

has elapsed according to the assessed value as recorded by the Valuation Office in its rolls at that time. Future owners, that is, owners entering into possession after the passing of this Act (excepting the above mentioned lawful heirs) are not entitled to this respite of payment.

Section 19.—The Valuation Office made no use of this provision. It proved to be quite superfluous.

NEW ZEALAND

Another Auckland suburb, the Papatoetoe Town District, has adopted land value rating as the result of a ratepayers' poll on 25th October. With 941 ratepayers on the roll, the voting was 325 for and 275 against. The Auckland *Liberator*, reporting this victory, names ten other Auckland suburbs where land value rating is now in operation, although the city itself remains on the "annual value" basis which taxes buildings and improvements. The opponents of land value rating (where that system has been adopted) have joined in the movement for incorporating their suburb in the city, because amalgamation would compel the suburb, as the smaller unit, to assess rates in the same way as the city—namely, on the old basis. These tactics succeeded in Avondale, which had adopted land value rating when it was an independent body but is now amalgamated with the city and has had to revert to the old rating methods. But in Mount Roskill the movement for amalgamation, supported largely by the opponents of land value rating, was defeated. The ratepayers by a poll held on 29th October, declined by 961 votes to 876 to become part of the city; they refused to give up the victory they had just won to levy their rates on land values.

The September number of the *Liberator* has an informing article by Mr P. J. O'Regan on the notable victory in Waipa County, mentioned in our issue of November. The final figures at the poll taken on 5th September were 880 for land value rating and 607 against, there being 2,212 ratepayers on the voters' roll.

HOLLAND

The project of reclaiming the Zuyder Zee raises questions of the greatest importance with respect to the future of the land when it is ready for cultivation. A Royal Commission of 18 persons is inquiring fully into the matter with instructions to make recommendations to the Government. The Dutch League for the Reform of Property in Land (which stands for Land Value Taxation and Free Trade and is affiliated to the International Union) is watching matters closely and has appointed Messrs Delling and Sevenster as a Committee to give evidence before the Royal Commission. The new Zuyder Zee province is expected to be fully reclaimed by 1940 and next year a part of it, consisting of about 54,000 acres, will be made available.

Mr D. de Clercq, president of the Dutch League and of the Dutch Branch of the International Union, has sent a circular to all known sympathizers in Holland inviting them to enrol personally in the Union and recommending *Land & Liberty* to all who can read English. The same invitation appears in *De Nieuwe Aarde*, the excellent monthly organ of the Dutch League. We reciprocate the compliment and recommend that journal to those of our readers who know Dutch. Annual subscription (2s. 6d.) may be sent to the office of the paper at Regnier-Vinkelskade 14, Amsterdam, South.

We were pleased to have a visit from Mr S. Sevenster, son of Mr A. Sevenster, joint editor of *De Nieuwe Aarde*. He is spending some months as a student at Avoncroft, Evesham, and like his father is an enthusiastic follower of Henry George.

MEXICO

The Essence of the Land Question

The World Peace Foundation, 40, Mount Vernon Street, Boston, U.S.A., has published an informing pamphlet* of 108 pages on Mexico revealing to the people of the U.S.A. that the provisions of Mexican law affecting American concessionaires are based on American Federal and State laws of older date.

In 1890 Mexican law, peace being then profound, ordered the expropriation of all the "Ejidos," the common lands of the towns and villages, which had provided from antiquity a frugal living for the poor. These Ejidos were usually of a league (4,390 acres) for a village, though some villages such as Colima (population 25,000) had four leagues. At the other end of the social scale was the privileged Hacendado class, of which there were 834 in 1910; the minimum area of a Hacienda was 21,945 acres, but some were above 6 million acres.

To one man President Diaz in 1886 granted all the land of the Yaqui Indian nation, faithful autonomous allies of Spain and Mexico; and for 40 years no Mexican Government has had courage to break off the resultant war of extermination in which prisoners of war of every sort are worked to death in slavery. By 1910 Diaz had given away more than 134 million acres and had reduced more than 3 million Mexican *men* to abject debt slavery, simply by expropriating the commons—including wives and children about three-fifths of all the nation. In Morelos State there were over 9,000 people to each of the 20 landlords; the condition of the people as a whole in 1910 was far worse than in 1810.

At San Louis Potosí, on 3rd October, 1910, a manifesto by the Liberal leader Madero pledged his Party to the restoration of the Ejidos and the nation rallied to him at once—singularly like 1905. Diazism vanished, whereupon Madero sought Conservative support in breaking his "land song" pledges. Carranza led a Radical revolt against him, and the Conservative leader De la Huerta seized power and murdered the wretched Madero in 1913.

So ended Mexican Liberalism. Carranza, the Labour leader, by his famous Provisional Agrarian Decree of 6th January, 1915, also pledged his Party to restore the stolen commons to the villages; or, failing restoration, the grant to villages of other suitable land was pledged. This pledge has not been honoured, though by it Carranza won immediate and full success. Instead there was passed on 1st May, 1917, a new Constitution including Article 27, which is similar to the Labour and Liberal land policies in England, dealing in full detail with the *corpus* of the land and underlying minerals and not at all with its value. Something has been done in direct concessions of land but not much. The commons, all stolen by law from the people in living memory, amount to about 60 million acres, as stated in August, 1925, by Leon, Secretary of Agriculture, this for some 15 million people, to leave them no worse off than in, say, 1890. Less than 20 million acres have been returned or given, not to the communities, but to individuals numbering 119,649.

