

## CORRESPONDENCE

## IRRIGATION AND LAND POLICIES

To the Editor, *Land & Liberty*.

Sir,—I was deeply interested in the letter from Dr. Bernard Ascher in June *LAND & LIBERTY*, "The Core of the Palestine Problem," and delighted to note his mention of the Irrigation District Act of California, as he did.<sup>1</sup>

I have read Mr. Lowdermilk's book on a Tennessee Valley Authority for Palestine, but he is silent with respect to the unearned increment that such a vast project on the River Jordan would be the primary cause of.

There is no possible doubt that our California law, Stat. 1897, p. 254, as amended; Stat. 1943, Chap. 368, Div. 10 and 11, being now known as "The Water Code of California," provides the pattern and principles which, if adopted and applied to Palestine, would prove an effective antidote to land speculation under their projects.<sup>2</sup>

Dr. Elwood Mead, for many years Commissioner of the Bureau of Reclamation (U.S.), was a frequent visitor to Palestine, as adviser. He was a good friend of mine, and we travelled often together. He was always a staunch believer in the principles embodied in our California law, as his recommendations to Australia when they were considering the establishment of a new Capital at Canberra prove.

Dr. Mead also founded Boulder City, Nevada, where all sites, whether for business or homes are leased, but never sold. I was with him when he chose the spot, on what was then barren desert, for the townsite, which was then generally thought would be only temporary, to provide homes for the army of workers building the Boulder Dam. But the absence of land speculators had unforeseen consequences, for Boulder City is now a model town of over 5,000 inhabitants, and is growing steadily. The fact that home-seekers and store owners are not compelled to pay tribute to some speculator in land titles, in order to get a location, is proving a strong magnet.

Dr. Mead made several reports with recommendations for the land settlement projects in Palestine, with some of which Dr. Ascher is no doubt familiar. If not, there must be copies in Jerusalem or Tel Aviv which it might pay him to try and get.

I have twice visited Palestine, and have always believed there is no such dislike of the average Arab for the Jews as the Press has reported in recent years. But the Zionist colonies in Palestine are in the nature of Georgist enclaves, which have been no more liked by the Arab feudal leaders than by the British feudal barons.

The oil interests in the Near East might also be interested in preventing the spread of these principles in that part of the world. We recently saw what a hubbub was created when the Soviets tried to negotiate concessions for oil in Iran within territory previously monopolised by British and American oil corporations. As long as the "ownership" of land is said to be in the Arab leaders, and they will grant certain oil magnates exclusive privileges to extract oil, their money and influence will be used to support the Arabs and to help them keep Jews out of Palestine.

The same oil companies have concessions in Sumatra, near Palembang, which I have visited, but they were never allowed to "buy" the land itself. The principles introduced by Raffles<sup>3</sup> over a century before had survived, so that the land still belonged to the natives, and could only be leased.

The world's richest undeveloped oil reserves are believed to be located in the Near East, and conflicts over their control may be more closely related to the problem of Arabs *versus* Jews in Palestine than is generally understood. A job for another Raffles is indicated.

Referring again to the California Irrigation Act, I was in Spain soon after Alfonso abdicated in 1931, and met some engineers in Barcelona who were alive to the need for irrigation works and land settlement in the then highly industrialised State of Catalonia, of which Barcelona was the capital, containing most of the industries. I supplied them with a copy of the Californian law, which Catalonia proceeded to enact into a law for that State, with minor changes. The highest State Court allowed the law as being constitutional, in a test case, inspired by the feudal forces. But the Supreme Court in Madrid held the law unconstitutional. The

*Christian Science Monitor*, of June 14, 1934, on page 1 printed a cable from Madrid, telling of the Court's decision, and said the law "is not favoured by the central government because it splits Catalonia into small farms, advantageous to small holders." But Catalonia was not satisfied, and I understand that efforts were made to get a new law passed, and that this was the spark that really started the so-called Civil War in Spain when neither side was able to be satisfied.

Whether the same sort of opposition would arise in Palestine, is worth seriously considering. I rather believe that it would. But if we back the oil companies and the Arabs, is it probable that the Soviets will hold entirely aloof?

It was the discovery of the invention of irrigation in that part of the world which marked the beginning of civilisation, and recorded history. Great civilisations and cities have since come and gone. The reconstruction of irrigation works there would create opportunity for many millions, if wisely undertaken. Next door, in the U.S.S.R., vast irrigation works have been reconstructed. Opportunity again knocks at the door of the British, but it may not wait at that door much longer. The basic principles adopted by Raffles for Java and Singapore would help to-day, as then.

They are the basic principles also urged by Henry George, who merely explained more clearly how to make them practical.

Yours, etc.,

RUPERT MASON.

SAN FRANCISCO.

July 8, 1946.

## Editor's Footnotes.

<sup>1</sup>Correcting a misprint, the words *per square metre* should have followed "£50 stg" in Dr. Ascher's remark: "How can the cost of housing be low if the builder is compelled to pay £50 stg for the plot?"

<sup>2</sup>This Californian Act, in its four provisions, exempts all buildings and improvements of every sort, rural and urban. It applies within 100 Irrigation Districts serving some 4,000,000 acres of the richest and most attractive irrigated orchards, vegetable gardens, vineyards, etc. The annual revenues of those districts are derived mainly from taxation on the value of land alone, both rural and urban, whether used or unused.

<sup>3</sup>The story of Sir Stamford Raffles, Java's British Governor 1811-1816, the founder of Singapore, whose principles were Free Trade and revenues from Land Rent, was instructively told in the contribution by F. T. Hodgkiss, *LAND & LIBERTY*, May, 1942, reprinted from *The Freeman*, New York, March, 1942.

## WATER INTO GOLD

To the Editor, *Land & Liberty*.

Sir,—Your article in the April number of *LAND & LIBERTY* invites comment. The principal victim so far as Empire preference and Protection are concerned is not the British consumer but the Australian. Mr. Cattnach's calculation, "that if each family in Victoria ate only one pound more per week of fruit produced by irrigation settlements there would be none left for export," has a "catch" in it. The cost is excessive.

Here is the position. Sultana raisins are far the largest line produced and exported. Before the war they were selling from 9d. to 10d. per lb. to the Australian consumer. At the same time the export value of those raisins was rather less than 4½d. per lb. The figures are in Australian currency, which was and is depreciated 25 per cent. in relation to sterling. No doubt the Australian consumer would use much more of our dried fruits if he could get them at the value for export; or to be more correct, value for dumping.

The British consumer has to pay more than the real value of the fruit because of Empire preference. The suggestion is made that "reduced duties" on imported agricultural products and machinery would help. They should be abolished, not merely reduced. Such taxes before the war on all classes of machinery, metals, etc., averaged 30 per cent. Sales Tax is on top of Customs on an inflated valuation.

It is true that Victorian townships are backward in relieving improvements from local taxes. Victoria is the most conservative State in the Commonwealth and has been so since long before Federation. There is a bit of a move on now in some of the Melbourne suburbs, and several polls are to be taken shortly with