

# Good Government

A JOURNAL OF POLITICAL, SOCIAL  
AND ECONOMIC  
COMMENT

Circulating in Australia, New Zealand and Overseas



AUGUST 1983 — No. 847

## **HENRY GEORGE IN AUSTRALIA**

The Visit

Mr. Henry George in Forbes

The Early Georgists

Landlocked!

1773

**NEXT ISSUE:  
Central America**

# PRINCIPLES OF GOOD GOVERNMENT

## GOOD GOVERNMENT RESTS ON THESE FOUNDATIONS

1. The true function of government is to maintain peace and justice. This does not include interfering in national or international trade or commerce, or in the private transactions of its electors save only as these threaten peace and justice.
2. A democratically controlled and just revenue is available to governments by the collection of all site rents as their sole and proper revenue, at the same time abolishing all taxes, tariffs and unjust privileges of every description.
3. A democratic system of representation by the adoption of proportional representation in multi-seat electorates and simplified provision for the referendum, initiative and recall.
4. A continuous programme of education in the economic facts of life to enlighten the electorate.

# GOOD GOVERNMENT

(Incorporating "The Standard",  
published since 1905)

THE PROPER REVENUE OF A NATION IS  
THE SITE RENT OF ITS LAND

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## Viewpoint

### TITHING FOR THE GOVERNMENT: SHORTCOMINGS OF PUBLIC ELECTORAL FUNDING

The taxpayer in NSW has recently had to pay in part for the funding of a major election (Sept. 1981) under the public funding scheme. He will soon be called on to also pay for a Federal election (S.M.H. 12 July). The argument advanced very often for this is that democracy is disappearing and must be rescued by public funding. Against this view it can be said, first, that this device could perpetuate party organisations and belief systems which are themselves unable to mobilise dedicated support. The result of that could well be to further erode popular support and thus necessitate more financial support. In effect, we have established our major political parties. Second, the scheme ignores the objection that many voters would have to use their incomes to support a party or parties for which they have no time. Third, the scheme presupposes that the major parties cannot support themselves from the grass-roots level. This presupposition is false and probably only means that the parties may not like to press their supporters for funds for fear of losing them, or may not wish to rely upon these supporters for finance. Fourth, such a scheme could lead to centralisation of power within the major parties: the

GOOD GOVERNMENT

executive does not have to rely upon funding from below and, therefore, it may obtain greater freedom from grass-roots control. This process of centralisation can only fill ordinary members with feelings of impotence and lead to a falling-off of genuine supporters. Fifth, and finally, smaller parties may be discouraged by such a scheme. Overall the measure could eventually kill that democracy which the public funding of elections is designed to encourage.

Alongside the provision for public funding of elections in N.S.W. is the provision for disclosure of substantial donations to parties or candidates. This is undertaken to prevent parties becoming dominated by its larger contributors and manipulated for their sectional interests. Besides contravening the right of privacy of the individual in matters of his political beliefs, this measure could be looked upon as a species of political blackmail. Supporters of a major political party might fear either the accusations and innuendos which their support could give rise to, or fear more substantive attacks on themselves should the other party gain power.

The Labor Party could answer these objections by saying that what does matter is to attack the power of vested interests. But of course public funding will not alter the relative power of the two parties to spend on elections; the next step must be to control election funding.

The real lesson in all this, especially for the Labor Party, is that any blow crudely aimed at vested interests merely takes away personal freedom.

### A CASE OF CONTINENTAL DRIFT

When the High Court of Australia recently made its decision stopping the building of the Gordon Below Franklin dam it showed that the Commonwealth's external affairs power gave it control over a matter (the building of a dam) which traditionally had been the prerogative of the state. Yet, early in May, 1982, the High Court had already anticipated this decision in its judgement on the Commonwealth's Racial Discrimination Act.

The Australian Government enacted the Racial Discrimination Act in 1975, after having signed an international treaty known as the International Convention on the Elimination of all forms of Racial Discrimination. But since 'discrimination' in Australia took the form of State laws the High Court had to decide whether a Commonwealth law in this area overrode one by a state. It decided, by a 4-3 majority, that it did.

The court acknowledged that racial discrimination was rightly a matter of international concern to the federal government. Mr Justice Mason, reportedly, declared that the Commonwealth government must be considered to have the legislative power to discharge its inter-

AUGUST, 1983

national duties. Mr Justice Murphy stated significantly, "In the practical realm of international politics, it would be futile for Australia to criticise racial discrimination or other human rights violations in other countries if it were to tolerate such discrimination in Australia." One is therefore left to conclude this: that the Commonwealth must be considered to have power over 'human rights' in Australia because it needed it to effectively carry out its policies upon 'human rights' overseas. In other words, the Act rightly strengthens the power of the Commonwealth to put pressure upon other nations to end racial discrimination by that fact that it has ended such discrimination in Australia.

The Franklin dam case hinged upon the Commonwealth's claim that a State did not have the right to act in a way contrary to the Commonwealth's external affairs' initiative on conservation.

These two judgements mean a tremendous accession of power to the federal government—a possibly limitless power to coerce the states. In effect, the external affairs' power can now be used by the federal government to run the internal affairs of the country. The High Court has apparently said that it will prevent the federal government from doing this; but how can it do this? It can be argued that the 'progressive' members of the High Court have already themselves manipulated the Constitution, not in order to give the Commonwealth credibility overseas, but to defeat the opposition of the Queensland Government to the aboriginal land rights' movement in that State.

Let us take the external affairs' power a step further. Let us take the case of Nazi Germany. When Hitler got to power his aim, as everyone knows, was to be dictator. Yet, as everyone also knows, he also aimed to upset the Treaty of Versailles. Could he, therefore, not have argued that placing everything under state control (and changing the constitution) was necessary if Germany were to successfully carry out its external affairs power and, in particular, to fulfill its obligations under the *Anti-Comintern Pact* and the *Pact of Steel* with Italy?

But it is presuming too much to say that the federal government will immediately and totally put into effect the very wide powers which it now has. Putting its power over the Franklin dam into effect has already cost it the vote of Tasmanians. and putting its power over Racial Discrimination into effect to coerce the Queensland government would definitely be the best news this year for Mr Bjelke Petersen.

The written Constitution (and the gymnastics which justices of the High Court can perform with it) is not the Constitution of Australia. The Constitutional

limits of federal government power are not what the High Court defines them to be, but how they are defined by the customs and traditions of Australians.

The real danger lies in the fact that, since the 'written' and 'unwritten' Constitutions have become unstuck, that there is now really no fundamental law in Australia regarding Federal-State relations. And this is a recipe for a drift into violence.

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## Association Activities

### FUND TO PROMOTE INTEREST IN GEORGIST PHILOSOPHY:

#### THE ESTATE OF THE LATE FRED. J. WALSH

*The Association wishes to thank Mr W.A. Dowe for this report, and for his persistent efforts to see that this bequest was used as far as possible for the purpose for which it was intended.*

On 12th November 1938 Frederick Joseph Walsh, a Patent Attorney of Sydney, died, leaving an estate then valued at 12244 pounds, and a Will (Probate No. 236379 dated 20th January 1939) which created much interest in Georgist circles and also much protracted litigation. The expressed intention of the Will was to found a College at Canberra to be called 'The Henry George College' for the purpose of promoting the philosophy and principles of Henry George as propounded in *Progress and Poverty*.

In 1939 the NSW Equity Court (No. 460 of 1939) held that the charitable provisions of the Will were legally valid and binding but awarded the income of the estate to the deceased's widow during her lifetime, as reported in 'The Standard' of July 1940.

The widow died in 1968, and the trustee of the estate (Perpetual Trustee Co. Ltd.), having discovered that it had become impracticable to carry out the expressed intention of the Will, applied again to the Equity Court to direct a method of giving effect to the testator's intentions. This type of application is called a 'cy-pres' application.

In 1982 the Equity Court directed the trustee to ascertain whether a Scheme could be devised which could be administered by a university which would give effect to Mr Walsh's wishes as far as possible. Enquiries by the trustee, and lengthy negotiations, eventually led to a Scheme being approved by the Macquarie University and The Australian School of Social Science. In 1983 the Court gave its final approval, and the

Scheme is now in force and will be administered by the Macquarie University through its School of Financial and Economic Studies. The abbreviated Order of the Court (omitting formal parts) appears below.

The late Mr A.G. Huie, and the present officers of Georgist organisations in Australia, expended much energy and time over the negotiations, which finally proved successful. We trust that many university students and the general public of Australia will be influenced and derive much benefit from the Scheme. As far as we know it is unique in the Georgist world. We will report the present amount of the capital sum as soon as possible.

#### GIFTS TO THE CAPITAL FUND

The scheme empowers the University to accept contributions to augment the capital sum, and it is hoped that our readers and others will respond with generous contributions. Those who wish to make GIFTS should communicate with The Australian School of Social Science, 143 Lawson Street, Redfern NSW 2016 (Telephone (02)419-3632 or (02)750-9110). Those who wish to make BEQUESTS should instruct their own solicitors. A suggested clause to be included in a Will is set out below.

#### THE SUBSTANTIVE PARTS OF THE COURT ORDER

*In the Supreme Court of New South Wales - In Equity. No.1670 Of 1979. 29th April 1983.*

It is now impracticable to perform the trust created under Clause 15 of the Will of Frederick Joseph Walsh deceased for the charitable purpose of the formation, promotion and endowment of a company to be called 'The Henry George College'. THE COURT ORDERS that a Scheme, being a schedule to this Order, is hereby settled to effectuate cy-pres the said charitable purpose.

