

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.

WAGES AND EMPLOYMENT AFTER THE WAR

The condition of the country after the war is beginning to attract serious consideration. There has been discussion on the subject in the House of Lords; the Government has appointed a committee to examine into the possibility of settling soldiers on the land; the Chancellor of the Exchequer has warned the workers to save and invest their savings in the war loan so that they may be able to face the distress and unemployment that will come after the war. Indeed every thinking man must feel that this financial rake's progress can only be followed by an equally violent reaction. The whole industrial energy of the country has been directed to novel ends, and even if the old delicate adjustment could be restored the process would be tedious. But the old balance cannot be restored; there have been world-wide changes and nothing will be quite the same again.

Labour and capital must find fresh outlets; but where are they to find them? Lord Haldane suggests that the Government should set to work and compile a Peace Book as before the war they compiled a War Book. But how many unknown circumstances cropped up for which the War Book contained no answer? The vast field of industry much more than that of war cannot be surveyed beforehand, and the whole course of events mapped out. And even if the future could be exactly foretold we venture to doubt whether Lord Haldane would supply any remedy but palliatives and patchwork. Let us dismiss such projects from the mind. The most that can be done is to remove certain obstacles and clear the way for individual enterprise and initiative to adapt itself to the changing circumstances that will arise.

Mr. McKenna's suggestion that the workers should save out of their present prosperity so as to be prepared for the evil days that are in prospect is equally hopeless. The man who is responsible for the national finance should know how little even the most highly paid workers can save out of their earnings and how impossible it is for those with lower wages to save anything at all. His own financial policy is one of the

factors which will impoverish the workers after the war. He has embarked on a policy of borrowing, and the debts that the Government has contracted with the rich will largely have to be repaid by the poor if our present system of raising revenue is maintained.

The one suggestion that yields a ray of hope is that for opening up employment for our returning soldiers on the land. Behind this proposal there lies implicit the idea that in the land there is a fresh and fruitful field for the production of wealth, and that here the worker may find employment without curtailing any fellow man's opportunity to find a living. This is the truth, the one guiding principle that must be kept in view. There are latent opportunities of producing wealth from the soil of our country that have never been touched; and it must be our aim to throw them open to labour so that every man may have the opportunity of earning a decent living and so that the production of wealth and our ability to bear the burden imposed by the war may be increased. It should be remembered that this applies not merely to agricultural land but to land of every kind, for in no direction are the natural resources of the country developed as they should be.

So far there will be agreement between the adherents of different schools of thought. The difficulties arise when we come to inquire how this land is to be made available to labour. Already a project is adumbrated to buy and equip smallholdings for those of our soldiers who wish to earn their living in agricultural pursuits. The cost is estimated at £1,000 for each smallholder. "A. G. G.," who has championed this Tory scheme in the DAILY NEWS, contemplates the provision of 600,000 smallholdings at a total cost of £600,000,000, which he naïvely remarks is merely the cost of two months' war. Even in peace times this would be an enormous expenditure; to a nation which has already had seventeen months' war it is impossible. And why, we may ask, is this special provision to be made for those who have a taste for agriculture? Why should not men be set up in any trade at an expenditure of £1,000 per man? To ask this question exposes all the hollowness of the proposal. It is a scheme for the benefit of landlords—the modern equivalent of the high protection that followed the Napoleonic wars.

In our more democratic society it is to be expected that no such scheme can be carried, and indeed no scheme can now be carried that makes enormous demands upon the Exchequer, for the danger is that taxation will rise so high as to throttle industry. What must rather be considered is how to distribute the present burden of taxation so as to do as little injury as possible, and so that everyone may bear his fair share of it. This problem we thought we were on the high road to solve just before the war broke out, when a land campaign with the taxation of land values as an issue was being set afoot. Surely it is a betrayal of democratic principles to attempt now to launch a land campaign with State purchase of land as its leading principle.

The people have made the greatest sacrifices. By millions they have voluntarily enlisted themselves in order to defend this land of Britain. When they come back, are they to be asked in addition to the cost of the war to pay millions more for the opportunity to earn a living from the soil of their native land?

