

guarding our liberties. They and many others who are engaged in ancillary occupations are being kept by the productive effort of those who are engaged upon more normal activities. Moreover, our needs have been in part supplied by the generous and beneficent plan of Lease-Lend, by the requisition and sale of foreign investments, the proceeds of which have been used to purchase goods currently needed, and by other abnormal devices which cannot be repeated.

It is going too far to say that what has happened during the war affords a precedent for solving the problem of unemployment in the sense postulated quite properly by Sir William of there being "always more vacant jobs than there are unemployed men," and that these jobs consist in "producing things that are needed," that is to say, in producing the things which people want and not the things which a dictatorship says they ought to have.

Government Spending

In his broadcast Sir William indicates the view that Government spending is likely to produce the desired result. But on the one hand the more the field of Government spending is extended, the more likely is it that the expendi-

ture will not be upon the things which people need, but upon the objects which some coterie think they ought to have, and so the field becomes open for totalitarian policies. On the other hand the whole idea puts the cart before the horse; spending whether by individuals or by the Government is the result of productive employment by individuals and not its cause.

Land and Labour

Can there ever be a rational approach to the problem if we forget that the only employment which matters is the application of labour to land in order to produce what men desire, and that this employment will be the more productive the more economically both the labour and the land are used? By economically we mean, of course, applying labour so as to get a given result at the least cost. Once this principle is abandoned, the way is open to many spurious devices for solving the problem of unemployment. It is only necessary to go back to tilling the land by spades instead of by ploughs and tractors, to spinning by the hand loom instead of by the power loom, in order to keep everyone occupied.

That is not the real problem. The question is to see that every obstacle

is removed which prevents men from using land most effectively and exchanging the products of their labour freely for the products of the labour of others, whether those others live within our own frontiers or outside them.

There remains indeed another problem which, in theory at least, can be separated from the problem of employment, and that is the problem of the distribution of wealth—that each should receive the full reward for his contribution to production. But in practice the two cannot be separated. Men are not likely to produce their utmost if they feel that they are somehow defrauded of the reward for that. (It is this perhaps which explains the evolution of the Soviet system away from the idea of "from each according to his ability: to each according to his needs" towards payment by results.) If, in the words of Sir William Beveridge, "a full employment policy for Britain must be consistent with the keeping of our essential liberties—of speech and association and political action and choice of employment," and if it achieves "more vacant jobs than there are unemployed men," then free bargaining will ensure that each is rewarded according to his contribution to production.

THE SPANISH LABYRINTH

MR. GERALD BRENAN'S book* is described in the sub-title as an account of the social and political background of the civil war. One fact which emerges on page after page is the importance of the land question, although he himself does not appear to be fully familiar with some of the developments of thought on the subject.

In the fifteenth, sixteenth and seventeenth centuries free discussion of social questions was prevalent. Sir Thomas More's Utopia circulated freely in Spain. The Church was influenced also by the economic system of the Incas. The Jesuit, Josef de Acosta (1590), wrote: "Without being Christian the Indians had kept that high perfection of owning no private property and providing what was necessary for all and supporting on a magnificent scale their religion and their king." Pedro de Valencia early in the seventeenth century presented an address to Philip III. in which he proposed that all land in Spain should be compulsorily nationalized (allowing out of charity a small indemnity in the form of an annual pension to the landlords who had been expropriated), and that this land should be let in lots to men who would cultivate it, with state supervision to see that they did so properly. Father Mariana, the greatest of Spanish historians, proclaimed the illegality of private property in land and demanded the intervention of the State in the distribution of natural riches.

But the views of the Church changed, and it resisted the efforts of the civil

power. It ruined Olivade, "the enlightened Minister of Charles III., who was attempting to repopulate the empty fields, for the Church was the largest landowner in Spain and felt itself threatened by his agrarian policy." The Carlist party was formed by the Church to defend its interests. In the Carlist wars mobs collected and burned convents and churches. "And here one must note two things—first, that the men who burned them were probably all practising Catholics; and secondly, that the convents were burned not by the middle classes but by the people." In 1835 Mendizabal passed a law breaking up the convents and confiscating most of the landed property of the Church. The estates, however, were sold and the people passed out of the hands of one set of landlords into those of another. Spain continued to be ruled by the landowners, and the Church supported them.

