

## Towards Real Peace

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In this address to the Ninth Conference of the International Union for Land Value Taxation and Free Trade I propose to deal with the causes of the present unrest and tension in the world; how our policy and objects would bring in their place harmony and a real peace; and then to consider one of the many ways by which we can accelerate the growth of interest in and support for our movement.

Behind the strikes which are so prevalent in the Western world, behind the outbursts of Communism, Nazism, and Fascism in Eastern and Central Europe and China, behind the throbbing nationalism of Asia and Africa, have been as their cause widespread, grinding poverty and a burning sense of injustice and frustration.

Over a hundred years ago at the time of the Chartist riots it was General Sir Charles Napier who said: "People talk about agitators, but the only real agitator is injustice, and the only way is to correct injustice and allay the agitation."

The injustice that stirs up agitation is caused by poverty and a sense of frustration. Poverty means something more than mere lack of the necessities of life. It includes being deprived of one's right to use one's energy and ability in any legitimate way. Man hankers after a full and satisfying life. A very large number of the peoples of the earth lack even enough to eat, and that is despite all the wonderful aids to production that have been devised in the last century and this.

The very title of Henry George's *Progress and Poverty* provides the kernel of the matter in three words and is in itself a severe condemnation of the conduct of human affairs leading to the great disparities in living conditions. "The utilisation of steam and electricity," George wrote, "the introduction of improved processes and labour-saving machinery, the greater subdivision and grander scale of production, the facilitation of exchanges, have multiplied enormously the effectiveness of labour. At the beginning of this marvellous era it was natural to expect, and it was expected, that the enormous increase in the power of producing wealth would make real poverty a thing of the past. Now, however, we are coming into collision with facts which there can be no mistaking. The association of poverty with progress is the great enigma of our times; it is the central fact from which spring industrial, social and political difficulties that perplex the world, and with which statesmanship and philanthropy and education grapple in vain."

If progress and invention in the use of steam and electricity have not ended poverty what ground have we for thinking or hoping that atomic power will be any more successful?

Despite all the steps taken by "welfare states" and well-meaning bureaucrats in the Western states to mitigate the poverty and hardships of the masses, life is still for them hard and often full of dread, and a sense of frustration is widespread. Although to-day wages are at a level which 50 years ago would have seemed fabulously high, with cost of living allowances added to them, men have to work long periods of overtime or take on outside work in their spare time, and their wives also have to go out to work, to earn enough to make life bearable. That is why there is so much discontent among the workers and why they are driven to strike, with all the misery and loss that entails for them and their families and for the community.

Unfortunately the workers do not know or try to understand the cause of their troubles. They hit out blindly at their employers as if they were responsible for those troubles. If a strike succeeds in getting the strikers an increase in wages, the benefit obtained by this one set of workers is inescapably

at the expense of other workers to whom as consumers the added cost of production is passed on in higher prices. Obviously no solution for poverty lies that way. This cruel spiral is mounting ever upward and eventually a crash must come.

It was poverty that brought about the Russian revolution and enabled Lenin and Trotsky to fasten so-called Communism on the masses there. It was poverty in Germany that gave Hitler the opportunity to set up National Socialism. It was poverty that did the same thing for Mussolini and Fascism in Italy. In every instance these men were dictators who crushed out individual liberty of speech and action and they did their best also to crush freedom of thought. Hitler's Nazism led to the most disastrous war in history. The Soviet suppression of liberty has set up the terrible tension and fear of a new war now prevailing throughout the world.

It is poverty and resentment of domination and exploitation by the white races that have stirred the masses in Asia and Africa. In those continents Communism has made considerable headway and it is now a race between it and a movement that will really provide an escape from their poverty and lead to justice and freedom for every individual everywhere.

Communism as presented to the world by the Soviets makes its appeal by offering hope to its unhappy millions. It preaches the doctrine of material progress. It thus appeals both to extreme poverty and to frustrated nationalism. It claims that it offers a key to all the problems of human society and a solution for all our major worries and troubles. It is there its strength lies. The masses throughout the world are so deeply worried about the difficulty in satisfying their material needs that this promise lures them on to support Soviet Communism. Until those needs are satisfied and their anxieties are removed they will think little of the dangers involved in the destruction of their individual liberty. The call for bread is insistent and until it is provided there is little else that matters.

