

FOOD TAXATION AND LANDLORDS' RENT

Historic Catechism of the Corn Laws

Twice during the past few months tariffs on agricultural and horticultural products have been increased. Intended to benefit the farmer and smallholder and to encourage increased home food production to the alleged advantage of the consumer, ultimately they will be cashed by the land owners in increased rents. So also are cashed the plethora of subsidies, aids and grants which successive governments have poured on the land. In fact it is the Corn Laws all over again, showing how calamitously history can repeat itself. The great pamphleteer of the Anti-Corn-Law League to whom Richard Cobden paid a high tribute, was the eminent Col. T. Perronet Thompson (1783-1860) who was M.P. for Hull, 1836-37 and for Bradford, 1847-52. Among his works was the famous *Catechism on the Corn Laws*, first published 1827 and repeatedly reprinted. The following extracts will be of particular interest to our readers:—

The attempt to prevent one man from buying what another is willing to sell to him, and oblige him to buy from a third person with the avowed object of making him pay that third person a greater price, is so manifestly of the nature of robbery, that nothing can make it tolerable in a country where ideas of justice and civil liberty have made any considerable progress. And consequently this object is not generally avowed; but the plan is put forward under cover of some advantage that is to arise to the community from its permission, or some detriment from the contrary.

What is meant by Corn Laws?

Answer. Laws that enact that the labourer shall not exchange his produce for food, except at certain shops, namely the shops of the landowners.

For whose benefit are these laws?

A. Manifestly, of those who support them—the landowners.

Are not the increased rents of the landowners a national gain?

A. In the first place, all that they can gain must be taken from someone else; which can make no national gain. Secondly, the effect is to keep down the wealth and power of the whole community, in the same manner as would take place if the wealth and power of the community were restricted to what could be supported on the corn grown in the Isle of Wight, to please the landlords there.

Are not the increased rents of the landlords their property?

A. No more than the increased prices which a shop-keeper might get, if he could forcibly prevent men from buying at any shop but his own.

So far from allowing rents to be increased by forcible means, a nation where the laws were determined only by justice and the good of the community, would allow no taxation to fall upon industry, as long as it was possible for it to fall upon rent.

How is the last proved?

A. First, because rent is nothing but a charge upon those who have laboured, for the benefit of those who have not. And secondly, because when a tax is allowed to fall on industry instead of falling on rent which is *not* industry, the tax is lost twice—once by the consumers,

and once more by the industrious in the diminution of their employment and means of gain.

Is it not hard that the owner should not sell the produce of his land for the most that is possible?

A. Not so hard as that the manufacturer should not sell *his* produce for as much as he can get by a free sale. The case is like that of two men struggling to keep each other out of the market; and what justice and the public good demand is, that both should sell for as much as they can.

But it is not simply a contest whether one man shall sell or another. The demand of the landlord is, that other men shall be prevented from disposing of the produce of their industry, in order that *his* wealth shall be increased *without* industry, and for no reason that can be discovered, except that he is rich already. He has the same opportunities as any other man, of increasing his wealth by industry and by economy, if he chooses to exert them; but what he demands is, that without exerting either, a fund shall be provided for perpetually increasing the value of his property at the expense of the industry of his neighbours. He is by profession, he says, a landowner, and therefore it is his prerogative to be kept rich by the community.

Do not the landlords pay a number of taxes?

A. It is just that they should. They are not labourers; and all that they can possibly have is paid for out of other people's labour. Rent altogether, is nothing but the excess of the price above what is necessary to pay for the production with a fair profit.

Is it not wrong to encourage the production of foreigners?

A. When a manufacturer produces goods and exchanges them abroad for corn, he may as truly be said to produce the corn, as if it came out of his loom or his flating-mill. And if he is prohibited from doing this, it is *his* production that in reality is stopped.

How is such a state of things to be altered?

A. By waiting till it is generally known, how much all men except the landowners, are interested in the removal of the injustice; and by taking all means to increase such knowledge.

How should the injustice be removed so as to produce the greatest good and the least suffering?

A. By removing it gradually. Give them time. Give them ten years if they please; beginning with a duty amounting to prohibition, and taking off a tenth yearly till it is gone. But remove it.

What should be done if anything short of final removal was proposed?

A. A discerning community would take all that was offered, and not relax its efforts to get the rest.

What is the answer to the proposition—That the agriculture of the country is the great basis of its wealth?

A. It is not agriculture that is the basis, but *having* corn. If by agriculture is meant having two bushels of corn where there might have been four, it is not the basis of the wealth of the country, but of its impoverishment.

That the system of cultivation is a complicated system, requiring a great capital; and to remove the restrictions on corn would destroy that capital.

