

ing a certain measure of rent control and secure tenancy. So much for the "municipalisation" proposals.

For the promotion of home ownership it would be obligatory upon local authorities to grant mortgage advances of 100 per cent of the value of the property, at long term and at a low rate of interest. Loans would be allocated on evidence of housing needs and the borrower would have to agree to modernise the house, contribute to a repairs fund, and give the local authority the first opportunity of purchasing the house at a price to be fixed by the District Valuer, if this home owner subsequently wished to sell.

Leaseholders of flats and houses which would normally fall within the provisions of the Rent Acts would be given the right to purchase the freehold when the lease expires, with obligation upon him to improve the property where necessary. For these purposes, he would be able to borrow on mortgage from the local authority as well as receiving an improvement grant.

The financial aspects of these housing proposals are treated very cursorily. No estimate is given of the cost of all those purchases, or of the repairs and improvements and the service of the loans; nor where the local authorities or the Treasury are to get the money to make the payments. It is stated that there is to be "fair compensation" to existing owners and the formula runs thus: "The value of houses taken over will be that of the property as an investment with a rent-controlled tenant in possession; account will be taken of the net income obtainable by the landlord and the condition of the property and its probable length of life, if it remained in private hands. Thus, as a whole, the actual operation involving the acquisition of these houses as distinct from their improvement will be self-financing. Once the capital value has been assessed, payment can be made in several ways, either by the issue of stock, by terminable or life annuities, or in cases where only small sums are involved, by a single cash payment." In a round sentence, "action must be taken" to reduce the burden on the nation's housing programme imposed by the present high level of interest charges, but no word is said as to how. New houses would be subsidised by the Treasury and the local authorities.

As we look at these proposals, we can see that they would bring in their train social and economic consequences more disastrous even than the problems they affect to solve. The solution lies in removing the obstacles that stand in the way of house construction. First, there is the monopoly price of land; secondly, there is the taxation and rating system which not only endows and protects that monopoly but throws its burden upon houses and their component parts; thirdly, there is the poverty which prevents so many people from buying or renting decent homes; fourthly, and just because of that poverty, there is the concurrent compulsion upon house owners to accept rents that cannot possibly meet the costs of construction and upkeep, so that new houses are not built and old houses run to rack and ruin. All this demands the break-up of the land monopoly thereby at the same time raising real wages; the repeal of the taxation that is levied on buildings, including the tariffs, purchase taxes, etc., that raise the prices of most if not all building materials; and certainly the sweeping away of slum-making Rent Restriction Acts.

But the proposals we are examining look in anything but these directions. On the contrary, a vast and suffocating monopoly of rented accommodation would be established. New building would only be at huge cost to the community and old buildings that ought to be demolished would have to serve for many years to come, their patching-up borne by the

taxpayers in general, through the Treasury and the local authorities. In the financing of this scheme of things, further inflation could not be avoided. And over all, the present unjust and repressive local rating system would continue unchanged—at least the authors of this document offer no demonstration against it.

At the bottom of the housing problem is the problem of low wages. Passing references in the pamphlet recognise the inability of many people to pay an economic rent for their homes. Yet they ignore the cause. They appear to accept poverty as a natural and intractable phenomenon, basing their proposals on the tacit assumptions that the mass of people in Britain always will be poor and that property owners always will be callous and avaricious. They denounce the "profit motive," apparently failing to realise that this natural force may be used constructively and beneficially as well as anti-socially. Of course, property owners expect to receive an income—a "profit"—from their investments; their flats and houses would not have been built but for the prospect of that return.

Statesmanship demands that the problems of low wages be plucked up by the roots, and that done, people could and should pay the market rent for the premises they occupy. Many derelict premises would be improved or replaced and new homes would be built without direction or subsidies or the need for municipal or State intervention. We have to acknowledge, however, that festering slums persisted long before rent restriction was ever heard of, from which it follows that the mere repeal of the Rent Acts will not suffice. The other stated obstacles remain. Clearly, the construction of new houses, whether to own or to rent, would go ahead swiftly and sweetly, if there were a thorough-going reform of taxation, rates and taxes being levied on the value of land whether used or not (making land cheap), houses and other improvements being exempted from taxation (making them cheap) and freedom of trade taking the place of the parasitic and price-raising system of indirect taxation which both industry and the working man suffer to-day.

Solution of the tragic social problem under review rests on nothing but the extension of freedom under which, enjoying equal opportunity, human beings would experience no more difficulty in building their habitations than do the birds in building their nests.

P. R. S.

TOWARDS EQUALITY AND FREEDOM?

The Labour Party's recent pamphlets* entitled *Towards Equality* and *Personal Freedom* are a credit to the Labour Movement. How often does any party re-examine its principles and methods? How encouraging to find one doing so.

"Equality," "Personal Freedom," "Social Justice"—words too many lawyers and politicians, traders and trades union-men use every day without ever knowing their meaning or caring to discover it. Those in the Labour Party who were responsible for this programme of re-examination and declaration of fundamentals will be greatly responsible for whatever immediate progress is made by the British people toward greater freedom, no matter which party is the actual instrument. For to make people *think* is the first thing. These pamphlets and the discussion notes which accompany them should cause a lot of heart-searching in other quarters and may well stir up a hornet's nest in the Labour Party itself.

