

conscience, no trifling with reason, no cringing to power. To this end were you born, and for this purpose have you come to the high ground of a high school graduation—that you might bear witness to the truth. Wherever you may live and whatever you may do, to each of you I say:

To thine own self be true,  
And it must follow as the night the day,  
Thou canst not then be false to any man.

You who can, tarry in the halls of learning with still greater zeal and fidelity; you who must, at once take up the burden with joy and faith and patience; you who will, contend for the laurels. But know this, that “if a man also strive for the masteries, yet is he not crowned except he strive lawfully.”

\* \* \*

### CHURCHILL'S LAND-FOR-THE-PEOPLE SPEECH.

Excerpts from the Speech of Winston Churchill, a Member of the British Cabinet, in Defense of Land Value Taxation, Delivered at Edinburgh, July 17, 1909. From the Manchester (Eng.) Guardian.

We are often assured by sagacious persons that the civilization of modern states is largely based upon respect for the rights of private property. If that be true, it is also true to say that respect cannot be secured and ought not indeed to be expected unless property is associated in the minds of the great mass of the people with ideas of justice and of reason. (Cheers.) It is therefore of first importance to the country, to any country, that there should be vigilant and persistent efforts to prevent abuses, to distribute the public burdens fairly among all classes, and to establish good laws governing the methods by which wealth may be acquired. The best way to make private property secure and respected is to bring the process by which it is gained into harmony with the general interest of the public. When and where property is associated with the idea of reward for services rendered, with the idea of reward for high gifts and special aptitudes displayed or for faithful labor done, then property will be honored. When it is associated with processes which are beneficial or which at the worst are not actually injurious to the commonwealth, then property will be unmolested. But when it is associated with ideas of wrong and of unfairness, with the processes of restriction and monopoly, and other forms of injury to the community, then I think that you will find that property will be assailed and will be endangered.

A year ago I was fighting an election in Dundee—(cheers);—just the same sort of election as we have fought and won in Mid-Derbyshire—(cheers),—and just the kind of election that my

friend Mr. Gulland—(cheers)—is fighting in Dumfries,—and in the course of that election I attempted to draw a fundamental distinction between the principles of Liberalism and of socialism, and I said socialism attacks capital, Liberalism attacks monopoly. (Cheers.) It is from that fundamental distinction that I come directly to the land proposals of the present budget. (Cheers.) It is quite true that the land monopoly is not the only monopoly which exists, but it is by far the greatest of monopolies. It is a perpetual monopoly, and it is the mother of all other forms of monopoly. (Cheers.) It is quite true that unearned increment in land is not the only form of unearned or undeserved profit which individuals are able to secure; but it is the principal form, and it is in an enormous proportion, to an enormous extent, the principal form of unearned increment which is derived from processes which are not merely not beneficial but which are positively detrimental to the general public. (Cheers.) Land, which is a necessity for human existence, which is the original source of all wealth, which is strictly limited in extent, which is fixed in geographical position—land, I say, differs from all other forms of property in these primary and fundamental conditions.

Nothing is more amusing than to watch the efforts of our monopolist opponents to prove that other forms of property and increment are exactly the same and are similar in all respects to the unearned increment in land. They talk to us of the increased profits of a doctor or a lawyer from the growth of population in the towns in which they live. (Laughter.) They tell us of the profits which are derived from the rising stocks and shares, and which are sometimes derived from the sale of pictures and works of art—(laughter), and this is always the burden of their plaint, “Ought not all those other forms to be taxed too?” But see how misleading and false all those analogies are. The windfalls which people with artistic gifts are able from time to time to derive from the sale of a picture, from a Van Dyck or a Holbein, may here and there be very considerable; but pictures do not get in anybody's way. (Laughter and cheers.) They do not lay a toll on anybody's labor, they do not touch enterprise and production at any point, they do not affect any of those creative processes upon which the material well-being of millions depends. (Cheers.) If a rise in stocks and shares confers profits on the fortunate holders far beyond what they expected or indeed deserved—(laughter),—nevertheless that profit has not been reaped by withholding from the community the land which it needs; but on the other hand, apart from mere gambling, it has been reaped by supplying industry with the capital without which it could not be carried on. If the railway makes greater profits, it is usually because it carries more goods and

more passengers as well. If a doctor or a lawyer enjoys a better practice it is because the doctor attends more patients, and more exacting patients, and because the lawyer pleads more suits in the courts, and more important suits. At every stage the doctor or the lawyer is giving service in return for his fees, and if the service is too poor or the fees are too high other doctors and other lawyers can come freely into competition. (Cheers.) There is constant service. There is constant competition. There is no monopoly. There is no injury to the public interest. There is no impediment to the general progress in these.

