

surrender to this great crisis. The land system must not be asked for any sacrifice. If the disabled soldiers want land then the State must purchase what is wanted. The State in this connection is not much of an abstraction: it is the taxpayers. They are by way of spending lavishly just now £5,000,000 a day, more or less, so what does it matter if a paltry million or two is handed over to the landlords for a patch of ground, especially when the ground is to be occupied by the men who fought for it.

It is about time the Land Values Group were getting together to voice the need for radical land reform. The tariff reformers have put the free traders on the defensive, and it looks as if the landlord party in the Commons were going to do likewise with the land reformers. The circumstances of the war have played into the hands of the reactionaries. It is worse than futile to reply with negative criticism. Those who stand for reform must put forward a positive policy.

The need for revenue and for additional sources of revenue is urgent. It overshadows every Government undertaking, and all kinds of schemes are afoot to enable the Government to keep going. Why is it that there is so little heard or said about approaching the communal value of land for even a modest contribution? We can in a way understand and account for the attitude of the Government, but what is the meaning of this silence on the part of Members of Parliament pledged to the hilt to advance this policy? The public mind is naturally given up to the affairs of the war; but the question of paying for the war is not outside the scope of parliamentary effort: on the contrary it is a very real and vital part of the discussion. Why then, we ask, should the question of taxing land values be so persistently ignored?

The Group has indicated to the Government what is needed by way of machinery and otherwise to provide for a tax on land values, and the arguments for opening up the land by this method are as widely known as they have been clearly stated by the politicians. The plain statement presented by the Group has been officially received and acknowledged. But is the matter to rest there? The facts of the case are notorious. Every nook and corner of the commerce and industry of the country has been explored for additional revenue. The value of the land is held immune. It is as if no one had ever heard of the subject or said anything about it; as if the past five years' investigation of the land valuation department had been done to keep someone in employment, or had taken place in some far-off country across the sea. The time is ripe and the opportunity is here for a direct tax on land values.

Land Monopoly in Finland.

A correspondent draws our attention to the following passage in *FINLAND AND THE FINNS*, by Arthur Reade (p. 63):—

Not only the tariff, but also high rents, make things dear. The average rent per room is about £20. This is due partly to the fact that Helsingfors is growing, and lies on a not very large peninsula, but also to the violent speculation that has been going on in land and buildings, forcing prices up.

A more concise and convincing illustration of the evils of land monopoly could scarcely be found. Even

in London or Glasgow rents are not so exorbitant as they evidently are in this small city of Helsingfors. Probably the conditions there are partly accounted for by the existence of a tariff. That is a point deserving of consideration by those who are endeavouring to start a new protectionist agitation in this country.

The Labour Party and Taxation.

At the fifteenth annual conference of the Labour Party, held at Bristol on January 28th, the following resolution submitted by the Independent Labour Party, was adopted unanimously:—

That in view of the enormous financial cost of the present war, the impoverishment of the nation which will result therefrom, and the industrial and commercial depression which will follow, this conference expresses its strong opinion that the steps so far taken by the Government to finance the war are inadequate and unsound; that the method of meeting the cost by resorting to the practice of borrowing on such a large scale is evading the needs of the present by placing a crippling burden on the future; that the imposition of large additions to the taxes on food is unjust and oppressive to the poor; that the lowering of the income tax limit with the accompanying anomalies and hardships is indefensible; and that the departure from the principles of Free Trade is a return to the vicious system of Protection which, once begun, is likely to extend and become an additional means of capitalist exploitation and a serious handicap to industry and trade.

This conference, therefore, declares that the cost of the war should, as far as possible, be met from current revenue to be obtained by:—

- (i) The heavier graduated taxation of all large incomes;
- (ii.) A special tax on land values;
- (iii.) An increase in the estate duties on large estates;
- (iv.) The taxation of capital on a justly graduated scale;
- (v.) The acquisition by the State of the railways, mines, shipping, banking and insurance;

and this conference requests the Labour Party to press for these methods of financing the war, so as to avoid unnecessary hardship on industry and commerce, and to make the work of economic reconstruction and social reform after the war less difficult.

Without discussing the merits or consistency of the other financial proposals made in this resolution, we can heartily congratulate the Labour Party Conference on having put on record for the first time and unanimously its support of the direct taxation of land values. The Labour Members in the House of Commons have in the past loyally supported any practical step in the direction of a tax on land values. The time has now come when they must do more than that; they must press for the adoption of this policy. The Land Values Group is now engaged in impressing on the Government the urgency of including in the coming Budget a tax on land values. The Memorial on War Finance presented by the Group to the Prime Minister and the Chancellor of the Exchequer (which was printed in our February issue) is in the hands of the Labour Members, and they should unite with the Group in urging that the Government act on it at once. They are now in the position to say to the Government: This is what our supporters desire and have unanimously agreed to; and we demand that this policy be adopted now and embodied in your next Budget.