* 9d. each. The Labour Party, Transport House, London, S.W.1.

The bold earnest attitude of the original movement seems to stir again, streaks through, and surfaces occasionally in blunt observations of the truth or frank admissions of the limitations of the "planned economy."

In summary, Labour's line of reasoning is this: Freedom depends on equality; equality depends on the distribution of wealth and the educational system. The present distribution of wealth largely determines the system of education and consequent social and economic attitudes and opportunities, therefore the distribution of wealth is the most important problem. By and large, the chief sources of the creation of new wealth—the land and industry—remain in private hands; therefore public ownership must be extended into "these forms of wealth." Describing their own proposal for a capital gains tax and an expenditure tax as measures which "fail to get to the roots of the problem," Labour suggests that death duties should be collected in land and shares in public companies whenever possible. This is described as the "extension of public ownership."

The number of ifs and buts which surround this general argument leave room for wriggling on specific points, but there is no mistaking the thesis. Too much space is devoted to the discussion of admittedly secondary problems, reform in education, legal aid, family allowances, and the like. Having clearly seen that it is the problem of poverty, or the "maldistribution of income," which underlies the other problems, Labour's philosophers would have done better to continue with their search into basic principles.

For example: "The individual . . . has an inviolable personal identity with rights of his own." What rights are these? "Where property is unsuitable for public acquisition the cash proceeds could be used to purchase other suitable property." What property is "suitable" for public acquisition? "The ownership of personal property is a human right . . ." Define personal property. And so it goes on. Labour's philosophers have not yet defined, either for themselves or their followers, *what should properly be public property and what should properly be personal property*. If they ever solve that question there will never be need of "confiscation" (since the State has no right to what is not its own) nor of "compensation" (since no person has the right to be paid for what is not properly his).

The statements on freedom and equality in the abstract are as clear and unequivocal as any die-hard individualist could wish. "If freedom with gross inequalities is hardly worth having, 'equality' without freedom is worthless . . ." The ordinary Labour man no more votes for bureaucracy, arbitrary action, and state control than the ordinary Conservative votes for injustice, privilege, monopolies and poverty. It is useless for propagandists from either party to try to make out that the opposition voter is a bogey. He is neither a fat prosperous well-connected zero serving no ideal of justice nor a lazy unlettered (and probably dirty) leveller. Both sides now begin to realise the threat to personal freedom which lies in the concentration of power, be it in the hands of the state or of private companies and trades unions. Labour's answer, however, is no answer at all.

Rather than tackle the sources of such power-concentration, Labour would try to counteract it by setting up tribunals and boards of appeal and employing another hundred-and-one lawyers. Already the tangle of laws we live by (or try to avoid) provides a nesting place for loads of talent which is utterly wasted. The Welfare State is a great source of jobs in this at least . . . which brings us to the question of "full employment."

"The Welfare State . . . has greatly reduced the most important and conspicuous cause (of poverty), namely,

unemployment." Without stopping to examine the validity of such a claim we note that, strangely enough, this sentence seems to be the only one in which the continued existence of the problem of unemployment is acknowledged, and here only by inference. In fact, through these pamphlets runs the idea that full employment is an accomplished fact, so casually and so often is it mentioned. Does even the Labour Party delude itself that Britain has "full employment"? Or perhaps, as some Conservatives say, "over-full employment"?

Certainly more people, including housewives, are "at work" than ever before. But wages are still very low for vast numbers of them. According to the Blue Book for 1955 there are 17 million workers earning less than £10 a week. Might it not be that there is great "under-employment" in this country?

Each of us knows of people in factories and offices who complain of boredom at work, of wasting most of the day. They resent the idleness which is forced upon them. Having produced little, they have little to show at the end of the week, and consequently small wages. No doubt another million jobs could be offered to-morrow . . . if people would accept low enough wages. Idleness "at work" whether it is enforced by one's employer or one's fellow-workmen is surely not any Party's ideal of full employment.

In spite of the inconsistencies, omissions and misplaced emphases in these pamphlets, their publication in itself is useful and promising. They have forced upon the public's attention what are after all fundamental questions. And they hold the promise, however faint, that Labour, after too long a reliance on doctrinaire Marxism, may follow the lead of those now seeking anew the principles which underlie justice and individual freedom. The search will surely bear good fruit the deeper and less fearful it becomes.

MARY RAWSON.

A GIFT TO NATAL UNIVERSITY

The Librarian to the University of Natal, in Durban, in a letter to the Henry George Foundation of Great Britain (trustees are the United Committee) sends the good news that funds for the specific purpose of buying works by Henry George have been given to the Library. The Librarian has been requested to convey our appreciation to the anonymous donor and, by air, has been sent a copy of our catalogue. An order is now awaited.

ECONOMIC STUDY CLASSES

The autumn session of economic study classes begins during the week commencing September 17th. Classes for the Basic Course will be held in Westminster, Welling, Ilford, Palmers Green, Enfield, Golders Green. A class for the study of Current Economic Theories will be held at Ilford and one for "The Science of Political Economy" at Westminster. Prospectus and full details obtainable from Mr. V. H. Blundell, Director of Studies, HENRY GEORGE SCHOOL OF SOCIAL SCIENCE, 4 Great Smith Street, London, S.W.1. Telephone: ABBey 6665 & 6695.

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