

LAND VALUES

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"OUR POLICY"

"We would simply take for the community what belongs to the community—the value that attaches to land by the growth of the community; leave sacredly to the individual all that belongs to the individual."—
Henry George.

PENSIONS: FROM LAND VALUES OR INDUSTRY?

"Others of the wounded on deck were discussing a newspaper article outlining a project for the settling of soldiers on land in the Dominions after the war. 'Many will go to Canada; some to Australia, I dare say,' said one man; 'but I am one of those who mean to have a little bit of 'Blighty' for myself. We see enough in France to know that a man and his family can manage a bit of land for themselves and live well on it.'

"I remember a similar conversation a year ago close to Ypres, when a young sergeant, who had been a game-keeper at home and a working man Conservative, observed, 'The men in the dug-outs talk of a good many subjects, but there is one on which they are all agreed. That is the land question. They are not going back as labourers, or as tenants, but as owners. Lots of them have used their eyes and learned much about small farming here.'

"As I watched the swift ship and saw her speeding away to England at well over twenty knots, I wondered if people and politicians at home are beginning to understand that the bravery and camaraderie of the officers and men in the field have broken down all class feeling; that our millions of men abroad are changed communities of whose thoughts and aims we know but little.

"Just as Grant's soldiers, the Grand Army of the Republic, dominated the elections in the United States for a quarter of a century, so will the men I have seen in the trenches and the ambulances come home and demand by their votes the reward of a very changed England—an England they will fashion and share; an England that is likely to be as much a surprise to the present owners of Capital and leaders of Labour as it may be to the owners of the land."

—Lord Northcliffe in THE TIMES, October 4th.

The renewed vigour with which the housing problem, employment on the land, and other phases of the social question are being discussed at conferences and in the Press are some indication that the war will not be followed by the usual aftermath of reaction. It is a sign of health and sanity that the misery and suffering caused by the war is not dulling the senses to the pain

and wretchedness which are the lot of great multitudes in peace times. War is a great but intermittent cause of suffering, but unjust economic conditions are the cause of great and continuous suffering, and it may be said that these are, to some extent at least, a cause of war also.

The two aspects of the social problem on which attention is most concentrated for the moment are housing and employment on the land, subjects which exhibit better than any the fundamental importance of the land question. The further the discussion proceeds, the more clearly will the relation of these subjects to the land question appear. It is already understood on all sides that the Government's scheme for settling soldiers on the land is foredoomed to failure. The meagre extent of the scheme is itself a tacit acknowledgment on the part of the Government that the proposal is unworkable. The difficulty here, as always, is the difficulty of obtaining land, that is to say, of obtaining it at a price which will enable the cultivator to make a living. There is no scarcity of land. No considerable body of opinion can now be found to contend that there is not available plenty of land which is now waste, but which might easily be made productive.

As regards housing, the case is even clearer. No one will deny that we have not a sufficiency of space to build houses on, or a sufficiency of stone, clay, and slate from which to build them. There is space to build houses not merely far out in the country, but in almost every urban area so that they may be in the situation most convenient for the needs of industry and commerce.

There is no disagreement as to the possibility of obtaining the end we all have in view. The disagreement is on the question of method. This would not be a matter of importance if all methods equally conduced to the object desired and differed little in practical convenience. But this is not true. The policy of purchase of land by the State will not lead to more men being settled on the land. In the long run it will drive them off the land into the cities. For what does land purchase mean but that the owner is to be induced to sell to the State where he is unwilling to sell to a private individual? The inducement offered to the landowner will simply be the bid of a higher price than the intelligent private purchaser is willing to pay.

So soon as the State comes into the market on an appreciable scale, or even when there is only a prospect of this, the price of land begins to mount steadily as compared with the price it would have reached before. The evil in existing conditions is accentuated instead of mitigated. Not only must the holders who are established in new holdings by the State be burdened by an excessive rent, but the others also will find that the private landowner will charge them more. The final result, then, must be to drive men from the land

and reduce the agricultural population instead of increasing it.

The difficulty of settling men on the land arises from the fact that already the price of land is too high; and this is due to so much land being held out of use, and the supply of land already limited by Nature is still further limited by the caprice of man. The first step, therefore, is to prevent this artificial limitation of the supply of land by making it impossible for landowners to hold land out of use. The practical means to this end is to make use as far as possible of our existing system of taxation, levying our rates and taxes so as to fall on the full value of the land—not on a much smaller or even nominal value as now happens where land is being held out of use. At the same time we should encourage those who use land to use it still better by exempting from taxation the improvements they make and all the fruits of their industry. This will put a sufficient pressure on the owners to compel them to make available to labour the full stock of land with which Providence has endowed this population.