#### THE SCHEDULE: CY-PRES SCHEME

##### A. Meanings.

1. 'The University' shall mean the Macquarie University at North Ryde.
2. 'The Fund' shall mean the residuary estate of the deceased.
3. '2 S.E.R.' shall mean the FM Radio Station.
4. 'The School' shall mean the School of Economic and Financial Studies of the University.
5. 'The Day of Commencement' shall mean the day upon which this Scheme is approved and established by an order of the Equity Division of the Supreme Court.
6. 'The Charity' shall mean the charity regulated by this Scheme.
7. 'The Trustee' shall mean Perpetual Trustee Company Limited.
8. 'The Henry George Philosophy' shall mean the principles contained in the writings of Henry George, and particu-

larly the principles enunciated in his works *Progress and Poverty* and *The Science of Political Economy*.

B. As soon as practicable the Trustee shall transfer and pay to the University the Fund which shall be held by the University upon trust to apply the same for the purposes of promoting scholastic and general interest in the teachings of Henry George, and without in any way restricting the generality of the foregoing to undertake and supervise the education and instruction and information of students and others in the tenets and principles promulgated and advocated in the writings of that author, to encourage and maintain an interest by the public of Australia in the Henry George philosophy and to promote social and scholastic intercourse relating to the said philosophy.

C. In the administration of the Charity the University shall have the following powers:

(I) to delegate to the School the discharge and exercise of all its functions and powers in the administration of the Charity.

(II) to apply the income from the Funds towards:

(a) the holding of public lectures on topics chosen from within those dealt with by the said books.

(b) series of talks to be broadcast over 2 S.E.R.

(c) for the purposes aforesaid to pay public lecturers the sum of \$1,000 and talk-lecturers the sum of \$200.00 for each lecture or such other sum as the University may determine.

(d) to pay to the School \$750 per annum or such other sum as the University may determine as a fee for organising and advising in relation to the lectures and talks and to pay the said sum also to 2 S.E.R. on account of its expenses.

(III) to hold continuing education courses.

(IV) to offer fellowship or research grants to further research into topics within the range of interest of the Henry George philosophy.

(V) to do all such other things to achieve the objects of the Charity.

(VI) to enlist the co-operation and services of The Australian School of Social Science and/or any other organisation or body or individual in New South Wales for administrative purposes and in supplying lecturers, if so requested by the School.

(VII) to receive contributions and additions to the capital of the Fund.

D. The University shall apply the income from the Fund in accordance with the purposes aforementioned, and not otherwise except with the approval in writing of the Attorney General.

E. The receipt purporting to be duly

given by the University to the Trustee shall constitute a sufficient discharge.

F. The University shall not later than 30th June in each year deliver to the Attorney General a statement of accounts certified by its auditor with respect to its administration of the estate, and a statement of activities carried out in performance of the Scheme in the preceeding year, together with a statement of activities proposed to be carried out in performance of the Scheme in the ensuing year.

#### A SUGGESTED FORM OF BEQUEST BY WILL TO THE WALSH ESTATE

I give and bequeath to The Macquarie University at North Ryde in the State of New South Wales the sum of dollars (\$ ) (or give full particulars of any other gift or gifts) to be used and applied by the University as a contribution and addition to the Fund of the residuary estate of the late Frederick Joseph Walsh which is being administered by the University for the purpose of the promotion of the Henry George philosophy. The receipt of the proper officer of the University shall be a full discharge to my trustee for all moneys paid or assets transferred to the University in accordance with this clause.

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## PROPORTIONAL REPRESENTATION AND THE RISE OF HITLER

*In some school texts one may come across the accusation that proportional representation created many small political parties in Germany after 1919, and thus made stable government impossible. Not only is this view refuted in the following extract from Weimar and the Rise of Hitler (A.J. NICHOLLS; MacMillan, 1979; pp.27-28), but its author argues that the first-past-the-post method would have given Hitler a clear majority over all other parties by July, 1932 - six months before he was appointed Chancellor.*

One other feature of the constitution has come in for particular criticism. This was the system of proportional representation under which members of the Reichstag were to be elected. Proportional representation had long been a political objective of the Social Democrats because, under the old Imperial method of constituency elections in which members were elected by a simple majority, urban voters usually elected fewer members than country voters. Hence the vote of a Bavarian peasant counted for more than that of a factory hand in Berlin.

GOOD GOVERNMENT

The National Assembly had therefore been elected according to a method invented by a Belgian, de Hondt. The country was divided into thirty-eight large electoral districts, and parties put up lists of candidates in each of these.\* The number of votes cast for a party in any electoral district decided how many candidates from its list would be sent to the Assembly. This system was continued under the new constitution, but was modified so that for every 60,000 votes a party received it could count one Reichstag member, while its surplus votes in all districts should be pooled to elect extra members from a national party list. In this way virtually no vote was wasted.

It has often been argued that proportional representation weakened Germany by fostering a multiplicity of small parties and thus preventing the emergence of large political forces concerned with national issues. Another unattractive feature of the electoral system was that voters could not select persons when voting, only lists. Hence the position of a candidate on a list was all-important, and this was decided by his party organisation in the region concerned. This seemed to make party officials more important than the electorate in the career of German politicians.

Such criticisms have some weight, but are not convincing explanations of the Republic's political difficulties. So far as the relationship between parties and electorate is concerned, it would be naive to imagine that single-member constituencies produce a much closer association between a member of parliament and his voters. In Britain, for example, it is clear that most electors vote for the party rather than the man. The party machine is as important in small constituencies as it is in large ones. Nor was the need to please local sentiment absent from the minds of German committee-men. Some members of the Reichstag enjoyed greater popularity with their electors than others, but this is a phenomenon common to all electoral systems.

As for the question of small parties, and the supposed fragmentation of Germany's political life, it should be remembered that all of the major parties in the German National Assembly were direct successors of those represented in the Imperial Reichstag. In one case - the DNVP - the new party was an amalgamation of several old ones and therefore represented consolidation rather than diversification of forces. Other small groups, like the Danes and the Poles, had vanished. Smaller parties did become more successful electorally towards the end of the 1920s - and the liberal middle class was particularly affected by this development - but all the small groups put together never attracted more than

(Cont. on page 18)

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AUGUST, 1983

## HENRY GEORGE IN AUSTRALIA



HENRY GEORGE IN AUSTRALIA  
PICTORIAL AUSTRALIAN April 1890

### INTRODUCTION

Henry George in Australia, his visit to Australia and his influence upon Australia, are both areas without comprehensive research. This material comes largely from our archives in Sydney and Melbourne. Despite the excellent research into early Georgism which they represent, the

GOOD GOVERNMENT

work of uncovering George's presence and influence in Australia still remains to be done.

Mr W.A. Dowe recently unearthed the report which forms the centrepiece of this issue: Henry George in Forbes (19 April, 1890). Its contributor was Dr H.G. Pearce.

5

AUGUST, 1983

# The visit of Henry George to Australia March-June 1890

By Margery Jackman (nee Pincombe),  
B.A. (Hons.) Melbourne University

## SYNOPSIS

Henry George visited Australia from March to early June 1890. In that time he travelled as far north as Rockhampton, as far south as Melbourne and as far west as Moonta, as well as making extensive trips inland. His reactions to Australia were surprisingly small, and it is the theme of this essay that his impressions were limited both by his own strong convictions, and by the educational purpose of his visit, so that the things that impressed or disturbed him most were the things that most favoured or prejudiced his theories, and not necessarily the unusual or outstanding features of the colonies. This does not necessarily invalidate his impressions, but it does limit them to a smaller field than would be expected of so well travelled a journalist.

## GEORGE'S PURPOSE

Henry George came to Australia in 1890, not as a visitor to this country, but as a dedicated and uncompromising exponent of 'Georgism'—the theory of raising revenue by a single tax on land values which would replace all other taxes, including tariff revenues. His reactions to Australia were limited by the nature of his tour; it was a lecturing tour, aimed at educating Australians, not observing them. George differs from other nineteenth century visitors to Australia in that he did not come that he might write about Australia, but rather that Australia might write about him and his ideas. For this reason I have, in this essay, considered both George's reactions to Australia, and the Australian newspapers' reactions to him, since it is unrealistic to divorce the man himself from the response he came to elicit.

The Australian newspapers reflect markedly the pre-determined scope of his visit; their greatest response was to the questions of free trade and land tenure—the two major points of George's educational tour.

Their reactions to his theory of free trade were disappointing. It was a bitter issue in the colonies, especially between free-trade NSW and protectionist Victoria, and most of the major newspapers had already decided on the question. It is puzzling that the newspapers seemed, at first, unsure of the stand that George would take on free trade.

GOOD GOVERNMENT,

His book *Protection or Free Trade* had been published in 1886, and advance sheets of it had appeared in *The Argus*, but it was obviously not so well known in Australia as *Progress and Poverty*.

