

the cause which is responsible for unemployment is the same as that which divides wealth so unequally.

It is all very well to talk about the blockade of Russia, but we know there is a blockade of our own countryside. There are internal causes to-day which are preventing trade between London and Kent, as between Birmingham and Gloucester, or Manchester and Cheshire, or Glasgow and Ayrshire. Hence the unemployment. We venture to say that if the trade with Russia had been resumed earlier the present depression would have come all the sooner; the earlier resumption of that trade would have brought about an earlier break in prices, and it is that break which precipitated the slump. Prices of all goods rose continuously until the consumer could stand the strain no longer. Trace back the goods to the raw material and it will be found that those who hold the raw material are refusing now to part with it at prices corresponding to the prices of manufactured goods now on sale.

In the last analysis it is speculation in land which is the prime cause of the whole trouble. Speculators in land and in the raw materials that come directly from land are not like the holders of perishable stocks. They can hold their "goods" out of use until such time as labour and capital are forced to come to terms and pay the rent and prices unjustly and harshly imposed upon legitimate industry. There was a time when the newspapers we have referred to did deal with the land question as of primary importance. What is the meaning of their silence now in this hour of crisis? Is Russia or Mesopotamia or Ireland or Versailles used as an all-sufficient reason for the view that land monopoly counts no longer in the economic world? The inability or unwillingness of the politicians and publicists from every quarter, Radical, Labour and Tory, even to suggest that men are in poverty because access to the natural field of employment is denied, makes the obligation of our co-workers and friends at this time all the greater. Nothing is wanting to prove to any fair-minded man or to any audience that the withholding of land from use is the cause of unemployment and low wages, and that in this cause the remedy is to be found.

A. W. M.

Where there is anything like an equal distribution of wealth—that is to say, where there is general patriotism, virtue, and intelligence—the more democratic the government the better it will be; but where there is gross inequality in the distribution of wealth, the more democratic the government the worse it will be; for, while rotten democracy may not in itself be worse than rotten autocracy, its effects upon national character will be worse. To give the suffrage to tramps, to paupers, to men to whom the chance to labour is a boon, to men who must beg, steal, or starve, is to invoke destruction. To put political power in the hands of men embittered and degraded by poverty is to tie firebrands to foxes and turn them loose amid the standing corn; it is to put out the eyes of a Samson and to twine his arms around the pillars of national life.—Henry George.

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OBSTACLES TO HOUSING

After the meeting held in Manchester (noticed elsewhere in our columns) to protest against the inclusion in the Manchester Parliamentary Bill of clauses providing for the Rating of Land Values, one ingenuous and unnamed Councillor, who is among the "opposing forces," had an interview with the MANCHESTER EVENING NEWS, reported on 8th December. He said that those who understood the whole subject were trusting to a Parliamentary inquiry exploding the whole theory of land value rating. Then he quoted some instances of land purchase in Manchester, which, far from "exploding" the theory, prove the case for the Rating of Land Values very conclusively indeed. He stated in the interview that the Housing Committee of the Manchester Corporation had advertised for sites for the dwellings so badly needed. The following amongst others were offered:—

Alms Hill Estate, Cheetham Hill: 30 acres; price per acre, £700; total value, £21,000. Present income from the land, £119 per annum.

Woodside Farm, Moston Lane: 35 acres; price £600 per acre; total value, £21,000. Present income (rent of farm), £60.

Birch Estate, Rusholme (Anson Estate): 101 acres; £400 per acre; total value, £40,400. Present income from rent of golf links, farm, etc., £248 3s. 2d. The Birch Estate was accepted and acquired by the Corporation.

What was the contention of this Councillor who "understood the whole subject?" That if the Manchester rates were levied on the market value of the land, the burden on those sites would greatly exceed the revenue now derived! Of course, but that is no objection. The owners are responsible to themselves if they do not use (or permit others to use) land which really has a high value so as to yield a corresponding income. If the Councillor suggests that the owners are entitled to a windfall of £82,400 for specially required land, which otherwise and normally used would yield an income of only £427, he is, of course, entitled to his opinion; but he is justifying what looks very much like blackmail. He does not dispose of the case for the taxing and rating of all land at its true market value, viz., that if £82,400 was the true value of the land, it should have been taxed and rated accordingly. He does not see that if that policy had been enforced in the past land prices of the kind he quotes would never be demanded; and that if the policy were adopted now, such cases would not arise in the future. The Taxation of Land Values would make land now withheld at high prices available for any purpose at much lower prices, and on the outskirts of towns the distinction between "building value" and "agricultural value" would disappear.

