

LAND POLICY AND UNEMPLOYMENT

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(Substance of an address given at the July Quarterly Meeting of the Council of the English League, on 22nd July, 1925, held in one of the Committee Rooms of the House of Commons; the President, Rt. Hon. JOSIAH C. WEDGWOOD, M.P., D.S.O., in the Chair. Many Labour Members of Parliament were present.)



E. ROSSLYN MITCHELL

I.

From time immemorial there have been labourers standing all the day idle in the market place, sometimes a few, sometimes very many. Inquirers have asked, "Why stand ye here all the day idle?" And the answer has always been: "Because no man hath hired us." Unemployment has always been regarded as a consequent of *non-hiring*. I consider that this is a wrong point of view but that is the mental picture produced by the word "unemployment." "Employment means having work to do and applies to all whether they work as their own masters or as hired labourers. "I am employed" does not necessarily mean someone has hired me, but that I have an opportunity to work. But "unemployment" means having no work to do for someone else, and implies a dependency of one man upon another for the opportunity to work. And the problem of unemployment as we understand it, is really the problem of finding opportunities for work for those whose labour is not wanted by someone else. This does not mean that their labour is not needed for their own sustenance or for the benefit of mankind, but that (1) there is no opportunity for them to work for themselves or (2) that no one at the moment can obtain for their labour more than they are prepared to accept as wages, or (3) that there is no one who at the moment is able to buy the product of their labour. Our problem then is to find opportunity for man to work for himself or to find means whereby his work will be desired by someone else. It is the problem of both primary and subsidiary occupations.

From the dawn of civilization in all countries at one time or another, philosophers, economists and statesmen have tried all manner of means to solve this problem, and to-day it is as clamant and apparently as insoluble as ever. Let us look at it as it faces us to-day in Britain. We have 1,300,000 persons registered as

unemployed, that is, 1,300,000 persons for whose labour power and skill there is no demand, that is, 1,300,000 persons willing and able to produce wealth but denied the opportunity for so doing, either for themselves or as wage-earners to other folk. Since 1918 there has been paid to potential wealth producers £250 millions for producing no wealth. We have tried Governments, Liberal, Labour, Conservative and a combination of all three, and there has been no result. We have tried Tariff Protection and Free Trade. We have tried starvation and benevolence. We have tried currency inflation, Gold Standards, Distress Committees, Labour Exchanges, Insurance Schemes, relief works at home, export facilities for abroad, all to no purpose save to assuage the immediate suffering of those who desire but are not allowed to work.

The one element that has not been considered is that which we are to deal with this evening. *The first arresting fact is that those who have access to the land are not among the unemployed.* Their complaint is not that they have no work to do, but that they have too much. The second arresting fact is that there is and can be no employment at all apart from land. Land is the prime necessity of employment, the mother of all wealth. Every movement in the production, distribution and exchange of wealth depends upon land. From the primary occupations of agriculture and coal-getting to the most distant occupation of money-changing, the land element is dominant. For all depend on wealth, produced or potential, and there can be neither, apart from land. It appears therefore, that any custom or law which tends to restrict the availability of land for use, tends to restrict the opportunities for employment in wealth-creation and wealth-distribution.

It appears also that any means whereby the availability of land for use is increased tends also to enlarge the opportunities for employment in wealth-creation and wealth-distribution.

Now nothing that man can do can *increase the amount of land*. That is fixed. Nor can man do anything to *change the locality* of it. That is fixed. Yet it is those two elements of *amount and locality* which, apart from minerals, the work of nature, are the *chief factors in creating its value*. Because the area of Great Britain is small and the population large, the value of land is high. And the value increases in relation to the density of population in any area. The value is due (1) to the fact that being restricted in amount it develops a monopoly value, and (2) to the fact that the needs of a teeming population for land must be satisfied if the people are to live. The value therefore is a creation not of the owner, but of the community. Without the community to consume its products, to use its coal, to demand its site, there is no value.

But this value, which the community creates, it does not share. On the contrary, the more the community develops in numbers, skill and industry, the greater its power of consumption of produce, its power to use coal, its need for land in given localities, the greater does it make the value of land and the more of its labour or producing power does it have to give in exchange for the use of the land whose value it has created. Consequently, the land value which the community creates becomes a restrictive tax upon its own development and upon the opportunities of wealth production, that is, the employment of its people. Now the laws and customs of this realm were made, not by those who created the land value, but by those who, by various means had acquired the ownership of the land. They made the laws operate so that,

- (1) Every increase in land value created by the community goes to the owners, and
- (2) The annual charges incurred for the develop-

ment of communal life, although adding to the land value, are imposed, not upon the owners of land who reap the benefit, but upon the people whose activity has created the land value.

The tendency, nay, the actual result of our laws, is twofold:—

(1) To encourage the land owner to restrict the availability of land, so that its monopoly value may be increased by the operation of other people.

(2) To discourage the full use of land by imposing upon the improvements created by the labour of the users of land, the whole charges for communal services. The result is:

(a) That those who use the land for direct production of nature's wealth, as farmers, miners, etc., have imposed upon them a burden in rent which increases as a result of their own skill and activity and the growth and development of the people, and a charge for rates which becomes the heavier the more they increase their buildings and other improvements.

