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AUSTRIA AS A WARNING

THE ULTIMATE consequences of the forcible annexation of Austria to the German Reich are yet to be seen, but the immediate results are clear. The tension in international relations is enormously increased. The fear of war occupies every mind. Preparation for war becomes the main business of every nation. More and more of the resources of every country will be devoted to the production of armaments, and less and less to the provision of the ordinary necessities of life, let alone the requisites of civilization and culture.

It is a terrifying prospect, which calls for anxious thought of the causes of this declension to barbarism, and of the remedies. Let us not forget the facile enthusiasm with which men believed that the last great war would be the *last*. The peace treaties instead of laying the foundations of permanent appeasement, sowed the seeds of future wars. The principle of self-determination led to the carving up of Europe into numerous small States in which the narrowest ideas of nationalism flourished. Moreover, this principle was in many cases a cloak for bringing about a readjustment of frontiers which the victorious Powers thought would cripple their enemies, and the economic needs of the peoples concerned were disregarded. The settlement, so created, was buttressed by the League of Nations, which was largely diverted from the real functions of such a body and became a means of maintaining the *status quo* as established by the treaties.

If the nations had been prepared and willing to follow an enlightened economic policy the results would not have been so disastrous. The need of revenues to pay war debts or reparations, to rebuild the institutions destroyed by the war, or to provide new armaments in addition to the normal needs of government, led to the growth of tariff barriers between nations, and, especially after the economic crisis of 1929 and subsequent years, to the creation of a new and worse technique of trade restriction through quotas, exchange regulation and other devices.

The case of Austria is much in point here. Whatever may have been the other arguments for dismembering the former Austro-Hungarian empire, they entirely disregarded the economic necessities of the case. The League of Nations was itself driven to endeavour to rescue Austria by means of loans guaranteed by its members and secured upon the Customs revenues of that country. Thus the League while doing out assistance with one hand, riveted the bonds more firmly with the other. It cannot be doubted that at least

up till the time when the present regime obtained power in Germany the Austrians would have welcomed closer union with Germany and a reduction or abolition of the Customs barriers between the two countries, but this modicum of relief was denied them.

The force of events has cut the Gordian knot of reparations and international war debts. The payments have simply ceased to be made. But the graver economic difficulties still remain, and are now being rapidly multiplied by the ever-increasing burden of preparation for war. Nor is there any indication that the governing classes of most countries have either the knowledge or the inclination to solve the economic problem, while the attention of the people is being concentrated on the symptoms to the disregard of causes.

No matter how tenaciously we may hold by the ideal of a League of Nations, we must recognize that it can be no better than the units that compose it. Nor can the League solve the economic problems of its members; they must solve these for themselves, for their solution needs internal legislation. League committees have frequently tendered good advice in favour of greater freedom of trade, but each nation has waited for its neighbour to take the beam out of its eye.

The reduction of tariff barriers leads straight to the problem of finding equitable sources of revenue in substitution, and how can that be solved so long as the nations are content to allow the ever-growing value of land to be the perquisite of a small fraction of their citizens. Nor can the poverty problem be solved until the land question is, for land is the source of all wealth. "The ownership of land is the great fundamental fact which ultimately determines the social, the political, and consequently the intellectual and moral condition of a people."

The excuse for Italian invasion of Abyssinia was that Italy could not support its population without colonies. The same excuse is given for Japanese encroachment upon China. Yet there need be no shortage of land in either of these countries, if it were distributed equitably. In Spain, too, the rebellion and the civil war is the attempt to maintain the unjust privileges which deprive 98 out of every 100 Spaniards of their equal share of the land.

Thus history as it is being made to-day bears out the lesson of all past ages. The great estates ruined Italy and the colonies as well, said Pliny. If they are allowed to continue the great estates will ruin this civilization like its predecessors.

F. C. R. D.

THE THEORY OF THE LAND QUESTION

By Prof. George Raymond Geiger.

This work, which is one of the most important and valuable contributions to the literature on the land question, recently reviewed in *Land & Liberty*, and from which extracts have been printed, was published by the Macmillan Co. for \$2. By arrangement with the publishers, the Robert Schalkenbach Foundation has bought a supply on very special terms. We are happy to recommend the more readily this outstanding work, placing it in the hands of students at the privileged price of

Four Shillings Post Paid.

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