The DAILY NEWS of 7th December reports:—

"The result of the subscriptions for the £4,000,000 loan for the seven towns must be considered to be little short of disastrous. It appears that underwriters will have to take up percentages of the amounts guaranteed as follows: Bootle, 93½ per cent; Bournemouth, 67 per cent; Ipswich, 95 per cent; Northampton,

91 per cent; Rotherham, 99 per cent; Stoke-on-Trent, 96 per cent; and Wolverhampton, 94 per cent. This means that a little less than 10 per cent of the total amount offered was taken by the public.

"Rotherham, Wolverhampton, Bootle and Northampton are places where the manufacturers must have made large profits during recent years, and yet when their local authorities appeal for capital for the necessary carrying-out of house-building schemes, the response is literally grotesque. The amount offered for these stocks is in every case less than one would expect to have seen subscribed at any local meeting supporting these schemes. There appears to be an utter lack of local patriotism in the way in which these issues are treated, and surely the Government officials, who express such earnest views in favour of the house-building schemes, could do something to improve the position if they wished."

This is a damaging blow at the Government's housing policy. Encouraged by the promise of generous financial assistance, the local authorities throughout the country have bought much "agricultural" land at "building value." They drew up their plans with the help of officials and bureaucrats, made ready to give "private enterprise" an example in the art of house construction, and with the aforesaid Government assistance were prepared to let the houses at "reasonable rents," which bore no relation to the cost. One result of this squandering of public money has been to give a present of £9,000,000 or more to the owners of some 50,000 acres of land rated at not more than £1 an acre on the average. Another result has been to create rings and trusts in the building trade and make the prices of materials almost prohibitive. Then the Government announced that it could not lend money to the local authorities to pay for the building of the houses; the money must be borrowed locally. The interest on the loans, so far as it was not met by the rents of the new houses, must become a charge on the rates, reduced no doubt by an annual subsidy from the Treasury. Surely it was absurd to expect many people to invest in a project of that kind. Even local patriotism, to which such fervent appeals have been made, will not stand the strain of a proposal that for every pound lent, the lenders are to pay just so much more national and local taxation before they can get the promised dividend on their own money, while other people are to be favoured with houses at less than economic rents.

The breakdown of such a scheme was certain. But worse than that, if the Government had deliberately devised a means of permanently destroying the building trade they could hardly have chosen a better plan. Meanwhile, the land bought by the local authorities for the houses that have thus failed to materialize remains a liability on their hands, impossible to liquidate for many a day. True, the land may be offered to be let for allotments, but allotment-holders would not want much of it because the sites for housing schemes are generally too far away from the present suburban and working-class areas, and the revenue from allotment rents would never make good the expense incurred in the purchase of the land. The sites for housing schemes are likely to become white

elephants, monuments to the power of land monopoly and to the folly of those who think social problems can best be solved if we first "set Political Economy on the shelf" or banish it to the moon.

At a meeting of the Hull Corporation on 17th November the matter of acquiring land for allotments was discussed. Mr. Hopkins, the assistant solicitor, explained (*EASTERN MORNING NEWS* report), that "land acquired for housing purposes must ultimately be used for that purpose, but until such time as houses could be built it could be rented by the Committee and used for allotments. The difficulty in buying land for permanent allotments was that all suitable land near the city could only be bought at the price of building sites and not as agricultural land. The effect was that the rent to be charged to secure the Corporation against loss would be far greater than people would be prepared to pay for an allotment."

In Hull, out of 9,359 acres, 3,200 acres are "agricultural." The official White Paper No. 119 of 1913 showed that while the borough collected £540,999 in rates, this "agricultural" land contributed only £872, an average of only 5s. 5d. per acre! But the Corporation can buy none of this land either for housing or for allotments at less than its value as building sites!

The difficulty that all the municipalities are faced with in any schemes they promote is that the necessary land must be bought at the price of building sites and not as "agricultural" land. Did not the Prime Minister say that land must be bought at "full market value," and has he not confirmed the bargain for the landowner by his Land Acquisition Act and by the repeal and refund of his own Undeveloped Land Duty to which much of the suburban "agricultural" land had been subject? Truly, the landowners have been thoroughly instructed by the Government and the Prime Minister, and with public money at their disposal, what prices to expect for their property before the people can have houses or anything else.

It is little wonder that the Coalition housing policy has collapsed. State and Municipal activity, with its countless Housing Acts and amended Acts, its subsidies, its jobs for officials, its restrictions and controls, has muddled the building of houses to almost complete stoppage. In Hull the proposal is actually made that the sites destined for habitation should be used for allotments "until such time as houses can be built," because in any case allotment land would cost just as much to buy. But must housing thus wait upon the impotence and incompetence of the Ministry of Health and the municipalities? Would it not be a stroke of sanity on the part of the municipalities to cut their losses and give notice to the Ministry of Health that they have quit the business of house-building and will brook no more Ministerial dictation in the matter? Would it not be better to sell or lease as much as possible of the municipally acquired land to all who will covenant to build within a given time? Let private enterprise be given a chance, *and without subsidy or assistance of any kind*, where public enterprise has so signally failed. Let the houses so built be sold or let for what they will fetch in the open market, and some beginning be made to restore healthy and free competition to its proper place. The experiment is at least

worth a trial. There will be plenty of people ready and able to occupy the houses built under these conditions, and as they are occupied, the increased supply will relieve the situation for all who suffer from the house famine wherever they dwell now. The alternative is to "wait until such time" as the municipalities can find money to build houses at a loss—for they will never build at a profit—and go bankrupt in the attempt to liquidate their loans.

