

THE LAND QUESTION IN NORTHUMBERLAND

By A. W. Dakers, B.A.

The close of the eighteenth century was marked in England by two great revolutionary measures, whose ill effects are almost entirely responsible for the existence of our present social problems. The Enclosures Acts created a landless class which had practically no other resource but migration to the towns and to the industrial areas, where, at the best of times, there was not sufficient demand for their labour to absorb them all. Here they, in their turn, gave birth to a class of casual workers whose numbers at the present times are rapidly making them a public danger.

The stereotyping of the Land Tax and, in some cases, its practical abrogation, which took place about the same time, fastened land monopoly as a permanent burden round their necks; and our bad example was speedily copied by the whole of the English-speaking race. The practical bankruptcy of the United States, Australia and Newfoundland, together with our two million unemployed, can be directly traced to the confiscation of the common lands, and the release of the owners of land from the tax which was the last of their old feudal obligations.

THE TRADE GUILDS

The endowment of land monopoly referred to in the preceding paragraph, brought also in its train the stereotyping of the privileges which had been gradually acquired by the Trade Guilds. These bodies, which originally consisted of all engaged in their respective crafts, whether as apprentices, craftsmen or masters, had in the Middle Ages played an important and, on the whole, useful part in the development of our social system. In many towns they constituted the body which chose the Town Council and elected local representatives to the House of Commons. Both the monarch and the nobles were anxious to secure their goodwill and granted many valuable privileges with this object in view. Northumberland furnishes two conspicuous examples of this practice. The freemen of Berwick-on-Tweed (freemen was the usual title given to the members of the Guilds, since they were free from the usual servile feudal obligations) were granted certain property rights over the mouth of the Tweed on condition that they defended the town against attacks of the Scots. A similar obligation entitled the freemen of Newcastle-on-Tyne to the privilege of grazing their cattle upon the Town Moor—an extensive stretch of several hundred acres on the outskirts of the city.

PRIVILEGE OF THE "FREEMEN"

So long as the Guilds remained free and open bodies or all who were qualified by their occupation to enter them, their powers and privileges were exercised for the public benefit; but the time came when they began to be transformed into close corporations managed in the interests of a small minority of the citizens, solicitous solely for the maintenance of their privileges. This change came about when the Guilds were allowed to make their membership hereditary, thereby converting their privileges into a close monopoly as against the original intention that they should be for the benefit of all free citizens of the town. In almost every city and borough where freemen exist to-day, they are a constant barrier to the welfare of the community. The position is well described by a saying in Berwick, that the best thing that could be done for the town would be to take the salmon out of the river and put the freemen in. Many of our freemen to-day, in Berwick, Newcastle and elsewhere, are not, apart from their privileges, in very affluent circumstances. This renders them very susceptible to the arguments of those politicians who represent all attacks upon monopoly as being indirectly levelled against the position of the freeman also.

INDUSTRIAL DEVELOPMENT

The injurious effects of the Enclosures Acts were masked for many years by the great development of the coal and shipbuilding industries, consequent upon the adoption of Free Trade and the extension of the railway system. It was this great development, and the vast increase in the

sum total of national wealth, which helped to blind the eyes of so many Victorian economists to the insidious disease which was sapping the nation's vitality. Even the early co-operators were smitten with the same blindness, and looked forward to the time when, by a process of natural evolution, their ideals would be adopted as the true foundation of national greatness. Trade unionists shared similar delusions.

Even then there were not wanting signs and portents of coming disaster, signs which, if they had been read aright and acted upon, might have averted our present troubles. Cobden alone, of the statesmen of that era, felt that something was lacking to render the foundations of national security enduring. His declaration, uttered almost on his death-bed, that he was preparing to enter upon a campaign for applying to land the same principles as those which he had advocated in regard to commerce, shows the direction in which his mind was travelling; but death robbed him of the opportunity to translate his words into actions.