In every country men and women, because of their love of their fellow men, are mistakenly led to throw aside their national patriotism and even to sacrifice the interests of their

own country and to work for the Soviet. Their idealism in this connection is so strong as to make them, despite all the risks and opprobrium involved, commit treason against their own country.

We in the Western world claim to believe that man cannot live by bread alone. In actual fact we do not even make it possible for the masses to get a sufficiency of the bread of their material needs.

So serious is the shortage of food in many parts of the world that the Malthusian doctrine of the inadequacy of the food potential of the world to meet those needs has been resuscitated and is being propounded with great vigour. Fortunately a great many scientists and economists reject that fallacious doctrine, but it sounds so plausible that people who are not able or do not take the trouble to get to know the facts are readily deceived by it. The basic fact is ignored that all we need for food, clothing, and shelter comes from the earth and that man has an ever increasing capacity to increase the production from the earth of what he needs. That capacity is to-day hampered by our land system which allows a favoured few, called landowners, to hold vast areas of the earth out of use and prevent others from using it to produce those necessities of life. In many respects the resources of the earth have been and are being poorly used or developed. Man's inventive genius will make it possible, when land is no longer monopolised as it is now, to increase enormously the quantity of everything that is produced to-day.

It is difficult to understand how anyone with the slightest power of logical reasoning can defend our present land system. It was always clear to primitive peoples that life can be sustained solely by what comes from the land and that, therefore, the land must belong to all the people of all generations. The earth was their mother and all had an equal right to use it and to live on it.

It is our modern civilisation which has made the holding of land a monopoly that excludes from the use of land, except on payment of a ransom price or rent, the vast majority of the peoples of the earth. There is the root cause of poverty and of strife within nations and between

nations; and it is at that point that action must be taken. If we do not end the present system of land tenure and taxation we shall fail in our struggle against Soviet Communism. Its weapons are ideas, which force and legislation and war will not defeat or keep out of our countries. They can be met and overcome only by sounder and better ideas and their honest application. We cannot directly prevent the communist countries from plunging the world into war but we can neutralise their very dangerous and strong fifth column by our policy and set an example which would weaken them internally as we should be offering something better than they now have.

If all the materials for providing food, clothing, and shelter come from land, as of course they do, it is clear that everything that interferes with the use of land to produce them causes a lack of them. There in the simplest possible and incontrovertible terms we have the cause of poverty and of all its attendant evils, including dictatorships and wars.

To-day land can be generally held out of use with impunity and a price or rent demanded for permission to use it. If we are honest in our desire to end strife, both strikes and wars, we must go down to the root cause of them, namely poverty, which in turn is created by our land system.

The "DECLARATION OF HUMAN RIGHTS BASED ON EQUAL RIGHTS" of the International Union for Land Value Taxation and Free Trade shows the way to real peace and true prosperity.

We must, therefore, before all else, if we want true peace, break the power to hold land out of use.

The effective way to do that is to levy an annual tax on the value of all land, whether it is being used or not, excluding the value of the improvements on it. To allow the tax to have its full beneficial effect it must be accompanied by abolition of imposts on earnings and consumption, customs tariffs, and other burdens and barriers that restrict production and the free movement of men and goods. It is clear in theory, and practice has demonstrated it, that such a tax on the value of land penalises the holding of land out of use and stimulates its more profitable use. Such taxation,

whether for national or local purposes, obtains in a certain measure in a number of countries and the result has always been beneficial. All economists are agreed that it cannot be passed on in increased costs but must be borne by the person or persons interested in the value of the land. It thus tends to reduce rent and the price of land and to lower the cost of living for the community generally.

