

So on a basic price of \$18 we have \$49.68 worth of taxes and one cannot blame the retailer for maintaining his margins at 33 1/3 per cent, \$22.56. I don't say that either these prices quoted or margins quoted are adhered to, but the example is none the less quite frightening. It underlines the effect of a tax on a tax on a tax.

In 1973 the duty element was only \$16.50 and rose some \$20 a case in a very short time from \$4.81 a litre of alcohol to \$10.75 a litre.

I don't know what the duty was in 1953 but even if it were nothing, the rate of increase a year to 1973 would have been 24 cents a litre of alcohol.

Continuing on that rate we should only be paying \$6.01 a litre of alcohol in 1978 or \$20.43 a case duty, and in effect should not be due for an increase in duty for another 19 years.

Mr Howard should leave the kilted gentlemen alone this Budget.

R D SPRATT
*** ** Brookvale NSW

LETTER TO THE EDITOR

Sir - Imagine that the oil sheiks of Arabia had bought up all the land of Australia, and then leased it out to us, the local peasants, to live and work on.

How much would our new landlords be collecting from us annually in the rent? Well, on current valuations, it would run into thousands and thousands of millions of dollars per year.

The people of any country, by their very presence, living and working, buying and selling, themselves collectively make the land of their country valuable. Land value is really 'people' value. The rent of the land of a nation—the thousands of millions of dollars referred to earlier—should not be allowed to flow into private pockets, but should be channelled into the public Treasury as the natural source of revenue for the nation.

Thus the selling price of land would be forced down—and that's good news for a lot of people.

The onerous taxes that at present fall upon incomes and goods could then be largely done away with. Industry and enterprise would be encouraged; goods and services would be cheaper; and living standards and expectations would rise in a perpetual boom.

It would be a perpetual boom because the insane speculative fever of land value gambling would no longer be a feature of the economy. No longer could governments demand that high wages take the blame when the real enemy had been the unreal high price demanded for land.

For instance, Melbourne's new Westgate Bridge should be paid for out of a State land-rent fund, the people should be able to travel over the bridge free, land in the areas opened up by the bridge would be much cheaper for home sites;

and the speculators, forced to pay their full share of the increased land rent that the bridge will generate, will be lamenting.

K N GRIGG
*** ** Melbourne

THE LAND QUESTION AND THE CHURCH

By Rev. W H HOWARD

This earth, with all its utilities and beauties, is the common abode of all men. We are here for a short time only and, as Christians, we must believe that God meant all His children to share freely and equally in these bounties.

Scientists rightly declare that all Nature is subject to law. These eternal and unalterable laws apply not only to inanimate things, but to the physical, mental, moral, political, commercial, and spiritual realms. To assert that law applies to one realm and not to another is unscientific. Scientists call these laws the "Laws of Nature" but to the Christian the laws of Nature are the "Laws of God."

When a law of Nature is broken harm follows. When it is obeyed good follows. Man is endowed not only with instinct, but with mental power to observe and to discover the working of these laws. He then has the moral responsibility to obey them. He has also the power to obey or disobey them. Of all living creatures man alone has the power of choice between what he considers right or wrong.

The so-called laws of man, unless they are in accord with the Laws of Nature, must produce harm and not good. As Nature's Laws apply to all alike, so Nature's opportunities must apply to all alike. If any law of man denies to some the opportunities that were meant for all, that law must be a harmful thing and will bring disaster.

One other observation. The human family is one whole. The negro is our brother whether we like it or not. A natural law must apply to all nations, to every race, to every individual. Education, or if you like, civilization, has enabled some nations to control to their own advantage the rights of weaker or less civilized nations. In the same way clever men can control, to their own advantage, the rights of simple men. All this is contrary to that Natural Law that demands equal opportunities for all. Here will apply those Natural Laws that rule the moral, political or spiritual realm, and they demand that we come to the aid of such nations or persons, and not join in sharing the spoil.

