

# British and American Comments on The Snowden Budget

## THE "THUNDERER" CONSISTENT WITH ITS RECORD

A FLAT rate on the capital value of all land, which is apparently what Mr. Snowden proposes, would merely depress agriculture still further by denuding it of its already impoverished capital resources, besides singling out one particular class of capital for a levy. Mr. Snowden went so far as to claim that this revival of a discredited form of impost was the principal feature of his Budget, which would be looked upon in future days as a landmark upon the road to social and economic progress. That it is likely in some way to prove a landmark is certainly more than probable, even if the road seems to be leading to a very different destination.—*London Times*.

## CORRECT

It may be desirable to draw attention at once to what is apparently a somewhat common misapprehension regarding the incidence of a land tax. It is not a tax upon the assessed income from land but on its assessed capital value. Its Socialistic purposes, by its very origin, is not really to obtain revenue from land, but to procure disguised confiscation of rent from land, and it should not be forgotten that land nationalisation is still the declared object of the Socialist party whenever or however they are able to bring it about. Mr. Andrew MacLaren, Socialist M. P. for the Burslen Division of Stoke-on-Trent, frankly declared some little time ago, in a speech at Stoke, that he wanted to see landowners taxed off the land because the alternatives of buying them out or shooting them in the dark appeared to him more objectionable. We shall examine the effects of the tax upon landholders and property owners, great and small, when the full details of the proposed legislation are available.

*Yorkshire Post*, London, Eng.

## PRELUDE TO THE PASSING OF THE LANDED ARISTOCRACY

Anyone who likes a good novel or a play should find much that is interesting this week in the drama of European politics and dynastic scheming. In the House of Commons this week, the brilliant cripple, Philip Snowden, scored a momentary triumph in the authorization to impose a land tax of one penny on the pound, beginning in two years. If the fight was weakly waged by the Tories, it was because they are convinced that two years hence the MacDonald Ministry will be a memory. The only notable speech was that of Lloyd George, leader of the liberals, who long has urged the breaking up of the vast estates, and the utilization of the land by small farmers.

There was drama enough in that session of the Commons, though ever so quiet. It may be the prelude to the passing of the landed aristocracy which has ruled England for centuries; and it may deprive the future Mrs. Humphrey Wards of a charming society to picture in their novels.

A small country, with a congested urban population, and a grave unemployment problem, proposes that a few men shall not forever hold enormous tracts of unproductive land for purposes of pleasure, while potential producers starve in the garrets of the cities. It seems reasonable enough, and necessary, however much we may sentimentally regret the passing of the great estates that gave such charm and beauty to the English countryside.

CLAUDE G. BOWERS in *N. Y. Journal*.

## ARGUMENTS IN ITS FAVOR

A duty of 1d. in the £ on land values is to be levied in the future; a valuation is to be made in order to collect it. This tax is obviously meant to serve as an election cry against the House of Lords. There are arguments in favor of such a duty. The strongest is that it may prevent the holding up of land in cities by speculators and remove what to many people is a serious grievance. It should also bring in a considerable sum.—*Daily Mail*, London, Eng.

## WILL HAVE A PROFOUND INFLUENCE OVER THE WHOLE WORLD

The most radical social revision since the communization of Russia is Chancellor Snowden's capital land tax bill in Britain. The whole established theory of real estate and private ownership is challenged. Snowden's new Socialism deposits with the people of the nation ownership of the whole land of the nation, with the landlords but leaseholders from the people, and taxes redefined as rent. If the bill becomes law, it will be a revolution to make Alfonso's dethronement a dud by contrast.

Land used for agricultural purposes is exempt from taxation up to the value of that land for farm use. Gentleman farmers may not with impunity grow strawberries and asparagus in urban private parks. Wealthy landowners will have to pay a penny for each pound of valuation for acres of lawn and game preserve hitherto listed as farms or fallow fields. The ghost of Henry George does not conceal a grin of amusement and satisfaction.

"Land was given by the Creator not for the use of dukes, but for the equal use of all His children," Snowden declares. He pays no deference to the American-born idea of Single Tax, yet his proposed law is the hide and tail of George's theory, that private ownership of land is as morally indefensible as private ownership of air or ocean,



but private control of land by those able and willing to pay for the privilege to the people is necessary, proper and sound.

