

indicates the distance we have drifted away from our racial and national ideals of self government and the traditional guards against autocracy, since the advent of that policy of American imperialism with which Mr. Taft's distinguished career began.

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## EDITORIAL CORRESPONDENCE

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### THE BRITISH BUDGET\*.

London, May 3, 1909.

While the Liberal budget, introduced by Lloyd George, April 29th, disappoints some of the radical single-taxers in this country, it really marks a revolution in British politics. For it recognizes the difference between land and other forms of wealth, and begins the appropriation by society of that which society itself has created.

Socialists, Radicals, Liberals and Conservatives, alike recognize the real significance of the proposals. No one is deceived into believing that this is merely an emergency proposal. It is "the thin edge of the wedge" of land nationalization.

Even Lloyd-George recognized the evils of land monopoly and its blighting effect upon industry and life in his budget speech. He frankly said: "The growth in value of urban sites is due to no expenditure of capital or thought on the part of the ground owner, but is entirely owing to the enterprising energy of the community." Then he went on to show how the healthy development of cities is strangled by land monopolists who withhold land from use in the hope of a speculative rise. He later said: "If the landlord insists on being a dog in the manger, he must pay for his manger."

The budget proposes to value all the land in Great Britain.

This is the revolutionary element in the budget. It is not three kinds of taxes which are estimated to yield only \$2,500,000 a year; it is the valuation of the naked, unimproved land of the kingdom that marks this budget as a revolutionary proposal, and lays the foundation for the local as well as the imperial taxation of land values.

The Tory land owners might accept the taxes with a protest. They will writhe in apprehension to see their land valued and its colossal proportions held up before the community as a treasure to be still further tapped by the towns.

They may reject the budget altogether, although this has not been attempted for centuries, and all the traditions of the British Constitution repose the budgetary power in the Commons. But the House of Lords is a house of landowners, and they may be willing, Samson-like, to bring down the Constitution itself about their ears rather than see their dear privileges touched.

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In brief, the budget provides for—

(1) A tax of 20 per cent on the increment of value accruing to land in the future from the growth of the community. This tax of 20 per cent

\*See The Public of May 7, pp. 434, 443; of May 14, pp. 458, 462, 472; and of May 21, pp. 481, 487, 494.

is to be taken on transfer, death, sale, or otherwise. It is not an annual tax, and is expected to yield \$250,000 the first year.

(2) A tax of one half-penny on the pound (equivalent to an ad valorem rate of two mills) to be imposed on the capital value of the land. The same rate is to be imposed on mineral lands. This tax, however, is limited to land which is undeveloped, or is not used to its best advantage. It does not apply to land of less than \$250 per acre, and really exempts agricultural land altogether.

(3) A duty of 10 per cent upon the value which accrues to the landlord on the reversion of a lease. Almost all of the land of Great Britain is held under lease for long periods of time with the provision that all improvements revert to the landlord on the termination of the lease. This tax aims to take 10 per cent of the improvement value as well as the increase in land values, which revert back to the large landowners when the leases fall in.

These form the land tax proposals. They are not the proposals of The United Committee for the Taxation of Land Values, which stood for a straight tax of a penny in the pound on all the land in the United Kingdom. This would have produced from one to two hundred million dollars, whereas the budget proposals will yield less than three million dollars. But the valuation will be secured.

Hereafter it will be easy to impose a straight tax upon pure land values for local and Imperial purposes. Propaganda will be greatly simplified and the movement will have a firm foundation, in that a demonstration will have been made of the possibility of valuing land separate and apart from improvements, which the Conservatives have insisted could not be done.

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This is a revolutionary budget.

It is impossible to attribute its achievement to any one man. The seed sown by Henry George has been growing during the past quarter of a century and has gradually infiltrated into the public consciousness. But from a three weeks' stay in England and rather close contact with the radical movement, I think it is fair to say that the movement has been invigorated and crystallized into form by the work of Joseph Fels, who has not only given unsparingly of his time, but has promoted by every conceivable means a general knowledge of the taxation of land values and made it a practical political programme.

FREDERIC C. HOWE.

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## INCIDENTAL SUGGESTIONS

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### A FAR SHOUT OF REJOICING.

Topeka, Kan., May 15, 1909.

My Dear Public:—I am always delighted to see you; to-day you bring me information which renders that famous song, the "Nunc Dimittis," even more enlightening. I hear it, "For mine eyes have seen thy salvation";—there is the organ and the voices of those Pure Democrats. Our religion, the real "id quod religat," that which binds, is beginning to prevail. I am transported to the Strand, where is the