Fancy comparing these healthy processes with the enrichment which comes to the landlord who happens to own a plot on the outskirts of, or at the center of one of our great cities, who watches the busy population around him making the city larger, richer, more convenient, more famous every day,—and all the while the landlord sits still and does nothing. Roads are made, streets are made, railway services are improved, electric light turns night into day, electric trams fly swiftly to and fro, water is brought from reservoirs a hundred miles off in the mountains—and all the while the landlord sits still. (A laugh.) Everyone of these improvements is effected by labor and at the cost of other people, many of the most important are effected at the cost of the municipality and of the ratepayers. To not one of those improvements does the land monopolist as land monopolist contribute. (Hear, hear.) And yet by every one of them the value of his land is sensibly enhanced. . . . Some years ago in London there was a toll-bar on a bridge across the Thames, and all the working people who lived on the south side of the river had to pay a daily toll of one penny for going and returning from their work. The spectacle of these poor people thus mulcted on so large a proportion of their earnings appealed to the public conscience. An agitation was set on foot, municipal authorities were roused, at the cost of the ratepayers the bridge was freed and the toll removed. All those people who used the bridge were saved sixpence a week. Within a very short period from that time the rents on the south side of the river were found to have advanced by about sixpence a week—(laughter and cheers),—or the amount of the toll which had been remitted. A friend of mine was telling me the other day that in the parish of Southwark about £350 a year, roughly speaking, was given away in doles of bread by charitable people in connection with one of the churches, and as a consequence of this the competition for small houses, but more particularly for single-roomed tenements, is so great that rents are considerably higher than in the neighboring district. All goes back to the land, and the landowner, who in many cases, in most cases, is a worthy person, utterly unconscious of the character of the methods by which he is enriched,

is enabled with resistless strength to absorb to himself a share of almost every public and every private benefit, however important or however pitiful those benefits may be.

I hope you will understand that when I speak of the land monopolist I am dealing more with the process than with the individual landowner. I have no wish to hold any class up to public disapprobation. I do not think that the man who makes money by unearned increment of the land is morally a worse man than anyone else who gathers his profit in this hard age under the law and according to common usage. It is not the individual I attack; it is the system. (Cheers.) It is not the man who is bad, it is the law which is bad. It is not the man who is blameworthy for doing what the law allows and what other men may do; it is the state which would be blameworthy were it not to endeavor to reform the law and correct the practice.

We do not want to punish the landlord; we want to alter the law. . . . Look at our actual proposal. We do not go back on the past. We accept as our basis the value of the land as it stands today. The tax on the increment of land begins by recognizing and franking the past increment. We look only to the future, and for the future we say only this—that the community shall be the partner in any further increment above the present value after all the owner's improvements have been deducted. We say that the state and the municipality should jointly levy a toll upon the future unearned increment of the land. The toll of what? Of the whole? No. Of a half? No. Of a quarter? No. Of a fifth; that is the proposal of the budget—(cheers),—and that is robbery—(laughter),—that is plunder, that is communism and spoliation, that is the social revolution at last—(laughter),—that is the overturn of civilized society, that is the end of the world foretold in the Apocalypse. (Loud laughter.)

But there is another proposal concerning land values which is not less important. I mean the tax on the capital value of undeveloped urban or suburban land. Take the case of the man who keeps a large plot in or near a growing town idle for years while it is ripening—that is to say, while it is rising in price through the exertions of the surrounding community and the need of that community for more room to live. Take that case. I dare say you have formed your own opinion upon it. Mr. Balfour, Lord Lansdowne, and the Conservative party generally think that that is an admirable arrangement. They speak of the profits of the land monopolist as if they were the fruits of thrift and industry and a pleasing example for the poorer classes to imitate. (Laughter.) We don't take that view of the process. (Hear, hear.) We think it is a dog-in-the-manger game. (Hear, hear.) We see the evil, we see the imposture upon the public, and we see the