Snowden's solution of Britain's flattening purse is not yet law. It goes without saying that the Lords will hurl it back with all speed and spite of an anarchist hurling a bomb. Every tradition of Merrie Olde England is smashed to smithereens by the bill. But those traditions were made and fostered by the beneficiaries. Why a man who possibly could grow not enough thistles on an acre to forage a donkey should control thousands of acres of ground because some very remote ancestor helped his Norman chief to swipe England from the Saxons is something into which more and more pointed inquiry is being made.

Especially pointed is this inquiry in England, where whole villages are owned by hereditary landlords, villages whose inhabitants are free and, politically, equal citizens of the commonwealth, but as far as owning a little plot of ground goes no better off than the Russian peasants under Catherine. Not since the Reformation deprived the monasteries, priories and, all in all, a church apparently more firmly established than the nobility, of lands withheld from the people has anything so revolutionary as Snowden's new tax bill assaulted British conservatism. Adopted or not, the Snowden bill will have a profound influence on modern social thought the world over.

Newark, N. J. *Evening News*.

### A SOCIAL REVOLUTION IMPENDS

The British House of Lords is mostly composed of landowners. Most of the Lords are members of the Central Landowners Association. They are certainly interested parties. They will stick out for their privileges to the last. On the other hand, it is probable that the majority of the members of the Labor party, whether right wing or left wing, are inclined to support Mr. Snowden's position that the "private monopoly of land" must go, even if the House of Lords goes out of existence with it. If the Liberals and Laborites stand together in the scheme, and if the speaker of the House decides that a land tax bill is a "money bill," something like a social revolution surely impends in Britain, for land nationalization would mean the overthrow of all hereditary privilege.—*Boston Transcript*.

### OF INTERNATIONAL IMPORTANCE

Progress and Poverty was published just a little more than fifty years ago, but it is only now that Henry George's proposal is to receive its first test on a national scale. Perhaps half a century is not a very long time for an idea as radical as the Single Tax to develop from its inception in the mind of a man to its incorporation in the policy of a nation! Of course, the tax on land values is not the *single* tax as proposed in the Snowden budget of 1931. But Henry George's "Single Tax" is there, due to go into

effect in 1933, and when it does mankind will be able to judge by experience as to the validity of the proposal. The world around it is apparent that our present order is in sad need of improving our process of distribution. Production is no problem any more; over-production is our problem in many lands. Distribution resolves itself for most men, into a struggle to get as large a share of the common store of wealth for themselves as possible. Henry George believed that, through a system of land tenure and the prevention of monopolies in natural resources resulting from a tax on land values, a method could be put into operation by which everyone would get his share. Now England, by the vote of the labor and liberal parties means to find out whether he was right. Consequently the new British budget assumes international importance

*The Christian Century*, Chicago, Ill.

### THE GREATEST CONFLICT FOR GENERATIONS

Unless the House of Lords has something in store, Mr. Snowden will have a fairly easy passage for the land valuation and taxation clauses of the Budget. The Conservative speeches yesterday lacked fire and conviction. No one would have thought that they were directed against a principle which had stirred up the greatest constitutional conflict for generations and had been responsible for one of the few really important modern written alterations of the Constitution. There was no one yesterday to cry ruin and robbery. Property has lost its sanctity, and the "end of all things" has become very remote in these latter days of high direct taxation. The criticism was not so much that land taxation was inherently monstrous and wicked but that it was unworkable and unjust. At any rate the Conservatives came much nearer than before to discussing land taxes on their merits, and that is a sign of grace.

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Mr. Snowden has profited by the fate of the taxes of 1909, and aims at something much simpler than Mr. Lloyd George's four types of duty. The principle is the same. It rests on the assumption, a foundation belief of generations of Radicals, that the value of land is given to it by the nation. A large part of the value of land, as expressed in the price its owners can put on it, arises from the public—urban improvements, the growth of population, the rise of industries. As Mr. Snowden said, every increase of population, every extension of industry, every improvement in transport, all expenditure of public money, add to its value.

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More than the penny tax now proposed is at stake, for as Mr. Snowden pointed out, the land valuation may in the near future take its place as the basis of a far-reaching reform of local taxation. The Manchester Corporation and many other local administrative bodies have for years been agitating to be allowed to tap land values in relation to rates, and Mr. Snowden's proposals should have the



heartily support. Indeed it may be found when Parliament gets down to the subject that there will be little substantial opposition to the new land valuation.

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The proposals had a warm welcome from the Liberals, and they will receive more united support from that party than has been given to most Government measures. There will be no stronger bond to maintain Liberal-Labor cooperation in the next two years.

