

the days of Elizabeth, tramped the highways when the Commons were enclosed? And what about the serfs of Russia, or the cottars of Ireland, forced to emigrate by the million though there was no machine technique.

Mr Murry, in common with many politicians of the Left Wing, talks of "the industrial revolution" in England as if the distress among working people had nothing whatever to do with enclosure of the Commons. The omission is unpardonable. The man who ignores the land question and forgets that the British working people are landless has small title to offer us an explanation of Europe in Travail.

In Mr Murry's opinion we shall be forced to adopt Collectivism in one form or another, the only question being the kind of collectivism it shall be. Shall it be the totalitarian and brutal collectivism, or shall it be the democratic and humane collectivism? Our choice must be one or the other, and here once more, instead of some solution definite and understandable such as the intelligent reader must be eagerly looking for he is led off in the mists. He is told that to solve this problem what we have to produce from ourselves is "a new democratic social discipline" and that we must "adjust our life to machine technique."

Such vague counsel is the best these articles have to offer. We can find nothing fundamental. For our part we decline to be limited to the two alternatives with which he presents us—two different forms of collectivism. There is a third and more promising alternative: the individualistic alternative of equal opportunity and reward to each in measure as he renders service to his fellows. Such is true individualism and true democracy

—not to be confounded with the spurious so-called individualism and democracy of to-day which Mr Murry mistakes for the genuine articles. This genuine democratic individualism is the true alternative to totalitarianism in all its forms, whether National Socialist, Fascist or Communist. The individualism of equal opportunity and reward according to service rendered has never been tried and is therefore not open to the charges Mr Murry brings against the miscalled individualism of the nineteenth century and of to-day. The much decried individualism and democracy of to-day which bring so much of evil in their train are not the real things, for they are based, not on equality of opportunity, but on its very antithesis. They are founded on special privilege of a class which monopolizes the earth without access to which none can live. The foundation of our society is not equal liberty, but special privilege. In such a society, service for service, the golden rule of individualism does not and cannot obtain, for the privileged, in the name of rent, exact service without giving it. For leave to work and to live they levy tribute on their fellow men. This is the special privilege from which all others spring. From it comes unemployment and the menace of totalitarianism, which, as Mr Murry rightly says, is the product of unemployment and will continue so long as its cause is tolerated. Not to the advent of a machine technique, not to the development of modern power production, are to be attributed unemployment and the menace of totalitarianism; but to the denial of our most elementary right: the equal right of access to nature's bounties.

W. R. L.

THE LAND BOOM

ONE RESULT of the war has been a rush to purchase land, particularly agricultural land. The *Daily Express* (5th January) says: "Britain's farm land has risen in value by more than ten per cent since the outbreak of war. It is regarded as the safest investment in the country—one not likely to deteriorate, and which cannot be destroyed by enemy action. Just now there is a rush to invest in farm land; the investors, though, are not the farmers, but people in the city of London who normally invest in stocks and shares and buy industrial securities." This paper adds that the most valuable land to-day is the market garden type of the black soil of the Fens. It is worth up to £100 an acre, but there is not much for sale.

The *News Chronicle* (4th January) says: "Land is becoming an attractive investment again, according to the reports of estate agents from all parts of the country. . . . In some cases, such as that of Messrs Laxy & Scott, of Bury St Edmunds, 'the demand for land far exceeds the supply.' The majority recount hardening prices, for example, £32 10s. per acre paid for a 3,000 acre estate in Lincolnshire and 'farms practically unobtainable in the Fylde area of Lancashire.'"

The *Daily Herald* (8th January) says that a boom in the sale of farms and agricultural estates has begun. "Insurance companies, Cambridge colleges and financial corporations as well as private purchasers, are buying up, or looking for farming properties, partly as a lock-up investment for a class of investor seeking tangible assets." It mentions a London firm of estate agents

who were anxious to purchase for a client £150,000 worth of good dairy and corn farms.

Among the reasons given for this movement are "that farmers also enjoy the unique option of paying income tax on rental value, and not profits"—in other words, if the farmer pays less income tax he will be able to pay more rent. A Midland firm of estate agents is quoted as saying that business men were buying farm land because "they believe that agricultural land not only affords some protection against inflation, but is a security not likely to be materially damaged by war in this country."

Further evidence is provided by the Estate Market column of *The Times*, which says (22nd January) that "reports by estate agents on work in 1939 agree that the most active sections were the buying and selling of farms and negotiations for the sale of tenancy of country houses for emergency occupation. Emphasis is laid by most of them on the profitable opportunities supposed to be awaiting those who are in a position to purchase certain types of town and country property at prevailing prices."

"Some of the Oxford and Cambridge Colleges are among the keenest competitors for good farms let at fair rents to substantial tenants.

"Two more farms in Wiltshire have just been bought by Mr Norman J. Hodgkinson (Messrs Bidwell and Sons, Cambridge), on behalf of one of the Oxford Colleges—namely, Cleverton, 154 acres, near Malmesbury, and Ford Farm, 225 acres, two miles from

Bradford-on-Avon. About 10 square miles of agricultural land in Kent are about to pass into the possession of an insurance company. Negotiations are nearly finished."—(*The Times*, 11th January.)

