

opinion that there is a distinct deficiency, and what accommodation there is of far too expensive a type." He finds the root of the trouble in the rapid rise in ground rents. "From a halfpenny a yard a quarter of a century ago they have gradually advanced, first to a penny per yard, then to three-halfpence and twopence a yard, and now, although charged by the plot and not by the yard, to, I am informed, threepence a yard." It is a true analysis. You cannot build cheap houses on dear land; and the housing question is at bottom a land values question.—WESTMINSTER GAZETTE, May 14th.

A correspondent, writing to the SHEFFIELD DAILY INDEPENDENT of June 11th, says:—"I have just finished re-reading Henry George's PROGRESS AND POVERTY, and the article referred to is an illuminating commentary on certain points dealt with in that masterly production, and provides a thought-compelling example of the accuracy of the reasoning and the soundness of the main argument in that work.

"It is a great pity that a copy cannot be placed in the hands of every thinking working man, for then there would be hope that in the near future the one question for all Parliamentary candidates would be, 'Are you in favour of taxing land values?'"

"Your correspondent, the writer of THE OUTLOOK, refers to the headway the policy of taxing land values is making in the Liberal party, and says that he would not be surprised if it were adopted by the Government. May I point out that the rank and file of the party would be greatly "surprised" if it were not adopted by the Government. Is not your correspondent aware that a memorial calling for reform along these lines, signed by 173 Liberal and Labour Members of Parliament, was presented to the Prime Minister on May 18th, 1911?"—Reformer in the MANCHESTER EVENING NEWS, June 12th.

The strike at the docks has some human touches. Did you notice the case of the men who were chased out as blacklegs and sent back home? They had walked from Notting Dale to the docks, about a dozen of them, and that is a very long walk to take through London before the dock gates open. Men who will walk those miles on the chance of getting a hard day's work from the early morning are in earnest. Would you walk seven miles to find a hard day's work?—DAILY CHRONICLE, June 12th.

The new Labour paper, the DAILY HERALD, in its leading article on Saturday, May 25th, said: "The worker is poor; there is only one way to become richer—that is, by getting higher wages." This is exactly what we are always saying, and we confess to feeling sick of assertions that we require a reorganised industrial system. Organisation is all right, production is quite satisfactory, but the distribution of wealth needs to be affected in favour of the workers. A better distribution can be most easily accomplished by increased wages. This again only requires the monopoly of land to be broken in order to become a practical reality.

The United Committee for the Taxation of Land Values have had the pleasure of visits during June from a number of foreign and Colonial Single Taxers including Mr. Kirkland of Brisbane, Mr. Edmonson and Mr. Watson of Melbourne, and Mr. Newburgh and his son of Washington, D.C.

BOOKS RECEIVED.

Fels Fund Commission Report. Report of the Second Annual Single Tax Conference, held in Chicago, November 24th, 25th and 26th, 1911, under the auspices of the Joseph Fels Fund Commission. Daniel Kiefer, Commerce Tribune Building, Cincinnati, Ohio, U.S.A. Gratis.

Taxation of Land Values as it affects Landowners and Others. By John Orr, M.A. P. S. King, and Son, Orchard House, Great Smith Street, Westminster, S.W. 1s. net.

Macdonald's English Directory and Gazetteer for 1912. Two volumes. Vol. I.: A Trades and Professions Directory for the principal cities and large towns of England and Wales, a Directory of Banks and a Gazetteer with map and fourteen town plans. Vol. II.: Trades and Professions Directory for the English and Welsh Counties. William Macdonald and Company, Ltd., Directory Press, London Road, Edinburgh. Two volumes, £2 10s.

LIBERALISM AND LAND.

(Special to LAND VALUES.)

By E. G. HEMMERDE, K.C., M.P.

