

shines even in the darkness, and the darkness cannot cover it.' A truthful, fruitful idea cannot be destroyed. However you may try to smother it, it will still live, it will be more alive than all the vague, empty, pedantic ideas and words with which people are trying to smother it, and sooner or later the truth will burn through the veil that is covering it and it will shine forth before the whole world. Thus it will be also with Henry George's idea.

"And it seems to me that just now is the proper time to introduce this idea—now, and in Russia. This is just the proper time for it, because in Russia a revolution is going on, the serious basis of which is the rejection by the whole people, by the real people, of the ownership of land. In Russia where nine-tenths of the population are tillers of the soil and where this theory is merely a conscious expression of that which has always been regarded as right by the entire Russian people—in Russia, I say, especially during this period of reconstruction of social conditions, his idea should now find its application, and thus the revolution, so wrongly and criminally directed, would be crowned by a great act of righteousness. This is my answer to your question about the future of Russia. Unless this idea is introduced into the life of our people, Russia's future can never be bright."

### THE CASE IN A NUTSHELL

BY H. G. CHANCELLOR, M.P.

If land is not used so as to provide our requirements, it must be because those who hold it have not done and are not doing their duty. The Board of Agriculture will seize, if it chooses, small patches of vacant building sites to let for allotments. So far as such sites are used food will be produced, and good will be done. But the area all round which is neither built upon nor half cultivated will not be seized or brought into use except with the owner's consent and presumably at his price. True, the Board will put pressure upon farmers to plough up grass land and bribe them with the guaranteed prices to grow certain crops. That means a subsidy from the unfortunate consumer, who is to be penalised because the owners and users of land have not done their duty. So the consumer first suffers from shortage and the resultant high prices, and then suffers again from artificial high prices perpetuated to reward those who are the cause of his suffering. But the consumer is not the criminal. He is the victim. It is through no fault of his that needed land has lain idle. All this land is owned, and its use or neglect has

been due not to the consumer who wishes to buy, but to the owner who has neglected to supply the products of which his land is capable, and whose non-production has created the trouble. If anybody is to be penalised it should be the authors of this neglect, not the sufferers from it.

This proposition is so simple and just that one would think even statesmen must see it. And its application would have the effect of permanently curing the evil. A tax on the actual value of the land would inflict loss unless it was used and would compel owners to use it.

Had it been in force before the war the land would not have been out of use and our food supplies would have been by so much augmented. But look at the shortage of agricultural labour! Why is it so short? One chief reason has been diversion to better-paid labour in towns. Another, of course, is the temporary conscription of needed men for military purposes. Mr. Chamberlain will try in vain to replace these by enrolling National Service Volunteers, and then sending women, clerks, mechanics, navvies, and others to do badly work, requiring years of training and skill, from which the trained and skilled men have been compulsorily withdrawn who would have done it well. Suppose that even now, instead of this arbitrary interference with the natural course of trade, the just system of penalising the guilty instead of his victim were adopted, by taxing the owner on the value of the land and thus compelling its use. What would follow? Owners would want labour, and advertise for it. Only so could they use the land and pay the tax. Labour would be forthcoming if, but only if, adequately paid. Agricultural work would have to attract labour by paying its value. But if that were offered, neither patriotism nor compulsion would be necessary, nor State interference. Well-paid labour means more efficient labour. Efficient and well-paid labour would lead to better management, and better cultivation. Better cultivation means better produce and more produce, and need not mean increased cost of production or higher prices; for efficient labour at good wages is more economical than inefficient labour at low wages. The pressure of the tax, compelling the continuous use of land, would necessitate the keeping of the workers upon it by the only method possible, viz., the payment of good wages, and the land thus brought into use by the circumstances of the war would by the same simple method continue in use after the war, and thus ensure against such a peril, if war comes again.

Of course, anything so simple and effective will stand no chance with our statesmen until the common people, whose minds are not steeped in legal fictions and

traditions, compel their representatives to face and solve this question. But they should ponder over it, and when the next election comes make it the main issue on which their votes depend.

No reconstruction which leaves land values untaxed will afford any guarantee against lowering of wages, or any promise of freedom for the workers. With it the threat to Trade Unionism could be laughed at. Without it their prospects are perilous indeed.

### GUARANTEED MINIMUM PRICES FOR WHEAT AND OATS

By James Dundas White, M.P.

(From COMMON SENSE, March 24th, 1917)

The proposal that the taxpayer should guarantee to the farmer minimum prices for certain crops comes at a time when every other class of the community is being asked to make sacrifices and the burden on taxpayers is unprecedented. The plan should, perhaps, be judged as an emergency measure rather than as a basis for economic reform. It seeks to maintain the prices of produce rather than to reduce the cost of production. It takes no account of the fact that land is being held idle which might be used if it could be obtained on sufficiently favourable terms—an evil that is not dealt with adequately by powers of compulsory acquisition. It fails to recognise that the unproductive retention of some lands narrows the supply of land and tends to increase the rent of the rest. It does not attempt to remedy the glaring defects of a system of taxation which favours the unproductive retention of land and penalises improvements. Even if it is justified as a plan to meet the difficulties arising from the war, the proposed term of six years carries it too far into the years of peace.

