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LIBERTY AND DEMOCRACY

WHILE THE battle of Britain is still raging it is impossible to forecast the lines of the settlement which will be made when peace comes. Many of the items to be embodied in it will depend upon conditions which will result from the course of the conflict itself. Those who in obedience to fear or selfinterest appear at present to be in one camp may at that time be in another. It is not to be forgotten that the peace treaties which were made after the last war were not the simple decision of those who figured as the makers of them. The resurgent nationalities of Europe had asserted their independence in a way which was not always to the liking of the great powers. Something of the same kind may happen again. The reluctance of the Prime Minister to enter into details about the future of Europe can be well understood, even while he conceded that "many ideas about it are held in common by all good men and true."

The other view is that we can win fresh enthusiasm and support by a declaration which will make it clear that we stand for liberty and democracy and that this is not a mere ideal but something which we are prepared to put into practice. This view has on several occasions been expressed with force and eloquence by Mr J. B. Priestley who has urged that we must renew the hopes of mankind by the force of our example, by "something that we are accomplishing here and now in this island." Unfortunately Mr Priestley has not made clear what he thinks should be done, but has left the matter still enveloped in high sounding phrases, capable of many varying interpretations. Nevertheless there are some principles which may be laid down with precision.

Whatever the boundaries of the nations of Europe, and indeed of the world, may be after the war, the relations between them should be such as to promote their mutual prosperity and well-being. This clearly implies that there should be between them complete freedom of trade; that there should be no tariffs, no quotas, no manipulation of currency which will discriminate between the trade of the nationals of one country and those of another. It is abundantly clear that in the failure to achieve this, and even to realise its necessity, lay one of the main reasons for the failure of the settlement after the last war. The conflict of arms was continued, consciously or unconsciously, by an economic conflict which helped to create the conditions out of which a new war arose. We wonder how many people appreciate the importance of this point and are prepared to follow it to its full conclusion. Yet, how much does it simplify the political adjustments which must be made by conducing to greater prosperity and material well-being of the citizens of all countries, and by facilitating the entry of the nations into closer union with one another whether it be in a league of nations, a federal union, or some other form of association, because they would enter upon terms of economic equality.

Important though the economic relations between men of different nations may be, it is not sufficient to set these upon a right basis. Liberty and democracy must surely imply

that the economic relations between man and man within the same nation are also based on justice. This must involve the absence of monopoly and privilege. It necessitates the abolition of all internal restrictions upon trade and exchange. But it means more: it means equal liberty not only to exchange wealth but to produce it. As all wealth is derived from the earth, the privilege which allows one man to charge another for permission to make use of the land must come to an end. But as rent arises from differences of situation and advantageousness attaching to each plot of land, and as rent, therefore, cannot be abolished, it is evident that the rent of land must be paid to the state for the equal benefit of the community. This implies that the state acquires a new revenue which makes it possible to abolish unjust and unequal taxes at present levied. The practical expression of this policy is the taxation of land values.

In its application to colonies and protectorates, this policy involves equal access to natural resources, the development of them as they are required to satisfy the needs of mankind instead of their being monopolized by concessionaires, and the distribution of the products through the avenues of trade to the citizens of any country where they are needed. It also involves that natives of such countries will benefit equally by the value of their land and will not be oppressed or exploited. Such a policy completely transforms the colonial problem and places the citizens of all nations upon a footing of equality with regard to colonial territories whether these are under the government of their own country or of another.

This policy of freedom and equal economic opportunity is urgent not merely in its bearing upon international problems, but upon our own internal problems as well. The ever rising burden of taxation, the unemployment which is still with us and which may well mount again to much higher figures when the present feverish effort is over, the need to increase the production of wealth in order to repair war damage and improve the standard of living of our people, these are all reasons why we should, in spite of everything, be thinking here and now about putting into effect this simple and fundamental and essential reform.

The Municipal Journal, 30th August, 1940, reports that the Leamington Town Council are to ask the Ministry of Health whether there is any prospect of their being able to borrow £4,750 for the purchase of 14,908 acres of land in the Campion Hills. If there is no chance, alternative financial arrangements for the purchase are to be made.

The Learnington Town Council could only get the service of that loan, the interest and repayment, by dipping the pockets of the ratepayers. They would transfer £4,750 of public money to the owner of those Campion Hills, valuing them for him at the rate of £319 per acre, although this is land which has no value whatever for local taxation purposes. It is curious how Town Councillors can have the face to put forward schemes of the kind and sit back without any thought that the people *are* protesting against the scandal of these ransom prices of land.

The City of San Paulo Improvements and Freehold Land Company reports (Financial News, 12th September) that during their year to 29th February, 1940, there was a gross profit of £145,903 on land sales. It is remarkable that a crowd of land speculators sitting in London thousands of miles from Brazil should be able to have this "rake off" from the wealth produced by the inhabitants. To call it "profit" is a misnomer. It is just so much extracted from the fruits of the labour of Brazilian people and exported with nothing given in return—all exports and no imports, so that if the whole of Brazil were owned by absentees its "favourable balance of trade" would reach most splendid dimensions. And the statisticians would have plenty of fun adding up the "invisible exports" of the country where the owners of the Brazilian land live, "the service" of the bits of paper receipting the cash paid to their account in the Brazilian banks.