



LAND & LIBERTY

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"NO MAGIC CURE FOR UNEMPLOYMENT"

The Government in its foreign policy have earned and obtained the confidence and the support of countless millions at home and in all lands. What they have accomplished for international peace in three short months will compare favourably with any three years' record of other administrations. This triumph has strengthened the Labour Party in its own organization and enhanced its reputation in the eyes of very many who carry on without Party affiliations. Labour leaders can be relied upon to take the width, if not the weight, of this new force for their particular ends, and so can their opponents.

But foreign affairs, however arranged and nicely balanced for the time being by diplomats and journalists, cannot for long take precedence over the problem affecting the social condition of the people. At times the house of Have can become agitated about its investments abroad; but the house of Want, within a week of starvation, requires all its spare time for its own worries. It has been wisely observed that the people of a country are never so much concerned with matters of high policy, home or foreign, as they are with their own immediate need of food, clothing and shelter. High finance has its corrupting influence in the business of politics and so has the "small poverties." Pensions and the dole may keep body and soul together, but they cannot stifle the advancing thought born of hardship and sympathy that is fast changing the outlook on problems of wealth and want. As Mr Winston Churchill once put it: The question is not how much money a man has, but how did he get it?

The cause of international peace makes its own grand appeal, but whatever the settlement may be, in the abstract, it will not solve the poverty problem. It is the solution of this problem that will make peace possible. Peace Pacts and Locarno Treaties show good intention, but in the long run it is deeds,

not words, that count for good feeling and lasting friendship.

International peace implies international agreements, and these in the final reckoning are governed by economic considerations. Inside the Conference room invested capital and its legalized conventions are among the major questions that enter into the conversations on disarmament; outside, the commercial war for markets takes its evil course without regard to any opposing current of opinion. In the Conference room there is talk of "the community of fate that binds the nations together," and in that Christian spirit political adjustments are framed. Yet it is common knowledge that the statesmen who give lip-service to the sentiment are they who maintain national barriers to trade and who decline to lower them one inch.

Free Trade brings men of different creeds, different speech and different talents together for better conditions in international commerce and exchange. Free Trade means pulling with the stream in association with the new political economy. Tariffs and all legal obstructions to trade are a menace to international progress, and talk on disarmament that is unrelated to this menace is a sheer waste of time.

Free Trade was an issue at the recent General Election. It was the main issue until Mr Lloyd George jumped the claim with his bid for the opportunity to conquer unemployment. The Labour Party said they alone could deliver the goods, and the vote placed upon them the responsibility. A Cabinet Committee with Mr J. H. Thomas as Lord Privy Seal has been working at the plans which were unfolded in the Commons, 5th November. The Lord Privy Seal opened the debate. It was a dull enough performance except for a halting gesture on the need for urgent land legislation which the Press of the country took to mean the Taxation of Land Values. If the Press is correct then may the Lord Privy Seal be advised to leave that job to the Chancellor of the Exchequer. Otherwise, general disappointment was expressed with the Government schemes.

A great many people were frankly disappointed, but we were not of this multitude. It was the old Coalition and Liberal-Tory bill of fare—money and credits taken from certain places, where they function for so much service to certain other places; for more service in some lines of employment and for less in others. The cost of schemes adopted amounts in round figures to £42,000,000 and there are millions more to follow. The Lord Privy Seal says this expenditure of public money will make for greater efficiency. This granted, when did Labour accept efficiency as relief from the burden of unemployment? Skill and enterprise can cope with industrial development, but unemployment is conditioned by a different set of circumstances. Mr Thomas seems to see this when he argues for pensioning men in industry at the age of 65 and raising the school-leaving age from 14 to 15 years. The past century has been an age of efficiency in industry, in art and education, but want of work has accompanied every advance.

Mr Thomas says he has no magic cure for

unemployment. It doubtless comforts him to know that on the political stage he does not stand alone in this embarrassment. But there is "magic" in his own collection of concrete post-war palliatives—for the land speculator. These schemes are each and all proved failures as cures for unemployment. The vast sums already spent on them never once touched the fringe of the problem. The Lord Privy Seal evidently imagines he is offering new lamps for old ones, but his audience begins to see through the illusion.