In 1906 the Liberal Party won its greatest triumph. Those who had secured their own seats, and watched others do the real fighting, were confident in their claims that the reasons for that victory were the country's disgust with the Education Act of 1902, the Licensing Act of 1904, and the economic tomfooleries of the Tariff Reform League. A year passed, and suddenly disaster after disaster assailed the Liberal Party at by-elections until something amounting to panic began to set in. Then the Land Values Group, which had urged upon the Government the Scottish Land Values Bill, and had in deputation after deputation to Sir Henry Campbell Bannerman endeavoured to break down the obstinate obstruction of the Local Government Board to the preparation of a Land Values Bill for England, suddenly shifted its ground, and demanded a budget tax upon Land Values which would escape the attentions of the House of Lords and incidentally secure a valuation which might be used thereafter for rates as well as taxes. In support of this demand meetings were organised and thousands of resolutions poured in to the Cabinet. In the result the Budget of 1909 included taxes upon Land Values, and from that day until the next General Election the series of disastrous by-elections abruptly ceased. To those of us who knew that the victory of 1906 was largely due to the ceaseless advocacy of the positive side of Free Trade, known as the Taxation of Land Values, this sudden change of fortune caused no surprise. All that surprised us was the steadfastness of the electorate in the face of the bitter disappointment which the utter futility of the land taxes of 1909 evoked. Directly the Budget was introduced it became evident that the dead hand of Whiggism and the blight of the forces of wealth were working their will upon the land clauses. Never were clauses so open to attack. Most of the arguments which would have pulverised an attack upon a straight Land Tax imposed in lieu of rates were useless in defending clauses which no student of the Land question had demanded and which represented not the strength but the weakness of Liberalism. But through all the fatalities of compromise and exemption one fact stood out clearly. Support of the land taxes would secure a Valuation. It is true that the Valuation was greatly delayed by a weak surrender of the Government upon the question of self-valuation, but the forces of Land Values Taxation concentrated upon securing the Valuation, and by 1915 we shall have a complete Valuation, and by 1916 this Valuation can be brought completely up to date. When this Valuation is completed the ground will be cleared for an advance. The Increment Duty, and the Undeveloped Land Tax, will have served their end in securing a proper valuation, and, if the advocates of sound economics marshal all their forces these duties and taxes will then give way to what ought to have been the policy in 1909.

The delay in securing the Valuation and the set-back to the hopes of Land Reformers have caused the Liberal Party many anxious moments. Seats have recently been lost in Scotland and England, which could have been saved if the Liberal candidates had fought on the lines of real Liberalism. But the mistakes of 1907 and 1908 were repeated. The Tory Party was always on the offensive, the Liberal Party on the defensive. In South Manchester the Land Reformers declined to work for a candidate whom they considered unsound on the question of primary importance, and an amazing disaster was the result. In Oldham and South Somerset the real batteries of Liberalism were silenced, and seats which, in spite of local difficulties and in one case of a third candidate, might have been saved were handed over to the enemy. Everyone blamed the Insurance Act, and to some extent rightly, but the thing which damaged the Liberal Party far more than the Insurance Act was the lack of positive policy, and its weak acquiescence in being made the defending force.

South Hackney followed. Mr. Bottomley's unique position made it impossible to guess at the result, or to draw any moral from it. Still on paper the result was not unsatisfactory to the Liberal Party. At the same moment occurred the by-election in N.-W. Norfolk.

At the time of the great fight upon the Budget of 1909

the chief object of many Liberals representing agricultural seats was to explain to their constituents that the Budget had no bearing upon the question of agricultural land. Again and again we were informed that to preach the gospel of the Taxation or Rating of Land Values in agricultural districts was political suicide. The reasons for this astonishing theory were discreetly withheld from us. If we ventured to dispute it we were regarded as dangerous lunatics likely to lead the Liberal Party to the everlasting bonfire.

Holding the view strongly that the Rating and Taxation of Land Values was of even greater importance in rural than in Urban districts, I ignored a large quantity of well meant advice, and fought my whole contest in Norfolk upon the application of these principles to rural districts.

The industrial problem of to-day is one which no Minimum Wage Act will solve. To quote Mr. Outhwaite—"It can be solved in only one way, and that is, by raising the wage of labour at the primary source of employment. Force into full use all rural land and all land now held idle or put to inferior uses, and a wage rate will be established there which will ensure that no labourers will leave the land to sell himself to the pit, the factory, the docks, the foundry or the railway as a cheap worker."

The story of the railway strike, and the coal strike was fresh in the minds of the electors. The grievance which mainly caused the railway strike was that 100,000 men were receiving less than £1 a week and this was admitted by the employers to be true. Their only excuse or explanation was that their employees were largely recruited from the agricultural districts, where wages were less. The story of the coal strike was the same. Here again the grievance was that 100,000 were receiving less than £1 a week. An investigation into the conditions of affairs in South Wales, the storm centre of the strike, revealed the fact that during the last few years 50,000 men had come in to seek work at the mines from the agricultural districts. These men had depressed wages, and caused an appalling housing problem.