*The Boomerang*, a Protectionist paper, was obviously surprised that George was for free trade, and *The Age*, *The Bulletin*, and *The Brisbane Courier* also seemed uncertain as to his views. One of the obvious achievements of his tour was at least to make it well known that he was an absolute free-trader. By the time he finished his tour there was no uncertainty on that point. *The Age* in Melbourne complained that 'George seems to see his mission as chiefly praising Free Trade and denouncing Protection', the *Brisbane Courier* extolled him as an 'uncompromising Free-Trader' while *The Bulletin* and *The Boomerang* published full page cartoons opposing George on Free Trade.

Apart from the *Sydney Daily Telegraph* which was a convinced free trade paper, there was general agreement that George's ideas on free trade were a mistake, particularly in Australia. The *Brisbane Courier* reported the welcome given to George in Brisbane, suggesting that it would have been warmer if he had not been so uncompromising on free trade, as 'unhappily some working men see Protection as raising wages'. *The Bulletin* commented that 'the Single-Taxers here have ruined the cause (of land reform) and rendered it hopeless by allying themselves with the Free-Trade party'. *The Boomerang* echoed this comment, objecting that George by 'tying land reform and free trade together', was destroying the land nationalisation movement.

The criticisms of his free trade ideas are very disappointing; most of the papers merely oppose his views, without answering his objections to protection. The reason for this could be again the limited nature of George's visit. He had such a full lecture programme that he was unable to adequately study the local situation in the colonies, and his lectures on Protection were of a general nature—arguing the principle rather than applying it. The best example of this difficulty is the Melbourne debate between George and Trenwith, MP, arranged without George's consent. An opponent of free trade wrote about the debate, 'We in Victoria did not go in for Protection on abstract principle of right, but as an expedient to meet certain present circumstances ... Mr George says it won't answer, our reply is that it does.'

## LECTURES AND DEBATES

*The Age* on the day following the debate devoted both an extensive editorial, and a four column report to this debate. The editorial commented on the lack of real debate, owing to the different stances of the two speakers; Mr Trenwith citing local issues and Mr George per-

sistently refusing to deal with definite issues. His speeches were for the most part rhetorical displays, rather than challenges or replies to debate. The editorial, while criticising George, admitted reluctantly that the audience was obviously carried with him. The article in the same issue was more sympathetic to George; the full debate was recorded, and the audience reported to be 'well balanced on the question'. From the inserted comments it would appear that George carried the debate easily, although some of the credit for this must go to both his rhetorical skill, and the blunders made by the opposition. For example, Trenwith made an unfortunate mention of tea to which George made scathing remarks on Victorian farmers growing their own tea. Trenwith also quoted Savings Bank figures to show that the NSW worker was less prosperous than the Victorian; when forced from the floor to give the relative figures in full, it was found that credit in NSW was exactly twice that of Victoria—the paper commented 'The discomfiture of the speaker was complete'.

George noticed the cooler reception given to him in Melbourne and attributed this, rightly, to his free trade policy. In Melbourne the Land Nationalisation Association, which had invited George, included both Protectionists and Free Traders. This had been the case earlier in NSW, but the Association had changed its name to 'Single Tax League' to take a strong free trade stand. George commented on this favourably, thinking it an improvement that the League should be 'fewer in number, but free from dividing and demoralising complications'. Although the Melbourne audiences far exceeded his expectations, he was disappointed at the stand taken by Single Tax men who were 'indisposed to take any position in opposition to protection as hopeless at present ... (but) content to accept the protective policy as a fixed fact'.

In summing up his reactions to Victorian protection, George wrote to his paper in America 'Protection is there a shell, and ... if our friends will come out boldly and attack it, a free trade party can soon be formed which will bring life into the stagnation of Victorian politics'. This was too optimistic a judgement on his part, and could be the result of confusing the overwhelming audience given to a skilful and famous speaker, with real support for his ideas.

One of the big difficulties faced by George in the colonies was the link between landowners and free traders on one hand, and workingmen and protectionists on the other. Those who favoured free trade were mainly large landowners who opposed George's land policy, while those who favoured land nationalisation were workingmen who opposed free trade. As *The Argus* said, 'he is unpopular with the landowners because he says they have no conscience, and with the Protectionist

GOOD GOVERNMENT

workers because he says they have no brains'.

George was invited to Queensland, Victoria and South Australia by Land Nationalisation Associations, and his land theory, the main point of his book *Progress and Poverty* provoked a wide and differing response in the colonies. His reactions to the land situation in Australia were conditioned by his theories; he saw the results of land speculation everywhere, declaring it to be unsurpassed by the booms of Denver, Kansas City and Los Angeles. He opposed the taxing of improvements in NSW, particularly the valuations based on actual rent of land, which means that a valuable city block, let as a cow paddock, would pay practically no rent at all.

His lectures were devoted to expounding his theories of land tax, with very little local reference to Australia, except to generally comment on the anomaly of progress being constantly accompanied by poverty. This is surprising, since the signs of the 1893 depression should have been recognisable by 1890. Once again this lack of local comment could be the result of a rushed tour, crammed with too many lecturing appointments, making it almost impossible for George to study the Australian scene itself.

The one colony which he did study was South Australia. He was interested in it as 'an organised attempt on the part of individuals to found a community in a new country'. He had obviously studied Wakefield's theory, quoting from memory from 'Letters Between a Statesman and a Colonist' which he had read in the Adelaide Parliamentary Library. When lecturing in Adelaide he referred to the Wakefield theory as one encouraging land speculation and disregarding the rights of every man to work the land for himself. He saw South Australia as the first real application of his land theory, and he was optimistic that the ½d tax on unimproved land value would soon increase to a far greater amount.

His lectures and the newspaper reports again reveal the difficulties of assessing George as a commentator on Australia. His lectures were general expositions of the ideas of *Progress and Poverty*; they were not adapted to the local scene, since he had practically no time to assess it, but the criticisms of the papers were of a local nature, so that there was practically no real discussion on common ground.

With the exception of *The Boomerang* which declared that it had 'no quarrel with his proposal to confiscate landowners' property', the major newspapers opposed George keenly on the question of compensation. *The Age* saw the Australian situation as different from England, since here 'the farmer usually owns the farm which he cultivates', and the Single Tax would reduce him to the position of a tenant. *The South Australian Register* suggested a tax on the unearned

AUGUST, 1983

increment as from now, but on the total value, to avoid both confiscation and compensation. *The Bulletin* advocated compensation for the landowner, who had in most cases bought his land from the State; it recognised the situation as being unique, in that less than one quarter of the land was alienated in NSW, and so compensation would be practicable under these circumstances. George, apart from commenting that the South Australian theory 'might be better than nothing' did not answer the specific criticisms made, but expounded his general principle that the land belonged to everybody, and therefore compensation was unnecessary, even should the single tax 'be brought in tomorrow morning after breakfast'. His view was attacked as immoral robbery by all papers except *The Boomerang* for whom he was 'the land-for-the-people apostle, no more, no less'.

#### IMPRESSIONS OF AUSTRALIA

Some indication of the extent to which George's reason for visiting Australia influenced his reactions to this country can be seen by the fact that he made practically no reference to the federation of the colonies. He visited Australia in 1890, when the newspapers were full of federation news, but George mentioned it only in reply to a question, as one step towards free trade between the colonies. He spoke vaguely of some future 'federation of all the nations of the English tongue' leading to world peace, based on international free trade, but again his response was only in so far as this affected his theories of free trade, not in response to the immediate circumstances of the Australian colonies, or the English speaking world.

His attitude towards federation was typical of his attitude in general to Australian politics. He was here to spread his ideas, and where his ideas were not concerned, he made little comment. Any reaction to Australian politics was of a general rather than a particular nature. He believed that government should be as close as possible to the people, and therefore he approved of the system of responsible government, although he felt that it was less stable than the American system. It was one of his principles that the State should only 'do for the whole those things that cannot be done well by individuals', and for this reason he approved of State owned railways, tramways and telegraphs, since they were in their nature monopolies, and should therefore belong to the whole people (the State) and not individuals. In an interview published in the *Brisbane Courier* George mentioned the evils of private monopoly in America, and commented on the tendency there to follow the Australian lead towards State ownership. He was very impressed with the railways, apart from the different gauges which he saw as a protectionist

measure; he wrote back to his American paper that 'the State management of railways in Australia at least, is such a success that no-one seems to dream of resorting to the system of composite management'.

He did not however approve of State control of schools, police, waterworks, gas, roads and parks. His greatest criticism of the colonies was that the government was too centralised, that local municipalities should have far greater powers, as they did in England and America. This criticism was in keeping with George's conviction that government should be as close as possible to the people, but it was an unrealistic demand to make of such sparsely populated areas as the Australian colonies in 1890. Once again it is possible to see here how George's own convictions dictated his response, rather than the actual circumstances of the colonies. In Maryborough, Queensland, he was asked to present prizes to some school children, a task quite new to him, and he wrote later to America that although education was too centralised, the system of free, compulsory and secular education worked well, especially since so much of the method and syllabus used was decided by the individual teacher.

He expressed his admiration for the colonies parks, museums and libraries, but he felt that the 'centralised and paternalistic character of the general government' meant that too often the same members of Parliament were re-elected because they promised local 'road and bridge work for their constituents'. He was in Adelaide during an election, and this experience reinforced his admiration for the Australian secret ballot. Even before George visited Australia, his newspaper, 'The Standard', carried on its front page, as one of its aims, the introduction of the secret ballot, 'no humbug envelope system; but the real Australian system'. He was impressed by a lack of corruption in Australian politics, and after witnessing the South Australian election he was convinced that this system would abolish 'the political corruption which unfortunately has for so long made our (the American) democracy, our republicanism a mockery and a shame'. He contrasted America with Australia where 'the popular sentiment seems to place perfect faith in the purity of the administration'.

