

RETROSPECT AND PROSPECT

(Address by A. W. Madsen at the Annual Congress of the Dutch Justice and Freedom Party, Utrecht, 11th March)

IN ACCEPTING your kind invitation which gives me the pleasure and the privilege of attending the annual congress of your society, I find it a little difficult to decide what to say, what message to bring, what news to convey, what information to impart, or what advice to offer—if I could be so bold as to offer any advice at all to colleagues and co-workers like yourselves. For you are fully conversant with the great truths Henry George has revealed to the world. From him you have learned that poverty and unemployment are not natural but are the results of unwise and unjust laws and institutions. You have learned, and now you would teach others, that the fundamental cause of the inequality in the distribution of wealth, and of the harsh and cruel conditions in which those who have to work for their living must exist to-day, is the power, the privilege, the monopoly conferred on some of the people to appropriate to their own use the rent of land. You show and you show convincingly, whenever and wherever you are given an impartial hearing, the social and economic effects of the private appropriation of that public fund; how it produces a growing disparity in the well-being of the people as a whole; what dangers attend a society which is so divided into rich and poor that they who work are virtually in distress while they who work not, or seem to do nothing, have abundance; how, if this process is not arrested and reversed, human society will go to pieces because it holds within it the elements of its own destruction. And even now the awful menace of the collapse of civilization is upon us, unless we mend our ways.

I speak not of this country or of that country but of all countries, whether royalist, republican, democratic or despotic in their methods of government. The dreadful spectre of poverty and unemployment has been allowed to rule over them, setting man against man and arousing passions which some foolishly attribute to racial or religious or political differences and prejudices. We have an old saying in Scotland which says "Empty cribs make biting horses," which is true whatever may be the colour of the horse, or its name, or its race and pedigree and the ancestry of its grandfathers and grandmothers. In other words, where men and women are and have been condemned to poverty, and a perpetual struggle to maintain life is the lot of large masses of the people, they begin to be consumed with hatred of they know not what. They become the ready tools of the demagogue either to make class or religion or race the excuse for repression of fellow countrymen, or to make war against foreign nations and steal from them what they have. But it was the poverty and unemployment that drove the people thus to despair and madness, not the demagogues or the self-seeking politicians. The latter are merely the more violent patients in the lunatic asylum into which the people as a whole have been driven by the economic injustice their own laws (where they did have the chance to make them) have provoked.

Henry George was by no means the only one to predict that such calamity would befall mankind if justice were not done. But I know of no mortal man preceding him who so clearly defined social justice and showed how to attain that which he did so ably define—the justice that must be based upon the respective property rights of the individual as an individual and of the community as a community. What the individual produces as a result of his labour is his as against the State, and what the community produces belongs to the State as against

the individual. It was in his analysis of economic rent, and its functions, that Henry George was able to draw the line of demarcation across every atlas or map of every human endeavour, a line which every statesman and every social reformer, whatever label he may like to give himself, must take as a guiding line if his aim is that the labourer shall enjoy the fruits of his labour, and that the benefits of material, mental and spiritual progress shall be equally distributed to all, like the sunshine and the rain which Heaven bestows.

Most of us, reading the chapter in *Progress and Poverty*, entitled "How Modern Civilization May Decline," have been seized with the grimness of its picture, as if all the world were dark around us and feeling that our duty and responsibility to work against an almost certain catastrophe were more than our puny efforts could undertake. But how quickly we pass through that pessimistic mood to see, as we read on, the skies disperse and a new and wonderful world revealed to us. Not emotionally or romantically but in the light of reason and sound practical sense; not the vision of some far distant ethereal kingdom; but a world, here and now, of freedom, happiness and prosperity right under our feet, and by a change which though radical is simple and easy of achievement, by due process of constitutional law, not requiring but, in fact, forbidding the violence of tumult or upheaval, which if ever used will but in the end destroy what it sets up.

The scientist has discovered what he looked for, and he has answered his own question: "Why in spite of increase in productive power do wages tend to a minimum which will give but a bare living?" The reason is the private appropriation of the rent of land. The arguments leading to that conclusion have never been confuted, so that I do not attempt to dwell upon them here. But from the scientist, the economist, I look to the statesman for the remedy, and that is given point blank—to stop the private appropriation of the rent of land, that being fundamental; for on examination, whatever other policies you propose, and even if they help as palliatives, none is sufficient for none will solve the riddle with which our enquiry began.

