

LAND & LIBERTY

(Incorporating "LAND VALUES.")

Published by THE UNITED COMMITTEE FOR THE
TAXATION OF LAND VALUES.

Twenty-ninth Year. Established June, 1894.

3d. Monthly. By Post 4s. per annum.

United States and Canada, 1 Dollar.

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PARLIAMENT AND UNEMPLOYMENT

Parliament assembled on 20th November, and was prorogued on 15th December. It meets again on 13th February. The short session just held will be memorable for the Acts passed finally establishing the Irish Free State and confirming its constitution. There was little other legislation. More money was voted or pledged for unemployment schemes, and to "make work" the maximum of the State guarantee of capital invested in developments by private corporations and trading concerns was increased from £25,000,000 to £50,000,000. The embargo on Canadian cattle was removed, which was a gain for Free Trade and should reduce the cost of living at least in one direction. On the other hand, the Government have shown their determination to stand by the Safeguarding of Industries Act, and new barriers to trade have been erected under its provisions. Apart from the discussions on these measures, the time of the House of Commons was taken up with debates on unemployment, agricultural depression, the state of the mining industry, and the serious problems which peace treaties have created and peace conferences have failed to solve.

The Independent Liberals concentrated their attention on Protectionist fallacies. Their concern for Free Trade was in evidence when anything touching the Safeguarding of Industries Act, and the connection between tariffs and unemployment, was under discussion. But when an immediate opening came to apply Free Trade principles, the opportunity was neglected. Mr. Asquith, for example, said on the 1st December, with all the emphasis at his command, that "it was a disastrous mistake not to take, as the statesmen at Paris might easily have taken in advance, safeguards against the erection of tariff walls." A few days later the League of Nations got the considered approval of the House of Commons to a loan contract binding and compelling the Austrian Government to maintain these very walls. Indirect taxation and Customs duties have been forced upon Austria, to restore money lent by international financiers.

Mr. Asquith and his friends witnessed in silence this deliberate act and outrage on Free Trade, committed not by the "statesmen at Paris," but by the League of Nations, on which we are asked to pin our faith as the saviour of Europe. While the

working people of Austria are made thus to bear the burden of the debt, and in obedience to their conquerors the working people of Germany are expected to pay the indemnities mostly by tariffs erected by foreign cordons, how can there be any hope of international Free Trade? The rulers of Europe have employed Customs duties to collect payments, and they have taught all the other nations to use this vicious fiscal weapon on their own account. All the time, privileged interests have been carefully safeguarded. The owners of the natural resources of every country have been protected in their ownership, and in this contempt of human rights industry has been bled white. The Austrian loan is only an incident, but it is an important one. It was the occasion for the honest and courageous Free Trader to bid the League of Nations take its hands off trade, and to declare boldly that if there must be a loan, repayment should be a first charge on property in land. For in all countries, the rent of land is a public value and it should be taken for revenue before either wages or interest are touched. If the problems of Europe had been approached in that spirit, democracy in all countries would be celebrating its triumph to-day, instead of wringing its hands in despair.

In the debates on unemployment, the fiscal question and the pleas for economy were submerged in the overwhelming evidence produced from the Labour benches that there are other factors demanding examination if we would discover the causes of hard times among working people. If trade slumps and production is diminished, why do not all suffer alike? Why the startling contrasts between the naked poverty of some and the abounding riches of others? Why is there a House of Have and a House of Have Not? Yet with all this declamation, there was little reasoned argument pointing either to cause or cure. Labour speakers had promised to "show what the party would do," when it moved its Amendment, but the Amendment was after all quite innocuous. It asked for public money to help the victims of unemployment, and there for all practical purposes it stopped. We reprint extensive extracts from the official reports, and our readers can examine for themselves the various ideas put forward from the "capitalistic competition" of Mr. Snowden and the over-production theories of Mr. Wheatley, spoken in the name of the Labour Party, to the barren sentiment of the Liberal Sir John Simon, that in good times provision should be made for the next inevitable wave of depression.

Labour members repeatedly blamed and denounced "private enterprise" with the most illogical reference to examples that proved the exact opposite of the case they sought to establish. The phenomenon the Labour Party tries to explain and must explain, the robbery of labour and the denial of opportunities for a livelihood, becomes more than an enigma if there is no will to distinguish between enterprise and monopoly. Thus, according to Mr. Wheatley, a much-needed area of land in Glasgow had been held idle for forty years; the municipality and the community that gave value to that land had received not a penny in rates; the price of the land was £714 per acre for one portion and £2,500 per acre for another. Manifestly,

here was a clear case of land monopoly causing high rents, over-crowding, low wages, and the stoppage of industry. Why does Mr. Wheatley lay the crime at the door of "private enterprise"?