His interest in the Australian ballot and the lack of corruption here would have been stimulated by his own experience of electioneering and polling in 1886, when he stood unsuccessfully for Mayor of New York. The election was reported to have been rigged against George, who nevertheless received more votes than any previous Labor candidate. He admired the simple methods used in Australia to register for voting, to stand for election, and to transfer land titles. In his farewell speech in Adel-

aide he commented on the ease with which methods in Australia could be changed, and new ideas carried into effect. These things all made him optimistic about the possibility of introducing his theories here.

Although he made trips out of the capital cities, George's impressions of the country areas were limited by the fact that he travelled to lecture, and therefore saw more of the inside of the country halls than of the country itself. Little of the 'bush myth' seems to have touched him, possibly because he was an American and conditioned to pioneers in a new country. The only mention of anything resembling the 'bush myth' was a comment on South Australia, written back to his American paper, in which he said that 'There is something heroic in a community of 325,000 people running a fully fledged national government, pushing a telegraph line across the whole width of the Australian continent and building and running some 1,500 miles of railway'.

Like most visitors to Australia he was impressed by the friendliness of the people, and observed their love for sport and holidays. He was in Australia during the Queen's Birthday holiday, and was most amused to find that since it fell on a Saturday, the Monday was kept, not out of any superabundance of deep loyalty, but rather to keep a whole day for races and football.

He commented on the pro-British feeling in the colony, attributing the centralised government to the survival of Crown control. He compared Australia with America, and noticed that although America had learnt much from her non-British migrants, Australia 'yet stuck to the monotonous and heavy food and cooking of the British islands', and that some mixing of population would improve the country. This is a refreshing approach after studying British visitors, like the Webbs, who saw Australia only in terms of England.

#### EFFECT OF VISIT

George came to Australia following insistent requests by the Single Tax Leagues, in order to 'deliver a series of addresses throughout these colonies on the principles set forth in *Progress and Poverty*, not for Australia's sake alone but in the conviction that your advance will be the advance of the whole civilised world'. When he left Australia he was sorry that he had so little time to actually see the colonies, but he declared that he was 'exceedingly pleased with (his) visit to Australia'. This is somewhat puzzling since the reactions of the press to his main theories of land tax and free trade were so unfavourable.

It is perhaps explained by the impression made by the man himself, rather than the impression made by his ideas.

He was already a famous man when he arrived in 1890; *The Sydney Daily Telegraph*, *The South Australian Register*, *The Brisbane Courier*, and *The Boomerang* published large photographs and short life histories of George when he arrived. The newspapers devoted large space to reports of his lectures and comments, and every paper spoke of the skill of his oratory, *The Sydney Echo* report was typical of all reports of his powerful style of address:

For two hours the man (was) walking to and fro in his narrow strip of platform ...and speaking entirely without manuscript, note or any other accessory--speaking too, in a slow almost solemn voice and dealing with phases of what Carlyle named 'the dismal science'. For a man under these circumstances to keep the eager strained attention of a packed hall, including men of every shade of politics, is an intellectual feat ... this man did it without effort.

*The Brisbane Courier* described the almost hypnotising power of his presentation in semi-religious tones:

He proclaims his gospel with the entrancing power of a Savonarola and the fiery earnestness of a St Francis ...When warmed up to his subject there is a fine play of feature and a fire in the eye which kindles an electric sympathy in his audience. His gestures are graceful and unstudied, as he moves about the platform bringing forth his polished sentences ...pouring out period after period of impassioned and poetic English.

There is little doubt that George himself carried his audiences with ease, but it is much more doubtful how far his ideas carried them. It is possible that he judged his tour more by the audience response to himself than by the press or government response to his ideas, and could therefore speak of a satisfactory tour, despite strong opposition on the main points of his theory. This would not invalidate his impressions of Australia, it would only limit them, since what he thought of Australia was so closely bound up with what Australia thought of his theories.

As I have indicated, his tour was an educational one, designed to spread his ideas, and not to observe Australia, and for this reason he said much less about Australia than one would have expected of such a well travelled and alert journalist. What he said in lectures cannot be taken as wholly reliable, since he would be unlikely to voice criticisms that would unnecessarily prejudice the reception of his theories. Compare the nature of a public lecture with a private remark, e.g. in a lecture in Melbourne he spoke of the great improvements since he had visited the city briefly in 1850 as a 15 year old sailor. In a report written home, he mentioned that he could remember almost nothing of his previous visit to that city.

On the other hand the reports of

George in Australia all testify to the honesty and earnestness of the man, and I feel certain that he would not have deliberately falsified his impressions to sell his ideas. His impressions were conditioned by his reasons for coming, and by his own strong convictions, but this does not invalidate those impressions, it only limits them to a small area, and explains why he reacted to certain facets of Australian life, while completely ignoring others.

## Mr. Henry George at Forbes

From the Forbes Times — Saturday, 19th April, 1890

### THE LECTURE

On Monday evening the Osborne Hall was densely packed to hear Mr George deliver his lecture on 'The Single Tax'. A large number of ladies were amongst the audience, while the local Single Taxers occupied the platform. The Mayor presided and the meeting all through was a most orderly one, Mr George being repeatedly cheered during his delivery.

The Mayor said he felt great pleasure in presiding at such a meeting, and although many of them differed from Mr George's theory, including himself, that should not stand in the way of their hearing him expound his views, and he was pleased to see such a large audience present. Mr George had come some thousands of miles to explain to the people of these colonies the principles as advocated by him in his work *Progress and Poverty*, and he was sure he was a man who would command at least their respect, and merit their esteem and goodwill. He did not altogether agree with the Single Taxers, but he thought some reform was needed to alleviate the distress which existed all over the world, for in the old world countries the poverty and distress was painfully apparent. There might be some present who would question Mr George after the lecture was delivered, and he had no doubt that Mr George would be glad to answer them and further enlighten them on the subject. As people in the various countries became enlightened, and their minds illumined by education, men would begin to strike for their rights in a bold but calm and peaceful manner. He thought that any man who worked to better the condition of humanity generally was worthy of respect for ever and ever. He had much pleasure in introducing the lecturer, Mr Henry George.

Mr George, who was greeted with applause, said he was pleased to see before him such a crowded meeting. He had been particularly desirous of coming to Forbes because it was in Forbes that the first Land Nationalisation meeting ever held in New South Wales took place; here where the great Single Tax banner was first reared. At that little meeting, held some three years ago, the Sydney papers had said in a derisive way that 'a social reform had been commenced in Forbes', and he thought it a very good place to commence. Some of the works which had most deeply affected the future had been begun, not in great cities but in little towns, and it must be exceedingly gratifying to Messrs Bell,



MR. FRANK COTTON, M.L.A.  
President of the Single Tax League of New South Wales.

Dickinson, Cotton, Price, and the rest of that heroic little band to see what rapid strides the Single Tax question had made. All over New South Wales, and not only in New South Wales, but in the other colonies, this question was coming to the fore. And not only in the colonies, but from one end of Great Britain and Ireland to the other, people were beginning to demand their rights and were discussing the same question that was brought forward at that meeting held here three years ago. Neither was there a city, town, or even hamlet in the whole of the United States that did not possess its band of Single Taxers. Already the handwriting was on the wall, and they were assured of triumph. The question only needed discussion, for after discussion men would begin to believe. With regard to the poverty spoken

of by the Mayor, that poverty would always exist under the present conditions. He was sure they would all agree as to the advance which had marked this century, but with this advancement had come increased poverty, and in the hard and bitter struggle for existence men were unable to find that which was necessary as a means of livelihood. All kinds of remedies had been tried and had failed, but the Single Taxers assigned an adequate reason and proposed an adequate remedy. What they proposed was truth, and truth would always stand the test. The very fact that this question was being discussed in all English speaking countries was a sufficient guarantee that it would be attended with success. All they required was that it should be talked about. That which was false could not face investigation. They only wanted people to think about it, and talk about it, and the practical part would be a secondary consideration. People did not need to turn politicians to think about it, but when it affected the minds of men generally, and men began to think aright, then the politicians would be tumbling over one another. It was wise to be on the side of the people. No one knew how great an advance this Single Tax question had made in Britain. In fact he thought he was able to measure the feeling of the English people on the subject better than anyone else, for as he travelled from end to end of the United Kingdom he could plainly see the ideas which were permeating the whole of society. Today the Land Tax party was a wing of that great Liberal Party of which Mr Gladstone was the leader, and today that great Irish patriot, Michael Davitt, was at the head of the Land League party, declaring that Single Tax was the only mode of doing justice to Irish tenants and to the Irish people generally. This was the remedy for the question which had so long troubled Ireland and estranged her from Great Britain, from which she was separated by such a narrow sea. And what was good for Ireland must be good for England, for the English labourer had a right to the products of his labour, and under Single Tax there would be a greater diffusion of wealth than there is at present. In England, that greatest and richest of all countries, it would do away with the scandal, the crime and the shame that everywhere exist at present, and would be a remedy for the suffering which men now undergo for want of those things which work produces. Single Tax must advance, and Single Taxers held that it not a mode of taxation, but the intended mode, the natural mode. There was a right and a wrong way of doing everything, as by the laws of nature it was intended that we should walk on our feet and not on our hands. In all cases nature had provided a right way for doing every-

thing; that very day he had been to see a machine at the Britannia mine for pulverising rock and extracting gold from it, and the right way had evidently been found out for extracting the most gold with the least power, and so it was in all cases, they only needed to find out the right way. To any civilised community there were two things certain—taxes and debt. The original inhabitants of this country, the blacks, were not taxed, but as the country became populated and civilised, and roads and bridges were found to be necessary, when schools were wanted, and all other things necessary to a civilised society, then the need of taxation was felt, and the community was taxed in order to raise a public revenue. In sparsely settled districts taxation was not so necessary, but as population increased taxation was as inevitable as debt. In this world we find that for every essential want there is a supply; then there is the necessity for doing all things right, for instance walking; if we tried to walk on our hands instead of our feet we should find it slow and painful. It is exactly the same with taxation, for there is only one just mode of taxation.