A. Complicated or not, to this it must come at last: Does it produce corn as cheaply as it might be had in other ways? If it does not, it is only making boots to cut them into shoes. If shoe makers ruled the state, it is possible they might think that method politic and wise; but it does not follow that anybody else should be of the same opinion.

That the wool-growers complain, that in consequence of the importation of wool they have two years' stock on hand. What then do we gain by importing wool?

A. The wool-growers forget that there are wool-wearers; and that the growers exist for the wearers, not the wearers for the growers. It is strange to see how the existence of the public is forgotten by everybody, if the public consent to forget it themselves.

That a theory may be true in the abstract, and false in practice.

A. If a theory is not true in practice, it is not true at all; for it must at all events be a theory falsely applied. A theory means an assertion that certain inferences are true or according to the dictates of common sense and experience. For instance, the assertion that two and two will make four, is a theory.

The object of this fallacy is to disable human reason and common sense, for the benefit of the objectors; and to persuade us, that nobody knows when we ought to be starved but themselves.

That if corn falls, wages must fall; and consequently cheap corn can be of no advantage to the labourer.

A. This must depend on whether wages fall *as much* as corn. No foreign corn will be brought into the country unless more can be had for a given quantity of industry than can be got from the growers at home. If, therefore, foreign corn comes in at all, there must be a greater share for the labourer; or, in other words, wages will *not* fall as much as corn.

That the community never can be injured by high prices; because it is only one man paying to another.

A. It will be injured if the whole *quantity* of what is produced is diminished. It might as well be argued that a town never can be injured by a blockade; because the high prices "are only one man paying another."

That if the landlords get improved prices, the expenditure of their improved rentals must carry improvement into every department of professional, mercantile and manufacturing pursuits.

A. What is received by the landlords would have been expended with equal advantage to merchants, manufacturers and professional men, of some kind, if it had been left in the hands of the owners. This is the same fallacy as that which asserts, that expending the public money on useless palaces, or digging holes and filling them up again, is a help to industry. What is kept out of sight is, that the money would have been just as much expended with advantage to some kind of industry or other, if it had been left with the owners.

That the operatives are a lazy race, and seldom go to work before Wednesday.

A. The landlords never go to work at all.

That the heavy taxes are the cause of the dear corn; and that it is impossible for the growers to compete with the foreigners who are not taxed.

A. If the landowners paid more than they ought, it would be a reason why they should pay less; but not why they should be compensated by restrictions on the industry of the community.

The questions which arise therefore are—Do they pay too much? Ought taxation ever to fall on the operations of industry, so long as it can be laid on rent which is *not* industry?

That indifferent spectators have vested their capital in land, and therefore ought not to be prevented from making their expected profits.

A. If they have vested their capital upon expectations injurious to the community, they must take it out again; as the law would direct in a similar case that came before it. It may be a reason why the removal of the evil should be gradual; but not why the evil should not be removed at all. They always knew that their expectations were subject to the contingency of the law's continuing; and paid for them accordingly.

That the landowners relied on the corn-law contract.

A. The corn laws were no more a contract than the election of a member of parliament by a majority of one is a contract. They were an act valid till an opportunity offered for getting a majority on the other side. With whom did the land owners make the contract? Was it with themselves, who were the majority that made the law? Or was it the minority, who were doing all they could to hinder it?

CONFERENCE AT DORKING

Organized by the Henry George School

Enrolments are invited for the Week-end School to be held at the Beatrice Webb House, Pasture Wood, Dorking, Surrey, on October 2 and 3. The charge for the period which is from 2.30 p.m., Saturday, to 6 p.m., Sunday, is 30s. and it includes all meals, but excludes mid-morning and late evening refreshments.

Transport is by train from London Bridge, Waterloo or Victoria, or by Green Line Coach to Dorking *North* Station and then by local bus to Beatrice Webb House.

The House is set in beautiful woodlands and has warm and comfortable lounges. There are 70 places reserved and those who wish to attend are requested to send 5s. deposit to the School as soon as possible. The programme is as follows:

SATURDAY, OCTOBER 2

Trade Unions: Speaker, Dr. R. Johne. Chairman, R. A. Ward.

Liberty: Speaker, Dr. R. Douglas. Chairman, C. A. Nelms.

The Panel asks the Questions: Panel, J. Bathe, K. Baynes, J. Bennett, A. L. Roberts, J. Osborne. Question Master, V. H. Blundell.

Social Evening: Informal discussion—Dancing.

SUNDAY, OCTOBER 3

Ten-minute Papers: By students and tutors. Chairman, A. W. Madsen.

Trade Barriers within Britain: Speaker, V. G. Saldji. Chairman, K. F. Critchlow. Questions and discussions at all sessions.