The men who have been in the trenches, who have made the supreme offer and ventured their lives, will not submit to such an imposition. There is no need for any plan of fostering industry at the expense of the State or for purchasing land from those who monopolise it, when an equitable readjustment of taxation would solve the whole problem. Nothing has yet been done to put our taxation on a right basis. This desperate struggle is going on and the debt is mounting up day after day, yet not one penny of special taxation has been taken from that communal value which has been created by society. The monopolists are lending money to the Government at a high rate of interest while the poor are paying an enormous amount in taxation on their food and on their homes in order to pay interest to the rich. Our soldiers are defending the land of this country, but the power of land monopoly remains unimpaired.

After the war land will still be held out of use, though men will be unemployed and starving for lack of it. All plans, no matter how ingenious and long-thought-out they may be, which leave land still a monopoly will be unavailing. So long as land remains unused and its value untaxed, so long will the production of wealth be small and its distribution inequitable. The most that can be done under these circumstances is to relieve the poverty of some by reducing others to the same condition. This is the fundamental objection to minimum wage, land purchase and other palliatives which seek to deal with effects while neglecting causes. All these proposals were indefensible before the war, but they will be much more objectionable after when social conditions are likely to be so much more serious. But our plan of liberating industry and opening up land to labour will be more necessary and effective than ever. The need for revenue alone would make it acceptable to all who wish to see some measure of justice in taxation. The need to maintain and improve the standard of living of the working masses will win for it a welcome from those who have the true interests of labour at heart.

Wages can only be maintained at a high rate if the opportunities of employment are plentiful, and employment can only be abundant if more land is made available for labour. The taxation of land values is the only feasible and effective means of securing this. It will apply to the owners of all classes of land a pressure which will compel them to make use of their land or allow others to do so. It will swell the opportunities of employment not alone in agriculture but in every kind of industry, and give the workers freedom to use their faculties in whatever channel they feel themselves best adapted for. It will throw open to labour the best and most productive land, where under the present system the worker can hardly obtain even the most barren and unproductive wastes. It will thus enable the production of wealth to be immensely increased without any increased exertion. And, finally, it will relieve the workers of that enormous burden of taxation which now directly and indirectly they are compelled to bear by putting taxation on the value created by communal activity.

This plan will not appeal to those who profit from our present unjust social system and wish to continue drawing profit from it. But none will appeal more to the multitudes who are bearing the burden of modern civilisation while the fruits of their toil and suffering

are being enjoyed by a privileged minority. It is to them and to those that sympathise with them that we make our appeal. Our policy has won the interest and approval of a great and ever-growing public, and the statesman who will devote himself to putting it into operation will have as strong a popular backing as any reformer could desire. What is now needed is a great, coherent and organised demand from all parts of the country sufficient to convince even the most reluctant politician that the people are in favour of this reform.

F. C. R. D.

"EVERY PENNY WILL COME BACK"

The words in the above heading are taken from an article by A.G.G. entitled "The Sword and Ploughshare," which appeared in the DAILY NEWS of December 18th. The writer of the article advocated putting returned soldiers on the land, the scheme to cost £1,000 per settler; 300,000 settlers, he explained, would cost £300,000,000.

He says "This money will not be blown into the air. It will be invested in the best security in the world, the lives of our people, and the soil of our country. Every penny that is spent will come back, and it will multiply itself."

As a matter of fact, as far as investing money in the soil is concerned, the very *opposite* conclusion to the one arrived at by A.G.G. is the correct one. The money might just as well "be blown into the air," for as far as the nation is concerned not a "penny will come back." The trouble with A.G.G. is that he does not realise the difference between buying land and buying other things that have been made the subject of ownership. If he had simply advocated buying agricultural implements, seed, or other things which are the result of men's labour, he might have made out a case, but to place the land (which no man made) in the same category is to show that he does not understand true political economy. In what way can the money which we pay to landowners come back to us, except in return for the services which are rendered to them, or the wealth that is produced to be consumed in town houses, country houses, and so on.

But supposing "the boot were on the other leg," and instead of the State giving millions of pounds to landowners for the use of their land, the State were to take millions of pounds from them for the defence of their land. The machinery to be used for the purpose being the taxation of land values, which has been a plank (or a splinter) in the Liberal programme for generations. This money would not be "blown into the air," but would be used to relieve the grinding taxation under which the nation is suffering. "Every penny *would* come back," and further, the economic results that would follow would be that the idle owners of idle acres would be compelled to use their land on reduced terms. Soldiers or others who wanted to follow agricultural pursuits could then do so with better chances of success, and the multitudes of orphan children would not have such a struggle to live in the country which their fathers died for.

JAMES J. FIELD.