In the great creative scheme civilised man was provided for as well as uncivilised man and the tax on land was the tax which was right.

All our advances in society of late were not individual advances, but communities as a whole had advanced. Man individually was not endowed with any more brains than were our fathers of 200 years ago, and yet, what did men then think about ever being able to talk round the world?

### PRIVATE PROPERTY

If we look at some of the ancient Greek and Roman statuary we would see that men in the olden days were physically just the same as we are today. And what was the reason of such great advance? It was because men had to live together, and suit their living to one another, and as they experienced wants they began to search for remedies. If man were isolated he would become a savage, and it was only as men began to use the power given them, which power was given them by a proper division of labour, that they would find out the right way of doing things. The right way was the natural way, and the civilised state was the natural and intended state, for it was intended that men should be drawn together to supply each other's wants.

With regard to private ownership in property, that which a man produced or purchased was his own, either to sell, bequeath, or do as he pleased with; but what man ever produced any portion of the earth? If a man drew a fish out of the ocean, the very rudest savage would

not dispute the right of ownership, or would declare that it was common property. But who would ever claim ownership to the ocean because he took the fish from it?

Here are we, a lot of men who find ourselves on the surface of a great planet; we are simply guests as it were at a table which has been prepared for us all; we all owe our existence to the same origin and were meant to begin life under the same conditions, so what right has any man to claim a portion of the globe over any other man? He never produced it.

What a man produces, such as a hat, a table, a coat, etc., they are his own to do what he pleases with, and we must all recognise the absolute ownership over such articles. Today the law says 'if a man owns a good house he must pay a good tax', which is essentially unjust. If a man has the absolute right of ownership to property, it is only fair and just to recognise such right, provided such property is the product of his own exertions. All taxes which charge a man for industry and thrift, and put a fine on men for growing rich by their own exertions, are essentially wrong.

Ownership in property should either mean that the owner produced the property, or bought it, or had it given him by someone who did produce it.

#### TAXING PRIVATE PROPERTY

There was one thing in this world that might be taken as a pole star—in the individual affairs of life things which appear to be, and are wrong, might bring success; but never in the affairs of a nation. They are simply on a larger scale, but when we look at them we find that that which is unjust is inexpedient, and that which is right is not only expedient but also wise. And when we look into the Single Tax question we see that to tax Labour and the products of labour is both unjust and unwise.

When do we say a country is prosperous? When it is wealthy! And today, while the wealth is in some of our countries, the masses of the people are striving and struggling for those things which are produced by labour. It is unwise to tax wealth, because we will necessarily have less of it; and it is also unwise to tax labour or anything produced by labour, because we will have less of it. If you tax houses you will have less houses and poorer ones; if you tax capital you will have less of it; if you tax ships you will have fewer ships; but you can tax land values all you please and there will not be an inch less land.

Now consider, all that you call wealth in a country are the products of labour, and if you tax any of those products they will diminish. But it is not so

with land values; when they are taxed they do not diminish, and there is more labour expended on the land than heretofore. If we travel all over the world there is one great fact that we must notice—as population increases, and those improvements which we style advance, increase, the value of land increases very considerably.

Land is worth more in Forbes today than when the first settlers took it up; and if we knew that in 10 years' time Forbes would have a population of 100,000 people we would naturally conclude that land in Forbes would be a good investment, because it must go up in value. All property such as houses would not be so valuable, because they decay, besides which man's inventions tend to lessen the value of articles produced. There is only one thing which could possibly increase in value, and that is the ground; this allotment would be worth a great deal more, but the house would decay and would be worth less. No matter what improvement were made in the town, such as establishing gas works, electric light, or railway communication, the value of land would increase. Even the very anticipation of a railway would increase the value of land.

#### TAXING LAND

Land increases in value with social improvement, and not by the exertions of the individual who owns the land. As social improvement goes on there will be need of a larger revenue, and this revenue can be taken from the land without doing an injustice to anyone; labour would not be lessened, but it would increase as the community grew larger.

Single tax would prevent monopoly, and it was monopoly which was today grinding the labour market down and causing so much depression. In the great creation scheme provision was made for all who were brought into the world, or as Bishop Nulty said, the social problem with regard to the provision made for man, was just as clear and just as natural as was, with the birth of a child, the milk in the mother's breast upon which it was to subsist.

No one could look about without seeing the injustice and unwisdom of our present system of taxation. He saw by a paragraph in last week's *Forbes Times* that houses, even at high rentals, were unobtainable in Forbes, and that it would pay capitalists to build some good houses on their vacant lots. Well, and as soon as they built, you would send down the valuator and the houses would be taxed. That was just the way to prevent people from building. It was putting the man who built a house on the same level with a man who got drunk; you fined a man for building, and you fined a man for getting drunk, only here the fine for building a house was greater,

so that it was cheaper to get drunk than to build a house. Could not the people see how stupid such taxation was? And instead of taxing houses would it not be better to tax vacant lots, and thus induce people to build? Improvement should not be discouraged, but the holding of idle land should be discouraged. If such were the case the people as a whole would be more wealthy, instead of being in the depressed state they are at present. The producer would then get the article, or the price of the article, he produced, and monstrous fortunes would disappear.

People as a whole would be more wealthy, and who was not money good for? He thought that no one would mind living in a better house than they did at present, and all would appreciate a trip round the world once or twice in their lifetime, if only to see how things were managed in other countries. At present the bulk of the tax rested on the producer. The present system of taxation was bad, but it was worst of all in protected countries.

New South Wales was bad enough, because she was not a free trade country; a free trade country should not put a duty on galvanized iron, on wire, and most of the necessities of life. Take cigars for instance, on which there was a duty of 6s per lb. This duty was perhaps light to the man who smoked high priced and good cigars, but it fell heavily on the poor man, who was forced to smoke inferior cigars, and it perhaps made men smoke pipes, when, under free trade, they would be able to afford cigars.

The duty was also imposed on tea and sugar, and many of the other necessities of life. He was sure the selector who lived outback drank more tea than the Mayor of Sydney, so that the poor man was the most heavily taxed. Why, this New South Wales free trade was a tax on getting married and having children. The present system of taxation said alike to the squatter and selector, 'You must pay £1 per acre before you get a home'. Any law which forced men to pay for a home was unjust. In Forbes, he was told, that during March the revenue collected from land in this district was £12,000, and that since 1861 £400,000 had been collected at the Forbes Land Office. And where did this money go to? It was all carted off to Sydney, and they only got a small amount back by way of public buildings, etc. That money should have belonged to the people who had helped to increase the value of the land.

When you sold a piece of land who paid for it? Not the land, but the individual who worked the land, so that a charge was actually made for men going to work on land. All articles, no matter what, go back to the original producer, land; then there should be complete ownership

to the article, but the tax should fall on the land. All men are born with equal rights to life, and all men should have an equal right to the earth we live on. If two men wanted one piece of land, then the man who could work the land to the most advantage would be able to pay the better price for it, and that better price would be the premium paid to the State. The increased value should be owned by the community who made the land valuable. All the increased value of the land should not belong to one community however, but should go towards other communities where the land was not so valuable. Take Sydney for instance—land in Sydney was very valuable, but the increased value of the land should not be owned solely by the Sydney people, for the back country people also contributed towards making Sydney land so valuable, for, if no one from the country went to Sydney, then Sydney land would decrease in value very considerably. The increased value should be first owned by the community, then by the State, and lastly by the United Federation if they had Federation. Single Tax would not deter industry or fine thrift as the present system did. Today there were more people in the great cities of the world than there should be, and the cities were growing more rapidly than population was increasing, so that if the present state of things continued much longer there would be no one left to work the land at all. And the reason of this was that men's industry was so taxed that they could not afford to work the land. The monopolists buy up the land and allow it to lie idle until it is increased in value to a considerable amount, then they pocket the increased value, which should properly belong to the community who had made it valuable.

He was told that if a man wanted land here he had to go some miles out before he could select, and that too with so much vacant and idle land nearer home. It seemed to him like swimming the Mississippi in order to get a drink. There was enough land between Forbes and Sydney to support the whole population of the colony, but so much land was lying idle which had been bought for purely speculative purposes, such as railway extension.

