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## LABOUR'S TRIUMPH AND OPPORTUNITY

THE GENERAL Election gives to the Labour Party an overwhelming majority of seats in the House of Commons. This majority is not fortuitous but rests upon a decisive majority of the votes cast. It cannot be explained away by the vagaries of our electoral system, and it means the establishment once more in this country of substantially a two party system. The Liberal Party has dwindled still further. Its leader, Sir Archibald Sinclair, was defeated, and Sir William Beveridge, who had been hailed as the means of restoring its fortunes.

It appears to be certain that the country will have a Labour Government for the full statutory span of five years. With a substantial majority in the House of Commons the Labour Party has now a clear opportunity of showing what it can do. If it should be successful in tackling well the great task which lies before it, even the "swing of the pendulum" may not dislodge it when it has to account to the electors.

The issue of the election is not to be explained by a minute dissection of the Party programmes. In many respects there appeared to be agreement between them. Such matters as "social security" and "full employment" figured indifferently in the election addresses of many candidates of all parties.

Most electors it is probable did not engage in an analysis of the details of the party policies. The overriding consideration was whether there should be a continuance of Tory rule which has continued with insignificant interruptions since 1918, or should there be a change. That this was the one question which electors asked themselves seems manifest from the strenuous efforts of the Conservative Party managers to make the election turn upon the personality and the war record of Mr. Churchill. In this they completely failed. His tour of key constituencies did not turn the tide of public opinion nor did his broadcasts.

The task which lies before the new Government is immense. Great and far-reaching decisions must be made in the

field of foreign policy, and the domestic problems to be solved are no less pressing.

The ravages of six years of total war have to be made good. Not only is there the housing of the people in which the magnitude of the job is patent to all. There is also the depreciation and running down of much industrial equipment, due to the diversion of the nation's efforts from the production of the necessities, let alone the luxuries, of peace to the needs of war. A hard road lies ahead.

The Labour Party has made many promises which it will be asked to redeem. Not only its own future, but that of the country is at stake.

A few of the acid tests of policy deserve attention at this moment.

In foreign policy it is not sufficient merely to aim at systems of "collective security" such as that evolved at the San Francisco conference. The relations between nations lie not merely in the field of diplomacy but also and much more in the field of trade and commerce. If the world is to be at peace and to be prosperous, full and free exchange of the products of all countries must be encouraged. During its long years of office the Conservative Party has imposed upon this country a fully fledged tariff system such as it has not been burdened with for a hundred years. This mistaken policy encouraged the protectionists in all countries to do the same thing. In the result the trade of the world is now fettered to such an extent as forty years ago would have seemed inconceivable. This has been one of the leading causes of trade depression and unemployment, the growth of monopoly, and inequality in the distribution of wealth. Now is the opportunity, when the United States is in these matters adopting a far more liberal policy than for several generations past, to reverse this trend. Nothing could contribute more and more immediately to the rehabilitation of the economy of all countries from the disorder to which it has been brought during the

war. To this country especially it is of the highest importance.

Of our home affairs clearly housing takes for the time being a foremost place. In the blitzed areas there is also need for the reconstruction of industrial buildings as well as of schools, hospitals and other public buildings. With this rebuilding must necessarily go some measure of planning or replanning to correct past and prevent future errors. Two questions immediately arise. Are we to continue to make houses dearer to their occupants by levying upon them a heavy, and in all probability increasing, burden of local rates? Are we to continue to encourage land speculation, the withholding of land from use until an inflated price can be got for it, by refusing to impose some measure of rating or taxation on site values of land whether used or not? These are crucial questions. The solution is not to be found in a wholesale scheme of public land purchase, for that would indeed be no remedy for present evils but simply a condonation of them.

Then there is employment. For the moment there is a scarcity of labour for civilian purposes and that condition may continue for some time to come. But no one can forget the grave depressions and the millions of men out of work which were the most grievous aspect of the period between the two wars. Here again freedom of trade and access to land are fundamental. It is self-evident that there can be no production without application of labour to land; neither can that labour be most advantageously employed and reap its greatest reward unless there be freedom of exchange. It is only thus that the best division of labour and the maximum satisfaction of consumers can be assured. Removal of tariffs, quotas and other restrictive monopoly-creating devices is essential to full employment, and this must be coupled with a measure of taxation of land values which will ensure that land becomes available for use when it is required and upon reasonable terms.

National taxation received singularly little attention during the election, but it must inevitably be a pressing problem for the Government. Vast sums are still being borrowed to balance the budget, and taxes have risen to an oppressive level. The limits of exemption from income tax and the reliefs and allowances have been reduced, while the rate of tax has been raised. The pressure of this upon small incomes is severe. Purchase tax at very high rates has been imposed upon a wide range of articles, and all the tariffs in existence before the war still remain and in some cases are increased. Although war expenditure will diminish, other wide fields of spending are envisaged. The great plan of "social security" or national insurance will involve heavy burdens upon all the contributors, and it matters not whether part is called taxation and another part is called contribu-

tion for the ultimate effect is the same. There is pressing need not only for reduction of taxation, but for readjustment of the burden. At a time when taxes in total are being reduced, the most advantageous opportunity affords itself for altering the incidence of taxation; the task is far more difficult when taxation is being increased.