Mr. Brenan asserts that the statement that the Church is to-day a large landowner "is not of course true," but, in the same breath he quotes Joaquin Aguilera as saying that they controlled "without exaggeration one-third of the capital wealth of Spain." And he himself says that "they owned railways, mines, factories, banks, shipping companies, orange plantations." Clearly a large part of this "capital wealth" was in fact land.

Although in the last century Spain appeared to have developed a constitutional democratic regime, the regime was controlled and manipulated by the landowners. In the small towns and country districts everything was manipulated by the political boss or cacique. The cacique was generally a

large landowner or his agent. They were practically omnipotent. "They appointed the mayors in the small towns and villages, controlled the local judges and public functionaries and through them distributed the taxation. Their fiscal principle was a simple one: to excuse themselves and their friends from paying taxes and to charge their enemies double or treble. They also usurped common lands, pastured their cattle on other people's arable, and diverted their neighbours' irrigation water to their own fields. If anyone tried to stand up against them, lawsuits were brought against him and he was ruined."

"In 1902 the Minister of Agriculture stated in the Senate that the drawing up of the new land survey showed that in four provinces the yearly concealment in taxation returns amounted to over three million acres, on which the tax due to the State would be at least three million pesetas. It was variously estimated that the fiscal fraud in property for all Spain reached from 50 to 80 per cent. of the total due. . . . In 1909 M. Marvaud, a competent and impartial witness, found small landowners paying from 180 to 250 pesetas tax per acre, while large estates close by paid nothing at all."

It is no wonder that "under the unrest and revolutionary action of the last hundred years lies the agrarian question." The starving labourers had to stand by and watch the crops on the large estates carried off to be sold at high prices in Seville and Cadiz."

The Agrarian Statute passed by the Republic in 1932 was a partial measure which did not go to the root of the evil. It applied only to the centre and the

* *The Spanish Labyrinth*. By Gerald Brenan. Cambridge University Press. 1943.

south, where large estates were common. The estates of the grantees were expropriated. "Compensation was paid, but it was on the basis of the taxation returns submitted by the owners; so that since nearly every landowner had for years been sending in false returns, he would tend to lose from half to a third of the capital value of his property." But little was done beyond this. An Institute of Agrarian Reform was set up to buy land for settlement, but the credit allotted to it could at most provide for the settlement of 5,000 families a year. Largo Caballero is said to have called this law "an aspirin to cure an appendicitis!" Mr. Brennan says that "the refusal of the Republican parties to treat agrarian reform seriously lay then at the root of the Socialists' disillusion with the Republic." However, it is not evident that the Socialists had any clear-cut programme of land reform.

The conditions rapidly became worse. "The Vizconde de Eza, a Monarchist deputy and a famous authority on agriculture, declared in 1934 that 150,000 families on the land lacked the bare necessities of life. Some pueblos had almost a thousand men unemployed through nine-tenths of the year." The misery became so intense that the people began to take matters into their own hands. "An official of the Land Workers' Federation of the U.G.T., at the head of a large body of unemployed labourers, would approach a landowner and invite him to lend a certain part of his land to form a collective. He himself would be enrolled as a member and would draw profits from it. All the documents would be prepared beforehand, and he would be invited then and there to sign. Under the circumstances few had the courage to refuse." Thus the Republic, which was not able to satisfy the needs of the people began to dissolve into anarchy. The counter-revolution of the landlords and the civil war followed.

It is a pity that Mr. Brennan does not seem to be aware of the urban side of the Spanish land question or of the beginnings which were made, commencing as early as 1911, to replace some of the municipal taxes by taxes on Land Values. The first measure applied only to vacant land and was limited to a tax of one-half per cent. on the capital value. Further steps were taken in 1934, particularly in Catalonia, where municipalities with a population of over 10,000 were empowered to impose a tax up to one per cent. on the selling value of all land, excluding the value of improvements. This came too late for its full importance to be realized, and we have no information as to what happened to this measure in the counter-revolution.

Mr. Brennan's book contains an extensive and valuable bibliography.

6d. BACK TO THE LAND. The Essay by Dr. Thomas Nulty, Bishop of Meath. New Edition.

3d. THE LONDON COUNTY COUNCIL AND SITE VALUE RATING. Debates on the Bill and discussion in the Press.

THIS LAND SPECULATION

"The country must not allow the needs of Service men and our gallant home citizens to be disappointed by those who would profit through our needs. Inflation of Land Values either in bombed districts or in areas near by seems to have begun, and will create fresh vested interests. Some property owners will not even negotiate with local authorities when the latter lack compulsory powers to buy. Land speculators apparently doubt the Cabinet's intention to give us the square deal promised by Lord Reith when Minister of Works and Planning.

