

LAND & LIBERTY

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Editorial Offices

94 PETTY FRANCE, LONDON, S.W.1.

All communications to be addressed to the Editor.

Telegrams: "Eulav, Sowest, London." Telephone: Victoria 4308.

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THE NEW EXPLOITATION

A welcome sign that the electorate has recovered from the temporary panic which seized it in 1931 is afforded by the results of the County Council Elections which took place last month throughout England and Wales. The most significant evidence of this is in London, where a very large Conservative majority has now been replaced by a substantial Labour majority for the first time since the London County Council came into existence, and in spite of an alarmist campaign upon the part of the Labour Party's opponents.

Another equally significant and welcome evidence of a re-orientation of public opinion is afforded by the growing volume of criticism in the Press and in Parliament of the policies of restriction, subsidies, protectionism, and quotas that have been pursued by the present Government.

In this connection a word of praise may be uttered in regard to the attitude adopted by the new Labour weekly, *Clarion*, whose circulation is said to be already 500,000 copies. Its vigorous denunciation of the price-raising policy of the Government and its effect in raising land values is most valuable.

During the past month, three significant debates have taken place in Parliament, in which the same issues have been raised and in which the growing opposition to these policies has been evinced. The first was the debate on the Committee stage and on the Third Reading of the British Hydro-Carbon Oils Production Bill, which proposes to grant an exemption from taxation on petrol and fuel oils produced in this country. Mr Grenfell, speaking on behalf of the Labour Party, condemned the attempt to pledge future Parliaments to maintain this preference for a period of nine years, and pointed out that no limit was fixed to the commitment, and that the loss to the Treasury might amount to many millions.

Mr Graham White, speaking on behalf of the Liberals, drew attention to the fact that on the basis of the estimates which have been mentioned, the annual cost to the taxpayer for every man employed would amount to £363 a year, or practically £1 per day. He made the further point that if this principle were going to be expanded the whole of the sum at present available for the service of the National Debt would not be sufficient to put into employment more than half of the people who were unemployed—this is on the assumption that such a policy would not put out of employment as many people as it puts into employment.

The second debate in which these questions arose was on the proposal to give another £3,000,000 for Beet Sugar Subsidy, when it was once more pointed out that the £40,000,000 which up to date have been paid in the subsidy is more than the whole value of the sugar which has been produced. Although the subsidy is defended on the ground of providing employment, the evidence is clear that a very large part of it has gone in

profits to the companies which control the sugar factories. On a capital of under £6,000,000 they have placed to reserve, appropriated for depreciation and paid in dividends and interest a total of over £8,400,000. Another large portion has gone in increased land values of agricultural land used for beet sugar production.

Sir Francis Acland in a paraphrase of a celebrated passage of Adam Smith suggested to the Government that if their object was to increase labour they should subsidize the growing of bananas in this country, as practically the whole of the expenditure would be upon labour and coal for heating greenhouses. It is true that the subsidy might amount to 19s. 10d. per banana, but that is no more ridiculous in principle than the policy which has been adopted for subsidizing the beet sugar and other industries.

Still more remarkable was the debate upon the North Atlantic Shipping Bill which provides for an advance of 9½ million pounds to the Cunard Steamship Co. for the purpose of building Atlantic liners. Mr Bracken, from the Conservative benches, drew attention to the fact that no statement had been supplied to the House of the estimated earnings of the ships and he characterized the measure as a gamble or wanton speculation in shipping.

Mr Buchanan, with courage that deserves special commendation, for he represents a Glasgow constituency, said that this proposal was on a par with the beet sugar subsidy. He added: "If we want to spend public money we can spend not merely nine million five hundred thousand pounds, but nine hundred million pounds and find an excuse for it in the fact that it would be providing someone with work. . . . I regard the present request for nine million five hundred thousand pounds as a form of organized blackmail on the community."

This observation is justified. No State, whether it be organized upon Socialist lines or upon individualist lines, can afford to divert the labour of a large portion of its inhabitants from more productive to less productive occupations. To do so is sheer waste, the cost of which must inevitably fall upon the mass of the people.

Unfortunately, the waste involved is in most of these cases concealed, because it takes the form of a remission of taxation instead of a direct payment by the Treasury. A large part of the beet sugar subsidy is provided in this way. A still clearer example is the petrol subsidy which will consist entirely in an exemption from the tax on petrol at present amounting to 8d. per gallon. In each case the consumer continues to pay the market price of a *taxed* commodity, but for the home produced article he really pays a private tax levied for the benefit of the producers of it.

In the case of the wheat subsidy, the bacon and milk quotas and so on, the same end is achieved in a still more indirect fashion. But the final result is the same: the consumer pays a higher price for the commodity in order to give an uneconomic return to a privileged interest.

Their purchasing power being reduced by such impositions, consumers are unable to spend as much as they did before upon other commodities. There is therefore a reduced demand for labour in other branches of production. No more labour is employed in total. But the labour which is employed, is employed in a wasteful fashion, and the final burden must fall upon the whole body of workers.

Wealth can only be produced by the application of labour to natural resources. The production of wealth cannot be increased, except by bringing unused land into use, at the same time abolishing all impositions upon labour. The measures taken by the Government do not achieve this end. In some cases, as in the

potato scheme and the hops scheme, they deliberately frustrate it, by prohibiting or penalizing the increased use of land. In other cases, they produce the same result by encouraging speculation and raising land values, thus making it more difficult to obtain land for

productive purposes upon terms which make it remunerative to use the land.

