

A CHALLENGE TO PHILIP SNOWDEN

(In a spirited article under this title, published in "John Bull," 16th November, Mr E. Roffe Thompson once more calls on Mr Snowden to include land value taxation in his Budget, reminding him that support for the policy has been avowed by politicians outside the ranks of the Labour Party. He declares that the Chancellor's hand is strengthened by the fact that the Liberals are committed to the principle of taxing land values, and that "at least Mr Snowden can make some big politicians dance to his tune. Mr Churchill has condemned the 'legalized robbery.'" Extracts from the article are printed below, with headings inserted by ourselves):—

It is now certain that some system of the taxation of land values will find a place in Mr Snowden's Budget.

We sincerely hope he may succeed, but he will find that all sorts of unsuspected obstacles will be raised.

Let us get down to concrete cases. Less than three years ago the Corporation of Liverpool, anxious to carry out a street improvement, had to pay at the rate of £1,500,000 an acre for land. Yet every penny of that value which went into the pockets of the landowners had not been created by them, but by the industry and enterprise of the people of Liverpool.

The Burden on the Municipalities

Mr Snowden recently said, in an article written just before the election:—

Land values are going up everywhere. The landowners are fattening in their sleep. To make the land available for use, the local authorities are spending money on roads, schools, parks, housing, and all the amenities and necessities of a new residential district.

A public debt is being created, rates are being imposed, and the landowner gets off with all the social value given to his land by this expenditure. It is a monstrous wrong to the community: it is legalized robbery.

Instances are thick as autumn leaves. There is Forestfield Street, in Glasgow, a housing site for which £3,125 had to be paid. Before it was needed for houses its annual rateable value had been—£1! There is Moss-Side Road, Govan, where a site of 9½ acres had to be bought at £968 per acre. Before public enterprise made this land valuable its annual rateable value was 10s. 6d. an acre.

Let us look at Sheffield again. In 1925 the Council had to pay £540 per acre for a housing site of just over 1½ acres. Previously the ground had been assessed at nothing, and no rates whatever were paid on it.

£17,350—But Paid No Rates

A particularly glaring case is Stoke-on-Trent. Various sites were required for housing. In twenty-four cases the land was not assessed at all, and no rates were paid on it. Yet, although the land was "valueless" when it was a case of levying rates, the council had to pay the "owners" £17,350 for it when it was a case of building houses on it.

Every penny of the value this land suddenly acquired was directly due to the efforts of and the labour of the community. The Landlord did not do a hand's turn to create the value for which he was paid—but he pocketed the cash just the same. No wonder Mr Snowden calls it a system of "legalized robbery."

The most notorious case of all—a case now famous, or infamous, in the long story of the plunder of the people by landowners—is the Kingston by-pass road to the south of London.

Land required for this road had to be purchased at £250 to £300 an acre, though as agricultural land its value had only been £30 to £50 an acre.

It is this sort of robbery that Mr Snowden is going to stop, as indeed he pledged himself to do in an article he wrote for *John Bull* in March of last year. He said then:—

"In my only Budget speech I gave a very definite pledge that if I were in office the next year I would introduce a scheme for the taxation of land values. I had such a scheme in an active state of preparation. Whatever else the next Labour Government may attempt, it is quite certain that it will deal with the question of the rating and taxation of land values."

Freeing the Land

That he is justified up to the hilt in redeeming his pledge no reasonable person can doubt even if only because of the scandalous instances I have quoted in this article. The one great virtue that a proper system of taxation of land values would have—apart from giving to the community for the relief of rates and other taxes for wealth that the community has created—is that it would force idle land into use, to be made valuable in its turn. It is only the greedy dog-in-the-manger who need fear any system of land-values taxation.

"Rights" of the Landlord

Of course, when Mr Snowden finally acts, there will be a howl from those who say he is interfering with rights and privileges. It is just as well to be clear about those "rights." The only "right" with which Mr Snowden will interfere is the right to keep land idle, the right that some men claim to keep others idle—for that is what the locking-up of land means in the end.

They are keeping it idle, deliberately strangling the prosperity of the country, in order, some day, to hold the country to ransom and get a fancy price for their land when the need of the community grows desperate.

Mr Churchill's Views

Mr Winston Churchill, although, as usual, he did nothing, had—also as usual—very decided views on this question. His language is almost as strong as Mr Snowden's:—

It does not matter where you look, or what examples you select, you will see that every form of enterprise, every step in material progress, is only undertaken after the land monopolist has skimmed the cream off for himself.

And he called this state of affairs "an imposture on the public," and said that "the consequences are crowded slums, hampered commerce, distorted or restricted development and congested centres of population."

[It will be noticed that Mr Roffe Thomson has made effective use of many of the instances appearing in the *Manifesto to the Ratepayers* issued by the United Committee.—EDITOR, *Land & Liberty*.]

The *Manifesto to the Ratepayers* issued by the United Committee, giving an account of action taken by the municipalities themselves in the matter of Land Value Rating, is still in demand for distribution. A recent request came from the Town Clerk of Padiham, in Lancashire, for copies to hand round, with the statement that his Council was exceedingly sympathetic to the movement. Padiham duly appointed its delegates to the representative Municipal Conference, being held on 3rd December at the instance of the Manchester City Council.