

That the taxation of land values should have the *incidental* effect of halting inflation is indisputable. To the extent that the rent of land comes into the national exchequer instead of into private bank accounts and at the same time provides incentive for land holders to use land for productive purposes instead of holding it idle, so the pressure on Governments to inflate (or, to use the current euphemism, to "reflate") is reduced. But the rising value of land cannot, in itself, affect the value of the monetary unit any more than the rising value of works of art, old furniture or new gold coins can do likewise. A rise in the market value of any of these things clearly enables their owners to command increased amounts of money in exchange for them. But no additional money is created. No additional purchasing power is formed. Central Banks do not rush supplies of newly-minted money to land-owners to recognise the increased value of their holdings. The extra purchasing power of the landowner is *transferred* to him by those who buy or rent his land. His gain is their loss; and the pressure on prices which his additional purchasing power generates is precisely balanced by the reduction in that of others.

It is true that the owner of land that increases in value is in a position to obtain credit — or further credit — from his bank. But the sum total of purchasing power is not thereby increased. The total volume of credit available to the bank's customers is firmly geared to the amount of currency and coin they hold in their vaults and only an increase in the currency and coin in circulation (made by the Central Banks) of which a proportion will find its way to the commercial banks can trigger an increase in the total of bank credit. So once again, if our newly-affluent landowner is able to increase his credit from his bank it is only because the allotment of such credit to other customers is correspondingly reduced.

The case for taxing land values — for taking the value of land into the public purse — is both irresistible and unanswerable. Knud Tholstrup performs a valuable service in recounting some of the practical experience of Denmark in the brief period when that small country made such big progress in the right direction. But the case for taxing land values does not need to be bolstered by ascribing to land ownership the responsibility for inflating the currency. Land values are one thing; inflation is something else. But Chancellors of the Exchequer would do well to remember that by commencing the beneficial process of taxing the one they could set aside for ever the bitter temptation to resort to the other.

A DEDICATED LIFE

Robert Clancy

WE MAY BE grateful that Ashley Mitchell has set down an account of his life and deeds.* Spanning a long and important slice of history — he is now eighty-eight — Mr. Mitchell's career covers the apogee of Britain's Liberal Party in the early 1900's, through two world wars and into the uncertain times of today. Written in an informal and engaging style, these memoirs move easily from the doings of high politics to personal narrative and they are full of striking and amusing anecdotes.

Mr. Mitchell's first significant encounter with politics was the election of 1906 which swept the Liberals into power. He recounts in some detail the important events of the next few years which saw the rise of the land-values movement to near victory and its fall with the outbreak of World War I. Echoes of this epic adventure have come down to us and it is edifying to see events set down in some detail. That campaign deserves a whole book to itself — what happened, why it happened, what lessons may be learned from it — and if such a book is written, Mr. Mitchell's book will provide important source material.

Mr. Mitchell sees the land-values episode in the perspective of the growth of the Liberal movement from the Reform Act of 1832, to the abolition of the Corn Laws, the success of (relative) free trade and the Budget of 1909-10 which called for a national land valuation. All this was tragically cast aside in the holocaust of 1914-18 and the shifting sands of politics which followed.

Nevertheless Ashley Mitchell remained a staunch Liberal and stood for Parliament periodically from 1920 on. Though he never made it, he came close and won respect. What stands out is that with all the sorry deals and shifty expediency going on, Mr. Mitchell remained a man of principle. He was a true Liberal in the old sense and never gave up his adherence of those good precepts. He once said of Senator Arthur Roebuck of Canada that if he had been willing to compromise he could easily have become Prime Minister of his country. Might not the same also be said of Ashley Mitchell?

"A fallen political warrior" Mr. Mitchell calls himself. But it is not so much he that fell as the party to which he gave his allegiance. Like Hector of ancient Troy, we still find him of sterling worth though what

* *Memoirs of a Fallen Political Warrior* Land & Liberty Press Ltd., 88pp. A4, Limp cover, £1.50.

he was defending was to be lost. (The analogy is apt — was not it a "Trojan horse" that undermined the Liberal Party?)

Among the things related by Mr. Mitchell are his extensive travels mostly in connection with his business of selling wool. The Yorkshireman from Huddersfield was a recurring and welcome visitor in North America, Europe and elsewhere.