"The Prudential Assurance Company has purchased the Foremark Estate, 5,117 acres, four miles south of Derby. The eight square miles are bounded on the north by the Trent, and the road from Repton to Ashby-de-la-Zouch skirts the west side of the land. There are 22 large farms, mostly dairying, 540 acres chiefly of oak trees, and many cottages."—(*The Times*, 18th January.)

Here is a typical advertisement which appeared in *The Times* of 18th January:—

The Shrewdest Investors are buying Land
for Security and Appreciation of Capital
HAMPSHIRE
Bournemouth County Boundary 4 miles.
Southampton County Boundary 16 miles.
London 90 miles.
800 ACRES FOR £25,000
Frontages exceed 3 miles.
Gas, Water, Electric & Bus Services available.
No restrictions. Land Tax and Tithe Free.
Apply &c.

The reasons for all this are clearly revealed. If the war results, as the last one did, in an inflation of the currency the owners of the land will have something that will retain its value. If they raise part of the purchase price by mortgaging the land, then so much the better in this event, as they will be able to pay off the mortgage easily in depreciated money.

Then they anticipate that the diminution in imports of foreign foodstuffs will raise the price of agricultural products, and so lead to an increase in agricultural profits and therefore an increase in rent. This is also what happened in the last war, stimulated by the assistance given by the Government under the Corn Production Act. Many farmers were induced, and indeed practically compelled, to buy their farms at these speculative values, and when agricultural prices fell to a normal level they were left in a position of great difficulty.

Moreover, agricultural land enjoys special privileges in respect of taxation. Farmers instead of paying income tax on their real incomes can pay on the amount of their rent, and no rates are charged on agricultural land (except in respect of dwelling houses on such land). Both of these privileges enable the farmers to pay more rent and so in the end benefit the owners of the land. In addition, agricultural land pays less in death duties than other property of equal value, and this also makes it a desirable investment and raises the price which people are willing to pay.

Mention has already been made of the high prices reached by agricultural land at the close of the last war, and the predicament of the farmers who bought at such high prices. It is this which lies at the root of the efforts made by successive governments since then to raise the price of agricultural products by tariffs, quotas and marketing schemes, in addition to subsidies to the farmers. This policy has had the effect of keeping up the price of farm lands and has tended to perpetuate the evil.

Steps ought to be taken to prevent such a state of affairs growing up again, and the best thing that could

be done is to reverse from the policy of indiscriminate tax exemption. Let the farmer be relieved (as others should be) of taxation imposed upon his improvements and cultivation, but let the value of the land itself be assessed to taxes.

The plea for exempting agricultural land from taxation has always been that it is for the benefit of the farmer, not of the landowner; but universal experience has confirmed the prediction of economic theory that it is the landlord who gains in the long run. In this country the argument in favour of exemption has gained in plausibility because our system of taxation has made no distinction between the value of the land itself and the value of the improvements, and it is true that so far as it fell on improvements our local and national taxation was injurious to the farming industry, as to all industry. But that is no argument in favour of not taxing the value of the land itself, a value which in agriculture as well as in other uses is entirely the result of community causes.

Speculation in land values is always injurious to the public at large. It induces landowners to demand higher rents than the land-user is able to pay, and it results in land being held out of use in the endeavour to exact higher rents. It, therefore, diminishes production and increases unemployment. The only effective remedy is land-value taxation. It will be said that in war-time we cannot divert national effort to making innovations. But if the circumstances arising out of the war are causing land speculation, then the war is itself an argument for action and doubly so if we are not to be plunged into a serious depression with all its hardship and unemployment when the war is over.

F. C. R. D.

In its estate market column *The Times* (25th January) mentions that the shooting over the Haveringland estate, nine miles from Norwich, is to be let. "The estate formerly belonged to Lord de Ramsey, whose family had held it for a long while. Of the 4,267 acres 940 are woods. The agents are Messrs. Knight, Frank and Rutley (Hanover Square). The rent is 1s. 6d. an acre, tenant to pay the rates and the keepers' wages. The game-bags have been carefully recorded and show, taking the best year of the last five, under each head: 971 partridges, 401 pheasants, 50 duck, 5 snipe, 41 woodcock, 95 hares, and an abundance of other items. Three keepers are employed. A farmhouse can be had by a shooting tenant."

The cost to the shooting tenant of each bird appears to work out at 4s. for rent alone. When the wages of the keepers and other expenses are added it is likely to be nearer 10s. However, the object of all this is not food but sport. From an economic point of view it is waste. The game is a nuisance to all the agriculturalists in the neighbourhood. The land would be much better used for other purposes.

Unshakable by war, *Debrett's Peerage* for 1940 has appeared at the usual time and with its accustomed dignity of appearance and wealth of content. In 3,000 pages it records all that one could want to know about the English aristocracy, as well as the Irish and the Scottish.—*Glasgow Herald*, 30th December.

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