

languid and slothful existence upon the fostering hand of monopoly or privilege." They even objected to having to tell lies to Customs officers; there was a distinct recession in the contact-man trade; and it was even supposed there was an advantage in low taxation and government economy. They selfishly ignored all consideration for "the interests concerned."

Things might have gone further if the Reverend Mr. Malthus had not been at hand to show how war, poverty, disease and crime were the means by which a beneficent Creator limited surplus population. This brought rash thoughts under control. Some unruly elements emigrated to America where poverty was not prevalent and, by pure coincidence, land was partially free. It suited the upholders of the Malthusian doctrine that this coincidence passed unnoticed; just as it was fortunate for the defenders of the existing order that the theories of such philosophers of the time as Patrick Edward Dove failed to gain general circulation.

Patrick Edward Dove, author of *The Theory of Human Progression*, expressed the truth in these words: "When the world discovers that God has constituted nature aright, men will have arrived at the first and greatest principle of social science." From the recognition of this premise he deduced that wealth could be produced only by labour and thus became the natural property of the producer. He contended, moreover, that labour could never be

applied to anything but land or its products, and thus access to land was the first necessity for the production of wealth. He even dared to say labour produced rent, which was the natural property of the producer in the same way. He supposed the value of each plot of land depended upon the advantages it afforded, such being the natural division of the collective product of labour and the natural fund to supply society's collective desires as expressed in the necessary services rendered by governments executing their true functions. From this argument and the evidence of his own eyes, clearly the diversion of this fund to land monopolists had something to do with poverty and toil on one side and wealth and idleness on the other. He thought men would do better for themselves by enacting human laws in conformity with natural laws instead of assuming economic forces were blind and incalculable, and presuming to be able to control them.

Mr. Attlee is partisan of the latter view and he put it in these words when he addressed the joint session of the American Congress (November 15, 1945) at the beginning of his term of office: "We have not stood up to our enemies for six years to be beaten by economics." Four years now of the beating process which is called economic planning. Man, proud man, dressed in a little brief authority, in what has he succeeded except to make the angels weep?

F. D. P.

THE STATE'S BOTTOMLESS PURSE

ANOTHER stone was added to the building of the Pauper State when on, May 30, the Minister of Health's Housing Bill was read for the third time without a division. Briefly, the Bill is to "promote the improvement of existing houses and the conversion into houses or flats of existing houses and other buildings, by making available Exchequer assistance and local authority grants in respect of approved proposals, whether carried out by local authorities or other persons." The Bill includes certain amendments to the Housing Act of 1936, the one receiving the most publicity being the dropping of the words "working class" from the Act.

Under the 1936 Act, local authorities had the power to advance up to £1,500 for the purchase of houses. This is to be increased to £5,000.

Local authorities are to be given the power to provide laundry facilities and to sell furniture to their tenants.

Houses and buildings improved or converted so as to provide "satisfactory housing accommodation for thirty years," will, if approved by the Minister of Health, be subsidised annually for twenty years. "The amount of the Exchequer contribution will be three-quarters of the annual loss estimated to be incurred by the local authority in carrying out the proposals (to convert and improve)." The difference is to be made up out of the local rates. New towns development corporations are to receive like subsidies.

Private owners are to be subsidised to the limit of one-half the cost of the improvement or conversion—subject, of course, to the approval of the local authority. Improvement must come within the range of £100 to £600. Private persons taking advantage of this subsidy are to have their rents controlled for twenty years, and increase of rents over those existing will be limited to 6 per cent. of the owner's share in the cost of improving. The converted houses or flats must always be available for letting. On any breach of these conditions the owner

will be liable to repay with compound interest a proportionate amount of the subsidy received based on the proportion of the twenty years' term which remains unexpired.

The National Exchequer is to reimburse to local authorities the grants they may make to private owners. New Exchequer subsidies are to be specially provided for houses built on expensive sites; increased subsidies to be provided for houses designed to preserve the character of their surroundings, and new subsidies are to be made available for hostels and building experiments. Each bedroom in approved hostels is to be subsidised to the extent of two and sixpence a week for sixty years. Where a licence has been granted for an improvement or conversion under the Act, the building as a whole automatically becomes subject to control as though the whole building had been constructed under licence.

In the explanatory and financial Memorandum from which the foregoing is culled, it is stated: "It is not possible to estimate the financial effect . . . Until some experience is gained of the extent to which advantage is taken of the facilities for improving houses, precise estimates cannot be made."

This legislation follows the usual pattern. It is another example of the battle against what Mr. Attlee calls "blind economic forces." It seems that the poor will always be with us—or for sixty years, at least! The phrases with which we are now only too familiar occur in the Bill with monotonous regularity. "Exchequer assistance," "local authority grants," "new Exchequer subsidies," "proposals approved by the Minister," "any breach of the conditions," "increased subsidies," "special experimental measures," "controls to be extended," and so on. At any rate, no one can complain of lack of generosity on the part of the Treasury in distributing public funds; and as for the controls, are they not inevitable string to the purse in such circumstances?