All will pay equally according to the value of the land they hold into the common fund of taxation and all will share equally in the benefits to be derived from a wise expenditure of this fund, and thus those who occupy the worse land will be compensated for the disadvantage of situation by sharing in the higher value that attaches to the better.

There can never be any solution of the land question until these two ends are achieved, until by the forcing of land into use its value is reduced to a natural level and until the rent fund is used for communal purposes.

What has been said applies not to rural land alone but to all land. If we would have better housing conditions, and no one denies the crying need of this, we must make it impossible to hold building sites out of use and to crowd the population of our great cities on to a narrow area without light or air space. But the land question is more than a question of agricultural employment or of housing. It is the universal question of wages and employment. There is no other source from which wealth can be produced, whether houses or farm products or any other riches. It is not only in agricultural occupations that fresh opportunities and higher wages are needed, but in every kind of industry. We need to preserve a healthy balance between all industries by releasing all from the fetters of land monopoly and unjust taxation.

It may be, as Lord Northcliffe suggests, that the men who have served in this war "will demand by their votes the reward of a very changed England." It is to be hoped so; it was theirs by right without going through any fresh sufferings to win it. They had a right to a share in their native land; let us hope that the war will make them more anxious to claim it; and let those who remain at home do their part in preparing the way for such reform. Our part is to disseminate those right ideas without which right action is impossible. We must be more than ever active in leading people to understand how, and how alone, the Land Question can be settled, and how those who have fought for the land can obtain access to it.

As we go to press the announcement is made by the Prime Minister that the Government have approved the appointment of a Pensions Board with a Cabinet Minister at its head. This step was inevitable and can be taken

as a sign that the disabled and the dependents of those who have made the supreme sacrifice for their native land will receive special consideration. From what source are these pensions to be paid? Are they to come from the general revenue of the country, or from the value of the land for which the sacrifice was made and the unmeasured agony and grief endured? If this righteous claim is to be met out of existing methods of raising taxes, then it only means that the people who have fought and bled for their country are to contribute to their own pension fund. In that case the new Pensions Minister and the Government are but ringing the changes on the public and imposing upon the pensioners and upon the mass of the people a piece of pure deception. There is only one way open to honestly provide the pensions, and that is by a tax on the value of the land. It was this land that was so courageously defended. Its value springs from the very presence and needs of the people as a whole. It is the national bank from which to take the compensation to be paid to those who have fought for it. Let us who stand for this long-promised measure of justice press home this view-point now more than ever—pensions to be paid from the value of the land and not from the earnings of industry.

The publicly-earned value of land can be taxed to provide pensions on a liberal scale, but it is the incidence, or the economic effect, of such a tax that is all important as an after-the-war solution of land settlement and housing schemes. In the nature of the case there ought to be a brisk demand for labour to make good the waste and repair the damage due to the war. This seems quite clear, but it is just here that the barriers to such activity will assert themselves. There will be a demand for material as well as a demand for labour. The price of land will go up and speculation will hang heavily on every desired acre. A prominent cry of the day is for greater production, and to this end the abandonment of old-time restrictions imposed by law and by trade-union rules. We say to the law makers in Parliament and outside, let this cry for a fair and a free field in the interests of our trade and commerce apply all round. Why, for example, should the trade-union rules be modified and the restrictions laid down by the landlord class be taken for granted?

To propose to deal with the first of these two cases and leave the second where it rests, firmly embedded in law and custom, means going round about the problem instead of facing up to it.

Supposing it is not in dispute that trade-union rules are a hindrance to production and that they are jettisoned for good, in the light of the law of rent it only means that at once the advantage gained will commence to be expressed in terms of higher land prices. This is the experience of all past gains in efficiency. Wages tend to the level of subsistence and correlatively the rent of land advances on the new and extended plane of operations. The field for the needed new production is not to be found in alterations of trade-union rules, nor in improved methods of administration. It is to be found in the idle and under-used land of the country and nowhere else. The existing monopoly in land is the great and abiding obstacle to good trade. The taxation of land values will shatter this monopoly and thereby open up to labour access to its natural heritage without which there is no hope of enduring peace and prosperity.