#### ACREAGES UNDER WHEAT AND OATS.

As the Parliamentary Secretary of the Board of Agriculture stated in answer to a question in the House of Commons on March 1st, the acreages of the United Kingdom under wheat and oats respectively—the two cereals to which the guarantee is to extend—are as follows for each of the last six years:—

Year.	Wheat acreage.	Oats acreage.
1911 .. .. .	1,952,422 ..	4,071,927
1912 .. .. .	1,971,801 ..	4,096,111
1913 .. .. .	1,791,569 ..	3,983,448
1914 .. .. .	1,905,933 ..	3,899,074
1915 .. .. .	2,335,091 ..	4,182,296
1916 .. .. .	2,053,568 ..	4,171,353

In each case the reduction in 1916 as compared with 1915 is due not to lower prices—the prices, as we all know, have been rising—but to lack of labour owing to the absorption of man-power for purposes connected with the war. The immediate problem is not so much to extend the acreage under these crops as to restore it to what it was in 1915.

#### LANDS OF DIFFERENT QUALITIES.

The proposal to guarantee these prices for the wheat and oats grown in the United Kingdom, whether grown on land which produces much or on land which, for similar cultivation, produces little. The guarantee, therefore, if in any way called up, will cost the taxpayer most in respect of what is grown on the more productive lands, where it would be grown even if the prices were considerably

below the guaranteed amounts. Even in the years of lowest prices the acreage under wheat was never less than 1,400,000 acres, and that under oats was never less than 3,800,000 acres. In almost any circumstances the more-productive lands would be under wheat and oats even if there were no guarantee, so that in these cases the guarantee is superfluous so far as production is concerned and may prove a heavy burden to the taxpayer. Even as a war measure, the guarantee of a minimum price should be limited to wheat and oats grown on lands where they would probably not be grown if the guarantee were not given.

#### NATURE OF THE GUARANTEE.

In any case, the nature of guarantee will call for careful scrutiny. If prices are guaranteed by the Government there will be a tendency for sellers not to drive as good bargains as they would otherwise do; and this difficulty cannot be met by a reference to average prices, for the same tendency would operate through the particular cases from which the average is computed. Nor must the guaranteed crops be considered alone. If, for instance, the farmers were selling wheat with a guaranteed minimum and barley without a guaranteed minimum, there would be a tendency to get the price of the barley as high as possible and to pay less attention to the price of the wheat; and the buyer will have no objection if the aggregate amount that he had to pay for both were not increased. There are so many pitfalls in the way of a guarantee to make up a deficiency that the best plan would probably be for the Government itself to purchase the wheat at the guaranteed price. In any case, it would be well for the Government to reserve the right of pre-emption at the guaranteed price. It is hardly fair that if prices fall the taxpayer should have to make them up, and that if prices rise the farmer should get the advantage. It savours too much of "Heads, the farmer wins; tails, the taxpayer loses."

#### PRICES AND RENTS.

As rents are regulated by prices, it follows that a guarantee of prices will to a great extent operate as a guarantee of rents; and the Government have recognised this fact by proposing that, subject to certain exceptions, agricultural rents are not to be raised during the continuance of the guarantee. But this limitation does not meet the point that the guarantee which keeps up the price may enable rents that might otherwise fall to be kept up at their previous level. This point was made by Mr. Lloyd George himself when opposing the Second Reading of the Agricultural Rates Bill twenty years ago. He then contended that the "relief" given by that measure was "not for agriculture at all, but for the landlords, and for this reason. It was known for a fact that if this relief were not extended to the land, rents would inevitably go down."—PARLIAMENTARY DEBATES, 4th Series, Vol. 40, p. 238.

Precisely the same conditions apply to these guarantees which, if called up, will become grants in aid of prices. They will certainly operate to keep rents from falling.

#### "TEMPORARY" GRANTS.

Experience of the Agricultural Rates Act should warn us against the easy idea that guarantees or grants will remain in force only during the period for which they are originally given. Under new conditions new interests arise, and it becomes increasingly difficult to get rid of the burden. The grants under the Agricultural Rates Acts were specified to be for five years from March, 31, 1897, but they have been continued ever since—at a cost of more than £1,500,000 a year to the taxpayer. Under the Expiring Laws Continuance Act, 1916, they are now continued till March 31, 1918, and they will doubtless be continued by a similar measure this year till March 31,