

ECONOMIC FREEDOM THE BASIS OF PERMANENT PEACE

A good number of Darlington members and delegates to the Conference attended at the Hotel Imperial on Sunday afternoon, to hear Mr. Dundas White give his address on "Economic Freedom the Basis of Permanent Peace," Mr. Smithson presiding.

Mr. White: In opening a discussion upon this subject of economic freedom, one need hardly say that freedom and justice are bound up together. The broad principles of freedom include freedom of belief, freedom of expression and economic freedom. Freedom enables each and all to develop their own lives without infringing the equal rights of others. At the outset we may consider the principal features of economic freedom. First comes a just freedom as regards the land, including in that term all that Nature has provided, because the right to the land includes the right to the minerals below, to the air space above, and so on. As these things are the gifts of Nature, all the people ought to have equal rights to them. The great cause of inequality in the distribution of wealth is the unequal distribution of the resources from which wealth is obtained. To secure greater equality in the distribution of wealth we must secure equality of rights to the source of wealth. We would secure to the community the value that attaches to the land owing to the presence and demand of the community. I think it is in *PROGRESS AND POVERTY* that Henry George shows how this value is due to the presence of the people. If there was no people, there would be no demand for the land, and he says that in the days of the cave-bear the land of this country was probably worth less than 3s. 9d., because there was no one to give that price for it. All value is due to demand; but the land is provided by Nature. Its value ought therefore to go, not into the pockets of particular individuals but to the community as a whole. To call upon the landholders to make this payment would be to open up a source of wealth. At present we have land held up and not used. People get land which they buy speculatively to hold and to sell again later, but in the meantime people needing support are deprived of the means of sustenance. If these people had to pay according to the true value of the land they would soon bring it into the market, and we would have landlords seeking tenants instead of tenants seeking land. The natural opportunities would be made much more available to the people, who would have such opportunities as never before. It would prepare the way for the development of the land by both labour and capital.

LAND AND CAPITAL

What is capital and how did it begin? I put this question because we have to use words to express ideas, and some of our difficulties are due to the words used. People use the term "capital" in different ways. In discussion, we ought to define our terms and use the same word for the same thing. Plato pointed this out long ago, when he asked the sophists, who said there was no difference between virtue and vice, "Why then do you use two words for the same thing?" A great many people when they speak of capital include, for instance, both land and houses. Now the land is there naturally, while the house is the result of industry. If people prefer to speak of land as natural capital, and improvements as artificial capital, I do not quarrel. But, for simplicity, I call the one land and the other capital.

Our movement deals with capital as well as land. Capital is the product of land and labour. Capital does not come in until men begin to use what they obtain from the land to help them in obtaining more. When man first used the animals he had captured for breeding, or the seeds he had collected for growing more seeds, or devoted his attention to chipping a flint into a weapon in order to increase his efficiency in hunting or agriculture, he found that the land was the storehouse of capital. We desire to open up this storehouse. The Free Trade movement of the last century was a great movement, but it would have been much greater if it had included the opening up of the land. The denial of the natural opportunities to the use of land drives the worker up against the capitalist and forces him to work for low wages. Instances might be given from the

West Indies and South Africa. Another instance is the Congo. There you had the natives in a highly productive land deprived of the right to win a livelihood from the land, with no alternative open to them but to get the rubber for the masters of the situation. The Congo situation arose from the people being denied the fundamental rights to use the land for the satisfaction of their wants. If these rights had been secured, those dastardly barbarities to the natives would never have taken place. (Applause.)

