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IN THE NAME OF SOCIAL SECURITY

THE GOVERNMENT'S proposals for Social Insurance are set forth in the White Papers Cmd 6550 (6d.) and Cmd 6551 (3d.), the latter dealing specially with Workmen's Compensation. The proposals made by Sir William Beveridge in his report on Social Insurance and Allied Services were debated in the House of Commons on 16th to 18th February, 1943. The Government had promised a thorough examination for report to the House; but in the debate it was made clear that while the Government accepted the main principles of the plan, there could, as Sir John Anderson said, be no final commitment. "The Government would press forward with the preparation of a Bill, or group of Bills, and when that work had been completed they would review their policy, and Parliament would have an opportunity of pronouncing on the scheme as a whole in relation to other schemes, and in the light of the financial situation as it can best be estimated at that time." Sir Kingsley Wood, then Chancellor of the Exchequer, said that they had to consider the finances of the country during and after the war and what they were embarking on, and the question also of the heavy taxation which was bearing hardly on all sections of the community; after the necessary legislation had been prepared, the Government definitely reserved the right to look at the financial situation of the country and then come to their conclusions.

Winding up the debate, Mr. Herbert Morrison said: "When our administrative preparations are so far completed that we know where we are better than we know now, and when we have considered the finances of this in itself and in relation to other claims and in relation to the general financial situation, we will not wait for the Bill but will report to the House what our conclusions are. . . . We will take into account this social security scheme together with other claims on the nation's purse and report them to the House."

We remember also Mr. Churchill's declaration in his broadcast of 21st March, 1943: "We must beware of attempts to over-persuade or even to coerce His Majesty's Government or their unknown successors, in conditions which no one can foresee and which may be years ahead, to impose great new expenditures on the State without any relation to the circumstances which might prevail at that time and to make them pledge themselves to particular schemes without relation to other extremely important aspects of our post-war needs. . . .

For the present during the war our rule should be no promises but every preparation, including where required preliminary legislative preparations."

The White Paper makes no reference to these reservations. Are they to be regarded as withdrawn because the Government has now submitted its proposals? With all the suggested expenditure on what is called the "social services" and the considerably increased taxation it would involve, the Government is faced with enormous commitments apart altogether from the service of the ever-increasing public debt and items like war damage compensation, war pensions, refund of excess profits tax, payment of post-war credits, etc. The Government's promises within and without the whole series of White Papers, its pledges of subsidies and grants for agriculture, housing, reconstruction, and much else, its employment policy of "making work" by the expenditure of public money, all trend in the same direction, to mounting burdens on the taxpayer or to inflation. The beneficiaries, if there are any at the end of the road, can alone be the recipients of the rent of land.

Social security, as the term is used to describe the schemes of taking from some and giving to others, is admittedly an ambulance plan rendered necessary by the lowness of wages. Its mentality is the acceptance of the unequal distribution of wealth as a natural accompaniment of social growth. It is oblivious to any causation of undeserved poverty. It ignores the existence and the power of monopoly and privilege. It would use the engine of taxation in an effort, well intentioned without doubt, to create funds for the mitigation of distress wholly indifferent to the nature of the taxation and its incidence upon trade and industry. The great thing is to get the money, no matter how. It is a mentality fatal to social progress, and the more it is indulged in the farther the hopes recede of remitting the restrictive and repressive burdens on the people, of abolishing the tariffs and all the fiscal exactions which add to the cost of living. Suppose the family allowances, for example, came from the purchase tax, the entertainment tax, the customs duties that impoverish the family, so that the money, come how it may, shall help to pay house rent and give the landlord a security he is without at present? The immediate result may be seen in this or that person helped over a stile, but what is not seen is the creation on all hands of conditions

that make for poverty and the necessity for more of the medicine that has proved so futile.

The proposals the Government has put forward follow the general lines of the Beveridge report: the insurance of the whole population by universal compulsion; the imposition of new or increased taxes, for without the income so derived it would be impossible to dispense the benefits. The proposals are, in fact, *first and foremost a tax plan* from which altogether, according to the actuary's estimate, it will be necessary to obtain, in the first year of operation (supposedly 1945), an amount of £650 millions and growing to £831 millions a year in 1975, exclusive of the cost of the family allowances to be given in kind at an estimated cost of about £60 millions a year; whereas the present cost of the social services is £411 millions a year. The taxes applied are the personal contributions and employers' contributions, the "poll taxes" and the "taxes on employment" in Sir William Beveridge's apt phrase; and the levy of general taxation and of local rates (£352 millions in the first year of operation or £412 millions including the family allowances in kind) to make up the revenue required.