RAILWAYS AND THE LAND MONOPOLY

The trend of railway policy might have roused all economists to a recognition of the dangers ahead, and shown them how that great monopoly was—like its parent land monopoly—fixing its stranglehold upon the nation, and hindering the free expansion of its communal life. The railway companies had, in their early days, obtained from a complacent Legislature a full and almost unrestricted monopoly of what was the only means of quick road transport. When one adventurous pioneer endeavoured to enter into competition with them by utilising steam power for the driving of stage coaches, Parliament again came to the assistance of the railways and drove the audacious intruder off the roads. This was followed up by the "red flag" regulation which was repealed only when the invention of motor-cars, and their extensive use by the rich, rendered its absurdity apparent and inconvenient even to the privileged monopolists.

Railways are naturally monopolies, since two competing companies cannot possess equal powers over the same lines, but our English railways were from the very outset part and parcel of the general system of land monopoly established by means of the Enclosures Acts and the virtual repeal of the Land Tax. Owners of land who sold rights of way to the Companies—often at exorbitant prices—received their payment in a large number of cases in shares, and thus it came to pass that railway administration was worked, as a rule, in the interest of the local landlords. The general public and the smaller shareholders, whose capital helped to provide the rolling-stock, buildings, and the making of the permanent way, received scant consideration if their interests clashed with the privileges of the land monopolists. Northumberland affords several examples of the exercise of this power.

DEPOPULATION OF THE COUNTRYSIDE

To the west of the coalfield—named after the county, the Northumbrian Coalfield—stretches an extensive hinterland of good agricultural land—fully equal to that of Denmark—which could have been utilized as a source of supply from which the mineworkers and shipyard workers could obtain their food and the raw materials for their clothing, if the railways had afforded cheap and efficient means of transport; but the Companies, dominated as they are by the land monopolists, have for years turned a deaf ear to possibilities of development in this part of the country and the early years of the present century still saw wool from the Cheviots sent to its destination along roads whose width permitted only one vehicle at a time to pass. Is it any wonder that the population of this area has steadily trickled away, either to the eastern coalfields or to the shipyards and engineering shops of Tyneside? Had the Enclosures Acts not been passed, some at least of them might to-day be returning to the land like their kinsmen in Denmark, but the land monopolists, backed by our "National Government" forbid.

POVERTY AMID ABUNDANCE

Restriction of output appears to be the great obsession of the present Government, which acts as though deserted villages, idle shipyards and coal mines were the prime essentials of our national existence. The Bourbons and the Romanoffs in their worst days were never guilty of such insensate folly. Never until the present time has the doctrine been preached and practised that poverty and destitution are due to the abundance of those things which Nature yields to the labour of her children. Is it not time that we faced the naked fact that to land monopoly, and to it alone, are our existing problems due? We permit a favoured few to appropriate the great storehouse of Nature as their private possession. Can we be surprised if these favoured individuals use the power given to them for their own aggrandisement, which thus becomes the sole consideration in determining whether coal lands, farming lands or shipbuilding sites should be used or not?

COLLIERIES AND THE SPECULATORS

Land monopoly enables millionaires, even in the worst of times, to increase and multiply and flourish like the green bay-tree. A few, of course, succumb, but they are merely the novices at the great game of exploitation. Their more experienced and practised colleagues have learnt that ownership of land carries with it immunity from the risks that attend the operations of the ordinary speculator. Collieries, for example, may be laid idle, and thousands of works and small investors brought to poverty and destitution, but the experienced speculators, knowing that no rivals can compete with them in their area, can afford to wait, and may even increase their power and wealth by the misfortunes of others. Shares in the idle collieries fall, in some cases, almost to zero point, and many of their holders are only too glad to part with them on any terms. Here is the golden opportunity of the speculators—or syndicate of speculators—who are thereby enabled to obtain control, for a comparatively small expenditure, of natural opportunities which, in the fullness of time, will yield them a rich return on their venture. While, however, they are waiting for the harvest, thousands of idle workers and ruined shareholders are either starving or eking out their existence at the expense of the taxpayers.