Let us hope that the Labour Party will grasp the opportunity which now lies before it by laying the foundations of our economy upon a sound basis. They have time after time in declarations of policy affirmed by their Party Conference pledged themselves to the principle of rating and taxation of land values. In 1931 the minority Labour Government introduced a measure for imposing a national tax on land values which in its broad outline was sound and well-conceived. Although that legislation was

swept away before it could become effective, the Labour Party now runs no such risk. It possesses an absolute majority of ample size. It can have a full five years of power to get its measures into full working order. Provision for a tax on land values and the necessary valuation could be made in the next budget. It would be immune from obstruction by the House of Lords. It could soon be in working order, and by that single measure the whole field of housing and town-planning in particular would be completely transformed. The basis would exist for protecting the public against the excessive prices for land which in the past have rendered planning abortive and have held back the provision of sufficient houses.

Here is one of the acid tests. Let us pray that the Labour Party will not be tried and found wanting.

## RESULTS AT A GLANCE

THE GENERAL Election was held on July 5 and the results were declared on July 26, the interval being occasioned by the time required to collect the Ballot papers from the Forces. The result, with 13 seats yet to be declared, is a majority for the Labour Party of 153 over all others,

whereas in the previous Parliament the Conservatives and their "National" allies had a majority of 181 over all others. The following table gives the details, the House of Commons now consisting of 640 members as compared with 615 before the Election:

PARTIES	NO. OF CANDIDATES	SEATS		TOTAL VOTES POLLED
		NEW HOUSE	OLD HOUSE	
Labour .. .. .	603	390	165	11,962,678
Conservatives and "National"	625	210	398	9,934,573
Liberals .. .. .	307	11	20	2,280,135
Others and Independents ..	146	16	32	804,567
To be declared .. .. .	—	13	—	—

Defeat overtook no fewer than 29 of Mr. Churchill's "Caretaker" Ministry, including five Cabinet Ministers, nine other Ministers of Cabinet rank and fifteen junior Ministers.

The collapse and virtual extinction of the Liberal Party is spectacular. With 307 candidates in the field its representation fell from 20 to 11, and among the eleven is counted Major G. Lloyd George, although he was Minister of Fuel and Power in the late Government. He had a majority of 168 over his Labour opponent. Many Liberals and Independents forfeited their £150 deposit by not attaining one-eighth of the votes cast.

The return of Mr. F. C. R. Douglas in North Battersea and Mr. R. R. Stokes with characteristically large Labour majorities is noticed elsewhere, and the figures are also given for the Burslem and Batley and Morley divisions, where Mr. Andrew Maclaren and Mr. Ashley Mitchell, standing respectively as an Independent and as an Independent Liberal, were unsuccessful.

At the time of the dissolution of the last Parliament the following Resolution was standing on the Order Paper of the House of Commons:

"That no final and satisfactory solution of the problem of town and country planning, of the provision of houses at

reasonable rents, and of reform of local taxation can be achieved until a general valuation has been made of the value of land apart from the buildings and improvements upon it and such valuation is made the basis for public acquisition and local taxation."

The Members whose names were attached to it and who have been re-elected include: F. J. Bellenger, F. G. Bowles, T. J. Brown, W. J. Brown, G. Buchanan, F. S. Cocks, F. Collindridge, W. G. Cove, Clement Davies, Rhys Davies, F. C. R. Douglas, Ness Edwards, D. R. Grenfell, James Griffiths, W. Glenvil Hall, Joseph Henderson, T. L. Horabin, J. B. Hynd, W. D. Kendall, W. Leonard, J. R. Leslie, D. G. Logan, H. G. McGhee, Neil Maclean, W. H. Mainwaring, J. H. Martin, H. B. W. Morgan, A. Pearson, C. C. Poole, A. Sloan, R. W. Sorensen, W. Joseph Stewart, R. R. Stokes, S. P. Viant, E. Walkden and E. J. Williams.

### THE NEW MINISTRY

As we go to press, the following chief appointments have been made:

Prime Minister, First Lord of the Treasury and Minister of Defence, MR. C. R. ATLEE; Foreign Secretary, MR. ERNEST BEVIN; Lord President of the Council, MR. HERBERT MORRISON; Lord Privy Seal, MR. ARTHUR GREENWOOD;

Chancellor of the Exchequer, MR. HUGH DALTON; President of the Board of Trade, SIR STAFFORD CRIPPS; Lord Chancellor, SIR WILLIAM JOWITT.

"THEY HAD the *Divine Right of Kings* to settle, those unfortunate ancestors of ours . . . and they, our brave ancestors, like true stalwart hearts, did on hest of necessity manage to settle it—by cutting-off its head, if not otherwise."

"Alas, we, their children, have got perhaps a still harder thing to settle; the *Divine Right of Squires*. Did a God make this land of Britain, and give it to us all, that we might live there by honest labour; or did the Squires make it, and—shut to the voice of any God, open only to a Devil's voice in this matter—decide on giving it to themselves alone? This is now the sad question and 'divine right' we, in this unfortunate century, have got to settle!"

Thomas Carlyle in "Baillie the Covenanter."

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It is by the consent of all, and by its full value being given to the work of each, that Nature's great community exists and moves and grows. Each thing, bird, and brook, and tree, sings and flows and clothes itself with its own beauty, by its own divine vitality and at its own sweet will; all have equal rights in sun and earth, in rain and dew; all choose freely the dwelling-place most fitted for their self-development, and no one says them nay; and the seeming violations of this are nothing as against the rule, and indeed belong to the rule. All are brothers one of another, and live and die for one another, and those things which have the mastery, like the sun, have it because they give away their life to others. They rule because they are the best givers.—STOPFORD BROOKE.

6d. LIGHT ON THE LAND QUESTION. A frank inquiry into the Land Value Policy.

6d. RATING AND TAXATION IN THE HOUSING SCENE. By F. C. R. Douglas, L.C.C., M.P.