The most legitimate and damning criticism that can be aimed at this Bill, as with others that have preceded it, is not that it is lavish with public funds, that it treats effects which make an attack on causes increasingly difficult, blinding people to the real remedy; it is not that these palliatives are paltry in their application, barely touching the fringe of the housing problem. It is that step by step, Act by Act, the rights of individuals to run their own lives is subtly being taken from them. Every palliative to redistribute wealth is inevitably accompanied by restrictions on liberty. The loss of freedom of action is not always felt by those who are presumed to benefit. The State says in effect: "You don't need the right to build your own house—we will build it for you. You don't need the right to choose your own laundry—we will do your washing." And so it is with glasses, teeth, wigs, education, insurance, transport and the rest. One by one our liberties are going, regulation by regulation and Act by Act we are approaching the all powerful State.

It may be argued that we may still choose our own laundries and pay for our own doctors and dentists, but

only the well-to-do will be able to afford to pay for other people's washing as well as their own. People living in hostels are to have part of their rent paid for them by those who live in flats or houses, and those who live in converted houses are to do so at the expense of those who do not. Threats and bribes go hand in hand—it is the old formula and the necessary accompaniment is the much-abused "black market," the law-made happy hunting ground of the "artful dodger," himself as "criminal" a creature of indefensible laws.

The real solution to the housing problem is as simple as it is fundamental. Houses are built by capital and labour applied to land. Set the building sites free by collecting the rent of land whether it be used or not. Set capital free by removing all restrictions and taxes and set labour free by giving it the only real incentive—the full reward of its effort. Open the ports and let other countries send us all they can in exchange for what we can sell them. Then, only then, will it be seen that the economic forces are not blind but conform to a natural pattern which works under conditions of freedom to the good of all.

V. H. B.

SCOTTISH LIBERALS FACE BOTH WAYS

AT the annual conference of the Scottish Liberal Party on May 14, Mr. J. C. Stewart, on behalf of the Inverness Liberal Association, moved a comprehensive resolution under the title "Remove the Barriers," confirming the manifesto on individual freedom and equal economic rights which was proclaimed by the party on March 16, 1946. The resolution declared, "That there should exist in society no privileged classes or individuals," and "That all values in land created by the community should be taken in taxation for the benefit of the community." It accordingly called for national taxation and local rating on the value of all land, the exemption of all buildings and improvements from rates, and the institution of the fullest measure of freedom of trade, irrespective of what may be the fiscal policies of other countries.

The above provisions of the resolution were carried after considerable discussion to which, in addition to Mr. Stewart, Mr. C. M. Kennedy, Captain A. R. McDougal and others made able contributions in support. By the terms of the resolution the Scottish Liberal Party agrees to place land value taxation and Free Trade at the forefront of its programme.

The report in *The Scotsman*, May 16, on the discussions concerning amendment to one part of the resolution, and a 14-point programme for Scottish Agriculture reveals the confusion which prevailed in the minds of some delegates, and possible explanations why more is not being done by the Party's officers to clear up the confusion.

Part of the resolution, as introduced, called for the immediate repeal of the Town and Country Planning Act, which Mr. Stewart characterised as "the most reactionary and wicked Act of Parliament ever put on the Statute Book." The call for its repeal, however, was rejected by a majority, in favour of an amendment "approving of the principle of the Act," but urging amendment to correct "its present disastrous effects." In the course of the discussion Captain McDougal described the Act as nationalisation in its worst form, its object being to prevent anyone except a public authority from developing land, and, to judge by the *Scotsman's* report, this was not refuted.

Another inconsistency at the conference was the introduction of a 14-point Agricultural Programme designed

to give privileges to farmers in the form of guaranteed prices and markets, subsidising agricultural electricity and transport, loans of public money at artificially low rates of interest, and special exemption from taxation; and also providing for marketing schemes which must inevitably entail compulsion. How any person outside a mental home could sincerely reconcile these proposals with the abolition of "privileged classes or individuals" it is difficult to understand. We are glad to note that an amendment to delete the section proposing "guaranteed prices and assured markets" was moved by the Aberdeen Liberal Association, and after much discussion was eventually carried by a majority of three. A telling contribution to the discussion was made by Mr. Stewart, who suggested that if it was a good scheme to give preferential loans to farmers this could as justifiably be extended to lawyers, but if this was considered too expensive he would be ready to compromise for a special loan to himself at 1 per cent., the difference to be made up by farmers!

After the amendment had been carried, however, the hierarchy of the Party raised an obstruction; and it is only too clear why they did so. Sir Archibald Sinclair, President of the Party, protested that he could not go back to his agricultural constituency and say that the Party had changed its mind since he had told the farmers it would give them guaranteed prices; and Major Adam, prospective Candidate for North Angus, had already raised a similar objection. Sir Archibald proposed to shelve the question of price guarantee by referring it to a special committee and awaiting a definite lead from the English Liberals. His proposal was accepted.

It would be difficult to point to a clearer example of sacrificing principle to vote catching and it is significant that the rank and file show more consideration for principle than the leaders. Those who cherished hopes that the Liberal Party was "different" will be disappointed.

It is encouraging to record that thanks to the gallant efforts of a consistent few the resolution on economic freedom was carried. But it is evident the Scottish Liberal Party has a long way to go before it can claim to be any more enlightened and true to the principles of liberty than its opponents.