THE GRIP UPON NATURAL RESOURCES

If those who champion land monopoly attempt to discount the foregoing statements as mere conjecture, they should be prepared to give an explanation which better fits in with the actual facts in Northumberland and other parts of the country. Over-production—the stock explanation of Mr MacDonald and his supporters—is too ridiculous for serious consideration. The only explanation which agrees with the actual facts is that set out in the preceding paragraph, viz., land monopoly and the ruthless speculation in land values which is bred from land monopoly. While speculators are tightening their grip on natural opportunities they are also allowed to escape from all the obligations which other ratepayers and taxpayers are expected to discharge to the uttermost farthing.

The results of our present system are only too patent so far as Northumberland is concerned. Industrial enterprises of world-wide fame, whose financial soundness was, at one time, apparently as assured as that of the Bank of England, are smitten as though by the plague, and the whole county lies under a pall of moral gloom as dire and threatening as that material cloud which once enveloped the doomed cities of Pompeii and Herculaneum. At this very moment one of the most famous of our shipyards is, so we are told, about to be purchased by a syndicate on terms which will forbid any vessel to be built in it for forty years.

THE REMEDY FOR EXPLOITATION

To such a pass as this have land monopoly and its offspring brought our industry and commerce. There is one way out and one only. Syndicates who buy collieries, shipyards or the sites of engineering works—not for the purpose of developing their natural resources, but in order to keep them idle and thereby increase their gains elsewhere—must be taught by means of the taxation of land values that such a policy is unprofitable. In this direction only, lies the path of economic recovery for Northumberland and the country.

THE THEORIES OF HENRY GEORGE

A Review Acknowledged

Our new edition of *The Condition of Labour* by Henry George (1s. cloth; 2s. rexine) has been widely reviewed and many letters have been received commending it. One writer (Mr Arthur Radford in the *Nottingham Journal*, 9th February) takes the best part of a page not so much to review the book as to examine the theories of "A fervent Individualist who founded a New Political Creed." Having explained them he attempts a refutation that he has picked up from the later "workers in economic theory" who succeed only in blotting out or in denying the distinction between land and goods, between the value of land and the value of wealth produced, and abandon all moral considerations that speak in terms of equal rights. Without troubling our readers with the criticism, we reprint the following passages from the explanation of the doctrine. It could scarcely have been better done. If everyone of the Professors of Political Economy to whom he refers stated the case as fairly to their young students, the converts in the schools and colleges would be numerous indeed, never mind what the teacher said in trying to detract from these truths:—

The basis of Henry George's proposals was the classical theory of the determination of land rents. Ever since Adam Smith's time there has been a feeling that land rents are, in some peculiar way, incomes derived by their recipients for no service rendered.

George was not alone in seeing the tremendous social implications of this theory. They were obvious. Economists who happened not to be enthusiastic social reformers stammered and babbled "about it and about": it was a real snag and they could hardly explain it to their youthful students without converting them.

As Lord Passfield (then Mr Sidney Webb) said in one of his Fabian Essays, "Economic rent is a fact": it had gone beyond the stage of being a theory and was established as a statement of the absolute truth, that landlords receive rent and do nothing for it.

Henry George regarded property rights as sacred, but the rent of land gave him an opportunity to square his conception of inalienable individual rights with taxation for the maintenance of State activities. The rent of land—by accepted theory—was different from every other income, in that it was not a reward for service rendered by the landlord but a toll collected by the landlord for allowing labourers and capitalists to use it. Land, he argued, was the gift of Nature to mankind: individuals had the right to what they produced and that alone. Therefore, let individuals collect their wages and their profits as incomes they produce, but let mankind (the State for practical purposes) collect that which is its own.

As population grows the value of land grows; the landlord has nothing to do with it. Of course, if the landlord improves the land by the investment of capital and labour, let him have its improved value, but land values grow without improvements being effected by landlords, simply through the growth of population and the increase of its social convenience: this "unimproved value" is the property of society.

Society could be maintained out of its own funds, and the difficulty of squaring private property and the State's power of taxation was overcome. The way in which wealth, happiness and prosperity were to be obtained was to fall in line with these natural arrangements and tax land values for the State, leaving all individuals to earn what they could. By removing all hindrances to labour and enterprise and using the revenue from rent, taxes for the support of State services, justice and freedom would be attained.

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