(b) That those who use the products of land in factories, warehouses, etc., have an increasing relative cost for raw material, and actual increased overhead charges for rent and for rates upon every extension and improvement of their factories and warehouses and every development of the communal enterprise in the town where these factories and warehouses are situate.

(c) That those who are the consumers of the products of land and factories and therefore would demand the production of more have a less sum available for that purpose because of (1) higher rents and higher rates on their houses, (2) the larger proportion of their labour which is consumed in meeting the higher overhead charges of the places where they work, and (3) the higher price charged for all articles they consume on account of the overhead charge on the production of those articles.

It seems clear, therefore, that before any permanent effect upon unemployment can be produced, we must remove these hindrances to production, distribution and exchange; and as they proceed from the same cause, it may be possible to affect them by the same process.

(TO BE CONTINUED)

Friends from overseas who have called recently at the offices of the United Committee include Mr. E. C. Baldwin, President of the Maryland Single Tax Association, Mr. Sculley of New York, Mr. Frank Garrison, Chester C. Platt and Ex-Senator Charles O'C. Hennessey. They have conveyed greetings from co-workers in their own sphere of activity at home, and it was interesting to exchange news and views with them of the progress of the movement in all parts.

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We omitted to state last month that among the apologies read at the dinner to Mrs. Anna George de Mille, held in London on 9th July was one from ex-Bailie Peter Burt, J.P., who had been most anxious to attend but important Town Council business kept him in Glasgow. Mrs. Anna George de Mille, who has now returned to the United States, spent part of her time in Scotland and visited Mr. Burt at his home in Bothwell.

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Alderman Firth of Sydney took with him from his "farewell" reception at 11, Tothill Street on 21st July, hearty greetings to Mr. A. G. Huie and all our co-workers in New South Wales who have done so much to advance the movement for the Taxation of Land Values in their part of the world.

THE FOUNDLING HOSPITAL ESTATE

(56 ACRES IN LONDON SOLD FOR £1,650,000—SEE PAGE 179)

The Foundling Hospital Estate, which is subject to leases of various terms includes not only the 9½ acres covered by the hospital itself but also the whole of the 47 acres of the estate surrounding them, from Gray's Inn Road, on the east, to Herbrand Street, almost to Russell Square, on the west, and from Guilford Street, on the south, to Tavistock Place, Compton Street, St. George's Gardens, and Heathcote Street on the north. Not only are Brunswick Square and Mecklenburgh Square included, but also all the streets running into and around them—Hunter Street, Bernard Street, Coram Street, Caroline Place, and so on.—OBSERVER, 16th August.

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The purchasers are a company registered in May last as "Foundling Estates, Ltd.," in which interests are held by Sir Arthur Du Cros (chairman), Mr. J. Douglas Watson, Mr. Sidney Van den Bergh, Mr. Edmund S. Spyer, Mr. James White and Mr. Philip H. Du Cros. All these men are interested in the Parent Trust and Finance Corporation, which holds or controls practically all the shares of the Foundling Estates, Ltd.

The hospital was founded by Thomas Coram, a sea captain, and was opened in the middle of the eighteenth century. Its early years were materially assisted by Handel, who gave it an organ.—DAILY NEWS, 15th August.

LANDED PROPERTIES AS UNLIMITED COMPANIES

The number of companies, public and private, incorporated during the first half of 1925 shows a slight increase from 4,177 in the first half-year of 1924 to 4,202, according to the statistical report of Messrs. Jordan and Sons, company registration agents, of London.

In 1909 the Warwick Estates Company was incorporated to acquire the life interest of the Earl of Warwick in the Warwick estates, and in the present era of high taxation such incorporations have become almost common. Nowadays the registration takes the form of an unlimited company which escapes *ad valorem* duty on its nominal capital. Several private unlimited companies were registered during the first half of 1925, with titled personages mentioned as the director or signatory. These included:—

Leconfield Estates Company (£400,000)—Baron Leconfield; Compton Estates Company (£300,000)—Marquess of Northampton; Leven Estate Company (£200,000)—Earl of Leven and Melville; Blenheim Estate Company (£200,000)—Duke of Marlborough; West Wycombe Estate (£120,000)—Sir J. L. Dashwood; Ledburn Land Company (£100,000)—Lord Dalmeny; Lucan Estates Company (£12,500)—Earl of Lucan.—MANCHESTER GUARDIAN, 20th July.

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Sir Arthur Steel-Maitland, the Labour Minister, and his wife, have formed their estates in Scotland into a private company. The capital is £200,000, with unlimited liability, divided into £100,000 preference and £100,000 ordinary shares, the subscribers being Sir Arthur and Lady Steel-Maitland. The estates are situated in Stirlingshire and near Edinburgh, Lady Steel-Maitland being the heiress-daughter of a Scots baronet of long pedigree, Sir James Ramsay Gibson-Maitland.—STAR (LONDON), 6th August.