consequences in crowded slums, in hampered commerce, in distorted or restricted development, and in congested centers of population; and we say here and now to the land monopolist who is holding up his land—and the pity is it was not said before—(hear, hear)—you shall judge for yourselves whether it is a fair offer or not,—we say to the land monopolist by our tax on undeveloped land: “This property of yours might be put to immediate use with general advantage. It is at this minute saleable in the market at ten times the value at which it is rated. If you choose to keep it idle in the expectation of still further unearned increment, then at least you shall be taxed at the true selling value in the meanwhile.” (Cheers.) And the budget proposes a tax of a halfpenny in the pound on the capital value of all such land. That is to say, a tax which is a little less in equivalent than the income tax would be upon the property if the property were fully developed. That is the second main proposal of the budget with regard to the land, and its effects will be first to raise an expanding revenue for the needs of the state; secondly, half the proceeds of this tax, as well as of the other land taxes, will go to the municipalities and local authorities generally to relieve rates—(cheers);—thirdly, the effect will be, as we believe, to bring land into the market and thus somewhat cheapen the price at which land is obtainable for every object, public and private, and by so doing we shall liberate new springs of enterprise and industry, we shall stimulate building, relieve overcrowding, and promote employment. (Cheers.)

These two taxes, both in themselves financially, economically, and socially sound, carry with them a further notable advantage. We shall obtain a complete valuation of the whole land in the United Kingdom. (Cheers.) We shall procure an up-to-date Doomsday book showing the capital value, apart from buildings and improvements, of every piece of land.

After at least a generation of study, examination and debate the time has come when we should take the first step to put these principles into practical effect. (Cheers.) You have heard the saying “the hour and the man.” The hour has come, and with it the Chancellor of the Exchequer. (Loud cheers.) I have come to Scotland to exhort you to engage in this battle and devote your whole energy and influence to securing a memorable victory. (Cheers.) Every nation in the world has its own way of doing things, its own successes and its own failures. All over Europe we see systems of land tenure which economically, socially and politically are far superior to ours; but the benefits that those countries derive from their improved land systems are largely swept away or, at any rate, neutralized by grinding tariffs on the necessaries of life and the materials of

manufacture. (Cheers.) In this country we have long enjoyed the blessings of free trade—(cheers)—and of untaxed bread and meat; but against these inestimable benefits we have the evils of an unreformed and vicious land system. In no great country in the New World or the Old have the working people yet secured the double advantage of free trade and free land together—(cheers),—by which I mean a commercial system and a land system from which so far as possible all forms of monopoly have been rigorously excluded.

I have only one word more to say, and it is rendered necessary by the observations which fell from Lord Lansdowne last night when he informed a banquet at which he was the principal speaker that the House of Lords was not obliged to swallow the budget whole or without mincing. (Laughter.) I ask you to mark that word. It is a characteristic expression. The House of Lords means to assert its right to mince. (Laughter.) Now let us for our part be quite frank and plain. We want the budget bill to be fairly and fully discussed. We do not grudge the weeks that have been spent already. We are prepared to make every sacrifice—I speak for my honorable friends who are sitting on this platform—of personal convenience in order to secure a thorough, patient, searching examination of proposals the importance of which we do not seek to conceal. The Government has shown itself ready and willing to meet reasonable argument not merely by reasonable answer but, when a case is shown, by concessions and, generally, in a spirit of good-will. We have dealt with this subject throughout with a desire to mitigate hardships in special cases and to gain as large a measure of agreement as possible for the proposals we are placing before the country. We want the budget not merely to be the work of the Cabinet and of the Chancellor of the Exchequer—we want it to be the shaped and moulded plan deliberately considered by the House of Commons. That will be a long and painful process to those who are bound from day to day to take part in it, but we shall not shrink from it. (Cheers.) But, gentlemen, when that process is over, when the finance bill leaves the House of Commons, I think you will agree with me that it ought to leave the House of Commons in its final form. (Loud and prolonged cheers.) No amendments, excision, modifying, or mutilating will be agreed to by us. (Cheers.) We will stand no mincing—(renewed cheers),—and unless Lord Lansdowne and his landlordly friends choose to eat their own mince up again—(laughter),—Parliament will be dissolved—(great cheering),—and we shall come to you in a moment of high consequence for every cause for which Liberalism has ever fought. See that you do not fail us at that hour. (Loud cheering, amid which the right honorable gentleman resumed his seat, after speaking for an hour.)