The great obstacle to the adoption of this remedy is that nearly all governments and local authorities, under the influence of vested land interests, try to avoid introducing this tax and when it has been introduced to keep it as low as possible and to substitute for it taxes on commodities, all of which contribute to raising the cost of living. Speculating landowners as a rule strongly oppose the levying of such a tax. If properly applied it would end speculation in land. Their source of easily acquired riches would then disappear with the introduction of such a tax. It can be confidently asserted that, except for them, every person making a reasonably suitable use of the land he owns or occupies, whether for business, industrial, or residential purposes, would benefit from the introduction of such taxation exempting as it would all buildings and improvements and making possible remission of taxes now levied on industry, its processes and its earnings.

Opponents of such a tax contend that it is an unjust imposition. In fact the direct opposite is true.

There is no tax that is so fair and equitable. Land values, as distinct from the value of improvements, are created wholly by the community and are in no way the creation of the owner of the land. He might be living abroad but the land would still have its value.

The basis of an exclusive right to possess anything as against the world lies primarily in "the right of a man to himself, to the use of his own powers, to the enjoyment of the fruits of his own exertions." On that principle there should be no taxes of any kind on the results of the exertions of any individual. The whole of the value of land, which as we have seen is entirely the product of the activities and presence of the community, belongs of right entirely to the

community. Thus the only just taxation is that which is assessed on the value of land. It is merely the taking for the people of what the people have themselves created and which they keep in being from day to day. Even if the tax were to amount to the full value of the land the possessor of the land would have no legitimate cause for complaint.

It is often urged that if the rental value of land were collected for public revenue, compensation should be paid to the former rent-recipients. If any part or the whole of the value of land were taken by way of taxation, on what ground could such a demand for compensation be justified? When the State imposes confiscatory taxation like customs tariffs or income tax would any heed be given to a claim for compensation by any sufferer through such taxation? He would be laughed at for making such a claim. And, in fact, could any impost be more truly confiscatory than an income tax of 19s. 6d. in the £? So, too, customs duties take from the pocket of the consumer money which is really his property. There is no justification for the imposition of either of those taxes which can be compared with that for a tax on the value of land.

In South Africa, about 1952, the then Minister of Health announced that the anti-malaria campaign in certain areas had been so successful that the land in those areas had in consequence risen in value by £50,000,000. The land-owners there had been enriched by that amount without contributing to the cost of the campaign, that cost having been borne by the general taxpayers. Could anything be more unfair? And can any valid argument be advanced against the justice of taking that community-created value for the use of the community?

That example is a specially striking one of the public creation of land values, but all land value is similarly created and kept up from day to day by public services and activities. Those services and activities must be maintained continuously as otherwise land values would vanish. If the South African people ceased even for a short period to provide the successful anti-malaria services, that added value of £50,000,000 would soon disappear into thin air.

The fact that anyone has bought and paid for land can be no justification for a claim for compensation if a tax is levied on its value. In the first place no one ever at any time in history had a moral right to own the land and no one ever had a moral right to sell it or give a title to it. In any event, as we have seen above, land value is not created once and for all. The maintenance of it is a continuing action and that value remains only so long as the community is willing and able to go on giving the services which create and keep it up. No landowner has a prescriptive right to demand the continuance by the community of such services and activities in any area. If they were for any reason withdrawn, as might happen, there could be (on the part of the mere rent-recipient) no justification for a claim for compensation because the value of the land had in consequence disappeared.

Despite the facts on which this reasoning is based and the clear justice of our cause, the progress of our movement cannot be compared with that of Soviet Communism. Why is that so? What can we do to hasten our progress? A possible way seems to be opening up.

There are cheering signs of a revival of interest in religious principles. As our proposals accord with them it will, therefore, not be out of place for us to look at what those principles involve in regard to the land question. The basic principle of most, if not all, religions may be taken to be the conception of the Fatherhood of God and consequently of the brotherhood of man. No one who professes to believe in the Fatherhood of God can honestly defend the privileged ownership of land.

The present land system is based on the assumption that at some time or other someone had the right or power to dispose of the earth to a few favoured persons, who thereafter had the right and the power to demand a monopoly price or rack rent from anyone who, in order to be able to live, had to come to them to buy or hire their land. One can hardly conceive of a normal human father treating his offspring in that way. How much less a Creator who is Love and who is "no respecter of persons." In the Bible we

read: "The earth is the Lord's, and the fullness thereof"; "The earth hath he given to the children of men"; "The land shall not be sold for ever for the land is mine"; and the all-embracing Golden Rule, "Whatsoever ye would that men should do to you, do ye even so to them." With none of these precepts is it possible to reconcile our land system.

