

LAND VALUES

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"OUR POLICY"

"We would simply take for the community what belongs to the community—the value that attaches to land by the growth of the community; leave sacredly to the individual all that belongs to the individual."—*Henry George.*

THE NEW PROTECTION

The most notable and serious event of the month is the growth of the idea that when the war is finished in a military sense the allied powers should commence another war by throwing up tariff barriers against German and Austrian trade. The debate in the House of Commons on January 16th has helped to crystallise the ill-defined proposals for this which have long been growing; and the position of the Protectionists has been strengthened by a measure of approval from Mr. Runciman and from others who have hitherto been Free Traders. It is not too much to say that the Tariff Reformers have won the first moves in the game for destroying the commercial freedom which our people have enjoyed for several generations.

This new movement is simply the old Protectionism taking advantage of the circumstances of the day. It hopes to rivet round the neck of the people chains which it could not bind them with in peace time. The old appeal to encourage British trade by excluding foreign competition is there and is winning the support of all the interests which desire the privilege of exploiting the poor by means of artificially high prices, but it is wrapped round with a cunning appeal to patriotism. The argument appears to be twofold—that we must punish the Central Powers for their misdeeds during the war and that we must prevent them from recovering their old share of economic prosperity by putting up a high, and indeed almost exclusive, tariff against them. Let us examine these contentions.

Let us grant that our opponents should be punished most severely, let us grant that this punishment should be inflicted by one of the parties to the contest, though this destroys all analogy to punishment in the ordinary sense, yet there still remains a great difficulty. When a

criminal is punished by the ordinary process of municipal law, his punishment is to the advantage (or is supposed to be to the advantage) of the rest of society and of himself, and it entails no suffering or an infinitesimal amount of suffering on the remainder of his fellow-citizens. But if the Central Powers are to be punished by the erection against them of a tariff wall, that will entail as much suffering for us as for them. The punishment will not be inflicted upon the guilty but upon the innocent as well.

And further, if we are to set up a tariff against neutrals for the benefit of our allies and a lower one against our allies for the benefit of the colonies—and both these proposals are being made—we shall suffer a still greater loss with no advantage to ourselves or to our friends. A small minority, however, whose interests are diametrically opposed to those of the rest of the nation will probably be the gainers.

It may be said that granting we suffer in the process, it will still be worth while for we shall bring Germany and Austria to their senses. But who are Germany and Austria? Is it the mass of the people? Are they all corrupted? Or is it the ruling classes of these nations? If it is the latter, then we shall do them little injury and perhaps we shall actually increase the rents which the Junkers are able to extort out of their fellow-citizens while we oppress the mass of the people who may be won over to peaceable ideas. One can hardly pose as a lover of peace while holding a tariff blunderbuss to the head of a nation.

Has there ever been a tariff war which has not impoverished both parties and embittered the relations between them without causing any reduction of armaments? Not one. This leads us to the second contention that Austria and Germany must be prevented from recovering their former economic position—in fact, that they must be so strangled as to be powerless to disturb the peace of the world.

To argue in this fashion implies in the first place that the peace will be what is called an inconclusive peace, the one event above all others that the protagonists of these ideas inveigh against. If it is a conclusive peace, if it contains in itself the germs of a lasting peace, then there is no object in attempting to impoverish the Central Powers, even if that could be done without impoverishing ourselves. If the peace is inconclusive, then to attempt to strangle our opponents is the one thing which will make war break out all the sooner. It is the one thing that will unite all the discordant elements in Germany and Austria, that will line up the Socialist and the Liberal beside the Junker and put back for a generation all hope for the penetration of peaceful ideas.

But it is impossible by means of a tariff to destroy the trade of the opposing powers. Their trade may be turned away from ourselves into other channels, to our loss as much as or more than to theirs. Even if they were shut out from all foreign trade, they would to some extent be impoverished but they would be compelled to develop better their own natural resources. They would perforce become more self-supporting and to that extent more dangerous opponents in the event of some future war. No, if more wars must inevitably come what must be done to strengthen our own position is to develop better the resources of our own country, and we can do that without arousing any antagonisms which will make the occurrence of war more probable; but we cannot do it by returning to protection. All that a tariff can do is to impoverish our own people and smother the initiative that comes from outside competition.

There is yet another argument that may be put forward in favour of a tariff, the need for revenue. The urgency of finding fresh sources of taxation is indeed great, but a tariff is the most unjust and wasteful that can be devised. It will put an enormous burden upon the poor, it will hinder trade and dry up the other sources from which we now get revenue. It will impoverish the people to a much greater extent than it enriches the Exchequer, and it will create privileged interests that will batten upon the people and oppose every step in the direction of reform.

If fresh sources of revenue are to be found, we can point to one at least that, in addition to our ordinary sources of revenue, and perhaps in substitution of the more oppressive of them, will provide an ample revenue. We have not commenced to tap the land value of this country, and yet it could easily yield millions to the Exchequer without burdening the poor or restricting trade. From the statistics of Local Taxation we know that there are millions of acres in urban districts, highly valuable land urgently needed for housing or industrial purposes, which contribute hardly anything to the local rates and as little to the Imperial Exchequer. That land and much more like it which is unused or inadequately used could make an enormous contribution towards taxation, a levy which no one can call unjust since it simply takes for the community what the community has created.

As the Land Values Group point out in the Memorial that they have recently presented to the Prime Minister and the Chancellor of the Exchequer, this is the only financial proposal which, in addition to being just and expedient as a means of taxation, does anything to enable the country to recover from the effects of the

war. It will not increase the cost of living as a tariff would but will have the effect of reducing it by forcing into use all the idle lands of this country. It will increase the production of wealth and enable the nation to pay for the war without detriment to the standard of living of the masses, nay with a positive improvement in it.

There is no reason why the Chancellor of the Exchequer should not incorporate the taxation of land values in his next Budget, if he and his colleagues have the will to do it. It may be said that there are practical difficulties, but there are no administrative difficulties comparable to the difficulties of organisation that have time and again had to be overcome during the prosecution of the war. No difficulties exist except such as may be created by the Government itself and by sectional interests among its supporters in the House of Commons. As far as the country is concerned, there need be no question. The support accorded to the Budget of 1909 is sufficient to prove that there is a great body of opinion ready to welcome a substantial tax on land values; and as the need for this reform is now greater than ever so will the support for it be increased.

Whatever trammels a coalition Government may feel itself bound by, the progressive parties must not let the fruits of years of agitation and progress be snatched away in these moments of crisis. The party of reaction must not be allowed to triumph and shackle the people with the chains of protection and privilege by means of a specious appeal to patriotism. We must not win the war on the Continent, merely to be enslaved at home.

F. C. R. D.

MAN'S RIGHT TO WORK

Out on the roads they have gathered, a hundred thousand men,

To ask for a hold on life as sure as the wolf's hold in his den.

Their need lies close to the quick of life as the earth lies close to the stone;

It is as meat to the slender rib, as marrow to the bone.

They ask but the leave to labour, to toil in the endless night,

For a little salt to savour their bread, for houses water-tight.

They ask but the right to labour and to live by the strength of their hands—

They who have bodies like knotted oaks, and patience like sea-sands.

And the right of a man to labour and his right to labour in joy—

Not all your laws can strangle that right, nor the gates of Hell destroy.

For it came with the making of man and was kneaded into his bones,

And it will stand at the last of things on the dust of crumbled thrones.

EDWIN MARKHAM.