The terrible evils in the world today compel every thoughtful man to come to the conclusion that these evils result from the breaking of some fundamental Law of Nature, and he will feel

further compelled to seek to discover that law, so that by obedience these evils may be rectified.

The great evils of today, such as poverty, workless men, hungry children, ignorance, trade restrictions, wars, are all rooted in some form of injustice, and this injustice and the suffering that follows is caused, not by Natural Laws, but by man's laws, and the consequent evils can only be rectified by a return to Nature's beneficent law of equal opportunities.

This fundamental broken law is evident in every land to those who search beneath the surface. Some nations, and some men of every nation, have been able by force or fraud or cleverness, some would say by law—man's law—to deny to others the supreme right of equal opportunity of access to land, the only source of life's necessities. Without land man is helpless. He can only live by having access to land. It is his birthright. To deny it is to make him a slave to those who have such access.

It is said that in the multiplicity of of callings in modern civilization it would be impossible and undesirable that every man should live directly from the land. This is true, but it does not meet the question. All live directly or indirectly from the land. The holders of land, without losing their rights of possession, should be required to pay an annual rent to the Government (the People) proportionate to the value of the site occupied, whether in town or country.

This rent would be the necessary revenue of the State, and consequently taxes and tariffs would not be required. It is this remission of taxes and tariffs, and substituting land rent, that restores to every man his equivalent to actual access to the soil. Then the wages of the worker, from the Prime Minister to the ordinary labourer, would be his by natural right, without any deduction. In other words he regains his birthright in the soil of his native land. It is a transfer from injustice to justice. The effect of this on individual and national character cannot be over-estimated. It opens a door of freedom that has hitherto been closed.

If considered honestly and carefully it will be evident that under these new conditions the evils before-mentioned would gradually cease to exist.

Let those who call themselves Christians, especially the leaders, ask themselves such questions as these: Why has the Gospel ceased to be 'heard gladly' by so many? Why have they lost faith and refuse even to listen to Christian teachers? The answer is, they see on every hand injustice and oppression, ignored and unrebuked by the Church. They are told 'God is

love,' 'God is just,' 'God is no respecter of persons.' To them it is not true. Then logically follows this reasoning: No faith, no God, no future life, let us make the most of this life, every man for himself, let the weak perish and the strong survive. This is the evil doctrine that is gaining ground. This is the soil in which all social evils root deeply and thrive. This is the menace of the world today. Injustice is the cause. Justice is the cure. To tell the poor or the oppressed to be contented under injustice is to mock them.

Some may reply that the true cause of these evils is not that the masses have no claim on their native soil, but it is the inherent selfishness in human nature, a selfishness that includes envy, greed, covetousness, cruelty, ambition. On the surface this also may be true, but again, looking deeper, it does not meet the question.

Are not these very evils the certain result of the doctrine 'No God,' 'No faith,' 'Every man for himself'? Remove injustice by just laws and straightway you make it possible to restore faith in a beneficent Creator. It will then again be possible for men to believe 'God is love,' 'God is just.' This is the faith on which a better world can be built. Justice makes this faith possible.

Whether men realize it or not, it is a sin to retain for exclusive use the natural gifts of God, such as sunshine, air, water, land, etc., which were meant equally for the benefit of all. No Christian dare deny this. Yet Christians are practically doing this very thing, and then try to find some other answer to the question, 'Why does God allow the sufferings and wrongs of the world?'

No Socialism, or Communism, or Nationalization of land, or any other artificial remedy will put this thing right. There is only one remedy and that is justice. In recent times a few honest thinkers, by their writings, have drawn very close to its solution, but it remained for Henry George to show clearly and simply, to the Church and to the world, how this justice could be realized without causing any social upheaval. If this solution be of men, it will come to nought, but if it be of God, men may delay it, but they will never overthrow it.

It has been said that no great thinkers have ever approved the principle of Land Rent. This is very far from the truth. I mention in recent years, Winston Churchill, Albert Einstein, the late Archbishop William Temple, and the late Sun Yat Sen, of China.