In a civilised state it is essential that the system of land tenure should give the occupier and user complete security of possession of all the improvements he makes on it and the things he produces from it. Such security our proposals would give in the highest possible degree.

Dealing with this subject in *Progress and Poverty*, Henry George said:—

"We propose to establish equality between men with relation to the element on which and from which they must live; not by dividing the land up into equal pieces; not by taking land as the formal property of the state and renting it out; not by taking from anyone any land that he now has, but simply so changing our system of taxation as to abolish all taxes now levied upon labour and the products of labour and take by taxation for public purposes that value which attaches to land by reason of the growth of the community."

It is clear that this accords fully with the concept of the Brotherhood of man. It also accords with the principles of real justice. It is at the same time easily and simply practicable.

The Reverend Dr. McGlynn, of New York, writing at the end of the last century, in answer to a charge that his views on the land question were contrary to Christian principles, declared:—

"No sooner does the organised community, or State arise, than it needs revenue. This need for revenue is small at first while population is sparse, industry rude and the functions of the State few and simple, but with the growth of population and advance of civilisation the functions of the State increase and larger and larger

revenues are needed. God is the author of society and has pre-ordained civilisation. The increasing need for public revenues with social advance being a natural, God-ordained need, there must be a right way of raising them—some way that we can truly say is the way intended by God. It is clear that this right way of raising public revenue must accord with the moral law of justice. It must not conflict with individual rights, it must find its means in common rights and common duties. By a bountiful providence, that may be truly called Divine, since it is founded upon the nature of man, of which God is the creator, a fund, constantly increasing with the capacities and needs of society, is produced by the very growth of society itself, namely, the rental value, and the duty of appropriating the fund to public uses is apparent, in that it takes nothing from the private property of individuals, except what they will pay willingly as an equivalent for a value produced by the community, and which they are permitted to enjoy. The fund thus created is clearly by the law of justice a public fund not merely because the value is a growth that comes to the natural bounties which God gave to the community in the beginning, but also, and much more, because it is a value produced by the community itself, so that the rental belongs to the community by that best of titles, namely, producing, making or creating."

Our present land system probably came about in this way. In primitive communities land was never held as private property and there was little or no security of tenure beyond what custom provided. As communities became more settled and the need for security became more clamant a continuous title to occupy a specific portion of land arose. Permanent occupation of land conferred great power on the occupier. The next step, namely, to treat land as a commodity like any article of commerce, must have been an easy one, and that is what our modern laws do.

The distinction has been lost sight of between land, which is provided by nature without the help of man, and articles of commerce which are made by human effort and work. The extent of the earth is fixed and cannot be increased by man,

but the number of those articles of commerce can be increased indefinitely at will. Because a man makes or acquires something, say, a coat, for himself, he may do what he likes with it. He may wear it, sell it or give it away, burn it, or destroy it, and no one can say him nay. By regarding land as a commodity we have come to treat it in the same way. We claim the right to treat it as we will. We use it or withhold it from use, or we misuse it or claim we are entitled to do so, disregarding the fact that all the people of the country in every generation depend for their very existence on being able to make use of land.

So firmly established is that belief in the right of ownership of land and that such a right is necessary to provide security of tenure in a settled community that landowners, and tenants also, generally will not listen to arguments which show conclusively that complete security of tenure can be given under a system of taxation of land values with, at the same time, a great lightening of the burdens of taxation which to-day is imposed on all users of land as distinct from owners. The more closely the tax on land values approached the true rental value of the land the greater would be the beneficial effects for the whole community. It would be possible with the revenue so obtained to extend all our useful public services and introduce any new ones that might be considered desirable.

Very few people understand at all how important is the part land plays in the lives of everyone of us. Most people seem to think of it as so many loads of soil, useful only for farmers, instead of the source of all the material needs of life. It is for this reason that they shrug their shoulders when the subject is mooted. It seems, therefore, that a general intellectual appeal for our movement is not enough. We know there is no possible logical refutation of the justice and fairness of our cause. We have gained a little here and a little there, but much more is needed.

