

40,000 tons of sugar-beet, 15,000 tons of corn, 2,000 tons of vegetables.

"The beet of Fucino is the raw material for one of the most important sugar factories in Europe, but sugar remains a rare luxury for the peasants who cultivate it. It only enters their houses once a year, in Easter cakes. Almost all the corn of Fucino goes to the city, where it is used to make white bread and cakes and biscuits, and even goes to feed cats and dogs; but the peasants who grow it have to eat maize bread for the greater part of the year. All the peasants get from Fucino is starvation wages; wages that allow them to exist but not to live. . . .

"Some even took Fucino as a symbol of Southern Italy. . . ."

HUNGARIAN FEARS

(From an article by Count Michael Karolyi in REYNOLDS NEWS of 27th June.)

AT THE end of the last war I headed a Government which sought to give the Hungarian people a real stake in their country. Mine is a country of land-hungry peasants and indescribable poverty. There are three million more or less landless peasants in a total population of 8,500,000. Two thousand two hundred and forty-two big landowners draw an annual income equal to that which must sustain 4,000,000 land workers and small peasants. We wanted to break up the great feudal and church estates; to give the people the land for which they hungered.

The Hungarian counts, the Roman Catholic Bishops, the military clique, the bureaucracy, united to hamper and destroy my reforms. They played on the Allies' fear of Bolshevism by pointing to my Government as a Bolshevik regime, whereas in fact, it was no more Radical than the Governments of Leon Blum, of Negrin, or of Benes.

One result of their work and of the willingness of the Allies to listen to them, was that the people turned to the Communist leadership of Bela Kun. And Count Bethlen did not hesitate to call in Rumanian troops to crush the Hungarian Red Army. This was the same Count Bethlen who was later Prime Minister for ten years, who welcomed collaboration with Hitler, and who is now being brought out from the background as a "moderate" politician who may be useful to save Hungarian feudalism.

What have these men done with Hungary between the last war and the present? For 20 years they preached to the outside world and the Hungarian people that the source of their miseries was in the Treaty of Trianon. It is true that this Treaty, which was signed by the present ruler of Hungary, Admiral Horthy, contains clauses which are not only cruel, but unreasonable. But the Treaty is not responsible for social conditions, which are among the worst in Europe, for the unjust distribution of the land, for the total absence of real democracy, for appalling misery on one side and enormous wealth on the other.

In 1936, a Hungarian land worker with a family of five had a yearly

income of £25. Industrial wages were equally on a starvation level. Before the last war barely 6 per cent of the population had the right to vote. Today, the proportion is slightly higher. But 80 per cent of the voting is by open ballot, with voters terrorised by the Government machine.

The denationalised class that has ruined my country has its friends in the West, who for ideological reasons do not want to see the destruction of Hungarian feudalism. Should their manoeuvres succeed, one can only use Talleyrand's words: "C'est plus que un crime, c'est une betise." (It is more than a crime, it is stupidity.) For so long as this regime lasts there is no possibility of a democratic and progressive Hungary. No real co-operation is possible with neighbouring States, no social reform will be carried through.

What must be done? Hungary needs above all things peace and a rise in the standard of life. The big landowners, the aristocracy and the Roman Catholic

bishops must be forced to give up their lands. Unless this is done, there can be no question of serious reform.

"THE POWER BEHIND THE MASK"

IN AN article with this heading about Hungary's war-time shifts and stratagems, in *The Times* of 23rd August, the writer concludes thus:—

"The Horthy régime can speak with several different voices and put on several different masks. But behind them all is the face of the stubborn, greedy, reactionary landlords who are the real rulers of Hungary."

Another instance of the truth of what Henry George wrote in *Progress and Poverty*, at the end of Book 5:—

"Everywhere, in all times, among all peoples, the possession of land is the basis of aristocracy, the foundation of great fortunes, the source of power."

CORRESPONDENCE

A WORD TO PROPAGANDISTS

The Editor, *Land & Liberty*.

SIR,—With no desire to be hypercritical, I want to criticise the tendency to make too much of the merely fiscal considerations in the advocacy of the Taxation of Land Values.

It is not a matter of first importance to what pockets ground rents find their way. Financial adjustments can be made in many ways. The more important matter is that all land shall be available for use at a price, or rental equivalent, which represents the economic value of the land for present use; and that it shall be made economically prohibitive for land not to be used to its fullest extent according to its suitability.

A tax on land values would tend to make the value of land for present use the basis of purchase price, or rental equivalent, and thus to do away with speculative value.

The Taxation of Land Values would bring all land into the market for present use at an economic price or rent; enterprise and industry would cease to be burdened with rack-rent charges based on land values inflated by artificial shortage of supply in a market where it is necessary to buy in order to live.

What the economists call the margin of cultivation (more comprehensively expressed as the margin of utility) would, by the taxation of land values, come to have a practical meaning, so that land with such a low utility value as to make it uneconomic to pay rent for its use would become available for use at a cipher rental.

It is mischievous, and serves no useful purpose, to pillory land speculators or landowners, either individually or collectively; even single taxers may be land speculators or landowners if they have the means and the necessary business qualities.

There has been too much of a tendency amongst the advocates of the

taxation of land values to assume that for practical results they must rely on what are called the progressive forces in politics. It may reasonably be contended that the success of the advocacy of this most important social-economic reform is dependent upon winning the adherence of intelligent people everywhere, regardless of their political party associations.

Landowners and land speculators do not constitute a peculiar species in the general community; and it is reasonable to assert that any landowner or land speculator who, notwithstanding his apparent self-interest, became satisfied that the taxation of land values would promote the interests of his country, and of the community in general, would be as ready to support the advocacy of such a reform as he is to risk his life and his fortune, or that of his sons, to resist aggression by a foreign foe.

Do let us stop assuming that all those who think they benefit financially from the present system of land appropriation must necessarily be opposed to any reform which would admittedly be beneficial to the community at large although seemingly to their personal disadvantage.

This reform is part of the general scheme of economic liberty in a democratic State, and we must not place our reliance for its practical realisation on any political party which would suppress liberty and set up a tyranny in the name of Democracy.

Yours, etc.,

C. W. L.

[With his good advice "C. W. L." knocks at an open door in maintaining that personal guilt is not to be attributed to those who take to themselves and benefit by the rent or value of land which is a common fund. It is the law that is wrong, and the responsibility lies with the citizens who make the law and can amend it. We agree and always insist that the educational campaign for reform must make that