It is generally alleged that political opponents of the Government have been deprived of lands, compensated in paper at a nominal average of £2 per acre, and their property given to wealthy supporters and waverers. Yet a certain number of the Peon (pauper agricultural

* *The Mexican Revolution and the United States, 1910-1926.* By Professor (of Latin-American History, University of Texas) Charles Wilson Hackett, Ph.D.—World Peace Foundation Pamphlets Vol. IX., No. 5, 1926, price 5 cents.

labourer) class have seized or resumed ancestral lands and are safe enough while civil war continues to threaten. These or similar facts were frankly admitted by Pani, the Foreign Minister, on 31st March, 1923. Carranza deservedly lost public confidence and was murdered judicially, as many others since.

The writer hopes shortly to obtain further authentic figures relating to the lands which have been distributed. As to the general question of the possibility of reform in land tenure and taxation information has been received from the Consulate-General of Mexico in London that there is no national system of valuation of real estate in Mexico. Each State has its own system. Some two years ago there was held in Mexico a Convention of representatives of the local Governments with the idea of studying the matter and making recommendations so that the systems of taxation in each State should be made as nearly uniform as possible. In that Convention the recommendation was made that there should be a national system of valuation for real estate and that the tax should be based on the value of the land only, without any improvements whatever, and that improvements should not be subject to land taxation but should be made subject to a special Schedule of Income Tax. M. J. S.

ARGENTINA

The increasing attention the Argentine Socialist Party are giving to land value taxation and free trade—its trend toward Georgeism—is shown once more in the report of their Annual Meeting on 9th to 12th October, 1927. This is fortunately reported at length in the Socialist International Information Broadsheet for 28th November. The programme has 24 planks, the first six of which read:—

1. Abolition of taxes tending to raise the cost of provisions; gradual reduction of customs duties.
2. Abolition of taxes which weigh upon professions, commerce, industry and useful application of capital.
3. National land tax, progressive in respect of large estates, and increased charges upon absentee owners.
4. Direct and progressive tax upon rent in general.
5. National tax on increased land values.
6. Prohibition of provincial taxes impeding national consumption.

The Socialist Party are clearly out to tackle the land question and set industry free. Further discussion will, we hope, eliminate such crudities as graduated taxation and fatal attempts to discriminate between one owner and another, the right policy being to tax the land always in proportion to its value whether held by "large" or "small" men, inhabitants or absentees. This apart, the Argentine Socialists show that they have learned the lesson Karl Marx has taught that the expropriation of the people from the soil is the basis of what is called Capitalism. M. J. S.

BRAZIL

On 13th December, 1927, Sir Frank Crisp presided at the Annual Meeting of the Bahia South Western Railway. He reported that all sources of revenue showed a satisfactory increase, passenger traffic in particular; only cocoa was less. It had been necessary to spend £125,000 on an extension to cope with new production and a general increase of wages had been necessary, a concession that had to be made "because of the rise in the cost of living in Brazil"—a strange reflection in view of what the balance sheet reveals. The fact is, and no credit is given to it in this statement, that the prosperity of the Company

and the State has a good economic basis. Two years ago all local rates were replaced by land value taxation. The story is that of the Córdoba Central Railway in the Argentine (*Land & Liberty*, December) and there too the aid of a land value tax liberating industry was not acknowledged. These "common carriers" are excellent barometers of social conditions but the truth about causes and effects is only dragged from them unwillingly. M. J. S.

KENYA COLONY

The Local Government Commission

In response to criticism of the municipal structure of this rapidly growing African dependency a Commission of experts was set up in 1926 and has reported with exemplary speed after taking much evidence. The report* has to deal with local Government, hospitals, relations of the Government with the Railway and the Harbour, and as to what extent of control by the local "Whitehall" is advisable.

The 550 pages are most ably condensed into a few careful paragraphs of "Summary." It is a fine, wholesome report, though it repeats the faults as well as the merits of the Transvaal legislation introducing taxation of land values in 1915.

Nairobi, the capital, has now a population of about 2,500 Europeans, 9,000 Asiatics and 18,000 Africans. Site values were first assessed in 1920 for the Rating on Unimproved Values Ordinance of 1921, at £2,610,849; since reduced (by 1926) to £1,978,446 inclusive of Crown Lands on which the State pays a "contribution in lieu of rates," as is just though often evaded.

There appears to be no provision at all for rating improvements at Nairobi; nor are they specially or carefully valued (p. 186). "Owners" are rated on their interests. The rate on Site Values so far is only 1.8d. in the £, or $\frac{3}{4}$ per cent: there is a legal limitation of rating power to 2 per cent or 4.8d. in the £ on Site Value. This seems needless; and the Commission observes (p. 69) that "the Rates commonly imposed in the Transvaal in areas much more compact and easy to administer than Nairobi are rarely less than 5d. and frequently as much as the normal maximum, 7d., on the Site Value of Land" (and often more, p. 214). "Generally speaking, the values of land are higher in the Transvaal than in Nairobi. We think, in view of these facts, that the powers of taxation possessed by the Nairobi Council have not been used to as great an extent as circumstances would have justified. . . ."

The Commission note that the assessed values of Crown land are unjustly low, which has the result of hampering Council activities. The arguments for fair tax values on Crown property are well set out on p. 76. A wicked blot on the report (p. 76) is advocacy of improvement rates in residential suburbs where the value of land is low to ease the probably increased tax burden in the central and business areas.

The other Transvaal 1915 arguments for a rate on improvements may as well be quoted, as they have done much harm in South Africa and elsewhere:—

(1) The entire exemption of improvements might involve excessive rates on land values. [It does not do so anywhere, if it is fairly based on real values.]

(2) The entire exemption of improvements is likely to drive Councils to excessive taxation through

* *Report of the Local Government Commission, 1927.* Vol. I, Nairobi and Mombasa with Environs; Vol. II, The Settled Areas. From Mr Justice Feetham, of the Transvaal Supreme Court, and Colleagues. (Crown Agents for the Colonies, 4, Millbank, S.W.1.)