



LAND MONOPOLY—WHAT MR. CHURCHILL ONCE SAID HOW DOES YOUR CANDIDATE STAND

Here are extracts from a number of speeches which Mr. Winston Churchill has made on the Land Question:—

“Production and Plunder”

“We have to face all the resources of a great monopoly so ancient that it has become almost venerable. We have against us all the modern money power. We have to deal with the apathy and levity of all sections of the public. We have against us the political machinery of class and privilege represented by the Second Chamber in the State.

“There are only two ways in which people can acquire wealth. There is production and there is plunder. Production is always beneficial. Plunder is always pernicious, and its proceeds are either monopolised by a few or consumed in the mere struggle for possession. We are here to range definitely on the side of production and to eliminate plunder as an element in our social system. The present land system hampers, hobbles and restricts industry. . . . They were resolved if they could to prevent any class from steadily absorbing under the shelter of the law the wealth in the creation of which they had borne no share, wealth which belonged not to them, but to the community, wealth which they could only secure by vexatious obstruction of social and economic progress, far more injurious and wasteful than could be measured by their own inordinate gains.”—*Drury Lane Theatre, London, April 20, 1907.*

“The Mother of all Forms of Monopoly”

“It is quite true that the land monopoly is not the only monopoly which exists, but it is by far the greatest of monopolies—it is a perpetual monopoly, and it is the mother of all other forms of monopoly. It is quite true that unearned increments in land are not the only form of unearned or undeserved profit which individuals are able to secure; but it is the principal form of unearned increment which is derived from processes which are not merely not beneficial but which are positively detrimental to the general public.

“Land, which is a necessity of human existence, which is the original source of all wealth, which is strictly limited in extent, which is fixed in geographical position—land, I say, differs from all other forms of property in these primary and fundamental conditions.

“Nothing is more amusing than to watch the efforts of our monopolist opponents to prove that other forms of property and increment are exactly the same and are similar in all respects to the unearned increment in land. They talk to us of the increased profits of a doctor or a lawyer from the growth of population in the towns in which they live. They talk to us of the profits of a railway through a greater degree of wealth and activity in the districts through which it runs. They tell us of the profits which are derived from a rise in stocks and shares, and even of those which are sometimes derived from the sale of pictures and works of art, and they ask us—as if it were the only complaint—‘Ought not all these other forms to be taxed too?’

“But how misleading and false all these analogies are. The windfalls which people with artistic gifts are able from time to time to derive from the sale of a picture—from a Van Dyck or a Holbein—may here and there be very considerable. But pictures do not get in anybody’s way. They do not lay a toll on anybody’s labour; they do not touch enterprise and production at any points; they

do not affect any of those creative processes upon which the material well-being of millions depends, and if a rise in stocks and shares confers profits on the fortunate holders far beyond what they expected or indeed deserved, nevertheless that profit has not been reaped by withholding from the community the land which it needs, but on the contrary, apart from mere gambling, it has been reaped by supplying industry with the capital without which it could not be carried on.

“If the railway makes greater profits, it is usually because it carries more goods and more passengers. If a doctor or a lawyer enjoys a better practice, it is because the doctor attends more patients and more exacting patients, and because the lawyer pleads more suits in the courts and more important suits. At every stage the doctor or the lawyer is giving service in return for his fees, and if the service is too poor or the fees are too high other doctors and other lawyers can come freely into competition.

“Fancy comparing these healthy processes with the enrichment which comes to the landlord who happens to own a plot of land on the outskirts or at the centre of one of our great cities, who watches the busy population around him making the city larger, richer, more convenient, more famous every day, and all the while sits still and does nothing. Roads are made, streets are made, railway services are improved, electric light turns night into day, electric trams glide swiftly to and fro, water is brought from reservoirs a hundred miles off in the mountains—and all the while the landlord sits still.

“To not one of those improvements does the land monopolist as a land monopolist contribute, and yet by every one of them the value of his land is sensibly enhanced. He renders no service to the community, he contributes nothing to the general welfare; he contributes nothing even to the process from which his own enrichment is derived.

“It is monopoly which is the keynote, and where monopoly prevails the greater the injury to society the greater the reward of the monopolist will be. See how all this evil process strikes at every form of industrial activity. The municipality, wishing for broader streets, better houses, more healthy, decent, scientifically planned towns, is made to pay, and is made to pay in exact proportion or to a very great extent in proportion as it has exerted itself in the past to make improvements. The more it has improved the town, the more it has increased the land value, and the more it will have to pay for any land it may wish to acquire. The manufacturer proposing to start a new industry, proposing to erect a great factory offering employment to thousands of hands, is made to pay such a price for his land that the purchase price hangs round the neck of his whole business, hampering his competitive power in every market, clogging him far more than any foreign tariff in his export competition, and the land values strike down through the profits of the manufacturer on to the wages of the workman.

