

universities in the ensuing decade and drifted back to Paris where in 1923 he captured the glittering decoration of Doctor of Letters "tres honorable."

Australia in Extremis

FEW people realize the serious position in which Australia finds herself today. Take a few extremely significant facts. There are 30,000 unemployed in New South Wales alone, and about 200,000 in the whole of the Commonwealth. The number engaged in primary production in the Mother State has decreased by 31,000 during the last 15 years and by 78,000 in 6 years in the Commonwealth. Nearly half the population, or 2,875,000, live in the capital cities, to which they are attracted by the difficulty of making primary production pay, by the artificially inflated wages in the cities and towns, and still more perhaps by the many amusements and other allurements which the country cannot give.

There has been a drop this year of some £40,000,000 in the value of Australian products, and an increasing falling off in the demand for them by other countries. Sugar, dried fruits, butter and wine are exported at a loss, which is made up to the producers by subsidies and bounties, for which the local consumers have to pay. The price of wool is 33% below the price prevailing a year ago, besides which the amount of borrowed money from abroad this year will be about £15,000,000 less than the average for the last five years. Mr. Bavin summed up the position in a nutshell when he declared that "so long as Australian costs of production and distribution and over-sea prices remain at the present level it would be increasingly difficult permanently to increase the volume of primary production, and it would be cruel to spend public or private money in putting men on the land to grow products that they could only sell at a loss!" That is the bedrock position in Australia today, and neither the Nationalist nor the Labor Party has any sensible scheme for dealing with it, the Labor Party least of all.

A CLEVER CARTOON

The position in Australia during the recent election was very cleverly summed up by C. J. Nicklin in a cartoon published in the current issue of the *Standard*, in which Australia is depicted as a dying man with lengthened visage, closing eyes and emaciated form. On the wall is the patient's chart: "Name: Australia, the land of opportunity; occupation: works for the landlord; disease: paralysis caused by land monopoly; complications: chronic inflammation from HCL (high cost of living; pulse: very low—200,000 unemployed; temperature: high, delirium public press; treatment: taxes on industry, tariff on trade, Royal Commissions, imported experts, charitable organizations, chocolate wheels, etc." Round the patient's bedside are the various political doctors with their nostrums—Mr. Scullin putting horrible looking leeches on the patient's feet and holding a jar containing "trained

tariff leeches, all guaranteed suckers—if not successful add more and larger, *ad lib.*; Dr. Theodore with his counter-Nationalist powders; Dr. Bruce with his anti-Labor pills; and finally Dr. Hughes with his anti-Bruce mixture. Underneath the cartoon is a message from Mars: "It is a pity he has not got some real friend who would sack all these quacks. Give him an honest electoral system and abolish land monopoly."

THE PROBLEM OF PRODUCTION

There is only one real and permanent way of getting Australia out of the morass in which she is at present engulfed, and that is by enabling the producers, both primary and secondary, to sell their products at a profit in the markets of the world. Do that, and the problem of the unemployed—i. e., the Labor Problem and the Social Problem combined—will also be solved. To bring about this desirable result all the taxes and other burdens which at present are heaped on industry and enterprise will have to be scrapped. This will necessitate the abandonment of the policy of Protection, which the workers have been taught to regard as essential to their interests and to the maintenance of the standard of living; but in this they are mistaken.

Protection may temporarily benefit a few local manufacturers, and enable them to live on the fat of the land, but it will not permanently benefit the workers as a whole. On the contrary it increases prices, lowers the purchasing power of wages, reduces consumption and leads to unemployment. The coddling of the secondary industries at the expense of the primary ones and of the rest of the community is both morally wrong and economically unsound, and is largely responsible for the existing chaos. Sweep all these taxes, subsidies and bounties away, together with the huge expenditure and waste of time which the Custom House system necessarily entails, and our producers, both primary and secondary, would be able to sell their products at a profit in the open market, and to capture their share of the great Eastern trade, which under a protective tariff is beyond their grasp.

THE PROBLEM OF THE UNEMPLOYED

Such a policy would enormously stimulate and extend the demand for labor, and with the continually increasing demand for it wages would naturally and automatically rise without the intervention of compulsory Courts and Boards. Where would the revenue come from if taxation were abolished? Why, from its natural source, the annually increasing value of land, which is directly created solely by the presence and needs of the community and therefore belongs by right to the community, but, under our landlord-made laws, is confiscated and squandered by private individuals instead of being appropriated by the State on behalf of the community, and spent in meeting the expenses incurred by the community.

