

## THE TWIN CURSES OF PROTECTION AND LAND MONOPOLY

We take the liberty of reproducing a letter in the following terms, addressed to the Chancellor of the Exchequer by F. T. Hodgkiss and Alexander Chalmers of Melbourne.

THE RIGHT HON. PHILIP SNOWDEN,

DEAR SIR,

We wish to thank you for your magnificent address at the Cobden Dinner (see *LAND & LIBERTY*, July, 1924) and especially for showing so clearly what was true Free Trade; and, to the Cobden Club, what were the teachings of Cobden, to which, surely, as Cobdenites they were committed to stand.

As visitors from Australia we are disappointed to find how the Conservatives' teachings in favour of Protection are gaining ground, and for this cannot but blame the "Cobdenite" school, so called, of free traders for the inadequate way Free Trade is being put before the people. In Australia we suffer from the twin curses of Protection and Land Monopoly. The immense revenue derived from Protection (largely revenue duties in disguise) blocks the way to the demand for a revenue from land values taxation sufficient to break up the existing withholding of the land from use except at exorbitant prices and rents. The Conservatives here aim to create a dividing issue on the tariff and to raise large revenues through duties so as to erect a similar bulwark against the taxation of land values. Fortunately, here, through the Protectionists not yet being in the saddle you are relieved—at present—of half our battle. Judging by our experiences with the people we meet the strength of the Tories lies in that there is a prevailing opinion that there is something wrong with Free Trade for, primarily, it has not solved the problem of unemployment. The masses do not know what Free Trade—as you showed it to be—really stands for. That freedom only to exchange, without freedom to produce is but freedom hamstrung. That Free Trade really stands for—first of all—freedom to produce without exploitation.

This growing apathy towards Free Trade can only be met by going to the root and preaching REAL Free Trade. Combine Free Trade with substantial Land Values Taxation as its essential corollary and we believe you would sweep the country at the next general election. You could show the workers how to-day the inevitable benefits of Free Trade are, as of every step in social advance—as inevitably mopped up by increased land values—that is higher rents—and the everlasting struggle continues to get access to the land and its products, which is the root of low wages, the housing problem and unemployment. Lloyd George because he spoke out straight on this question of land monopoly (but has since failed the workers) in 1909 roused immense enthusiasm for himself and gained overwhelming support from the constituencies. Combine Free Trade and the Land Question in one issue and the great battle for freedom will be won. The Tories will be baffled by the combination. The Liberals you can show up as having gone halfway to Real Free Trade, are now, through the landed interests in their ranks refusing to advance further towards the goal; and every radical free trader in their Party, and there are many such—you will win over to the Labour ranks. England, Scotland and Wales are red hot for release from the landlord tyranny. Combine that vote with the solid vote now existing—but perhaps not for long—for Free Trade and you will rally all the forces of reform on the side of the Labour Party, smash up false Liberalism—true Liberals will side with you—and overwhelm the Tories. From what we gather appeals to the country

on questions which will be met by the scare cry of "Socialism" can only lead to your weakening at the next general election. An appeal on the fundamental question of Real Free Trade—open ports and the smashing of Land Monopoly—familiar and appealing cries—will carry all before it and lead to the tremendous victory of your Party; and, greater than all Party interests, to the ridding of Labour from its present condition of economic slavery brought about by the stranglehold of Land Monopoly.

## TWO FUNDAMENTAL CONSIDERATIONS

(From a letter by LOUIS F. POST.)

"The land question, as such, is in my view close to the surface of common thought in your country, whereas in ours it is deeply submerged. The reason is that your people have always had a recognized landlord class, which makes them visualize land as a distinctive kind of property possessed by a highly privileged group. With us, on the other hand, landlords do not stand out conspicuously enough as such to affect the public imagination, and landed property is too completely identified with other property to be distinguished in common thought.

"Land is absolutely essential to life. This is so whether the life be savage or civilized. But in civilized life there is another fundamental consideration. It is as fundamental to civilized life as land is to both civilized and uncivilized life. For there can be no civilized life without organization—for short, government. Consequently, in civilized life the problem of maintaining government arises. This, in a word, is the basic problem of taxation. Shall government be paid for by confiscating private property, as now, or by utilizing taxation machinery to take over common values for common uses? The latter is the only defensible answer. But then the question of what are common values arises. Plainly they are those values that attach to land and not those that attach to industrial products from land. This, I am sure, is the most appealing line of argument over here, and the easiest to 'put over' in the public imagination. It may not be so with you, and for the reason I have indicated above.

"But I am inclined to regard it as the more effective line of agitation anywhere. Moreover, it is Henry George's line for practical purposes. While he teaches that in principle land is common property, he also teaches that in practice land must be privately possessed. The problem, then, which he presents is how to secure private possession in practice consistently with common ownership in principle. That problem turns upon the phenomenon of 'rent' of land in contradistinction to 'wages' and 'interest' for production. 'Wages' and 'interest' being private property, the public cannot tax either without confiscation; but as 'rent' is the value of land, which is common property, the public takes only its own when it takes this. Consequently, the primary practical question that George raises is a question of taxation. Solve this practical problem right and the theoretical land problem is thereby also solved right.

"Yet the approach may differ with time, place and circumstances. In any time or place or circumstances in which the land question monopolizes public attention, the best practical policy is from landowning principle to taxation method; where and when tax questions monopolize public attention, the best practical policy is from taxation principle to landowning method. George exemplified all this with marked emphasis when he urged us of this country to fall in with the tariff-tax movement of 1888."