There has been an utter disregard of the causes originally responsible for the house famine—the obstacles which prohibited or made it difficult to gather the necessary raw materials, to take them from the spot where nature placed them and assemble them in the form of a house on some suitable piece of ground. Fancy the bird kingdom passing Acts of Parliament before twigs could be lifted from earth and made into nests on the trees! Yet, is the human work of gathering and transporting sand or slate or clay or lime or timber any more difficult for men than the bird work of picking up twigs is difficult for the birds? No, human beings have made difficulties for themselves by recognizing private ownership of the raw materials which nature provides and private ownership of the ground on which their houses must stand.

For must not some owner be paid before the people can have access to those natural stores? Can he not refuse access if he is not paid his price? Can the material be transported and placed on some site before another owner has given permission? Can he, too, not refuse permission unless he is paid his price? These are obstacles enough. But we add to our difficulties by taxing those who fashion raw materials into finished products. So we make scarcer and dearer bricks and stone and glass and slates, and all the things men produce. And when the house is finally built it, too, is subject to heavy taxation all the time it is occupied.

Rent has been exacted at every stage by the landowners, and at every stage the public authority has fined and penalized those who have engaged in production. This is true not only of the house-building industry, but of all industries. Let us not forget that in addition to house famine there is also, for many hundred thousand people, and especially to-day, a food famine and a clothes famine, not because of the niggardliness of nature, but because natural resources are held to ransom. The desire and the ability to produce houses and food and clothes, the three prime requisites of human life, are thwarted by landlordism and by taxation devised in the interests of the individuals who claim to own the common heritage.

A. W. M.

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HELPFUL CRITICISM

Lighter and More Racy Articles Wanted

A correspondent from across the Border, H. G., writes: "Yours to hand, and am very pleased you accepted in the right spirit my suggestion re some copy of a lighter and more racy nature appearing from month to month in LAND & LIBERTY. I have in my mind the sort of thing I meant when I referred to 'wisdom in search of folly.'"

"About the taxation of Land Values, there is so much suspicion and folly spoken, written, and proclaimed from street corners and platforms, and so many nostrums of all kinds are trotted out for dealing with the Land Question, as nationalization on a time limit purchase, etc., that I thought you might be able in imagination to pick out some such orator, or say a farmer, market-gardener, landowner, or any ordinary man to be met in boat, car, or rail, and get into conversation with him on this subject, and so by simple dialogue make the monthly issue more interesting to the casual reader, while diffusing education on a lighter basis.

"These things you understand much better than I do, and if you think this further explanation of any value, the idea might be thrown out amongst your friends and contributors, and some at least may be able to contribute one such conversation each. I myself will give the matter some thought, and though I cannot promise, I will make some effort to be one of your contributors."

* * *

Our technical matter, which is serviceable enough to so many, must be collected and sustained by argument and illustration though it be passed over by others as not just the sort of writing that can appeal to their friends on the boundary line. But that said, we cordially welcome contributions of a lighter or more racy nature. The ordinary person wherever he is to be found is a tough enough subject to handle as single taxers can tell who have discovered him in boat, car, rail, and later pursued him to his work, his business office and his home; but that is no reason why we should not devote some of our space to the requirements of the casual reader. We gladly put this claim before all who can help in the way suggested. All we ask of such contributors is that they pay heed to the space at our disposal, the while they consider the tone and character of the paper.

AMONG THE CONSERVATIVES

Various ward associations connected with the Walthamstow Conservative and Unionist Association responded to the invitation of Hoe Street Ward to attend a meeting at the Conservative Club on 16th November, at which Mr. A. R. Tattersall gave an address on "Finance," which is reported in the WALTHAMSTOW GUARDIAN of 19th November.

Mr. Tattersall referred to the housing policy of the Government. Only 7,500 houses had been built after four years' Government activity. It could not amount to more than one house per official employed. In the Cabinet there were two opposing policies—national economy and reconstruction, and they could not pursue both. No policy of national reconstruction could be sound unless it was based on solvency. The curse of the country was the permanent official who had the power to hoodwink the amateur at the head of his department, and that permanent official was often put there by social influence, and social influence was always on the side of educated mediocrity.

Mr. Tattersall went on to advocate the rating of land values as a solution of the rating question. They must make up their mind; the people of this country had made up their minds to have better houses, better wages, more leisure and more comfort in a general way.