you say, and these men have made lots out of their fellow men, and they should be glad to contribute to society in proportion to what they have received. A beautiful theory, but it doesn't work. There is a vital difference between contributing freely and being forced to do so. It is inverted prohibition, with dire results.

And tariffs, excise taxes, process taxes, cigarette taxes, sales taxes, the whole sordid crew, omnibus robbery—a pinch here, a hold-up here, hijacked there, blackmailed yonder—it is all a rotten mess that gets worse the more one goes into it. Any discussion of taxation is a nightmare of conflicting opinion—crazier than any Alice-in-Wonderland scene at its maddest. The Mad-hatter politicians are matched only by economic illiterates who either pay their taxes or who dodge their taxes. It is all a crazy mess, and we call it civilised. Founded in expediency, ignoring justice, destroying righteousness, unprincipled, and socially vicious—that is what our taxing system amounts to.

To get wealth, we must take wealth. And we need wealth for public expense. But for our *common* needs, we must find a *common* wealth, some wealth which in its source and creation belongs to all of us in common, and which we can take for our common needs. Kropotkin, in one of his essays, discussing the historic role of the State, gives us a clue. According to him, the first social tie was the family, the clan, the tribe. That is the elemental social organisation. As peoples migrate, family and clan ties are broken and weakened, or, as peoples "disaggregate" to use Kropotkin's term, a new bond comes into play, and that new bond is the common use of land, or the common possession of a certain territory. The one common tie that we have is that we are all here together—it is *our* country. Is it our country or is it not? If it is our country, what part of it is ours? What part of it is a common wealth? In our highly organised society, we cannot use land in common. Such an effort would disrupt too much that which makes life worthwhile. But we *can* use land-value in common by taking for taxes the return, all the return from land value. Land is earth, to be privately or publicly held as seems best. Land-value is not land. Land-value is social wealth, is the *common wealth*, and should be a natural source of income for social use, or . . . taxes.

Let us examine for a minute how we really own anything. An automobile—I bought it, on time, not paid for yet, Lord help us. Stocks and bonds—some bought and paid for, title by possession and maybe registration. A suit of clothes—cash exchanged and possession. Books—gifts or purchase, or, heaven forgive me, unreturned borrowing. Food—purchase, possession, consumption. Shelter—paid for by the week or month, as the case may be and as you have the money. A house—by cash and mortgage, and you pay off the mortgage if you can. And so on, and so on. All of these are the product of my fellow man's labour, and I exchange the product of my labour for them. He gives me a valid title and I own them.

But now I want to own land. To own land, say, I don't buy land, earth. I have to buy land-value, wealth in land. The man who sells it to me neither created the land, nor did he make the land-value. The title to the earth which he gives me in exchange for my money

has to be certified, researched, abstracted. If that is traced back far enough it will be revealed that the title once belonged to us all in common. And the land value which I buy from him is an uncertain quantity. He is selling me the habits, desires, emotions, of thousands of his fellow citizens. These may change. He can neither control them nor change them to any marked degree. He is selling me what he neither made nor owned—title to the land merely gave him possession, gave him the land value which I had to buy from him.

It is apparent that we can own land, buy it, sell it, and traffic in it. The medium of exchange, the yardstick, is land value. We cannot create it. We cannot guarantee delivery or quality of product. Just as the earth is solid and continuous under our feet, with the clay and sand and rock and river all one solid contiguous reality, so land value is a wonderful rug or fabric, woven over the earth by humanity, of varying thickness in different localities, but there always. And that rug is woven by us all together, our common lives; our very being and breathing is its warp and woof. It is ours. It is our commonwealth.

Jesus said: "Render unto Cæsar the things that are Cæsar's." Would He not say to-day: "Render unto Society the things that are Society's"? In all this mad scramble to tax this and to tax that, we have lost sight of certain fundamentals. Society has no right to take anything unless it has earned the right. We would be a wealthy commonwealth, if we would take our common wealth and use it. A tax on land value is not a tax; it is merely collecting collectively the income from what belongs to us collectively. We are merely asserting title

to what we have created and honestly own. The publicans and tax-gatherers of His day were held in scorn and derision. Shall we not follow His example as to the politicians and tax-gatherers of to-day, and convert them along with the other sinners?