When a railway was projected this vacant land increased in value, and the people would have to pay compensation for the land if the railway were constructed, besides having no share in the increased value of the adjoining property. He knew of one case in Sydney where a syndicate had bought 60 acres of land for £50 an acre. Shortly afterwards a railway was constructed through the property and they resold 3 acres for £1260, the three acres being needed for the construction of the railway. Then the syndicate also pocketed the increas-



ed value of the remainder, which was considerable, owing to the construction of the railway. There had been £30,000,000 expended in railway construction in New South Wales, but a great many miles more could have been constructed had not the increased land values gone into private pockets. And whom did the money come from to pay these private individuals? Why, from the men who travel on the railways. If this country had been a Single Tax country there would have been more railways, and we should most likely have been able to travel for nothing.

Then with regard to weiring their rivers—he had seen the weir in the Lachlan that day, and he was assured by both Mr Cotton and Mr Brooke that for a sum of £10,000 the Lachlan could be weired from one end to the other. If they had Single Tax it would pay government to construct these weirs, because the land on either side of the river would be so much increased in value, people being able to go in for a system of irrigation. It was not only his opinion, but the opinion of some of the greatest railway men in the world, that under Single Tax it would pay government to build railways and run them for nothing, as the value of the land would be so much increased by people constantly travelling.

In all cities you would see great buildings in which were lifts to take people from one story of the building to another. It paid the owners of the lifts to have them running free because it made the top story more valuable. Well, these lifts were simply vertical railways, and if it paid the proprietors of the buildings to run them free, so it would pay the State to run railways free through the country. They would find that Single Tax was the best mode of taxation in all cases. In the first place it was just and right, and the masses of people would be benefited by such a system of raising public revenue; in the second place it would be a more economic mode than our present system, because the tax would come direct from the land, and would not have to pass through so many hands and come in such an indirect way as it does at present.

When duty was paid on articles imported into a country it was not only the customs officials who had to receive their salaries, but the goods passed through so many hands, all of whom had to make a profit before the article was sold to the people.

Single Tax would also be a tax which would prevent most crime, because under taxation of our present kind people would always smuggle and try to evade the law, and smuggling was undesirable. Land values were easier to determine than any other values, because

while the value of some things was hard to get at, the land could not be hidden, and, as it were, was always out of doors, so that anyone could see its value.

In all countries today, more particularly in the old countries, Labour does not get its fair return. And why? Because all over the civilised world we hear the cry that men cannot get labour, consequently they work too cheaply. What is necessary to labour is land, for in the beginning land was given to man, from which he was to produce what he required. Capital and labour are essentially the same for labour provides capital. If we debar labour, which means capital, the land will not be used as it should be. Beneath all society lies one great wrong; labour is practically disinherited, and men have not any legal right to live or work the land on which they exist. Under Single Tax we should have that fiscal adjustment which would right the deepest of all wrongs, the whole of humanity would have an equal right to the use of the land. It would be utterly impossible to divide land equally, but the man who worked the most valuable land would have to pay a premium, that premium to be the increased unimproved value.

As the value which attaches to all public improvements belongs to the whole of the community, so would all men have a share in the land which had increased in value through their exertions, and under such a system men would have an equal right to live.

#### QUESTIONS

The lecturer then took his seat, and stated his willingness to answer any questions which might be put to him, but as no questions were asked he resumed his lecture.

On resuming, he said he was glad to see the advance Single Tax had made in New South Wales, and that the Single Taxers were not standing still. What Single Tax meant was real free trade between one country and another, and the carrying out to the fullest extent that great reform begun by Richard Cobden and John Bright. He was specially glad that New South Wales had not gone so far into the wrong as the United States, by becoming a protected country; but in the States they had taken the first step, and were working hard to do away with that miscalled thing 'Protection'. The Victorians had for some time been worshipping Protection as a god, and what had it done? Enabled them to get further into debt. The same in the United States, what had Protection done there? (A voice—It has paid a big debt). No, it had not paid that debt. It had made the people pay for the payment of that debt, made men pay twenty dollars where they should have only paid one; it had built up monstrous fortunes for a

few, such as Andrew Carnegie. It had built up monopolies, for which the people suffered. Protection in the United States had stunted our industries, had degraded labour and impeded its growth and prosperity. Why is it that most of the American commerce is today being carried under foreign flags? Because it does not pay Americans to run their ships under their own flag.

He had come out in one of the few American ships on the ocean highway, but that ship was well subsidised to run to the colonies. How was it that the best American ship for the China trade was built on the Clyde? Because it could be built cheaper there than it could have been built in America. Why, thirty years ago, when America was not protected, she was only 100,000 tonnage short of Great Britain, and was not only carrying her own commerce, but that of other countries; wages were then higher and the people better off. The largest commercial ship ever launched from Port Baltimore was built by American capital, and how was it that Americans did not build their own ships now? It was because protection had made ship building in America too expensive, and she had to send to other countries to build her ships and then run them under foreign flags. And what was true with regard to ship building was also true with respect to other industries.

Why was it that the United States had stood protection so long? Because from the Northern lakes to the Gulf they had absolute free trade. In that portion of America they had not such absurd things as he saw at each end of the bridge across the Murray. At each end of that bridge was a custom house, with the initials of the same sovereign over both. Protection in Victoria was only on a smaller scale of what they had in America, and as protection in America had killed the ship building trade, so it was killing every other industry.

The ship he travelled in was running between a sugar growing and a fruit growing country, and yet they loaded all their jams and preserves in London. And why was this? Because England was a free trade country, and both fruit and sugar were taxed in the other countries. Tariffs were not needed in New South Wales to develop her industries, but the industries will develop as population increases.

In America, when protection was first introduced, competition was immediately shut off, and since then the people have had to pay through the nose for all they require. During the time when the great national struggle was going on in America, protection was sneaked in by a few who robbed the public for the benefit of their own pockets. And why was it hard to repeal the tax? Because it was putting money into the pockets of the

monopolists who had great influence. If protection was a good thing why had not the East States protection against the West States. They had not, and although all the industries had been commenced on the East coast they had gone their natural way and were steadily getting towards the West.

The people in Forbes want protection! Why, they have too much protection already in having to cart their goods here by bullock wagons instead of having railway communications. If you put a good stiff tariff round Forbes it might benefit a few; the people would get what they wanted, but they would have to pay for it. For instance, if flour were taxed, the gentleman whose flour mill he had gone through that day might make money, but he could make the people pay a good stiff price for their flour. What people wanted was not protection, but more railways and easier and better facilities for trading.

Mr George resumed his seat amidst a good deal of cheering from his audience, and again awaited questions from any of his listeners.

#### VOTE OF THANKS

Mr Chas. Wait said that he had the most pleasant duty to perform that had ever devolved upon him during his life—that of proposing a vote of thanks to the lecturer, Mr George.

The Mayor put the resolution, which was carried with great acclamation.

Mr George said, in returning thanks, he would take the opportunity of explaining the difference between Land Nationalisation and the Single Tax. Land Nationalisation was a name he had never used in *Progress and Poverty*, or made use of in any way whatever. Land Nationalisation meant the taking of all land by Government and leasing it out, but Single Tax did not mean that. Single Tax meant that all the land would be held in fee simple, and taxed by the State according to its annual value. Some people thought that under Single Tax all the land would be confiscated; but that was a great mistake. They simply wanted to tax the land in such a manner that it would not pay holders to keep it idle. In Victoria they had put on a land tax and there was not one single word about confiscation. They simply wanted to do the same thing, in order that a proper amount of labour might be expended on the land. They asked no charity for labour, but only asked for fair play. A land tax would prevent monopoly and would break up large estates that were lying unused. The right to ownership of land was not disputed, but they wanted men to make use of the land they held.

With regard to the name Land National-

isation it had never been used in the United States. Their first league was called the Anti-Poverty and Land and Labour Party. He was glad of the change of name from Land Nationalisation to Single Tax, because the name explained itself, and he had not so many people asking him those absurd questions about dividing land equally amongst all men. The Single Tax was simply the carrying out of the idea of Turgot, Quesnay and those other great French philosophers of a century ago, who were the first real Freetraders.

He was pleased in accepting their vote of thanks, and also in seeing the number of Single Taxers there were in New South Wales. While some went so far as to think Single Tax the remedy for all the evil in the world, he did not believe that, but he thought it would be the basis of all their social reforms. It would do away with monopolies and give men a better chance to live. And instead of the misery and starvation that exist at present, men would be able to work and earn their living.

After three cheers had been given for Mr George, and one for Mrs George, the meeting broke up.

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## LANDLOCKED!

### Why Australia turned to Land Value Taxation.

By AIRLIE WORRALL

#### THE SINGLE TAX IN AUSTRALIA

The background to the decades of the 1880s and 90s is important because it helps explain why it was only ten years after the publication of Henry George's *Progress and Poverty* that pure Single Tax Leagues appeared in Australia.

The 1880s were good years for most Australians. Everyone, even the poor folk could own their own cottages, the economy was buoyant, and new ideas flourished. In such an optimistic atmosphere Utopian schemes became very popular subjects for debate. Alfred Wallace, Karl Marx and Ed. Bellamy all had their supporters, and George's was only one of half a dozen new reform plans in favour.

The 1890s were about as different as you could imagine: bank crashes, depressions, strikes, droughts and epidemics rolled across the country. For the first time, political parties—Free Trade, Labour and Protectionist—appeared in Australia. Unions went political, employers regrouped, and people began to

GOOD GOVERNMENT

think of themselves as belonging to classes. In these troubled times Henry George's call for social reform and his fiery rhetoric caught the attention of thousands; the Single Tax movement as a popular front began.