It was easy to show the agricultural labourers of Norfolk, and many farmers and shopkeepers too, that the low wages in agricultural districts were the cause of much of our industrial discontent, and to interest them in the search for a remedy. The reason for these low wages leaps to the eye. The vast majority of the labourers have neither house nor land, which they can call their own. They have no fixity of tenure. Many of them occupy cottages tied to a farmer and are subject to a fortnight's notice. Hardly any of them have the faintest chance of getting any land. Some of them have become so demoralised by the low wage system that they would not know what to do with land if they could get it.

Everything conspires to undermine their independence. If they could get a cottage and a little land under a tenure reasonably secure they would be in a position to sell their labour at a fairer price. To give them this would be to give them far more than would be secured to them by any Minimum Wage Act. Why not give it to them? There is no reason why we should not give it to them except that some Liberals are wasting energies that should be given to economic reform in the furtherance of a policy of opportunism and sentimentality.

In N. W. Norfolk there were notorious cases of land rated at 15s. an acre which could not be bought under £1,000 an acre. The process of transferring rates from improvement values to site values would probably bring that land into the market at a price of well under £100 an acre. The effect of such a transfer upon the Housing and Small Holdings Problem cannot be disputed. Everyone who has any knowledge of our agricultural districts knows that the high price of land meets and strangles every attempt at reform. What argument is there to be urged against this simple and fruitful remedy? A few years ago, almost every educated Conservative in the North of England and Scotland was in favour of the rating of Land Values. Some confined their attention to urban districts, but that was because they had never seen the need for a similar reform in rural districts. In spite of the fact that even their opponents have done homage to the principle, timid Liberals still hold aloof, talk about Minimum Wage Acts and other grandmotherly means of putting the agricultural labourer into swaddling clothes, without seeing that if they will only screw their courage up to the sticking point of an economic remedy, the agricultural labourer will be able to work out his own salvation under conditions in harmony with the principles upon which Liberalism is based.

The policy of putting the rates in rural districts upon site value rather than improvement value appeals to labourer and farmer alike. The Agricultural Rating Act brought relief to the farmers, and although the Liberal Party opposed this Act to the end they have already renewed it once and will do so again. And yet they could with the support of the farmers decline to renew this Act if they would boldly transfer rates from improvement to site value. If the Government would place the burdens of Education, Main Roads, Asylums, and Poor Relief upon the Exchequer and pay for them with a universal tax on land values the relief which now comes indirectly by the Agricultural Rating Act at the expense of the town tenants, would come directly under this universal tax at the expense of the ground landlords of urban and suburban districts. Incidentally land in town and country would be forced into use. The Undeveloped Land Tax would be swallowed up in the universal one, though developed land would obtain relief by the abolition of the rates above mentioned.

Instead of boldly facing the fact that putting national burdens upon agricultural improvements is a wrong in itself, the Tory Party offered to the agriculturists that if they would submit to a wrong some part of their burden should be placed upon their shoulders. It is for the Liberal Party to offer the real remedy in redressing the wrong, and placing the burden upon the shoulders of those who daily and hourly become wealthy at the public expense.

The effect of Land Values Taxation is no matter of theory. In Australasia it has had the effect which we claim must attend it here. It will undoubtedly break up many big estates. It will enormously increase the small holding movement. It will clear the slums of our villages and towns and cause vast areas to be rebuilt, and thousands of families to be properly and decently housed.

If it is objected that the economic effects of a Land Values Tax will not be felt quickly enough there is nothing to prevent the Government quickening the pace by some practical experiments in housing. These experiments will have a better chance of success under a system which secures land at a fair price, and frees cottages from the burden of rates.

If we can break down the grip of land monopoly upon our villages, we can make life there healthier and more attractive than any which the towns can offer. The agricultural labourer and his family will stay in the country districts. He and his sons will cease to become the competitors of the miners and the railwaymen, and will become their customers.