It is this antiquated and immoral system which is mainly responsible for the growing hordes of millionaires and

multi-millionaires side by side with millions of unemployed. The moment you commence to appropriate a portion of the land value on a uniform basis and at a reasonably high rate, instead of exempting the many and overtaxing the few, as is done with the consent of all parties in Australia, you will force a portion of the enormous areas of idle land into use and give the workers a chance to employ themselves.

With the gradual abolition of taxation and the equally gradual appropriation by the State of the economic rent the problems which now confront us would gradually disappear. When the whole burden of taxation has been swept away and the whole of the economic rent has been absorbed on behalf of the community by the State you will see a resuscitated, glorified, prosperous and contented Australia, and such ideal conditions as have never been known so far in any part of the world. How soon this will be brought about depends entirely on the intelligence, the foresight and the working together for good of the people themselves.

NON-PARTY GOVERNMENT

The recent electoral contest at Ashfield, a Sydney suburb, caused by the resignation of Mr. Jarvie as a result of his alleged attempt to bribe a Minister, enabled Mr. A. G. Huie, the well-known secretary of the Henry George League in Sydney, to bring forward the Single Tax remedy for the economic ills from which Australia is suffering. Although he gained more votes than at his previous attempts to win the Ashfield seat, he did not obtain enough to beat the party representative, against whom, in whatever electorate he may be placed, an independent candidate, owing to our present electoral system, has but little chance. The party system has done good service in its day but is now in its dotage. The recriminations and abusive personalities in which both sides indulged during the recent federal campaign showed to what degradation it has fallen.

What is really wanted is the adoption by the Commonwealth of Proportional Representation, which would give all shades of opinion a proportionate share of representation in Parliament, and a system of non-party government such as they have in Switzerland, all the members voting irrespective of party for the public good, instead of opposing the very best measures if introduced by the other side. In the Swiss Parliament the departmental heads are chosen for their administrative capacity by a block vote of both Houses, and they retain their positions so long as their services are approved. As Federal Councillors they shape and introduce whatever measures are required, but need not support them unless they choose, and neither they nor the ordinary members of Parliament lose their seats if a measure is thrown out. Something like this is sadly wanted in Australia, where the party system is bringing contempt on government itself.

A LUMINOUS ADDRESS

Alderman J. R. Firth, of Strathfield, well known in England for his addresses and widely circulated leaflets on municipal rating in Sydney, gave a luminous account of the present position of land-value taxation in Australia at a recent meeting of the Henry George League in Sydney. He first pointed out that in New York, Cleveland and Pittsburgh at least one-third of the ground rent was appropriated by the City Council for communal purposes. In Australia the Georgean principle had made extended progress, especially in the municipal sphere. At Canberra, the federal capital, the whole of the ground rent went to the community; in Brisbane one-half was taken for communal needs—local, State and Commonwealth; in Sydney at least one-third was taken; and in many other cities, towns and villages not less than 20% was appropriated for communal purposes.

Mr. Firth, however, omitted to point out the very important fact that, while the municipal rate is always levied on a uniform and therefore equitable basis, the Commonwealth land tax is only levied on land values amounting to £5,000, after which it is graduated from a penny to nine pence in the £, while land values under the value named are not taxed at all. This inequitable and therefore unjust system has promoted land monopoly, evasion and all kinds of fraud, and has done more harm to Australia than, perhaps, any other cause. It is, nevertheless, supported by every political party for fear of alienating the votes of the small land-owners if they had to pay the tax.

PILING UP TAXATION

While one part of Henry George's philosophy has been adopted in the municipal sphere by both Queensland and New South Wales, and mangled by the Commonwealth, the other part, that dealing with the fiscal issue, has been ignored. Since Federation the Commonwealth Government has followed the pernicious example of the United States and has gone in for continually increasing its protective duties, with the result, as stated by Mr. Firth, that our Customs and Excise revenue has grown to £7 per head as against £1 per head in the United States, on the top of which has been piled federal income tax, federal probate duties and amusement taxes.

It is still worse in the Mother State, where stamp duties of all kinds have been reintroduced and continually raised, wages have been taxed for family endowment and for workers' compensation, and motors have been added to the list. As a result the cost of living has been trebled, as also the cost of production, with the result that nearly all of our export industries—such as metals, coal, dried and canned fruits, butter, wine, sugar, hops, grapes, meat, probably wheat, and possibly wool—find it impossible to export at a profit.