The story of the single tax starts in Robinson's bookshop, Adelaide, in 1880. Miss Catherine Helen Spence, a serious-minded woman, purchased the only copy of *Progress and Poverty* on the shelves, read it and was impressed. She was a good freelance journalist, and she reviewed George's book for the prestigious new monthly, the *Victorian Review*. The review appeared in 1881 and immediately triggered a storm of controversy, with pro and con George articles flashing to and fro for the next three years.

Articles on George next appeared in the *South Australian Register* and *South Australian Advertiser*, in the *Victorian Argus* and the *Sydney Morning Herald*. By 1883 the *Sydney Daily Telegraph* was publishing *Progress and Poverty* as a serial, running it for three months twice a week and, in Adelaide, George's friend, William Webster, was writing a regular land reform column. George was news.

We might ask why this was all happening at this time. *Progress and Poverty* helped, as did the general interest in Utopian reform literature, but the basic reason was the failure of Australia's 1860s Settlements Acts to unlock the land. Largely because land had to be sold to the highest and therefore the richest bidder (usually the local squatter), the land had not passed into the hands of hopeful small farmers, and by the 1880s colonial governments were looking at alternatives.

Chief among the alternatives were Alfred Wallace's land nationalisation plan and George's land tax plan, and followers of these two schemes joined together in 1884. They became the Land Nationalisation League (LNL), pledged to demand state ownership of all land plus a land tax on unimproved values, to end monopoly.

#### SOUTH AUSTRALIA 1880s

The earliest LNL was formed in Kapunda, South Australia, during May 1884. The editor of the local paper, the town's land agent and the barrister Patrick McMahon Glynn (later to be Federal Attorney General), met at a rowdy public meeting and constituted themselves a league on the spot. Within two months the LNL had 200 members.

Branches were opened in Adelaide, Gawler, Angaston, Terowie and Tarlee. Later in the same year, the South Australian government passed the Bray Act, enabling taxation of ¼d. in the £1 on value exclusive of improvements. South Australia therefore became the first colony to apply George's tax.

After this success the LNL rested on its laurels until 1886, when Lewis

16

AUGUST, 1983

Berens and Ignatius Singer began the first LNL paper, *Our Commonwealth*. Berens was a jeweller and Singer ran a chemical works, but both were deeply involved in the labour movement. Indeed for a short time in 1887 *Our Commonwealth* was the official trades journal, a link which endured until 1894/5 when Single Taxers and Unionists fell out, both in South Australia and New South Wales.

#### NEW SOUTH WALES, 1880s

While South Australia was the earliest and most enduring Georgist colony, New South Wales was always the largest in terms of members and branches. This was because NSW had a strict free trade government, as opposed to the mildly protectionist parliament of South Australia, and many single taxers also belonged to its ruling Free Trade Party.

The first organised NSW Georgists were to be found in Forbes, NSW. Forbes, like Kapunda, was an old mining town turned to sheep and wheat farming, and was also in an area where squatter vs. selector feeling ran high.

Early in 1883 the town bootmaker, Ignatius Bell, and his friend, William Dickinson, read about George's theories in articles in the *Bulletin* and in the radical U.K. journal, *Reynolds Magazine*. For the next four years they and their friends met as a discussion group, until in 1887 they became the Land Nationalisation Society of New South Wales.

Recruits soon began to flood in. The most important new member was Frank Cotton, who in later years was to become President of the NSW STL, MLA for Newtown and a founding member of the new Labour Party. He was appointed full time travelling lecturer for the single tax, and in no time at all had founded branches in Cowra, Sydney, Goulburn, Young and Gundagai.

Towards the end of 1887 he landed in Lithgow, where he met fellow single taxers, 'The Mad Poet' John Farrell and Joe Cook, coal miner, visionist and later P.M. of Australia. In this august company the *Lithgow Enterprise and Australian Land Nationaliser* soon appeared and sales to reformers interstate and overseas soared. But local advertisers boycotted this radical weekly, and revenue fell away. Clearly, greener pastures were required, so Farrell and Cotton sold the paper and moved to Sydney in 1889 to join the rising wave of Georgist fervour which was centred there.

The shift to Sydney was vital to the careers of both men. Farrell became editor of the *Daily Telegraph* and Cotton embroiled himself in Labour councils and single tax work. That year, the combined Land Nationalisation Leagues of South Australia, Victoria, New South Wales and Queensland met in Sydney to debate their future. In a landslide vote non-Georg-

GOOD GOVERNMENT

ists were expelled and the LNL's became Single Tax Leagues. The New Crusade had begun.

#### THE 1880s AND THE STL

The 80s had been the decade of the LNL's, whose members had been Wallaceites, as well as Georgists, but the STLs of the 1890s were evangelical Georgists to a man.

A sudden rise in branch establishment was experienced in 1890, with 21 new STLs founded, compared with 13 the previous year, and these seem to have coincided with the vastly popular visit to Australia by Henry George himself during March, April and May.

*Progress* (1889) and the *Beacon*, the longest-running Australian single tax paper (1883-1900), were printed. *Our Commonwealth* (1880-8) was replaced by the *Pioneer* (1890) and *Roughshod*, which was in turn succeeded by the *Voice*. In NSW there was the *Lithgow Enterprise*, the *Australian Standard*, the *Democrat* and the *Single Tax*. Eleven papers in as many years, some surviving far longer than many district or town newspapers.

In addition, Georgists produced thousands of tracts and pamphlets, South Australia and Victoria especially distributing up to 35,000 a year. Every Georgist had to belong to one of the Leagues' activity committees, and through these committees came hundreds of newspaper articles, letters-to-the-editor, lay sermons and petitions. Verbal propaganda was equally extensive. In any month STL members would be speaking at up to 30 city venues, on street corners, vacant lots, in parks and at dozens of evening lectures and debates.

The STLs continued the tradition of the travelling lecturer, and three times a year Max Hirsch, Harry Taylor and John King would depart their cities and head for the bush to speak on the single tax. In Victoria, South Australia and New South Wales their target was the farmer, nominally a free trader because of his interest in wheat exports and machinery imports, but not yet a single taxer.

The incessant travelling eventually caused breakdowns in the health of the lecturers, and the Victoria and South Australia STLs decided to send replacement lecturers abroad in two Red Vans. These vans, modelled on English examples, were painted bright red and emblazoned with slogans, and were fitted out with sleeping and cooking facilities. During 1894 and 1895, they toured all of Victoria and South Australia several times before lack of finance forced the end of the programme.

The third type of noteworthy activity is possibly the most interesting, for Georgists were Australian leaders in the practice of Utopia. By this I mean that the single taxers of the 1890s set out

17

AUGUST, 1983

to practise what their predecessors of the 1880s had only preached, by setting up co-operative communes.

The first of these was William Lane's 'New Australia', founded in Paraguay after Labour's defeat in the great strike. Single taxers formed one of the largest groups of the first contingent of settlers in Paraguay; 30 STL members and their families were present. Personality problems with Lane destroyed 'New Australia' after a few years, but back home in Australia other Georgists were launching their own co-op, this one at Murtho, in South Australia, near Renmark.

Murtho was the brainchild of a chemist, John Birks, the most influential member of the South Australia STL. Birks and his extensive family selected Murtho in 1894, and about fifty people settled there soon after. They farmed, ran dairy cattle and grew citrus fruits and vegetables for their own needs. Land and equipment was held in common and the Murtho council met every evening in the schoolhouse to allot work for the following day. Social life was a feature of the colony, and Murtho had churches, parties, dances, study groups and boating to pass its leisure time.

Murtho did not operate after 1900 as a single tax colony. It had a difficult life, besieged by drought, and met with the same fate as 'New Australia'. Critics said it failed because it held land jointly, not individually, thereby violating a basic tenet of George's theories.

Contemporary historians have in general discounted the single tax and its influence, but it is possible that with new evidence as to the identity and activities of Georgists this opinion will have to be revised.

It is certain that the publicising of George's analysis of land monopoly and his method of land taxation made such taxation the favoured method of unlocking the land.

South Australia introduced land value taxation on unimproved value in 1884, New South Wales in 1895, and Victorian Georgists were only narrowly defeated on similar bill in the same year. On a municipal level, NSW, SA, and Queensland Georgists had fought a running battle from 1889 to ensure that local councils had the option of rating on site values. This campaign bore fruit in Queensland first in 1890 and in South Australia in 1893.

Victorian and New South Wales Georgists kept up the fight into the new century and eventually met with success after 1915.

The final evaluation of the importance of LNLs and STLs rests not only with these legislative successes but with the extent of popular support for George's ideas. With eleven newspapers, 7,000 members, one hundred odd branches and a triumphant tour by George to cap everything, the single tax must be accounted

one of the more significant movements in nineteenth century Australian history.

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Cont. from p.4.

PR & HITLER

15 per cent of the total vote in German elections. It is also doubtful how far the proportional system helped those parties dedicated to the destruction of the Republic. The Nazis and the Communists were parties whose main strength lay outside parliament, but it is unlikely that any other electoral method would have held them back.