The good earth lies open. Its nominal ownership, its value, its use, are all before us. Its private use is a privilege, granted to the individual by organised Society, and that privilege must be paid for. Such payments are just, are honest, are moral, and re-moralising. Of course, under such conditions as proposed, no persons would want to own land unless they could use it, but when you get right down to it, why should they? The converse, that everybody who wants to, could use the earth, is obviously true. And it can be demonstrated that everybody making proper use of land would be paying less tax than they are now. The extensive implications, economic and social, of this approach to our problem of taxes, will have to be covered in some other discussion.

And so, to conclude—I hate with a righteous hate a system of taxation that allows individuals to take from us what we all earn collectively, and a system that collectively takes from us what we earn individually; that keeps us carrying hay and water to an elephant standing in the midst of his own plenty, too blind to see; that makes drudges or liars out of us when we want to see the circus, and when we feel we have earned the right to see it.

That is a moral issue in taxation. It will have to be met, sooner or later. The sooner the better.

ALLEN V. BRETT.

## AN AFRICAN'S VIEW OF COLONIAL SOCIALISM

*Africa, Britain's Third Empire,\** by George Padmore, originated, the author tells us, in a "request from the Pan-African Congress for a survey of the Colonial Problem in British Africa, in the light of the new Economic Imperialism euphemistically described as Colonial Development and Welfare." The facts, he claims, constitute "an indictment of a social system—Imperialism—from the point of view of an African." The book therefore represents the opinion of politically-conscious Africans whose influence is a growing factor in Colonial affairs. Mr. Padmore, although a socialist, is disappointed with its practical application to British rule in Africa. He contrasts the manner in which the British Government continues to ignore the African "educated, democratic classes," frustrating their ambitions, with the Russian policy of employing these classes to organise and modernise the more primitive Soviet territories.

Although this book is prohibited, we understand, in Kenya and other parts of Africa it is no mere diatribe but a well-written and valuable contribution to the subject. The author briefly but adequately surveys the origin and political development of each group of British African territories; the methods of direct and indirect rule; recent Colonial Development and Welfare policy; and the present organisation of Nationalist movements.

Although the racial discrimination and suppression of civil liberty now prevalent in South Africa is becoming fairly well known, Mr. Padmore gives some enlightening details which are often omitted by other writers. It might be objected that as the Union is not under British

administration (apart from the three Protectorates under the Commonwealth Relations Office) the "Colonial Fascism of South Africa"—as Mr. Padmore calls it—cannot be British responsibility. But conditions in Southern Rhodesia and Kenya have moved a long way towards this Colonial Fascism and the Colonial Office's efforts at developing Northern Rhodesia, Tanganyika and Nyasaland are almost certain to entail a further move in the same direction unless a different policy is pursued. Only the Sudan, ruled by the Foreign Office whose power is there checked by Egyptian claims, and Uganda, whose king retains considerable power, appear exempt from the characteristic dangers threatening British East and Central Africa.

The problem in West Africa, according to Mr. Padmore, is not so much the suppression of liberty as the prevalence of poverty. The comparative freedom he attributes to tropical diseases which have prevented European settlement; the poverty to exploitation due to "the British colonial policy of *laissez faire* economy and unplanned development of agricultural resources." But, in support of his condemnation of *laissez faire* he quotes examples of its exact opposite: how one or a few big European companies with the connivance of or even in partnership with the governments have secured the monopoly of buying the peasants' crops at lower than market prices. When in 1937 the Gold Coast peasants refused either to buy British cotton goods or sell cocoa to British firms the Nowell Commission, appointed to suggest remedies, recommended the restoration of a free market. Mr. Padmore mentions the Commission with

\* Dennis Dobson, 12s. 6d.