Everybody realises that the world is in a dangerous state. This century has produced the outbreak of Nazism, Communism and violent Nationalism, with the most disastrous wars in history, and now there is a degree of tension which

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is terrifying. Those movements have not fulfilled their promises and by the methods they adopt we know they cannot fulfil them. What we propose does offer a key to all major social and economic problems and it can fulfil the promises we make. What we propose would end poverty and make possible the full restoration of individual liberty, whereas those other movements destroy that liberty and have usually led to totalitarian dictatorships. They have produced little or no alleviation of poverty.

The reason for the appeal which those movements have made seems to me to lie in the emotional, almost religious, fervour which they have been able to arouse. What we need is an emotional side to our appeal. Henry George could and did make it. By his eloquence and fervour he moved vast audiences in every country he visited.

The religious revival which seems to be taking place to-day should offer the best means of helping us to achieve a deep fervour for our movement. Whereas Communism and Nazism are anti-religious, our proposals are based firmly on religious principles and the conception of the Fatherhood of God. We can, with confidence in our right to do so, appeal to the churches of all denominations to support our policy of the land for the people. They can have no valid reason for refusing to do so. We need not ask them or necessarily expect them to advocate our specific proposals as to the method of bringing that policy about, but the principle we can claim they should accept.

Our proposals are essentially religious. The Churches generally are concerned about the anti-religious attitude of the Communists. There is no other course for them to follow than to find some way to end poverty and frustration as an alternative to that offered by the Communists. We show that way.

There have been frequent religious revivals in the past. They have all after a time worked themselves out and the people have fallen back into indifference and apathy. As man has an innate need for a faith in something greater than himself, there must be a reason for the failure of those earlier revivals. I believe the reason to be that, despite the normal

person's need for a religious or spiritual satisfaction, he must have bread. He needs as well the material essentials of life and scope to grow and develop his natural faculties and energies. A religious movement which neglects the satisfaction of those needs must appear insufficient and fail to appeal for long to those for whom the revival was intended. That, I believe, is why after a time, often relatively short, revivals have lost their vigour and many adherents of churches have become lukewarm in their support. The present revival, if it is to maintain its urge, must be accompanied by a fight for justice for the ordinary man and woman, justice which will give to everyone the opportunity of a full life with scope to develop and use his or her faculties and capacities in any desired legitimate way. It would in that way associate religion in a practical way with justice.

If religious bodies would preach from the text "The earth hath he given to the children of men" and the Golden Rule in its application to that text, and stand forth boldly for the equal rights of all the sons and daughters of God to the enjoyment and use of the earth and its fruits, then religious revivals would not fade away as so many have in the past. Communism can be countered and defeated only by a genuine religious movement which must include advocacy and support for real justice for all, irrespective of race, creed, or colour. Then the appeal of Communism with its atheism would fall on deaf ears and we should get for everyone justice and an equal right to live.

This view has appealed throughout the ages to leading churchmen.

Early Christian leaders, such as St. Cyprian, St. Ambrose and St. Chrysostom, in the third and fourth centuries, were particularly outspoken in their condemnation of people who monopolised or misused land. In this way they were only following the prophet Isaiah who so vigorously denounced those who joined "field to field."

In our own times, the late Archbishop Temple had come to understand the fundamental relationship of justice and freedom to the land question. In his *Christianity and Social Order* he gave his concept of Natural Law with its two great

regulative principles of Love and Justice. Dealing with the argument that the Church should exercise no influence in the sphere of politics and economics, he said this was disproved by a study of history. "It is assumed that the Church exercises little influence and ought to exercise none; it is further assumed that this assumption is self-evident and has always been made by reasonable men. As a matter of fact it is entirely modern and extremely questionable." As to what the Church can and should do he said: "Now it is no part of the duty of a Christian as such to draw plans of a reformed society. But it is part of his duty to know and proclaim Christian principles, to denounce as evil what contravenes them and to insist that those evils should be remedied." On page 74 he wrote: "The resources of the earth should be used as God's gift to the whole human race and used with due consideration for the needs of the present and future generations."

