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Britain Can Grow It

The sole purpose of protectionism is to make otherwise uneconomic production profitable. This is done very simply. Abusing the powers it possesses, the Government merely tips the scales in favour of sectional interests against the general body of consumers. In all conscience that is sufficient grounds for condemning the policy out of hand. (Pity the grocer caught playing such tricks!)

This deliberate interference with the free choice of the buying public invariably distorts production. Once in a while the right quantity of goods of the desired quality is produced at the right time and is available at the right place and at the right price. But that happens only by the merest fluke. Generally there is a better chance of an individual winning the football pools outright three times running than of a protected industry meeting all those requirements simultaneously. Free, fully competitive concerns, on the other hand, have to do so all the time. If they do not, they go out of business, leaving the field open to some more competent rival.

As is well known, Britain has a highly protected agriculture. By definition that means that her acres (or the overwhelming majority of them) are being misused. To put it another way: foods which could be imported relatively cheaply are grown expensively at home, and naturally profitable production is thereby artificially curtailed. Land, labour and capital are being profligately wasted, in a way which may be regarded as a crime before God and an insult to man's intelligence.

Seldom has this been more clear than during the past few weeks. To illustrate our point, we may quote from the statement issued on September 9 by that high protectionist, Sir James Turner, president of the National Farmers' Union. It then seemed almost certain that farmers would sustain "crippling losses as the result of appalling weather conditions." The situation was "very critical indeed. . . . Every acre of corn will cost more to harvest than was ever predicted when the standard prices for this year's crop were determined in February last year." In addition to the expense of artificially drying such grain as it had been possible to harvest, machinery was constantly hindered by breakdowns in the sticky fields, and workers had to be paid for extra hours while machinery stood idle. The N.F.U. was then urgently considering whether to approach the Government for further emergency aid.

Sir James continued: "It is to be hoped, however, that the Minister's own first-hand experience during his tour will stimulate prompt Government action to bring effective relief

to many thousands of individual farmers who otherwise face severe hardship, and also to prevent serious hindrance to the tremendously important and increasing contribution the agricultural industry as a whole is making to the national economy." Understandably, Sir James misses no opportunity to represent his tax-eating union members as being engaged in work of supreme national importance, filling larders which otherwise would be bare. When Britain was war-beleaguered that was true. Now that U-boats no longer roam the Atlantic it may be taken with a large pinch of salt.

The hopes voiced by Sir James are not likely to be dashed. The Minister of Agriculture, Mr. Heathcote-Amory, having toured the countryside for a week, and having seen that day the desperate situation in the flooded areas of West Lancashire, spoke comfortingly on September 8. At a public meeting he called for a "comprehensive remedial scheme" to be initiated by the drainage and river boards. "On my part," he said, "I can give an assurance that as soon as an application comes to me for grant aid, as I hope it will, I will see to it that the application is dealt with as promptly and sympathetically as possible."

Consider what this means. Here, let us suppose, are two strips of farm land, equidistant from the market, identical in area, fertility, and every other respect except only that the first is subject to periodic flooding and the second is not. Both are let on yearly tenancy. Obviously the rent which the first will command will be less than that commanded by the second—for the sake of illustration, £75 as against £100. But when hundreds of thousands of pounds have been spent on "comprehensive remedial schemes" so that the first strip is no longer flooded, will that disparity in the rents be allowed to continue? Obviously not. The owner of the first strip will bring his rent into line with that charged for the second. He will receive a fortuitous annual bonus of £25, a gift made quite unconsciously by the general body of taxpayers. The tenant farmer will benefit, if at all, only to the extent that he is able to increase his gross earnings by more than £25 a year. Provided that such increase is due wholly to the improvement schemes undertaken by the public authorities, he has no greater moral title to it than has his landlord. Sooner or later that gentleman will increase his rent, liberating the tenant from the unhappy position of collecting what is not rightfully his! The reader will appreciate that the price of food in the shops will not be reduced by public expenditure on drainage, and that inevitably a further burden will be placed on the Exchequer.

Perhaps we shall be excused if for once we trot out the poor widow woman over whom the landlord element has wept so copiously whenever any proposal to tax land values has been mooted. She, and old age pensioners, as well as industrialists, wage and salary earners, and, indeed, the whole of society will have to underwrite the cost of draining wet land. Men and materials which could be employed more profitably in those industries in which Britain enjoys world supremacy will be dissipated in muddy fields. And all to what purpose? Simply so that grains which the Australians, Americans, Canadians and others can let us have more cheaply may be seen waving in Britain's fields.

The stiff-necked determination of the protectionist politicians is as costly and disastrous as it is patently ludicrous. Ranting and posturing like the Pontine Bull-frog in Aesop's *Fables* (who puffed herself up until she burst) they adopt a truculent "we'll show 'em" attitude. "We British can do anything." If no account is taken of the enormous cost involved that is only a slight exaggeration.

P.R.S.