“It is not the individual I attack, it is the system. It is not the man who is bad, it is the law which is bad. It is not the man who is blameworthy for doing what the law allows and what other men do; it is the State which would be blameworthy were it not to endeavour to reform the law and correct the practice. We do not want to

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punish the landlord. We want to alter the law.”—*King's Theatre, Edinburgh, July 17, 1909.*

“Liberate the Land”

“Let the Manchester Ship Canal tell its tale about the land. When it was resolved to build the canal the first thing to do was to buy land. Before the resolution to build the canal was taken the land on which the canal flows was in the main agricultural land, paying rates on an assessment of from 30s. to £2 an acre. I am told that 4,495 acres of land purchased out of something like 5,000, I think, immediately after the decision to buy—4,495 acres were sold for £770,000 sterling, or an average of £172 an acre; that is to say, seven times the value of the agricultural land and the value on which it had been rated for public purposes. What had the landowner done for the community; what enterprise had he shown? What service had he rendered? What capital had he risked in order that he should gain this enormous multiplication of the value of his property? I will tell you in one word what he had done—nothing. But it was not the only land that was needed for making the canal the owners of which were automatically enriched, but all the surrounding land—large areas in particular places, land having frontages to the canal or access to the canal—rose and rose rapidly and splendidly in value, by the stroke of a fairy wand, without toil, without risk, without even a half-hour's thought. The landowners of Salford, Eccles, Stretford, Irlam, Warrington, Runcorn, etc., found themselves in possession of property which had doubled, trebled, quintupled in value. Apart from these high prices which were paid, there was a heavy bill for compensation for severance, disturbance, and injurious affection where no land was taken—injurious affection where no land was taken—namely, raising the value of the land where it was not taken at many times its value. All these, added to the dead-weight of construction, to all those burdens on those whose skill, enterprise, and foresight enabled them to do this work.

“All the great municipal corporations throughout the land, the most Conservative as well as the most Liberal, have petitioned Parliament in favour of the taxation of land values. Royal Commissions, presided over by the most able and most prominent persons in the country, have explored the whole subject and pronounced in favour of the taxation of land values.

“Do not underrate the importance of this land question. Every nation has its own way of doing things; every nation has its own successes and its own failures in particular lines. All over Europe you have a system of land tenure far superior, socially, economically, politically, to ours. But the benefits of these superior land systems are largely, if not entirely, taken away by grinding tariffs on food and the necessities of life. Here in England we have long enjoyed the blessings of free trade and of untaxed bread and meat; but, on the other hand, we had to set against these inestimable boons a vicious and unreformed system of land tenure. In no great country in the civilised world, in no great country in the New or in the Old World, have the working classes yet secured the advantages of both free trade and of free land, by which I mean a commercial system and a land system from which, so far as possible, the element of monopoly is rigorously excluded.

“‘You who shall liberate the land,’ said Mr. Cobden, ‘will do more for your country than we have done in the liberation of its commerce.’”—*Free Trade Hall, Manchester, December 6, 1909.*

“Fundamental Aspects”

“The reason why property came into disrepute was because, mixed up with the fair and genuine methods of securing and earning it, were all sorts of processes which were not conducive to the public interest, and which bore no proportion to the real merit, service, or exertion of the individual who acquired property. The worst way in which property could be acquired was through the possession of some monopoly.

“Land differed from all other forms of property in several primary and fundamental aspects. It was fixed in geographical position, it was limited in extent, it was absolutely necessary to everyone, and there were many conditions attached to land which gave to the possessor, whether he liked it or not, an undoubted power to absorb to himself year after year a share, and sometimes a very large share, of the general enrichment, which was created by the general community as a whole.”—*Dundee, September 11, 1912.*

“Speeches by the Yard”

Answering a heckler during the by-election in Dundee (*Dundee Advertiser, July 28, 1917*), Mr. Churchill said:

“I have made speeches to you by the yard on the Taxation of Land Values and you know what a strong supporter I have always been of that policy.”

Reminded in the House of Commons on June 5, 1928, of his former declarations on the Taxation of Land Values, Mr. Churchill said: “I have taken the trouble to re-read some of these statements quite recently and I am bound to say that, leaving out what you may call the partisan gloss, which, in times of sharp political conflict, is prone to be introduced into our deliberations—leaving all that out, I am not at all convinced that, among my arguments in favour of the rating of undeveloped urban land upon its true value, I employed any which were lacking in lucidity or reason.”

QUESTIONS FOR CANDIDATES

1. Do you agree that the value of land is due to the presence and activity of the community as a whole, and should be taken in taxation for public revenue?
2. Will you press for a national tax on the actual value of all land apart from buildings and improvements?
3. Will you support reform of the local rating system so as to rate land values and relieve houses of rates?
4. Do you agree that the holding of valuable land out of use deprives men of employment?
5. Will you press for the repeal of Protectionist tariffs and the restoration of Free Trade?
6. Will you urge the abolition of the purchase tax and other direct and indirect taxes which diminish wages and increase the cost of living by adding to prices?
7. Do you agree that the first step in land reform should be a valuation of all land for the levy of taxation upon its value (exempting buildings) and as basis for fixing its price when it is acquired?