In his speech Mr Thomas urged that "by Government help and drive export trade can be stimulated." Translated into subsidies and loans, there has surely been enough of it these past ten years. The President of the Board of Trade has just reminded us of "the expenditure of nearly £700,000,000 of the taxpayers' money on unremunerative forms of relief for which there is nothing to show." As measures for providing additional employment there is no material difference between subsidizing industry and subsidizing poverty. They are both equally vicious in principle and impotent to effect any change for the better.

Mr Thomas's proposals are barren of any new thought. None of them is calculated to open a new door to economic work and wages. Land monopoly is the permanent lock-out of labour from its natural supplies. It is the law, and so long as such legalized injustice holds just so long is the cure for unemployment far to seek. The only genuine stimulus to industry would be to relieve it from the incubus of monopoly, in all its forms. That this will take some doing is not in question, but the course is clear for a beginning with the Taxation of Land Values. This remedy had a place in the Election Manifesto of the Labour Party and in the Prime Minister's own addresses to the electors. There is a majority in the House of Commons for it as a long overdue instalment of economic justice.

The Lord Privy Seal looks to expanding exports rather than to his own palliatives to reduce the volume of unemployment. But exports must be paid for by imports, and there is an Empire Marketing Board in action, maintained by the Government, begging the people by advertisement in the Press and on the hoardings, to buy home and not foreign produce. The Cabinet Committee on Unemployment spends its millions to "help and drive on our export trade," and the Empire Marketing Board spends its national grant of one million pounds in making this adventure as difficult as their money will warrant. This must be the point in the argument where we try hard to remember that there is no magic cure for unemployment.

The spade-work of the Government with its "help and drive" to industry is, after all, neither better nor worse than that of its predecessors. But if the expenditures of former Governments along this route could not lessen unemployment it is hard to imagine how £42,000,000 extra will on the same principle work a miracle. It is the principle that is wrong: the millions spent on reconstruction are drawn from the earnings of industry and not from the monopoly value of the land. It can be argued that something had to be done at once and that the

want of land valuation put the question of a levy on land values out of court. This may be true, but it was not the argument of the Lord Privy Seal. He spoke as if industry was equal to the strain of his extravagant demands; and his oblique reference to the land value policy shed no light whatever on the Government's intention.

Mr Thomas has to admit that before even the plans for a new road are released he will be compelled to grapple with the landlord difficulty, and when the fight is lost, and won, the second difficulty, inseparable from the first, comes in the increase in value of all contiguous lands due to the improvement. There is no "magic cure for unemployment," Mr Thomas says; but there would be some enchantment in his petty palliatives if they could furnish more employment instead of making less.

The Taxation of Land Values is not a tax on industry—it is a tax on the monopoly that thrives on all industrial activity; it will relieve industry of crushing burdens. It is an alternative source of revenue in keeping with social justice. Striking at land monopoly such taxation will put an end to the worry and the waste that comes of idle hands and idle acres. It makes co-operative effort in industry a real peace movement, and not the disturbing thing it is to-day. New openings to labour and capital stand for new production, and these are inherent in the land value policy. Its active supporters and the ever-growing body of adherents expect the measure they have been promised. No Liberal increment imposture, or "piecemeal instalment," can take the place of a straight tax on the market value of all land.

The Municipalities are again seeking from Parliament the power to levy rates on land values, and this time with more knowledge of the question and with more hope of having it settled on a firm and lasting basis. The readiest and the truest way to this new municipal freedom is by way of a Budget tax. This will ensure land valuation, and thereby open the door to the necessary Rating Act. Given this power to raise revenue from land values the local rating bodies can be relied upon to look after their own development.

The Chancellor of the Exchequer has for years openly declared in the Commons and in the country his profound belief in a Budget tax on land values. He will keep his word. The land value policy is not a new theme to Mr Snowden: it was a plank in his programme thirty years ago. He has given independent thought to its merits both for revenue purposes, and as a force for social progress. The taxation of land values calls to-day, more than ever before, for driving power and this should not be wanting.

J. P.

There can be no national frontiers in the air, and when people generally take to flying they will realize how foolish it is for nations to divide themselves from one another by means of boundary lines and tariff barriers. The development of civil aviation must mean, sooner or later, the establishment of international free trade. In other words, it will—indeed is already—speeding up fiscal disarmament. That alone will be a very big step in the direction of international peace.—Sir Alan Cobham in *No More War*, November.