

THE CASE AGAINST COMPENSATION

Opinions of various readers who, as already explained, wished to comment on Dr. Starcke's observations.

From William E. Bland

In view of the stand L. & L. has always taken on the question of "compensation," Dr. Starcke has no grounds for surprise that the scheme he supports has been roundly condemned. It is surprising, however, that there exists any person, claiming to be a Georgeist, who can advocate the making of a payment, by whatever name it is called, designed to "ease the landowners' loss."

For confirmation of George's alleged approval we are referred to correspondence between him and Jakob E. Lange. To me, that correspondence says no more than that Henry George agreed that, where mortgagor and mortgagee were interested in any particular unit of land value, the loss created by the application of the tax should be shared by them in proportion to their interests. As if confirming this, Lange is quoted as referring to "mortgagor and mortgagee sharing the burden." (Not the compensation, not even the "settlement.")

As regards the merits of the case, the idea of compensation is exploded when it is seen that it means making good, not some past and tangible loss, but the loss of the right to collect in future the publicly-created rent of land. It is unthinkable in the circumstances that compensation should be paid.

The whole Georgeist argument is based squarely on the justice of the reform. To pay compensation would be to deny the justice of the tax and to provide, in advance, the grounds for its later repeal. I think Dr. Starcke would find that the benefits he expects would result from his proposals might be difficult to realise once he had essayed to achieve the impossible, namely, a compromise between right and wrong.

From J. H. Eastwood

Dr. Starcke has attempted to adduce that Henry George was in favour of compensating landowners by quoting the counsel said to have been given by him (H.G.) relative to an entirely different and minor question, *i.e.*, as to how the onus for tax-payment should be shared where the rent of a single land-lot passed to a plurality of receivers. In this there is a weakness and irrelevance difficult to account for.

Henry George, of course, was never anything but adamant against any suggestion of "compensating" land owners. One recalls reports of his demeanour of fierce rejection, in answering questions on this head, at Glasgow and elsewhere. How could he have been otherwise? For what does this notion of compensation (settlement, equalisation, solatium, or what have you), when encoupled with advocacy of land value taxation, really amount to?

Does it not mean, merely, that those who have hitherto (legally) received the fruits of wrong shall henceforward (legally) receive, *instead, an equivalence* of such fruits, or of a large part of them, through the mediacy of the State, which will supply it from the same source—since there is no other—as before provided the same recipients with rent, *viz.*: the products of labour?—a mere swap round, the State now becoming the ultimate rent collector, and the landowners (retaining their title-deeds), the ultimate gatherers of taxes on industry! Thus, wage-earners would still have to foot a tax bill, plus rent, as now.

To admit such a notion, therefore, would be largely to cancel out L.V.T., to rob the movement of all moral (and

mental) force, and to reduce the rôle of single-taxer to that of a buffoon.

What shall be said of so moving and admirable an address as that by Dr. Starcke himself on *Our Daily Bread*, if we must realise that, behind it, the speaker was prepared to give assurance to land-owners to this effect: "Don't worry. In spite of what I am now saying to these people, it is not intended that you shall suffer to any considerable extent; for it will be so contrived that *their* daily bread, or a great part of it, will continue to be taken from them and given to *you*?"

From Austin H. Peake

This is a proposal with which I disagree.

I have for long been convinced that the fullness of Georgeist proposals can only be accomplished step by step, and this means that for perhaps a very long time objectionable forms of taxation must remain, but I do not, therefore, approve of these "robbery" taxes. Nor would I advocate any particular action on the ground that it was no worse than an alternative bad one.

I have read again with added interest and appreciation the Odense Conference paper of K. J. Kristensen who is a signatory of the minority report. As he says, each step in the right direction makes the next easier because some of the advantages become apparent.

From P. R. Stubbings

Exception is taken to the words: "But it is not the folly of the bargain that we deplore; it is its patent wickedness," and the reviewer is accused of bad manners, and of being "more Georgeist than George." Neither charge can be sustained. Henry George, be it remembered, had the temerity, the "bad manners," to address an open letter to Pope Leo XIII, to join battle with Herbert Spencer on the question of compensation, and in a well-known passage in *Progress and Poverty*, he cocked a snook at no less person than John Stuart Mill—"great as he was—warm heart and noble mind"—almost exploding with the words: "In the name of the Prophet—figs!"

As has been admitted, George was indeed "against compensation as a principle"—emphatically and consistently so. In various of his works he condemned it as being "unjust," "immoral," "absurd" and "worse than absurd," a "continuance of unjust deprivation," an "impudent plea," "plausible." And in one passage in *A Perplexed Philosopher*, George's words are not so very different from those used by A. W. M.: "If he (*i.e.*, any honestly-minded man to whom pleas for compensation seem plausible) once breaks through the tyranny of accustomed ideas and truly realises that all men are entitled to the use of the natural opportunities for the living of their lives and the development of their powers, he will see the injustice, *the wickedness*, of demanding compensation for the abolition of the monopoly of land."