PROGRESS TOWARDS PEACE

The first step to economic freedom is the opening up to the people of the country of their land. To do so is to confer a benefit upon the people of every country, and if the people are to get the full value of it, the people of each country must have freedom to exchange as far as possible with the people of other countries. It is sometimes said in this country that we owe a vast amount to the industrial development in the way of textile and other manufactures. So we do, but we could not live on textiles, or feed ourselves on steel rails. We exchange these manufactures for the products of other lands. Life in this country under the existing conditions would have become intolerable long ago had not the system of trade enabled us to bring other countries into the general plan and avail ourselves of their products as well. Freedom of exchange is essential to us, but we need freedom of production also. We desire to avoid the causes of discontent and difference. We must put a stop to land grabbing, which has been the object of a vast number of wars, because every land grabber knows that when he grabs the land he grabs with it the labour of the people also. So we stand against land grabbing. We have a vast Colonial Empire governed by Downing Street. Our maintenance of this Colonial Empire depends largely on winning the trust of the natives and the goodwill of other nations. We can only do this if we recognise that we are acting as trustees for the natives, and in trading give the people of every other nation the same freedom as we give to our own people. When people hold the land as a whole you have a great difference in social understanding. We want to avoid all unnecessary taxation of trade. With wider scope for production and exchange, wages will rise. Suppose that, in the words of Scripture, "no man has hired us," what shall we do? We must hire ourselves, and see what we ourselves can win from Nature. This fixes Nature's minimum wage, because people do not need to work for an employer except for more than they can win by working for themselves. The first way to raise the minimum rate of wages, and wages as a whole, is to open up the land for the people.

EXTEND ECONOMIC FREEDOM

We must make the bounds of economic freedom wider yet. Economics are the key not only to the history of the past, but also to the politics of the present and to progress in the future. We desire to build up a true internationalism, each nation recognising that its difficulties do not come from other nations, but from its own conditions. If the difficulties of this country come from landlordism, and if the difficulties in Germany come from Junkerism, it is practically the same thing. In Germany it was the policy of Prince Bismarck (and it was quoted in the House of Commons as a plea for the Corn Production Bill) to show the need of keeping up food prices—or there would be a revolt. He was afraid of a revolt of the Junkers, and we have been telling them in the House of Commons that if they do not bring prices down there will be a revolt not of the landlords but of the people, which would be much more serious. (Applause.) We seek internationalism in a larger liberty. We distrust too much government. I would say, as Lord Bramwell once said, "Please govern me as little as possible." We want the different nations to develop, each along its own lines, and all bound together by trade, until wars between the nations become as obsolete as wars between Scotland and England, and until the development that we are attempting to find at home extends to other parts of the world, no one country trying to coerce another, but each developing in its own way, and all co-operating for their common good. (Applause.)

A question was asked with regard to the Paris Resolutions and their effect on the Central Powers.

Mr. White: The Paris proposals appear to be based on the idea that the door should be open to friends, ajar to neutrals, and closed against those who are now our enemies. I would have the door open to everyone. (Applause.)

After many other questions and a general discussion, a vote of thanks was accorded to Mr. White, on the motion of Mr. Skirrow.

THE OPEN-AIR DEMONSTRATION

"THE NEW CORN LAW"

There were nearly two thousand people at the Darlington market place for the open-air demonstration on Sunday evening. Mr. Smithson presided, and in a bright address gave several illustrations of the great need of taxing land values. He was supported by Mr. White, Mr. Frank Smith, Mr. Peter Burt, and other speakers.

Mr. White made an effective reference to the Corn Production Bill, a vital stage of which was to be reached the following day. "We have to show what is true and condemn what is false," he said. I am speaking to you to-day on what is true, and I hope to-morrow to be in the House of Commons to deal with what is false. On one thing we all agree. We want to make our country produce more, and to do this we must maintain the rights of the people. But a false system is being foisted upon you. The Corn Production Bill ought to be called the Rent Production Bill, for it will produce more extra rent than extra corn. We have had to pay high prices for food lately; we have been exploited by profiteers. Now the farmers are promised that prices shall keep up, and if the scarcity does not keep up the taxpayer must make up the difference. It means pouring money down the throats of farmers, and ultimately of the landlords. Let there be no mistake about it, prices determine rents, and if you guarantee prices you guarantee rents. In the next six years, if Nature is bountiful, and the United States, Argentina, Russia and Australia send abundance of wheat, you may have corn cheap, but you are still to be taxed to keep up the farmer's price. It is not a policy for the people, it is the policy for the landlords. It is a New Corn Law. One reason for bringing it in, they say, is to better the position of the agricultural labourer. He is to have a minimum wage of 25s. per week, but if he has a cottage and various extras they are to be taken off. The Duke of Marlborough has said an able-bodied labourer produces about £250 worth per annum, something like £5 a week. Then why give him only 25s.? A member of the Labour Party proposes to raise the statutory minimum wage to 30s., and I am with him; and am prepared for a good deal more. The agricultural labourers in many places are worse housed than the horses, and the mortality amongst their children is greater than that among calves and lambs. Ought not these things to be dealt with? Talk of 25s.! Open up the land, and give them fair opportunities to make use of their mother earth. (Applause.)