Not only justice but self interest calls Liberalism into this field. Already the plaintive wail of the middle class Liberal is beginning to be heard. He complains that he is forgotten, and not without reason. In one great town of South Wales the rates are over £300,000 a year, and the ground rents are over £300,000 a year. And yet not one penny of the rates falls upon the ground rents, which are themselves largely caused by the expenditure of the ratepayers. Was ever system so mad? The town is taxed twice over, once by its public authority for the benefit of its inhabitants once by one or more private individuals for the benefit of themselves. Their right to impose such taxes has no basis in justice, morals, or economics. It is obvious that the two taxes should as nearly as possible coincide, and become one. The only argument one ever hears against such a policy is that ground rents have passed for value and are a form of trust investment. For how long will the commercial and middle classes permit the industries and labours of all to be taxed and over-taxed, in order to let investments go scot free? The fact is that the middle classes have themselves to blame for the neglect of their interests. They are so busy trying to get into the class above them in the social scale, that they have no time to study the economic questions which so greatly concern their lives and comfort.

The case of the South Wales town above-mentioned is the case of hundreds of others. The Taxation and Rating of Land Values will rally thousands to its Liberal standard. In town and country the effect will be overwhelming. How overwhelming time alone will show.

I have no doubt at all that the country is in sympathy with the land values movement. Holmfirth tells the same story as N.W. Norfolk, and many other constituencies will soon tell a similar tale. After this year the Liberal Party will be troubled no more with questions of Irish Home Rule, or Welsh Disestablishment. After next year all questions

as to Franchise and Redistribution ought to be set at rest. The ground will then be clear for a great advance into the territory of Social Reform. The Valuation will be completed, and ready for use.

Will the Liberal Party have the courage to use it, or will it pin its faith to the half-hearted utilities of the Budget of 1909? That is the question fraught with the deepest significance for the Liberal Party. For no one who has studied politics in the country during the last ten years can doubt as to what are the desires and aspirations of Young Liberalism. Let the Liberal Party take up the Land question in the spirit which actuated Cobden and Bright and it has nothing to fear from Toryism or Socialism. Let it play with the question and it ceases to be a living and active force in our political world.

High hopes are being raised. Those speakers who place this question before all others are being specially sent by the Party organisers to rouse enthusiasm and win votes by argument which assume that the Government means business in this direction. The belief of the rank and file in the Prime Minister and the Chancellor of the Exchequer is unbounded. They are confident that their trust will never be betrayed, and if an occasional scoffer points to the many weaknesses of the land clauses of 1909 as a proof that the Whigs can always be trusted to stand as Cobden once said "as buffers between the people and the freedom and justice they righteously demand," the rank and file as a whole have no doubt as to the sincerity and whole-hearted enthusiasm of their leaders. If there is any distrust it is not of the leaders of Liberalism, but of certain others. With these others some accounts may have to be settled before or at the next general election. And let all supporters of the principle of the Taxation of Land Values remember that during the next few years they must concentrate their forces on every weak spot, and against every attempt to substitute sentimentality for economics. They are strong enough to determine the fate of any Liberal Government and they must make it clear that they are not only strong enough but determined to do so, and have no intention of seeing the policy of Liberalism dictated by a few at the expense of the principles of the many.

THE POLICY OF LAND PURCHASE.

THE RURAL LEAGUE VISIT TO IRELAND.

Gladstone's great Irish Land Act of 1881, which cut the claws of Irish landlordism, summarily converted the Irish landlords to a policy of State-aided Land Purchase, as the one way of advantageously disposing of the remnants of the power they had so ruthlessly abused. Lloyd George's Budget of 1909 is having a very similar effect upon English and Scottish landlords. At all events a well-organised campaign is now being carried on throughout Great Britain on behalf of this reactionary and ruinous policy, not ostensibly in the interests of the big landlords, to-day so anxious to sell, but in the interests of the farmers and small holders and other would-be land users, who, in their wisdom or ignorance, as yet show a strange reluctance to buy. Hence these latter have by some means or other to be persuaded that, whoever else may suffer by the adoption of any such policy, whoever else may ultimately be called upon to pay the piper, if they will only consent to act as intermediaries between the State and the big landlords, they in some mysterious manner will reap an enormous benefit.