The attitude of those who have studied George's teachings, who quote his arguments, who claim to have his goal as theirs, and who at the same time can countenance the payment of so much as a penny piece for the right to resume equal access to land, passes all comprehension. They appear to be neither fish, nor flesh nor fowl. Many roads lead to "Rome"—from Australasia, from parts of the great continent of Africa, from far away Pennsylvania and the Western Provinces of Canada, from Denmark, from wherever the first steps have been taken to collect land values for public revenue. But those who would buy the land from the landowners have turned their backs on the Eternal City, and are leading their forces into the

arid zone inhabited by the barbarians. That is bad generalship. It is not good tactics or a matter of strategy. It is not statesmanship. Victories are not won by surrendering principles to expediency.

For more than one thousand years the people of Denmark have been familiar with the idea of L.V.T. For ten centuries or more people have bought and sold land, aware that they had no ethical title to the value of the property they so exchanged, aware that one day the community would resume its rights to the soil. Is not 1,000 years warning enough to the "innocent purchaser"?

Perhaps one of the most interesting sections of this reply from Denmark is the penultimate paragraph: "The Justice Party has only 6 seats in a House of 179 and cannot expect to have all their wishes fulfilled. Why then try to put a spanner in the works?" One would be justified in deducing from the first sentence that the Commission's recommendations differ substantially from the policy of the Justice Party. But if that were so, why were the Justice Party representatives signatories to those recommendations? And why is the LAND & LIBERTY criticism so much resented? If the Justice Party had had greater

representation in the House and on the Commission, what would they have proposed? For the past thirty-four years, ever since its formation, the Justice Party has been in favour of an "all-at-once" solution of the land question that is not a solution at all, accompanied as it has been consistently with proposals for easing the lot of any inconvenienced rent-recipients and granting them "fair treatment." Has the leopard changed his spots at the last moment? Unfortunately there are no grounds for believing that he has.

Georgeists everywhere will have been saddened when they learned of this move in Denmark, the country to which they have pointed with pride and affection, and from which they have received valuable practical instruction and encouragement in their own endeavours. They will be amazed to read the arguments which have been adduced in defence of "foolish and wicked" proposals, and astonished at their source, but they have no cause to despair. Standing aloof from the day-to-day political fray, they can from a distance offer wise and friendly counsel. How can this be called "throwing a spanner in the works"?

The Editor's Seventy-fifth Birthday Celebrated in London



The evening of April 6 witnessed a most genial private gathering in London of LAND & LIBERTY readers, and members and friends of the Henry George movement at a reception given in honour of ARTHUR WILHELM MADSEN on the occasion of his seventy-fifth birthday. Necessarily most of those present were from London and the Home Counties, but the company included some who had travelled from farther afield. Notable among them was Mr. Ashley Mitchell, of Huddersfield, well-known

to readers throughout the world as treasurer of the International Union, who as a close colleague and personal friend of Mr. Madsen for many years, and as a witty, powerful speaker was the ideal chairman for the reception. Skilfully and in a most happy manner, paying his own homage, he set the tone of the gathering, drawing forth expressions of good fellowship, affection and admiration for the guest of the evening.

Mr. Ralph Young, an executive member of the United Committee and chairman of the executive of the International Union, claimed the longest acquaintance with Mr. Madsen, who had been a welcome visitor to his father's house in Edinburgh forty-five years ago. He exercised the pleasurable right of presenting a handsome blue leather volume, specially hand-made and gold embossed, containing greetings and commendations from friends throughout Great Britain. To Mrs. Madsen was presented a beautiful bouquet of flowers as a token of the high esteem in which she is widely held within the movement.

Momentarily overwhelmed by the many cordial expressions, Mr. Madsen responded suitably, thanking everybody for their kindness and friendliness. Despite protestations that he knew not what to say, he gave a most interesting account of some episodes in his life, recounting his experiences when in 1934 he visited the Soviet Union in search of the economic rent of land and was informed that it had been abolished there! Other reminiscences and anecdotes delighted his audience. He recalled how he had entered the movement through the agency of his friend, E. J. Evans, of East London, during the years 1903 to 1909 when he had lived in South Africa. Every Georgeist, he said, should feel indebted to the person who had introduced him to the grand and noble philosophy of Henry George, and he told how some of the great legendary figures of the past had first learned of the movement for true liberty. For those well acquainted with Mr. Madsen it is hardly necessary to report that he seized the opportunity of referring to items of interest contained in recent letters received at 4 Great Smith Street from adherents in many countries, and of advertising the forthcoming conference at St. Andrews. Concluding, he gratefully acknowledged the kind things that had been said of Mrs. Madsen, which he insisted were so abundantly deserved.

With engaging Yorkshire forthrightness, Mr. Ashley Mitchell recalled how the fruits of victory had been twice snatched from grasp when legislation for the taxation of land values had been placed on the statute book and swept away. But if the "old warrior" whose birthday was being celebrated and who had tasted the bitter fruits of defeat could yet continue working with unabated single-mindedness of purpose and conviction of ultimate achievement, why should any younger person feel discouraged? Nor had they any cause for dismay at what appeared to be slow progress. New forces were being built up; they would win through as their predecessors had so nearly done.

The evening concluded with the reading of letters from absent friends, and the payment of tributes to Mr. Madsen by a number of those present who spoke of their indebtedness to him, and how they had been encouraged and their lives enriched by his friendship and warm personality.