Excepting the speeches of Mr. Sexton and Mr. MacLaren, and some passing reflections by Mr. Lansbury, there was hardly a reference to the bearing of the land question and taxation upon employment, wages and housing. Mr. Noel Buxton, dealing with agriculture, said the Labour Party would free improvements from taxation, but withheld any suggestion that land values would come under contribution instead. He did not inform the House where he would find the public revenue when improvements were tax free. The Liberal member, Mr. C. Roberts, speaking on housing, said that the burden of taxation "should be lightened along lines that are well understood," but did not explain what he meant by those well-understood lines. He added nothing to the general wisdom. Mr. Ramsay MacDonald and Mr. Clynes were as indifferent as Mr. Asquith and Sir John Simon to the urgency of land reform. Among others who took part in the debate, Mr. L. Collison and even Mr. Chas. Trevelyan ignored the Taxation of Land Values, showing that election pledges have sometimes no relation to action in the House of Commons.

As for the Government and its attitude, the Prime Minister is satisfied with a waiting policy, relying on "confidence" and happier prospects on the Continent. Meanwhile, the schemes of the late Administration, although they have failed to find employment for a single person, except at the expense of some one else, are to be continued and extended. Sir John Barlow's speech, explaining what has been done and what is proposed, was one long story of futility and waste. Vast sums have been raised by taxation and loans to provide "work and maintenance," to carry out in principle (though perhaps not in degree) the very provisions that Mr. Snowden says were embodied in the Labour Party's Right to Work Bill. Hundreds of millions have been expended on this Socialist-cum-Conservative policy, with such little effect that there are still one and a half millions of people out of work. The burden is thrown back on industry and recovery is made more and more difficult. To "make work," goods are manufactured and sent out of the country on credit, and the State stands security for the loan. If £26,000,000 so guaranteed will not foster exports sufficiently, then the guarantee can be increased. The Government have said so. Private corporations and trading concerns are encouraged to invest money on new developments, and these investments are guaranteed by the State. The guaranteed sum is increased from £25,000,000 to £50,000,000. The unemployment insurance funds are exhausted, but the maintenance dole is continued with borrowed money to the tune of £30,000,000 or more; and for the payment of poor relief, money is advanced to the Boards of Guardians where no more local rates can be collected because local authorities are bankrupt.

In these depressing circumstances, what hope is there for a speedy return to normal trade and prosperity? The reconstruction schemes of the late Government, with all the glittering promises

of a new social order, were doomed to failure from the start. The land monopolists were told that they would get "full market value," and that there were millions available for purchase; prices went up accordingly. We are labouring under the effects of that speculation now. In the matter of housing, every new house erected at an uneconomic rent, in other words, at a loss, is a standing menace to the recovery of the building trade. Private enterprise in this line of business has been crushed to the wall, and instead of giving it a chance to function again, a further extension of the abuse is promised. There is to be more State house-building under the old terms. Monopoly in land is to be strengthened and speculation given one more opportunity to fleece the taxpayer.

The reconstruction schemes were schemes to benefit landowners and no one else. What does all this road-making, land drainage, afforestation, construction of light railways and the rest mean in essence but a slave gang commandeered by the lash of hunger at the bidding of the State to enrich the territorial land owners? And alas, it is the policy supported and acclaimed by the Labour Party. They have no alternative, and for the reason that they blindly and wilfully refuse to consider the land question and the Taxation of Land Values as a solvent of the economic problem.

A. W. M.

THE NEW POLITICAL ECONOMY

(THIRD EDITION)

An Address by John B. Sharpe, before the Young Men's Civic Club of Pittsburgh, Pa., U.S.A.

We gladly direct our readers' attention to this Address, now issued in pamphlet form. The writer opens with a short sketch of the current political economy, pointing out its inadequacy to deal with existing conditions in a manner that would bring hope to the mass of the people, or to society as a whole.

"When one contemplates the fruitful labours of that great author, Adam Smith, who is justly called the father of political economy, and considers what he achieved for the welfare of mankind by the publication of a single work (*THE WEALTH OF NATIONS*), one is only the more amazed at the present incoherent state into which this science has been conducted."

That in a paragraph is the keynote of this searching contribution to the informing literature on the remedy for social problems which *PROGRESS AND POVERTY* has brought into existence. Mr. Sharpe deals in a simple and attractive style with that fundamental error and misconception "the iron law of wages," and shows how Henry George's exhaustive examination conclusively demonstrated the fallacy of attributing this "tendency" to natural law. His explanation of rent and the law that drives its private appropriation against any possible permanent advance in wages should stimulate the newcomer to further inquiry. The writer defines his terms in a way familiar to single taxers, and modestly urges his audience to devote some time and thought to his "brief and imperfect outline" of what is wrong, and how the present drift to social disaster may be avoided.

We hope to reproduce in part in an early issue this first-class elementary statement on political economy. Meanwhile, copies can be had on application to W. D. George, 307, Fourth Avenue, Pittsburgh, Pa., U.S.A.