The first Bill promised by the Government is one to establish a Ministry of Social Insurance, transferring to it responsibility for the existing social insurance schemes. The next step will be a Bill dealing with family allowances, but it is intended that the coming into operation of the scheme should be deferred till after the war. As for the rest we leave the Report and the discussion of its projects with the following quotations: Par. 184, "The Bill to implement the scheme of comprehensive social insurance will inevitably be a measure of great length and complexity. Subject, of course, to the discussion by Parliament of the proposals set out in this Paper, it is intended to press on with the preparation of the Bill and to introduce it as soon as possible." Par. 35, "The application of the principle of universality must inevitably lengthen the task of working out and bringing into operation the new scheme of social insurance. That task would in any event have been considerable, on account of the other changes proposed. But its complexity is much increased by extending it beyond a single class. To bring a universal scheme into operation will therefore take an appreciable time. . . ." Par. 37, "Under the new scheme it will be necessary to obtain and

classify information about the whole population so as to enable every person to be placed in his or her appropriate class. After that it will be necessary to compile and maintain one or more central registers, in which the insurance record and status of every insured person will be entered and kept up to date. The register will be an essential feature of the scheme for several reasons: first, to record classification and transfer between classes; second, to facilitate enforcement of the payment of contributions; and third, so that the record of any insured person in relation to contributions and benefits can be ascertained when necessary."

Such will be the afflictions of a society that has failed to solve the problem of poverty. The Lord visited his wrath on David for counting the people.

SCOTLAND FOR SALE

IN THE House of Commons, on 4th July, Mr. Tom Johnston, the Secretary of State for Scotland, moved the Vote for the Department of Agriculture and said in the course of his speech: "If I may express a purely personal point of view, the one serious handicap to a long-term guarantee of stability and assured prices in industry is a widespread fear that a great part of any assistance given to agriculture, may disappear in land speculation, and that unjust and unwarranted rent-raising may absorb part—only part—of what the nation would be willing to see devoted to an increase in agricultural well-being. It is not only here and there that a landlord may seek to extract rents beyond any reasonable figure of recompense for his outlays on farm buildings, for example, but do not let us forget the owner-occupier who may capitalise his guaranteed prices, and sell out to needy and anxious buyers at greatly enhanced figures. That certainly happened in the boom period immediately following the last war, and I have already evidence that there is again a beginning of that sort of thing."

Later in the debate, Mr. Johnston spoke of the difficulty that has arisen "when we get farms during the war jumping in rent from £700 to £1,000, and when we get increases in rent of £500, £400 and so on, all of which are before us now." He said also that there were great and practically unexplored methods of developing the home market, "but the speculator, the regrater and the exploiter require to be prevented from harassing this great industry with their exactions." Mr. Johnston was expressing a "purely personal opinion," but we have his testimony as Secretary of State for Scotland that land speculation is rife; that the assistance the Government gives to agriculture is being capitalised in higher rents and prices of land—and is thus lost to agriculture. With what wisdom are our Ministers guided who thus shuffle the wickedness of their policies on the shoulders of people who quite naturally take advantage of it? The Government itself has boosted the monopoly price of land at the general expense; it has itself made the

gifts of these unearned gains, and it will not do for any of its Ministers to denounce as "regraters and exploiters" those who cannot but accept them.

Among recent sales of Scottish land advertised or reported are: The Abrihan estate of 17,600 acres in Inverness-shire, which includes several farms and crofts, extensive salmon and trout fishing, and 9,000 acres of grouse moors; the Dunnotar estate in Kincardineshire, 4,000 acres, with 24 farms and holdings, good low ground shooting and £284 feu duties in the town of Stonehaven; the 6,000-acre Rosneath Estate, former residence of Princess Louise, Duchess of Argyle; the Islands of Eriskay, South Uist and Benbecula, extending to 90,000 acres, sold to Mr. Andreae, the London banker; the 20,000 acres of the Rannoch estates, sold by Colonel J. M. Cobbold, who earlier sold the 21,500-acre adjoining estate of Craganour, comprising deer forests and grouse moors; Kyllachy House and 4,000 acres in Inverness-shire, with grouse moor and nearly five miles of salmon fishing, bought by Colonel Leonard Hardy, of Foston Hall, Derby; and smaller lots like the Myreside estate in Perthshire, of 425 acres "all in a ring fence," including farms, small holdings and cottages; the Darleith estate in Dumbartonshire, "most convenient to rail and bus services," of 1,280 acres, including woodlands, grouse moor and trout fishing in a private reservoir; and the 1,245-acre Drumfork estate in Perthshire, "together with the shooting rights and 1½ miles of the east bank of Blackwater."

