

SINGLE TAX versus LAND PURCHASE The Clark-Outhwaite Debate

BY ONE OF THE AUDIENCE

The heading does not follow the sequence of the debate itself, as it was Mr. Outhwaite who opened with a defence of the Single Taxer's proposal for the restoration of land to the people. However, Dr. Clark was the prime mover in the matter. In the early part of April the Glasgow Socialist journal FORWARD contained a longish article from this particular champion of Land Purchase, intimating that he had read the book LAND OR REVOLUTION by R. L. Outhwaite, M.P., and was ready to confute its author. His challenge to debate was immediately responded to by Mr. Outhwaite, and it was a wonderfully large audience—in all the circumstances—which assembled in St. Andrews Hall, Glasgow, on the evening of Thursday, 25th April, to hear the matter thrashed out. The speakers were listened to with rapt attention, but one seemed to gather some sort of feeling of disappointment. Perhaps this feeling was expressed, most aptly, by the Chairman and Editor of FORWARD, when he said, there were a lot of people in the audience who would have liked a quarter of an hour. So far as Mr. Outhwaite was concerned, friend and opponent alike seemed to agree that he had presented a strong case. Naturally there were those present who felt that an effective rejoinder could be presented. It had been promised them in the columns of the FORWARD by Dr. Clark. Some points not promised in advance were presented with much appreciation by Mr. Outhwaite. For instance, he traced the attitude of mind which seeks out "State Control" and secures forms of it, which it detests in practice. It was this pandering to bureaucracy that had brought Conscription, D.O.R.A., and kindred troubles. He presented a problem to Dr. Clark. Were the men who had ransomed the land of Great Britain on the fields of Flanders and France, to ransom it again when they returned to civilian life? In the main Mr. Outhwaite presented his case on similar lines to those of his book.

In the speech which followed Dr. Clark never referred to his own proposal. He did not explain anything about Land Purchase. The line he took was a criticism of the Taxation proposal. This had some advantages for Dr. Clark as it allowed him to make statements for half an hour, and left only a quarter of an hour for Mr. Outhwaite to correct his figures and other misapprehensions.

One did not gather why Dr. Clark wanted to purchase the land. On other occasions speakers have made it apparent that they desired to purchase land because it would prove to be a profitable transaction. Their contention was that land was rising in value, and, consequently, if we paid its present price we would secure the future increment. Indeed Dr. Clark's speech—by inference—presented a far stronger case for buying out Capitalists than buying out Landlords, though he did not suggest that anything of the kind should be done. According to the figures presented by Dr. Clark, land-owning was a "going-concern." It was getting less profitable as time went on and the logical solution seemed to be to encourage it to get less and less profitable until it was offered us as a gift. The speaker quoted from his business experience to show how landlords were put to the necessity of borrowing money. While he did not say so, he almost left it to be inferred that the value of mortgage interest and other burdens need not be taken into account in the purchase price. The whole value of land—according to him and the Income Tax

Returns—was trivial; there were greater social parasites than the landlords; these were the money-lords.

My immediate neighbours had left school some years later than Dr. Clark vacated his seat in Parliament, so I thought they would be interested in figures. While Dr. Clark was labouring to show that the annual value of land was £52,000,000, I worked out the figures for my neighbours, of the value of town land, taking the average annual value as 1d. per square yard. There being four million acres of urban land, 1d. per yard, or £20 per acre, would total £80,000,000 for town land alone, leaving agriculture, mines, railways and other undertakings still to be computed. I doubt if any one in the audience, or even Dr. Clark himself, believed that town land could be got at anything like the low cost on which the higher figures are based.

A good part of Dr. Clark's speech was taken up with loose assertions, such as, that the cotton industry contained no land value, because we did not grow an ounce of cotton. He might as well have said that the baking industry contained very little land value; indeed he came very near to saying so, because grain and flour were imported, as well as grown and milled. It was such statements—I fancy—which left the audience unconvinced. A little reflection should have shown Dr. Clark that cotton and allied industries gave shillings to the landlords where they were formerly getting pennies from agriculture.

Mr. Outhwaite, in the limited time at his disposal, dealt with as many of these misapprehensions as possible. He replied to Dr. Clark's assertion as to the unfairness of taxing rent. The other proposal was to convert the rent charge into an interest charge, and then tax it. If Dr. Clark was logical in his protest against money-lords, of course, he would want their interest charges taxed out of existence. That at least was quite apparent to his hearers. Whatever objection any of them had to a Single Tax, the supposed immorality of taxing landlords did not seem to trouble them, though unfairness was the first thing Dr. Clark had to say about the proposal.

Mr. Outhwaite mentioned what had been already discovered, even by an unfinished valuation of land, in reply to Dr. Clark's figures. He accounted for these differences between Income Tax figures and Valuation by showing some forms of Land Value which do not find their way into Income Tax returns. For instance, in leasehold property, the landlords get buildings at the end of a stated period, yet it is only the cash ground rent which appears in the Income Tax Returns.

There was only one opinion in the meeting. That was that the honours rested with Mr. Outhwaite. Dr. Clark did not live up to his promise to supply an effective answer, and some other advocate of Land Purchase has still an opportunity of proving the case for his panacea.

The meeting would prove useful as propaganda. If the idea Mr. Outhwaite had in mind was to increase respect for the Taxation of Land Values amongst members of the I.L.P., it appeared as if he had succeeded.

Farmers pay no excess profits duty, pay a trifling income tax, and pay half-rates. This is an intolerable scandal. It is perpetuated by Mr. Bonar Law, who knows as well as any man in the country what an outrage it is, because of the political "pull" of the landowners, to whom ultimately a goodly share of what is remitted to the farmer is transferred in the form of higher rent. The financial patriotism of the landed interest is thus seen to be now, as it always has been, less than that of any other class in the country.—"Manchester Guardian," April 23rd.