This is quoted from the letter in *The Times* of 21st October signed by the Lord Mayors and Mayors representing different types of "blitzed" cities, who call for prompt action by the Government enabling them to make a start with replanning and reconstruction. Signatories to the letter are: Astor (Plymouth), H. E. Bridgwater (Sheffield), Arthur J. Cleveland (Norwich), B. A. Corry (Southampton), Denis Daley (Portsmouth), J. H. Hodgkinson (Birkenhead), T. W. Hughes (Swansea), R. O. Jones (Bootle), John Pennington (Wallasey), R. Glave Saunders (Exeter), J. L. Schultz (Kingston-upon-Hull), Emily Smith (Coventry), C. J. Townsend (Salford), H. A. Wall (Bristol).

At a special meeting of the Gloucestershire County Council (*Western Daily Press*, 1st October) a resolution, moved by Lord Bledisloe and seconded by Mr. D. L. Lipson, M.P., was passed asking the Government to introduce legislation to check speculation in land values to the detriment of the public interest. Lord Bledisloe said it was extraordinarily difficult, perhaps impossible, to devise a scheme of county planning until they knew at least in outline what was the Government's scheme, so that their own local planning might conform in all essential features to it. Another factor about which he was becoming more and more apprehensive was the growing speculation in land, which was calculated, unless the Government did something without delay to check it, to render quite fallacious any financial estimates which might be framed by the county in connection with any scheme which contemplated acquisition on a large scale, especially agricultural land or land of a purely rural nature.

At the Havant Branch of the National Farmers' Union (*Hampshire Telegraph*, 1st October) the chairman, Mr. A. H. Brown, J.P., and other members expressed concern at the activities of farm land speculators and the difficult position in which tenant farmers are placed by having the farms sold over their heads or being asked to buy them at inflated prices. "I think you will agree," he said, "that this speculation in land is most undesirable." He recalled that in recent months one farm which had been bought at £60 an acre had been sold at £100 an acre. Another

member recounted that during the past few months farming land in a certain district had been sold three times within six hours by auction.

Illustrating Irish farm land prices, the farm at Greengraves, Newtownards, County Down, 37.73 acres, with stone-finished residence, has been sold (*Newtownards Chronicle*, 9th October) for £2,525. There was keen bidding. The land is subject to an annuity of £17 8s., equivalent at 5 per cent. to a capital value of £348, making the total capital value of the farm £2,873, which corresponds to £76 per acre.

A Scottish farm sale is that of Greenhills, Beith, extending to 105 acres and having an assessed rental of £130. The upset price was £3,000. After spirited bidding it was sold for £4,480. —*Glasgow Herald*, 19th October. The price is equivalent to £42 per acre and to 34 years' purchase of the assessed rental, seven-eighths of which is "derated," leaving only £16 5s. as the amount on which local rates are levied. That exemption undoubtedly raises the price of land and the seller walks off with the benefit.

The Ministry of Agriculture informed the Downham (Norfolk) Urban District Council that the compensation to be paid by the Council for a field in Paradise Road, taken over from the late Mr. A. Thorpe, had been fixed at £12 a year. The Clerk said he did not know there was such valuable land in Downham. They would have to raise the allotment rents accordingly. It was a derelict field when they took it. Councillor Hudson said it was equivalent to an annual rent of £8 an acre, and no farmer in the vicinity was paying that price; the Order said definitely that land taken for allotments should be paid for at the rate that agricultural land was let for in the district. On the motion of Councillor Hudson, seconded by Councillor Revell, it was agreed to ask the Ministry to re-state their case. —*Lynn Advertiser*, 8th October. This "derelict field" had, of course, no rateable value, being "worthless" as a subject of taxation and valuable only when the owner has to be paid. The present (foolish) rating laws say so.

A CANDID ADMISSION

THE COLUMNIST "Arbiter" in *Country Life*, 22nd October, is sarcastic at the expense of those who cry about the speculative purchasing of land, or who lament that land can be bought only at prices that greatly exceed their offers. "Speculation, like that blessed word Mesopotamia," he says, "is even applied to recent dealings in farms, and comparisons are instituted between pre-war and present prices of agricultural land, in happy disregard of the phenomenal change for the better in the farming industry. With every ounce of produce saleable at excellent prices, land brought into high cultivation, and no competition from imports,