The large crowd remained just over two hours listening to the various speakers with evident interest.

Some curious things are being reported with regard to land values as a result of the war, the change in the position of farmers due to the special position which they have been given under the Corn Production Bill and other measures. There has appeared, it seems, a race of middlemen, speculators or profiteers—whatever we may call them—in connection with land transference, with the result that prices have appreciated, and that land is being treated by financiers very much as meat is treated by the Smithfield speculators. There have been cases reported of estates changing hands more than once in a few weeks, each time at a profit, and buying estates has become an amusement of a certain type of financier.—*Liverpool Daily Post*, July 26th.

LORD SELBORNE ON AGRICULTURAL POLICY

The Earl of Selborne spoke at a Conference of Scottish Agriculturists at Edinburgh on 9th August, with regard to a national policy in agriculture. He had been told, he said, that after the war was over their industrial population and those holding very strong Liberal opinions would insist on reverting to the old policy; that the policy of guarantee would be abandoned; that that policy had been accepted as a war measure to be abandoned with the advent of peace; and that the great majority of landowners and farmers, so far as they themselves were concerned, would much prefer to be left alone. But the subject was beyond the free will of the Liberals, of the industrialists, landowners or farmers; it had become a question not of this or that conflicting policy but of national security and existence—(cheers)—and the reason was—and he wanted the fact to sink into the minds of his fellow countrymen—that they were no longer in the military sense an island. (Hear, hear.) If any such cataclysm as that of 1914 befel us again, and we were in the same position as we were in 1914, in an agricultural sense we should be a beaten people before the war began. (Hear, hear.) He stood by Mr. Prothero in saying that nobody dared put a limit on the increased production the future might necessitate. He (Lord Selborne) therefore took as the basis of his remarks that they really had no choice in this matter. (Hear, hear.)

In regard to the report of the Agricultural Policy Subcommittee, Lord Selborne said that, as between tariff and guarantee, the policy of guarantee was preferred because it fell on the whole body of taxpayers. A tariff on food was really felt most by those who were poorest, and it would be a very difficult thing to convince the urban population of the justice of imposing on them a tariff for this purpose. Judicial rents and fixity of tenure were not in the interests of food production. For that conception should be substituted a scheme of land purchase on the Irish model to enable the tenant to buy his farm outright when the opportunity offered, and there should be an amendment of the Agricultural Holdings Act to give the tenant complete security for capital invested in the cultivation of his farm. (Hear, hear.)—(*Morning Post Report*.)

The Bill ostensibly offers protection to the farmer against the raising of his rent in consequence of the price guarantees contained in the Bill; and the Board of Agriculture is saddled in doubtful cases with the duty of deciding whether a higher rent "could reasonably have been obtained" apart from those guarantees. But this provision—which may or may not prove workable—does not come into operation unless the tenant farmer objects to the raising of the rent so strongly as to make him risk a quarrel with his landlord. The farmer may be quite willing that his landlord should share the plunder, if only there is enough for both. Farms have lately been sold at thirty years' purchase of the present rent. The purchaser could not have paid such a price except in the confident belief that he would be able to raise the rent. Farms have recently changed hands at four or five times the price for which they were sold a few years ago. Such leaps in value—or rather in market price—could not occur simply on the basis of the high profits realised by farmers at present. The guarantees given in the Bill obviously enter into the calculations of purchasers.—*Yorkshire Observer*, July 20th.

It is the taxpayer and not the agricultural interest which is to provide the minimum wage for the labourer. In making that wage a living wage the agricultural interest would have to contribute its share; but that share the Government have refused to impose.—*Daily News (London)*, July 24th.