That great truth was also the theme of a report made by the Industrial Christian Fellowship at its Conference at Malvern, England, in 1941, which was drafted by Dr. Temple and to which he wrote an introduction. The report declares that "every citizen; every people and every government should regard the resources of the earth as God's gifts to the whole human race to be used and conserved for the needs of all mankind in its present and future generations. Far-reaching changes in the present system of land ownership are required . . . Much of our trouble is due to ill-managed land; to the evils of mortgaging and to the existing rights of landlords. In particular, the owner of sites in cities has hardly any function . . . while he absorbs a great deal of wealth communally created. These are tempted to hold up land needed for development in the hope of a rise in price. Thus private interest is directly opposed and deliberately preferred to public welfare. That is morally wicked, but it is also so pernicious politically that it ought to be prevented . . . . Speculation in land . . . is always anti-social."

In the report it is stated that the objectives set out in it "are not ideals for tomorrow; they are imperative for to-day." The Archbishop emphasised in his foreword that action "is called for, not after the war, but *now*."

In the same year, 1941, Pope Pius XII in a broadcast talk spoke out for first principles and natural rights. He protested against the doctrine of subservience to the State. Man was not meant to be the slave of society, he said, but society was meant to give more scope to his individual life. He emphasised the need of allowing all mankind access to nature's resources and spoke of the earth's surface as "that surface which God had created and prepared for the use of all."

In the same year, too, at a meeting held by the combined churches of England the representatives present laid down a number of principles to be followed as a necessary basis for a lasting peace. The World Council of Churches this year, 1955, emphasised the need for a new kind of Christian witness in areas where the central daily problem of many millions of human beings is "bread, freedom, and dignity." The Council believes that the Christian Church must assist by practical action the two-thirds of the world's population who are living in conditions of poverty, disease, and misery, and many of whom now know that a better life is possible.

These comprised principles similar to those set forth in the report of the Malvern Conference and, in particular, included the passage quoted above from page 74 of Archbishop Temple's book *Christianity and Social Order*.

In South Africa, the late Dr. Kestell, a greatly loved and revered leader of the Dutch Reformed Church, after reading some the books of our movement wrote that they, and particularly, *My Neighbour's Landmark* by F. Verinder, "which had gripped him as few books had done," had opened his eyes to the cause of poverty. His untimely death shortly after that prevented him from making a similar statement in public.

Those examples, to which could be added numerous others by leading ministers of religion of all denominations, show that we are entitled with confident hope to direct our efforts to a vigorous attempt to enlist the aid of religious bodies in the cause of restoring the land to the people and the establishment of justice and freedom everywhere.

On the directly political side it would help much

if our supporters drew up a practical programme for their individual countries, with an explanation of how the estimated necessary revenue would be obtained and showing how different sections of the public would be affected. Such a statement should not be lengthy or contain too much detail. It should be capable of being easily grasped by the man in the street. The programme should then be put forward as a practical proposal for legislative enactment.

To sum up:

The Churches can counter the anti-religious appeal of Soviet Communism by preaching that the earth is God's gift to all mankind; and in no other way.

We can prevent infiltration by Communism and the growth of its fifth column only by ending poverty and frustration among our own people; that our policy would do.

The spread of Communism in Asia and Africa can similarly be prevented only by ending exploitation and bringing freedom and opportunity to their impoverished masses; here again we show the way.

We cannot directly stop the Soviets from launching the world into a new war. But by limiting, in the ways outlined above, the areas to and in which Communism can spread, we can strengthen the spirit of our peoples to give more united and more fervent resistance to Communism than they might now give, thus greatly increasing our defensive power and our will to win; and this would aid as a possible deterrent to the Communist countries risking war; and meanwhile the example we should be setting would begin to make its appeal to the masses in those countries.

In brief, we must fight to end poverty and frustration and racial discrimination everywhere; otherwise Soviet Communism will spread and prevail all over the world.

Our cause is just; the need is urgent; it is the duty of each one of us to strive with all our might to arouse our countries to adopt and bring it to success.

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