Land Reformers have looked to the Church for a lead, and looked in vain. They accuse the Church of preaching a Gospel for the next world, hence not all, but hundreds are working

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independently of the Church. On the other hand the Church accuses the Land Renters of preaching a Gospel for this world only, and will have little or nothing to do with them. In each case the conclusion is wrong. Some day, please God, they will understand each other and work together. The world needs both. It is then that we may expect to receive an answer to the oft-repeated prayer, 'Thy Kingdom come, Thy will be done on earth as it is in heaven'.

Do not be 'too busy' or 'too proud' to study this subject. In it you will find the pure gold of Christianity.

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money

One of the essentials in the study of economics is a clear understanding of the nature and function of money, particularly the distinction between money and wealth.

Economics is the science or study of how men economise, by association, in the production of goods and services. Money is one of the economic devices universally adopted in this process. Everybody who earns his living does so economically, i.e. by exchanging his products or services for the products or services of others. By using some articles (coins or notes) which will be accepted by everybody in exchange for his goods or services, and as the measure of value adopted by everybody for exchange purposes, an enormous amount of effort in exchange is eliminated and far more exchanges (and consequently far more production) are made possible.

DEFINITION

Money may thus be defined as anything which at any time and place is accepted by all as the medium of exchange and the measure of value. It plays a most important part in modern life, and it presents no special difficulties as long as its part in the economic order of social life is understood. The trouble begins in the political sphere, when political forces are used to introduce privilege into the economic scene, so that *legal rights* which are not goods or services but legal privileges—not the products of economic labour—are by political power made to come on the market where they are bought and sold along with goods and services.

MONEY IS ECONOMIC

Money is merely an economic device used to facilitate the exchange of those things which people desire to buy and sell and which are available on the market. It is neither moral nor immoral. Neither money nor the market is responsible for what the market offers for sale and purchase. The economic products of labour (which are beneficial to all) and the anti-economic privileges created by politics (which benefit a few at the expense of the many) are alike advantageous to their owners, and the

public do not discriminate between them. Money always operates as an economic device, facilitating the exchange of whatever is available on the market. It is in no way a political device. How mis-government deals with money itself we shall see later.

In the meantime the following points are important:

a. People do not work for money but for the products (goods and services) and legal rights offering on the market in exchange for their own products or legal rights. They use money only as a medium of exchange and a measure of value in the exchange of whatever labour products (goods and services) and politically-created privileges (legal rights) are offering. People work economically, i.e. by exchange, for the things which they desire and which are available on the market.

b. Money does not purchase anything. In the last analysis the products of labour (goods and services) exchange for everything, labour being the purchasing force and money an economic device used in the exchange transactions.

c. Money is not a factor in economic distribution. By natural law in the economic order, the total social product is distributed into individual wages (termed wages) and social wages (termed rent). Money operates solely in the production, including the exchange, of labour products. The reader must master the distribution of wealth before understanding this essential point. Read 'Progress and Poverty' Book III.

FREE MONEY

Money has no function apart from trade, and free trade (trade by free people) includes money not under governmental control, i.e. issued and used by free men. It is people, of course, not money or trade, who are free or not free. Everybody who wishes to trade, with or without the use of money, should be free to do so. This freedom is secured by good government, to which everybody has a right. Good government is positive in establishing and maintaining equal rights and also positive in prohibiting infringements of those rights. At present it is a widespread and fatal phenomenon that government is perverted by governments, i.e. that governments who are elected or appointed to the high office of preserving human rights make themselves the instruments by which people are deprived of those rights. Bad government is the perversion of government. One serious example of this is the subject of Dr H G Pearce's article on Coinage in Issue, i.e. the almost universal tendency of government to assume control of the currency and coinage and to debase and inflate it for the governments' advantage against the interests of the people.

The only complete remedy for mis-government is complete freedom, i.e. the legal right, recognised and enforced by government, to do