What I missed in his narrative was more reference to the International Union for Land Value Taxation and Free Trade of which Mr. Mitchell was long Treasurer and is now President; and mention of his long-time colleagues, especially Arthur W. Masden. I would like to have seen some mention of Joseph Fels' visit to London and the arrangement of the first International Georgist conference in Ronda, Spain in 1913; and the for-

mation of the International Union ten years later. I believe Ashley Mitchell is the only one who has attended every one of the international conferences. But perhaps that would require him to write another book — well, why not?

Ashley Mitchell's "Memoirs" fill an important place in the history of the land-values movement and should be on every shelf that has a collection of such literature.

Freeholders- Hand-in-Glove ?

WHATEVER else I may think of Mr. Harold Wilson, I have to admire his taste for beauty and tranquillity. This is abundantly evident in his frequent escapes from affairs of state to his cottage in St. Mary's, Isles of Scilly.

Knowing the islands so well and for so long — I actually went to school in St. Mary's in the summer of 1922 — and making several visits since, I have naturally acquired a sort of paternal, or perhaps rather fraternal, interest in the place, and when I first heard that Mr. Wilson had purchased a cottage there, two things occurred to me: he must after all be quite a human sort of chap, and what may I ask is wrong with Huyton? Well I am sure I do not know the answer to that one, but I do know that there is a lot right with the place its member has chosen as his permanent holiday home, and if it had been at all possible, I would have done precisely the same thing long before him.

For anyone who may be further interested in the Scillies — which, incidentally you may call them if you wish, or the Isles of Scilly, or even on occasion, Scilly, but never, repeat never, the Scilly Isles if you wish to remain on good terms with the Scillonians — I recommend *The Fortunate Islands*, a most instructive little book by E. L. Bowley. My copy was published by W. P. Kennedy in St. Mary's in 1945, so it may be out of print, or

there may be more up to date editions.

In his book Mr. Bowley quotes some curious things about rents.

"At Lanstave-ton (Launceston) 17th April 1244, before justices itinerant and other liegemen of our lord the King then there present. Between Lawrence S. (son?) of Richard, claimant, and John de Lideford, opponent; as to 1 ploughland in Agnas (St. Agnes, Scilly). Plea of warranty of charter as called on. John acknowledged the 1 ploughland to be the right of Lawrence, as that which Lawrence had by John's gift. To have and to hold etc. etc. for ever. Rendering therefore yearly 1 pair of white gloves or 1d at Easter, and finding 2 servants with arms for ward of Ynnor (St. Mary's) Castle etc. etc. for all service, custom, suit of court and exaction. For this Lawrence gave to John 100 marks of silver."

Regarding the settlement of another ploughland on St. Mary's, this seems to have been amicably disposed of with the exchange of 1 sore sparrow hawk! No explanation is given as to why the poor

Blankminster . . . in return for finding twelve armed men, at all times to keep the peace, and paying yearly at Michaelmas three hundred puffins, or six and eightpence." Perhaps the above sparrow hawk would have felt a little less sore if he knew that puffins were worth only about four a penny. However, says Mr. Bowley, puffins would appear to have been valued for their feathers as much as their doubtful edible qualities; the normal value of puffins seemed to have increased, for instead of 6s 8d (or 300 puffins), in the year 1440 it was 6s 8d (or 50 puffins). This was caused, I should think, either by some form of currency debasement (I am beginning to think inflation must be the second oldest sin) or the increasing use of puffins as a form of currency resulting in a shortage of them. Anyway, I saw plenty of them when I was there, together with guillemots and other uncommon birds, and I trust they continue to flourish with all the other interesting wild life in these truly fortunate islands.

The trifling or "pepper corn" rent is used even today as a means of establishing and maintaining a piece of real estate in the absolute title of the lessor.

I have just heard that Bolton Council pays the freeholder of a piece of land adjoining his house an annual rent of one red rose in consideration of keeping a public seat upon it. The tenancy, I fancy is not perpetual, and even this bit of olde worlde charm may conceal a thorn; you know what local authorities are.

Robert Miller's Occasional Column

thing was sore. I can only conclude it must have been a little annoyed at being featured in such a mundane affair as a land deal.

"Edward I granted the Castle of Ennor in Scilly to Ranulph de