So far as Hitler's party was concerned, it may have benefited somewhat from proportional representation in the election of 1930, when it first became a serious parliamentary threat to the established parties. But by 1932 it had increased its support so much that under an electoral system such as that used in Britain it would actually have gained an absolute majority over all the other parties. Hitler was never able to win such a majority, even in the highly pressurised election of March 1933, whereas without proportional representation he would then have been given the two-thirds majority he needed to alter the constitution. In that case the Nazi claim to have achieved absolute power as the result of democratic processes would have seemed unanswerable.

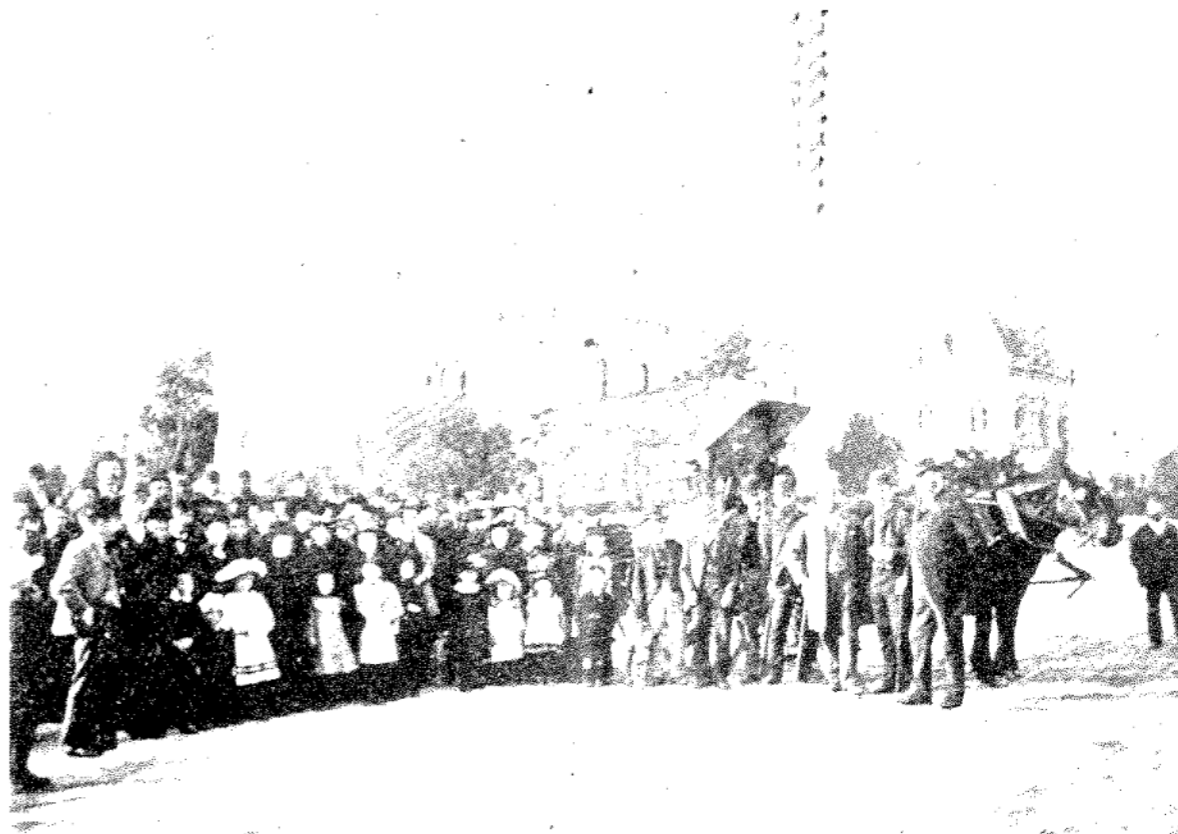
Whatever problems faced the Weimar Republic they were not attributable to the democratic nature of its constitution.

*\*Elections were actually held in only thirty-seven of the districts, because the French did not allow voting in Alsace-Lorraine.*

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## THE EARLY GEORGISTS

by AIRLIE WORRALL



OPENING OF THE RED VAN CAMPAIGN IN SOUTH AUSTRALIA.

### TRAVELLING LECTURERS

Next to running the newspaper the most vital function of any central branch was the organisation of a lecture programme. Leagues usually appointed two or three official travelling lecturers whose costs they met; and a half dozen or so part time city lecturers. Every member was expected to do some speaking even if just at his local A.N.A. or friendly society meeting. Frank Cotton was the earliest of the travelling lecturers and from 1887 to late 1889 was active in the Western, central and northern parts of New South Wales. In 1890 he was joined by Joe Lesina and that year they covered Newcastle and environs for the Single Tax. John King, secretary of the New

South Wales STL took over after this, and he regularly toured the Goulburn-Hay-Narrandera-Mittagong areas, while Foxall, Meggy, Riddell and Card took care of the city beat. South Australia had young Harry Taylor as secretary and lecturer, and he did several tours of the central and northern areas in 1891 and 1893, while in Melbourne Max Hirsch and W.W. Lyght did most of the travelling and Richard Houston most of the city work. The strain of continual travelling by coach and train took its toll on Hirsch and Taylor particularly, leading to repeated breakdowns in their health, so by 1894 the Leagues were seeking alternatives which would relieve the strain on key personnel. The answer was found to

lie in the practice of the United Kingdom Georgist body, the Land Restoration League, which had in 1891 outfitted a horse drawn van with sleeping and cooking facilities and sent a lecturer-driver around the country to investigate and speak. There were five such vans operating in the United Kingdom by 1893, painted an eye-catching red and emblazoned with slogans, and their method of operation was as follows. A van would pull up in a market place or near a group of tenants' cottages and decant a lecturer, who would speak on the Single Tax, field objections, distribute a tract or two and in general amuse the assembled crowd before being run off by the squire's men or the local constabulary.

The Victorian STL adopted this idea in 1894 and provided the seasoned agitator W.W. Lyght with a red van fitted out to his specifications and a sturdy animal named 'Trenwith' (Trenwith MLA was Victoria's leading Labor Protectionist) to pull it. The project was financed by the St Kilda branch, which directed Lyght to collect information on the conditions prevailing on the land as well as spreading the Word, and in July 1894 Single Tax Propaganda Van No.1 departed for Geelong on its first year-long tour of the colony. Single Tax Van No.2 was the property of the South Australian STL and largely through the efforts of the Ladies' Land Reform Committee, took to the road in September 1895, driven by J.R. Baxter and later by an ex-minister, Jas. Stirling.

#### THE SINGLE TAX AND FREE TRADE MOVEMENTS

By 1891 the Single Tax movement was surging ahead. The League now had thirty New South Wales branches and its own parliamentary representation in the persons of 'Mudgee' Haynes and Frank Cotton, and its success in promoting the 'class legislation' of a land tax now began to divide the ranks of the Free Trade movement. The National Association, founded in Victoria in August 1891, opened a New South Wales branch the following month and its secretary, William Epps, pledged the Association's support for Free trade election candidates opposing 'wild socialistic and revolutionary theories which are subversive of law and order' (S.M.H. 23.11.1891) such as the Single Tax. By early 1894 opposition of an even more extreme nature was forthcoming, this time from the newly established Landowners' Defence League, a body of conservative Free Traders led by G.H.Cox MLC and Sydney Burdekin, committed 'to resist the designs of those persons who seek to compel landowners to bear the whole burden of national taxation'. In an interview with the *Sydney Morning Herald* Cox disclaimed any political role for the League saying only: 'We want to supply an antidote to the poison spread

by the Single Tax people'. The *Herald* applauded these noble aims, declaring that 'the violent apostles of a land tax' were engaged in a war to the death with landed capital, and deploring the 'anarchist' Single Taxers' 'confiscatory plots' (27.4 1891). This division between radical and conservative Free Traders was also manifest in the pro-land tax segment of middle of the road Free Trade, the result of a power battle

Wise's little group boasted four MsLA three of whom were city man. The FTLPA list of two years before had twenty MsLA and four MsLC, a large proportion of whom represented country areas. It is noticeable too that the grazier component of the FTLPA is totally lacking in the FTLRL, which had instead a large professional content with the occasional artisan, importer and agent. In all, Wise's League lasted from 1893 to 1895 but it received little newspaper coverage and failed to attract much of a following. He was eventually out-maneuvred in his quest for party leadership by Reid's introduction of the Land and Income Tax Assessment Bill of 1894 which was blocked by the Upper House and the direct cause of a general election. Reid was successful but both Wise and Protectionist Dibbs lost their seats and had to view from the sidelines Reid's Bill becoming law in 1895. Despite Wise's anti-exemption campaign of 1894-5 the Act imposed the tax of only 1d in the pound on lands valued at over £240, but at least Wise and the Georgists could point to the valuations being based on unimproved value. Reid had at the same time put through an Income Tax Act which placed a similar sized tax on all incomes exceeding £200 per annum, and these Acts largely signalled the end of the direct tax debate in New South Wales.

Free trade movement, and by 1893 when Wise's FTLP committee began its activities the inherent division between Free Trade land owners and non-land owners was becoming apparent. The conservative/radical division which occurred in Victoria in 1894 was duplicated in New South Wales, and the following year Wise's election defeat ended the career of the land reform wing of the Free Trade party. This defeat also seems to have ended the Single Tax League's political ambitions for although removal of the income tax and of the land tax exemptions remained part of their platform (*Single Tax*, 1.6.1896), the movement's crusade ended with the Land Tax Act of 1895, and as in Victoria declined thereafter.

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