*Manchester Guardian*, Manchester, Eng.

### A REACTIONARY OPINION

The land tax which Chancellor of the Exchequer Snowden proposes for Great Britain is merely the capital levy about which so much was heard a few years ago. It is a direct tax on capital and at the rate of a penny in the pound of valuation the Government will be taking the equivalent of one-two-hundred-and-fortieth of British real estate. What the amount will be in the aggregate will not be accurately known until Mr. Snowden's valuation process is completed two years hence.

"This of course is class legislation and has always been a principle of the British Labor Party. As the London *Daily Herald*, Labor organ, puts it—

This will be a deadly blow to the privileged land-owning class, which is the backbone of Toryism and reaction. This new tax will be provided for in the Finance Bill, which the House of Lords can neither amend nor reject.

It may be added that the class at which the "deadly blow" is directed is also the "backbone" of Britain and the proposal will be fought to the last ditch by the landed gentry. More than likely the Labor Government will come to grief over the issue, a probability which Mr. Snowden and Prime Minister MacDonald have undoubtedly foreseen. The project is vicious in principle and intention and violates a fundamental canon in the British system of fair play. The party which sponsors it will richly deserve the defeat when the time comes.

*Public Ledger*, Philadelphia, Pa.

[EDITORIAL NOTE:—There are more errors than a few in this editorial. The tax is not a "capital levy," nor is it a direct tax on capital, land values not being capital. Philadelphia has a much higher tax on land values than a "penny in the pound."

We are interested to learn that the great landlords are "the backbone of Great Britain," though it is a curious doctrine to emanate from America, and that the tax violates the system of British fair play. If the landed gentry who have lived so long on the people of Great Britain and whose wealth has been increased by every step in the progress of industry in that country, stand in the way of this small measure of justice, they will simply supply another instance of the familiar truth that "whom the gods would destroy they first make mad." Their day almost done.—Editor LAND AND FREEDOM.]

### MR. SNOWDEN'S BOMBSHELL

There will be a furious dusting off of old copies of Henry George's "Progress and Poverty" throughout England this week. Alignments are already drawn for such a thump-

ing political war about tax theories as John Bull has not known in close to half a century. For tight-mouthed, frail-bodied, ironjawed, redoubtable Mr. Philip Snowden, Lord Chancellor of the Exchequer, has kept his promise of two years ago, when he let it be known that he is a disciple of Henry George on the question of the Single Tax.

Mr. Snowden has "brought in the budget"—in itself the most momentous event, annually, in England's domestic life. But, together with his mild proposals for meeting the \$182,000,000 deficit in the treasury, he has brought in something else which has instantly divided all England into two parts. It is a proposal for a tax of one penny in the pound (two cents on every \$4.86) on capitalized value in land. Labor is enthusiastic for the scheme. The Liberals espoused it all of 45 years ago; and Mr. David Lloyd George's instant joy indicates no diminution of Liberal zeal. But the Tories hate it with a hatred deep and abiding.

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The Lords and landed gentry, who hold vast estates, many of them solely for sporting purposes, would, in the natural course of events, bear the brunt of the suggested reform.

The Single Tax (as Henry George worked it out) bases upon the contention that wealth is the creation of labor, while land is the creation of God. So (he held) if wealth belongs to its creator, the land, whence man derives the means of labor, belongs to the community. Land values (as he saw it) are due not to any act of the owner, but to increasing population pressure; they come from the community itself. Monopoly in land, he said, appropriates this unearned "increment" of value, and at the same time deprives the common man of his opportunity to become independent, as his fathers were. They had plenty of free land; he has none. So while population grows, monopoly expands and labor finds itself in an increasingly helpless situation.—*Boston Globe*.

WE should have a tax system that should give 100 per cent. to industry and should offer no premium to idleness. Our present unfortunate position in the financing of all of our cities is due to the fact that our system of taxation offers a great premium to people who do nothing and therefore imposes heavy burdens upon those who do the important things in life.

OTTO K. DORN in Mt. Vernon *Daily Argus*.

GO into an asylum and take out of it a man in whose mind reason has lost its way and set him down and say, "Neighbor, write for us a system of taxation." The worst that poor nut could do could not possibly be worse than we have done. Not in any department of life's activities do we show such an utter disregard for ethics and science as we do in the tax department.

JAMES R. BROWN as reported in *The Evening Leader*, of Taunton, Va.