The wedge which divides society into a small, rich, and privileged minority and a large, poor, and oppressed majority is every day being driven in deeper and deeper.
F. C. R. D.

A GOLD MINE ROUND LONDON

Speculation in Increased Land Values

(With acknowledgments to the "Sunday Express," 25th March)

London is the centre of a new goldfield, and "prospectors" are rushing to stake claims in this gold belt, 150 miles long, that surrounds the Empire's capital.

The gold is in the earth, but there is no need to dig for it. It simply flows into your lap if you have land in the district for sale.

FROM £30 TO £2,000 AN ACRE

For London is reaching out again. New transport facilities enable City workers to live in the country—and people who bought land for as little as £30 an acre are now getting as much as £2,000 an acre for it from estate agents, builders, and land speculators.

LOCAL AUTHORITIES EXPLOITED

Local authorities are buying back land they sold years ago. They want it for road building, and to secure it they are obliged to pay three times as much as they sold it for.

RAILWAYS ALSO

Enormous profits are also being obtained from railway companies requiring land for the extension of their suburban lines.

THE TUBE MAKES FORTUNES

Rural Cockfosters was brought within the northern area of London's gold reef by the extension of the Tube. It is here that the bidding for land is keenest. Land here has soared in value from £200 an acre to £1,500 an acre.

A school near Cockfosters sold its forty acres of ground the other day for £40,000 and amalgamated with another school in Bedfordshire. The property was originally worth £12,000.

SIR THOMAS LIPTON'S HOME

Sir Thomas Lipton left his home, Osidge, at Southgate, on the Cockfosters extended tube line, as a hostel for nurses. It was found after his death that he had not left sufficient for its maintenance. The grounds were sold by the trustees for approximately £50,000. Sir Thomas paid £16,000 for the entire property.

WITHHOLDING FOR A HIGHER PRICE

Two people at Cockfosters have, however, turned a deaf ear to the site-hunters. One is an elderly woman who lives in a four-roomed cottage near Cockfosters Station. She also owns the five adjoining cottages. The woman's cottages and the land on which they are built cost a few hundred pounds. She was offered a few thousand and refused. Bids rose to £10,000. They were turned down.

SIR PHILIP SASSOON'S ESTATE

The prize most eagerly sought in this area is the 1,000-acre estate of Sir Philip Sassoon, Under-Secretary of State for Air. It is known as Trent Park. A local surveyor stated that normally this land is worth up to £250 an acre. The same surveyor said that Sir Philip has been offered up to £900 an acre for certain parts of the estate.

Sir Philip is already a millionaire. He could add another half million to his fortune with ease. The builders' invasion is reaching the edge of his beautiful parkland. There is speculation on how long Sir Philip will hold out.

AN OXFORD COLLEGE

Christ Church, Oxford, was content for years to draw 30s. a year an acre for the grazing rights on 290 acres owned by the college at South Harrow. The land was sold to builders for £65,250 three years ago. Since then its value has risen to £600 an acre.

The universities have made thousands of pounds' profit by selling land at Sidecup and Welling, in Kent.

THE ECCLESIASTICAL COMMISSIONERS

The Ecclesiastical Commissioners, among London's greatest landlords, are now drawing ground rents of £1,500 a year from property that until a few years ago only yielded from £300 to £500 a year.

A SPORTS GROUND

A famous West-end restaurant parted with its sports ground, acquired for a few hundred pounds, for £19,000.

Leading estate agents declare that peak prices for land have now been reached.

* * *

The article appeared with bold headlines on the front page of the *Sunday Express*. We have added the sub-heads. As the saying is, an ounce of fact is worth a ton of argument, and surely not many thinking people will miss the moral of the story that was so prominently featured by our contemporary. It just wanted the caption, "The Landlord Sleeps but Thrives"; or Cobden's comment: "The landlords have been revelling in prosperity—in a bloated and diseased prosperity—at the very time when the people have been suffering the greatest privation and want of food."

THE GOSPEL OF PLenty

To the Editor of *Land & Liberty*.

SIR,—The strong and appealing article by Capt Arthur R. McDougal on "High Rent Threat to Farming," in the *Daily Herald* of 25th January, reprinted by you, begins, with true instinct, by presenting the case in a flash. He says:—

"What is the main principle running through the Government's agricultural policy? Stripped of all camouflage, it is simply that, faced with starvation in the midst of plenty, it proposes to remedy matters by abolishing plenty."

I do not doubt that Capt McDougal's picture of British farming is true. I know that, with some change of detail, it is a picture to the life of Canadian farming; and I feel sure that the same is true of farming anywhere.

But that is only a part of it, for Capt McDougal points to "protection, quotas, restriction or prohibition of imports" as "devices to restrict supplies and create scarcity." He goes on to instance the British potato scheme. He might equally well have chosen any of the thousand and one schemes throughout the world to "remedy matters by abolishing plenty."

What is the problem as it stands to-day?

It is this: Shall we have the plenty which natural social forces have produced under the partial freedom of our time; or shall we have dearth artificially and arbitrarily made to meet the requirements of old habits, systems and institutions?

Our choice has been made already.

But we are met with two questions from opponents: 1. Can plenty continue? 2. How can plenty be so distributed as to reach all people?

Our answers are: 1. Plenty is the outcome of freedom, the more freedom the greater plenty. 2. The natural law of justice will distribute plenty as the natural law of physics distributes the atmosphere.

But is it not plain that now we are at a new beginning? We have made almost miraculous advance on lines unanticipated.

In George's day all the world was convinced that plenty