UNPROFITABLE PRODUCTION

When we have made industry unprofitable, continued

Mr. Firth, we either (1) let the industry slowly die, as in the case of coal, or (2) pay a bounty on export, which does not make the industry profitable but merely forces the whole community to pay higher taxes, so that an industry may ship produce overseas at a loss, or (3) let the producers pool the product (as in the case of butter and sugar), overcharge what is used for Australian consumption, and use the proceeds to pay the loss on what we export. As a result both sugar and butter are sold abroad for about half the amount which the local consumer has to pay.

As Alderman Firth pointed out, we have borrowed scores of millions and spent them in increasing land values, making land harder to secure, thus undoing the good done by the Georgan policy of rating unimproved land values in municipalities, and of deriving a portion of the expense for the construction and maintenance of main roads and of the harbor bridge from the same source.

As instances of the benefits arising out of the Georgan policy of appropriating land values and exempting improvements Alderman Firth cited Sydney and Brisbane, the former of which had increased its population from 550,000 in 1908, when the principle was first applied, to 1,300,000 in 1928, while in Brisbane the population had increased from 264,000 in 1926 to 309,000 in 1929.

When the exemptions and graduations which at present mar the imposition of land-value taxation in the federal sphere are swept away, and uniformity is for the first time introduced as in the municipal sphere, and when the pernicious policy of Protection for local manufacturers at the expense of the primary producers and of the rest of the community is abandoned, an era of unexampled prosperity will commence such as no country in the world has hitherto known, and Australia will assume her rightful place as the most prosperous, the most attractive and the most contented nation on the face of the earth.

Sydney, Australia, Dec. 11, 1929. PERCY R. MEGGY.

SO long as there was free land every man had the opportunity to create new wealth for himself by the simplest and oldest means known to humankind. With the end of free land, American men for the first time had occasion to look with envy upon the wealth of others, or with jealous scrutiny as to how they had acquired it. The end of free land was the beginning of those political issues which had to do, in one form or another, with "dividing up" or with curbing those who had much.

MARK SULLIVAN in "Our Times."

TO lend money to all the world and then try to restrict imports is to invite all our debtors to repudiate their obligations by making it difficult and expensive for them to pay their debts by the only means by which international debts can finally be paid, namely, by the delivery of goods and services.—London *Economist*.

The Rediscovery Of Henry George

ADDRESS BY WILLIAM LLOYD GARRISON AT
SINGLE TAX DINNER, BOSTON, DECEMBER 5, 1929

ANY social reform should be viewed against the background of the times that stand godfather to its birth and christening.

In the United States of the eighteen seventies there were omens enough to signify the need of a new crusade, and a new evangel of social purpose. A surge of excited and speculative railroad building following the Civil War period served to throw an overstrain upon an inadequate national banking system, which found expression in the crises of 1873 and 1884, and subsequently in the catastrophe of 1893.

Henry George's original searching analysis of the causes of these unstable and disturbing conditions is to be found in his monograph, "The Land Question," published in 1871. The effectiveness of his presentation caused widespread discussion and interest and led George to develop and amplify this theme, so that in 1879 appeared his masterpiece of economic and philosophical thinking entitled "Progress and Poverty."

This book acted as a catalyst to divided and divergent modes of social thinking, reconciling the real with the ideal, and combining a tempered and resistant logic with a compelling sweep of constructive imagination. Its affirmation regarding the right of every human being to a share in the common ownership of land as the basic source of material production brought instant response. And its novel and simple device of enforcing that individual claim through an act of taxation of economic (or ground) rent to the exclusion of other taxes had a touch of inspiration that delighted thinking minds everywhere.

The ringing sentences of "Progress and Poverty" echoed around the world. And soon Henry George was eagerly invited to elucidate his teachings on the platforms of Britain (in 1884), and subsequently those of Australia (in 1890) in which countries the significance of his ideas is even better understood than in his own land.

Following the panic of 1893 and its aftermath, came a gradual business revival culminating in the boom years at the opening of the twentieth century. This period marked the rise of the great trusts fostered by President McKinley and Mark Hanna. It was a precursor of the present-day march of vast corporate amalgamation and concentration. As might have been expected, boom times could see little virtue in tax reforms, or little need of modification of land tenures in the interest of the weak and powerless. And although the Single Tax Movement continued actively as an educational and inspirational force, it failed to maintain the political vitality lent it by