But we are all practical people. We see the urgency and the need and we ask, how shall the remedy be applied? From scientist and economist Henry George now becomes the practical statesman and it is in that capacity, I think, he deserves the greatest recognition. Indeed, if he had stopped the writing of *Progress and Poverty* at the point where the nature and function of the rent of land is proved, and why it is a fund belonging in common to all the people, he would have scarcely done more than his predecessors like Ogilvie, Paine, Spence or Dove, and he would be as little known now as they are.

Fortunately, *Progress and Poverty* took the matter into the realm of practical politics, in a manner which the ordinary citizen could grasp and combine with his agitation for better conditions, and which the legislature of any country could apply—to appropriate the rent of land by taxation; to abolish all taxation save that upon land values. Henry George tested that proposition by all the canons of taxation and proved its wisdom and justice, its expediency as well, and the ease with which, given good will, it could be carried out. But he did far more. He showed how injurious and unjust were the present methods of taxation, how they repressed and penalised production and exchange and

were partners with the land monopoly in causing deprivation and hard times. His practical remedy is the full and true expression of liberty, of the freedom of production and freedom of trade, by which alone mankind can hope to fulfil its destiny here on earth as beings endowed to help and rejoice one another.

I come to you bearing greetings from your colleagues and co-workers in Great Britain, they applauding your endeavours here in Holland to advance our common cause and gain acceptance for its principles. I am glad to speak also in the name of our world organisation, with which you are affiliated, the International Union for Land Value Taxation and Free Trade, whose great object and purpose is to lead the nations away from selfish policies, internal and external, which foment ill-will and sow the seeds of war.

What progress are we making, you and we? What success is attending the Henry George movement in other parts of the world?

There are two senses in which we may speak of progress. First, what has been done or is being done to give legislative effect to our proposals, or what influence have we in either parliamentary or municipal circles to stop the rot of bad policies and make way for our better solution? Secondly, can we say that our ideas are being more widely accepted among the common people, among the political parties, among leading men in business, in the Church, in the professions, and so on? Can we say that the education is certainly spreading and must one day sooner or later result in the adoption of wise legislation? I just leave these questions with you like that, because it is not so easy to measure it all up. We are all perfectly conscious of the power of the vested interests to make our task a hard one, for they so often hold the keys to the avenues by which we seek to penetrate the minds and the hearts of people who would otherwise be most receptive to our message.

What I should do is to sketch briefly to you how we stand in Great Britain and then say a few words about other countries. In the first place, the general idea of the taxation and rating of land values occupies a prominent place in the programmes of both Labour and Liberal parties, and has done so for many years. We have seen measures carried three times through the House of Commons or through both Houses to give effect, at least in some degree, to our proposals. There was the famous Scottish Bill for the local taxation of land values in 1906 which after second reading was referred to a select committee and became a Bill to make a preliminary land valuation. It was rejected by the House of Lords. It was sent to them again and was mutilated, then withdrawn. In 1909 came the more famous People's Budget of Mr Lloyd George which with all its defects, in the matter of the taxes it imposed, would have provided the basis for future land value taxation. But the war of 1914 came and *inter arma silent leges*. After the war a reactionary government repealed this legislation. With our agitation always maintained, and well maintained, we had to wait, through several changes in government, till 1931, when Mr Philip Snowden produced his wholly admirable Finance Bill making provision for a tax on land value and a site-value valuation of the whole country. But the crisis and panic election of 1931 destroyed that Government. We got a reactionary administration in its place which immediately suspended and two years afterwards repealed Mr Snowden's Act.

It would not be possible to understand the position of our movement in Great Britain without taking note of the immense amount of work that has been done through the municipalities (the city and town councils). Land Value Taxation first came into practical politics

through the action of the Glasgow City Council which in 1895 called upon, and received, the co-operation of many hundred municipalities in demanding the necessary legislation from Parliament. Between 1901 and 1905 many bills were introduced but could not get far in that Conservative House. When the Liberals took office in 1906, and after the fate of the Scottish Bill already mentioned, it was decided to put the proposals in a Finance Bill which the House of Lords could not touch. Thus came Lloyd George's Budget in 1909. The House of Lords tried to stop even this and we had to have two General Elections before the powers of the Lords to interfere with any financial measure were finally destroyed.