Mr. W. R. Hipwell, president of the Allied Ex-Services' Association, 132 Fleet Street, E.C. 4, writing in a recent issue of the *Perthshire Advertiser*, deplored the way in which slice by slice large tracts of Bonnie Scotland are being carved up and sold, and added: "Thousands of Scots, especially from the Highlands, have been driven from their crofts and beggared. They migrated in thousands to Canada and New Zealand, as well as to the U.S.A., whilst others went south and found a living (and later starvation) in the shipyards on the Clyde and in the pits and iron works of Lanarkshire. Is it any wonder that generations of Scots have always been such dour rebels?"

Would that they were more so. The amazing thing is the supineness of Scotsmen in the face of the landlordism that rules all. The way out is clearly shown in Henry George's stirring address, *Scotland and Scotsmen* (2d.), which is as true to-day as when it was delivered. As for action, George remarked: "Those Scottish Highlanders have been an ideal people with the aristocracy; they fight like lions abroad, but they are at tame as sheep at home; don't you think that alongside of the Scottish lion you ought to put a Scottish sheep? . . . There is a fungus moss creeping over the ground; even sheep are giving way to the solitude of the deer forest and the grouse moor; will you, men who love Scotland, let it go on?"

"THOU SHALT NOT STEAL"

REPLY TO A TORY M.P.

When Sir Waldron Smithers, M.P., recently revived the old charge, made against any proposal that seemed to threaten what the Tories call the "Rights of Property" that such proposals involved a breach of the eighth commandment, Mr. Hannen Swaffer made reply in the *Daily Herald*. But there was more to be said. Mr. Verinder saw opportunity of sending Mr. Swaffer Henry George's address *Thou Shalt Not Steal*, of which Mr. Swaffer made immediate and excellent use in the *Daily Herald* of 30th August, as the following extract from his article shows:—

"Labour's complaint that Sir Waldron Smithers, M.P., quoted 'Thou shalt not steal' in favour of private enterprise and against the 'threat of Socialism' makes topical the address on the commandment delivered to the Anti-Poverty Society by Henry George in New York so long ago as 1887.

"According to men who pretended to teach the Gospel, he said, the words, 'Thou shalt not steal' merely meant 'Thou shalt not go into the penitentiary,' for if you stole enough and did not get caught you could have a front row in the churches.

"'Thou shalt not steal,' however, does not merely mean we shall not pick pockets or commit burglary or highway robbery, but also that we shall not take that to which we are not entitled to the detriment of others."

"Besides, went on the great advocate of taxation of land values, surely 'Thou shalt not steal' also meant 'Thou shalt not suffer thyself or anybody else to be stolen from.'

"If it did, then all, rich and poor alike, were responsible for the social crime that produced poverty—not merely those who monopolised land but those who permitted it to be monopolised were parties to the theft.

"It is particularly necessary that this should be understood at a time when, if land monopoly continues, all the pledges of new and better towns and cities will have to be broken, and all the schemes of altruistic councils and the plans of brave-thinking architects will have to be destroyed.

"I know one town where, on the reopened beaches, holiday crowds wave to the barges full of men going off to France, and where, overhead, the planes go forth to speed on victory.

"But, in the streets behind—in the blitzed areas—speculators are buying up bombed sites, hoping to make a profit out of the waste and desolation endured by a brave people in the most heroic days of all their history.

"Henry George, in 1887, saw ahead of him and his co-workers a long struggle the end of which they might never see.

"'But what of that?' he ended. 'We, in taking part in it, are doing something to bring on earth the Kingdom of God, and to make for those who come after conditions of life that will prevail in Heaven.'"