To this end the Rural League has quite recently organised a tour throughout Ireland for a party of English farmers. "Seeing is believing," one who accompanied them innocently writes in THE SHEFFIELD DAILY TELEGRAPH, (May 31st, 1912), and possibly in other similar papers, under the *nom de plume* of "A Yeoman." "The English farmers saw a very great deal; and they were astonished." They doubtless saw what they were there to see, were told what they were taken there to be told, and lessons were drawn for them from what they saw and were told that it was deemed desirable they should learn.

Thus, according to the testimony of "A Yeoman," they saw or were told of:—

One farmer whose rent was formerly £300 a year, is now paying only £89 a year; the latter for 49 years, after which the land will be his own. Another whose rent was £52 a year is now paying £17 19s. 4d.; and he will become a freeholder in a similar period. The

third formerly paid a rent of £105 a year, and now pays £68, and he will become the freeholder. A fourth formerly paid a rent of £80 a year; but he is now paying only £52 9s. 2d. a year, and he, too, will become the freeholder;

and were assured that:—

Numerous other and similar instances could be given from almost every county in Ireland.

And all this, *not* as an example of the iniquitous system of rack-renting which in "the good old days" sucked the country dry, directly causing poverty, the famine, and countless other evils popularly attributed to "natural causes," but as an example of the wonderful effects of State-aided Land Purchase. And there is nothing in "A Yeoman's" article to show that any of the party were bold enough to draw any other lesson from it. It seems almost a pity that some disinterested lawyer, used to weighing evidence, did not make one of the party, even in the place of an innocent "Yeoman"—but perhaps this would not have suited the wire-pullers responsible for its organisation.

However, the first party taken, which it is hoped will be followed by others, proved a very tractable one. Before leaving Ireland for home they, spontaneously perhaps, "decided to draw up a series of questions which, answered and signed by them would be of service to their brother farmers in England" (see LINCOLN GAZETTE, June 3rd, 1912). "The inquiry," we are assured, "was a non-party political one, the party including both Unionists and Liberals"—presumably no Tories nor Single Taxers. "They have agreed, however, and emphatically, that they will not rest until the privileges and advantages so freely given to Irish farmers and landowners are also given to English farmers and owners desiring the same." But the inconvenient questions as to who is to get off with the swag, and who is to pay the piper, both seem to have been left unanswered.

Some of the questions answered, however, reveal a credulity, as well as an interest in the mere political aspects of the case, rare, we think, in practical farmers. Thus, they assure us that one of the results of State-aided Land Purchase "a considerable quantity of land has been brought into cultivation." On the other hand, in the current number of THE ROUND TABLE (quoted in THE SPECTATOR, June 8th, 1912) a more reliable authority "mentions the striking fact that Ireland has not tilled a single acre more since the Land Acts were passed." Again, the present delay in the process of land purchase is attributed by these enlightened farmers, on mere hearsay evidence, to the Birrel Act of 1909, "the annual interest to be paid by the tenant purchaser in respect to the purchase money having been increased by this Act, and the bonus inducement to owners to sell withdrawn." No reference whatever is made to the fact that with land stock under 80 a ruinous loss of nearly 25 per cent. on all money raised, would have had to be borne by the Irish ratepayers, a large majority of whom are also tenant purchasers, if proceedings had been continued on the lines laid down by the Land Act of 1903. Nor were the confiding farmers asked to consider the effect on the market value of such stock if the same foolish and unnecessary proceedings were inaugurated to deal with the whole of the rented land of Great Britain. Such considerations would have been apt to upset the political views they were sent to Ireland to imbibe. As it was they with strange unanimity endorsed the official view that "the principle of the Irish Land Purchase Act, as embodied in the Rural League's Land Purchase Bill, should be made applicable and available to British farmers willing to buy from owners willing to sell." Such a measure they regard as one "the usefulness and importance of which are unlimited from the agricultural, and still more from the national point of view." Of the merits of any such Bill from the economic point of view, or from the financial point of view, or even from the point of view of the landlord willing to sell, nothing is said in their report.

In view of the results of the North-West Norfolk election, it is needless to take such activities and such reports very seriously. For this proves that when handled by competent men both farmers and agricultural labourers can readily be convinced that what they need to emancipate them from their present thralldom to established privilege, is *not* State-aided Land Purchase, but rating and taxation reform on the lines of the Taxation of Land Values.—L. H. B.