

## DR. ROUTH ON HENRY GEORGE

(From "Money, Morals and Manners as revealed in Modern Literature," by H. V. Routh, M.A., D.Litt., Ivor Nicholson and Watson. (1935.)

THE AMERICAN Henry George wrote "Progress and Poverty" between August, 1877, and March, 1879, when the world was passing through an economic crisis which began to make itself felt in his country as early as 1872. Consequently the contrast between the rich and the poor was appalling, and the author seized the opportunity to explain why wealth and destitution seemed always to accompany each other. George, like William Morris, cared nothing for the classical economists, and abhorred Malthus. He cared even less for Marx and his school. He denied that capital oppressed the labourer, for the simple reason that capital did not pay wages. The workman earned his keep out of the commodities he produced, and if more money was expended on factories and farms there would be more opportunities for the employee to multiply his productivity and share the profits. He denied that these profits were diminished by increase of population, since every newcomer to this earth brings with him wants which stimulate industry, and the more crowded the area, the more easily commerce moves. Besides, man is a being whose desires are never satisfied. He will continue to discover wants as long as labour has hands enough to supply them. But labour and capital are not the only requisites for prosperity. All wealth at the long last comes from the land. Not only agriculture, but even industry depends on its location, on those particular areas which facilitate supplies, co-operation and exchange. In fact, with every advance, in complexity, business becomes more concentrated. So much so, that goods cannot be perfected except in centres of population. Thus it comes about that modern civilisation has staked its existence on the occupancy of certain districts, has crowded them with human activity, and endowed each fortunate area with an importance which is vital to a world-wide industry, or perhaps to the commercial prosperity of a whole nation. But capital and labour, which have created this value, are not free to use it for their own mutual advancement. The more they enrich their sites, the more they are impoverished by the rents they have to pay, till the private ownership of land has become a veritable stranglehold on the profits which the employer and his employees would otherwise share. It amounts to "a monopolisation of the opportunities which nature offers freely to all." The proof is that both wages and interest are high in new countries where business moves slowly but land is free, and are low in old countries where business is so immensely productive, but land is rented. George proposes as a remedy to abolish all the

manifold and burdensome taxes at present laid on industry and commerce, and to replace them by an "imposte unique" on rent, so highly graded as to amount to confiscation.

The landowners themselves will have no grounds for complaint, since they have done nothing to earn the revenues they have heretofore received, and will be adequately compensated by relief from other taxation and by reduction in the cost of living. But the chief benefit will accrue to the millions of workers, freed from that sense of wrong and helplessness which poison the will to progress. George prophesied an advance in happiness, intelligence and humanity as soon as his remedy was adopted.

(Dr. Routh is mistaken in using, in his statement of Henry George's proposal, the word "graded" for the taxation of land values, as it is intended to be a tax on the value of all land without graduations or exemptions of any kind. The proposal can only be called "confiscatory" by those who consider it to be unjust. If it is admitted that land value is created by and should go to the community, the proposal is a just one.—EDITOR, *Land & Liberty*.)

## TEMPORARY HOUSES IN MANCHESTER

THE HOUSING Committee of the Manchester City Council has reported that the Ministry of Health has allocated 3,000 temporary houses to Manchester and it is a matter of urgency to find sites for them. The Committee is opposed to erecting temporary houses either on bombed-out sites (which must be otherwise developed) or on sites scheduled for permanent housing. The alternative is to appropriate parts of the City parks for some of the temporary houses and to purchase sites for the others. That the City has to contemplate taking over parklands for housing purposes shows how desperate the position is in regard to access to suitable sites—a great City virtually in the stranglehold of land monopoly. However, it was decided to put up 1,560 temporary houses on land dedicated to the use and recreation of the public, the temporary period being 10 years. For 1,439 of the temporary houses 135 acres are to be bought at a price of £72,000, which is equivalent to £533 per acre, and 78 of these acres, for the building of 780 of the houses, is described as "peat land which is not suitable for permanent housing." Besides the £72,000 to be spent on buying the 135 acres (which being now vacant have no "rateable value"), an expenditure of £122,000 will be required for roads and sewers—altogether £194,000 for 1,439 houses which works out at approximately £135 per house; the average for sites alone is £43 per house. Observe again that these are only temporary houses and that quite half of the area is unsuitable for permanent building! It is a furious price to pay. The matter came before the Council on December 6. Councillor

Needoff spoke strongly and said this was all a most painful disclosure of both impotence and futility. Referring to the price of the ground at £533 per acre, and half of it peat land, he said it exceeded the price of any of the undeveloped sites for Manchester housing estates before the war. "Where," he asked, "is the advantage of your 1939 'ceiling price' for land now? It is proved, in Manchester at least, to be higher than the price paid in any pre-war year and if it is taken as a basis of valuation for purchase, it will ruin post-war housing and planning policies." Mr. Needoff urged upon the Council the practical, just and effective solution of this housing problem—the derating of houses and the rating and taxing of land values, preventing the withholding of land in anticipation of a famine demand and securing for the community the values in land created by the community.

## PLANNED ECONOMY

"LAISSEZ-FAIRE" WROTE in the *Scotsman*, December 16:—

Sir,—In Pre-war days the U.K. imported large quantities of bananas and oranges. These fruits flourish naturally only in tropical or sub-tropical climes. They can, however, be cultivated here in hot-houses.

It is suggested, therefore, that some of the many at present barren thousands of acres in (say) the Highlands be covered with hot-houses and a sufficiency of bananas and oranges grown therein. Not only would much valuable foreign currency be saved, but the stimulus to the glass-making, iron and steel, and coal trades would obviously be enormous.

The fruit so produced would, of course, cost more than the imported article. A subsidy, however, could doubtless be arranged, and, if necessary, purchase could be made compulsory by statute. In case of serious unemployment the scheme could be extended to cover other tropical produce.

Whilst the foregoing is admittedly fantastic, in my opinion it is not more so, except in degree, than many of the so-called economic remedies propounded quite seriously nowadays.

## OCKHAM COMMON

Referring to our note on this matter (page 170 of last issue) Mr. E. W. Shipton, C.C., writes to say that the common is too far from the village to serve as a recreation ground. Nearly fifty years ago an effort had been made to secure a more convenient piece of land, but the owner, the Earl of Lovelace, declined to sell. When the project was revived recently the present owner, Lady Wentworth, was approached on behalf of the local authority to agree to an exchange of land. Mr. Shipton states that the land acquired is about double the area and more valuable than the common land surrendered, and that the District Council were, therefore, met in a generous fashion. We are glad to place this on record.