If the Progressive parties fail to secure a measure of the taxation of land values, then there remains only the alternative of Protection. The Bristol Conference resolution itself points out that Protection means

"exploitation and a serious handicap to industry and trade." The Labour Party seek to avoid this calamity, and to do so they must make common cause with the Land Values Group immediately. Together they can force the Government to listen to their demand.

The Revival of Protection.

The report of the Sub-Committee of the Advisory Committee of the Board of Trade with respect to securing the position after the war of certain branches of British industry is, apart from the reservation by Sir Albert Spicer, mainly a protectionist document. The Sub-Committee recommend, for instance, that all articles manufactured abroad should have that fact stamped on the article itself and not on the package as is now allowable in some cases. "The representatives of the jewellery trade urged that such marking should be extended even to small articles such as rings, and in the case of glassware it was suggested to us that the marking should be on the glass itself, the slight resultant disfigurement being, of course, not objectionable from the point of view of British manufacturers." That sums up the whole spirit of protectionism: to succeed by imposing an artificial handicap on your competitor, not by excelling in your own manufacture.

The object of this committee and the witnesses that appeared before it is not so much to remove "the existing handicaps under which British industries labour when in competition with foreign producers" as to suppress that competition altogether. If they had wished to remove the existing handicaps to British industry, there should have been some mention of our existing system of land tenure and taxation and how they handicap industry at every turn. But there is no mention of this; the Committee do not wish to upset the vested interests which now prey upon industry, they wish to create more vested interests. In fact all the proposals with regard to trade marks, patents, transport and other matters are, to quote the report, "all regarded as of secondary importance in comparison with one question, and that is the possibility or otherwise of tariff protection after the cessation of the war." The war, in fact, having given the manufacturers a taste of protection in shutting off imports from enemy countries, their appetite for artificially high prices is whetted and they are determined to have more of this. The interests of the consumer, the interests of the general public, have no claim for consideration; they are not mentioned except in Sir Albert Spicer's reservation. It is their own profit that these protectionists have in view, now as always.

Free Trade more than Free Exchange.

In the course of an article on "Protection next: How to meet it" in the DAILY NEWS (February 15th) Mr. W. C. Anderson, M.P., writes: "For my part, I have never been an orthodox Free Trader. Free Trade has been too closely associated with commercialism of the Manchester School; it has been abundantly proved that Free Trade system and Protectionist system are alike unable to cancel the gravest errors in wealth distribution." It is quite true that under Free Trade as we know it in this country the distribution of wealth is horribly bad, but that is not due to Free Trade; it is due to the lack of Free Trade. Mr.

Anderson should be quite well aware that the policy of Free Trade can be carried to a much wider field than the limited one in which it now operates. Even in the body whom he reproaches with the name of the Manchester School there were many men who saw that the logical outcome of Free Exchange must be freedom of production.

Cobden himself said that he hoped to see petitions to the legislature calling upon them to revalue the land, that there should be "a total abolition of all taxes upon food, and we should raise at least £20,000,000 a year upon the land." In his last public utterance Cobden said that there should be a league for Free Trade in land, and he added that "if you can apply Free Trade to land and to labour too . . . then, I say the men who do that will have done for England probably more than we have been able to do by making Free Trade in corn."

The True Principle of Free Trade.

Free Trade is not a dead system, but a living policy which must have a much wider application than it has yet attained anywhere. The work of upholding the true principles of Free Trade has fallen into the hands of others than those who appear to be the exponents of the ideas of the Manchester School. Mr. Anderson and many others in the labour movement seem to forget that Henry George long ago explained the reason why freedom of exchange has not brought to the toiling masses the benefits that might have been expected from it. Speaking of the various reforms which may be brought about, Henry George says:—

If the all-sufficient cause of the impoverishment of labour were abolished, then reform in any of these directions would improve the condition of labour; but so long as that cause exists, no reform can effect any permanent improvement. Public debts might be abolished, standing armies disbanded, war and the thought of war forgotten, protective tariffs everywhere discarded, government administered with the greatest purity and economy, and all monopolies, except the monopoly of land, destroyed, without any permanent improvement in the condition of the labouring-class. For the economic effect of all these reforms would simply be to diminish the waste or increase the production of wealth, and so long as competition for employment on the part of men who are powerless to employ themselves tends steadily to force wages to the minimum that gives the labourer but a bare living, this is all the ordinary labourer can get. (PROTECTION OR FREE TRADE, Chapter XXV).

When these facts are borne in mind we shall easily see that the weakness of Free Trade is that it has not been carried far enough. It has been restricted to the field of exchange instead of being extended to the field of production. Free Trade in all its completeness means that the workers must have free access to the land, the source of all wealth. Then and then only will they be free to demand the full reward of their labour, instead of being driven by forced competition in a limited field to accept the lowest wages that a man can live upon.

The Alternative to Protection.

All this should be perfectly plain to any one who cares to reflect, and especially should it be plain to one who has had to practically examine labour problems and who must have discovered that the great difficulty