After the war, and during that long period of reactionary government, the agitation for the land value policy was maintained through the municipalities, great cities like Manchester, Newcastle, Sheffield and Cardiff taking the lead, particularly Cardiff; and with all these efforts our movement was, of course, intimately in contact. It is a splendid field of endeavour offering most valuable opportunities for educational propaganda. Suffice it to say that with the agitation of these leading cities and towns, added to our own, no fewer than 222 local authorities have since 1919 adopted resolutions in favour of the land value policy. But Conservatives have been in the saddle and Parliament has obstinately refused to legislate.

The latest incident is the most significant. In 1936, the London County Council decided to demand legislation from the Government; but even that great and influential body, the London County Council, had its request refused by this reactionary administration. The Council then decided to prepare and introduce a Bill of its own which would have to be a "Private Bill" since it applied only to its own area. You will appreciate the great importance of this determination on the part of the London County Council and what an impression it has made on the rest of the country. Nevertheless the Council has again been frustrated. The landed and propertied interests, while they opposed the proposals in the press, by manifestoes and petitions and other agitation, knew of course that a majority would vote against it in the House of Commons; but they were anxious not to have any debate at all, which would only help the agitation in favour of the land value policy. They sought a ruling from the Speaker asking whether such proposals could proceed in the form of a Private Bill, and the Speaker ruled that they could not. The ruling is and must be accepted because the Speaker's word is final in that matter. The question asked hangs on a technicality in the House of Commons' procedure, and on the distinctions between what are known as Private Bills and as Public Bills. And it remains in doubt whether, if the Speaker had not been asked for his ruling, the Bill as a Private Bill would or could have gone forward.

The London County Council Bill evoked a nationwide campaign the echoes of which have by no means died down. On the contrary, the determination of the municipalities and of the advocates and friends of the Land Value policy to knock still louder at the doors of Parliament has been powerfully stimulated by this setback, hastening the day when the Government in power must enact the necessary legislation.

You will judge, I am sure, from what I have told you, that the municipalities would not be pressing forward in this way, and candidates for Parliament and town councils would not be pledging their support, if there was not a powerful public sentiment behind the idea.

In that sense, surely, we can say that great success has attended the efforts of the protagonists of this reform,

which is so securely based on the principles and policy Henry George gave to the world.

I would say that no reformer, no economist, has been so amply justified in his day and generation as Henry George himself.

It is his teaching which has inspired the legislative progress that is on record in the Statute Books of a number of countries. Consider New South Wales and Queensland. Consider New Zealand. Consider the Transvaal and Western Canada. Consider most notably the country that has taken the lead in Europe—Denmark. In these countries, in greater or smaller degree (without of course coming anywhere near completion), the *principle* is in operation which takes taxes off buildings and improvements and places them instead on the value of land whether used or not. When one considers the immensity of the task we have in hand, the liberation of labour and industry from their present shackles which has to be accomplished and can only be accomplished by voting down the interests which exploit the present situation, the progress is not so little after all. We can speak happily and proudly of the influence that Henry George has exerted and is exerting upon the minds of men.

This year we celebrate the 100th anniversary of his birthday. We hope that the centenary will be celebrated in a manner worthy of the memory of this great man, and in every country where there are adherents to spread his ideas and work for the emancipation of the peoples. As you know, there is to be a great International Conference in New York on 30th August to 2nd September, held under the auspices of the Henry George School of Social Science, our International Union and the Henry George Foundation of America. Already I should have mentioned and paid tribute to the great work the Henry George School is doing, its hundreds of extension classes and the thousands of students who have gone through its course of study, an achievement which we can all hope will be emulated in many countries. But in New York, in any event, there will attend a great body of these new adherents, the young men and women whose hands are now taking hold of the torch of truth. We of the International Union are offering all the assistance in our power to achieve success for the centenary celebrations, not alone in New York but in all countries, organising an interchange of service, plans and proposals; a multiplied publicity that everywhere the Press may be well supplied. We wish to know about centenary celebrations wherever they may be held, about planned or promised radio addresses, so that simultaneously throughout the world there shall be a demonstration acclaiming Henry George and his message; and everywhere men and women will again dedicate themselves to the greatest work anyone can do, equal to the occasion and convinced of its justice and efficacy—the great work of making this world a better place than we found it and a better place than it is to-day.

The value of this paper does not end with YOUR reading it. Your business associate, your neighbour or your fellow worker may not have seen it. . . .

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