

or industry other than agriculture. \* \* \* It merely says, and here again, I think, we come down to an elementary principle of social justice—it merely says that those classes of land shall be taxed now on the basis of real as distinguished from a perfectly fictitious value. Such land is under-rented—that is to say, for a number of reasons—reasons which are satisfactory to the owner, it is bringing a lower yield than it would if put into the market, bring in and ought to bring. Take the case of land which can be sold for immediate development, but which is being held up, and legitimately held up, in the hope of getting a higher price in the future. Such land can command a definite economic rent, and is capable of producing an income. That land ought to form part of the taxable income of the country. The landowner does not take the rent, but chooses to forego it, and the source of revenue is reduced pro tanto and the national income reduced so much. He does this for his own purpose and with the hope of future profit, and it is clearly fair and just that the State should apply to him rather than to other taxpayers to make up the deficiency. (Cheers.) Now it is said that one of the effects of this undeveloped land duty will be to put pressure on land-owners to sell their land. Perhaps it will. (Laughter.) Is that a calamity to the community. (Laughter.) Is that a contingency which we ought to regard with horror and aversion and against which we ought to take all possible precautions and safe guards? Remember this,—we hear a great deal about the withdrawal of capital from this country.. It is quite true that capital can be withdrawn from one area to another, and sometimes that transference is beneficial to the other area, but land cannot be removed, \* \* \* and should there be a transference of ownership the land is there and the community will continue to enjoy it. \* \* \* I maintain that taxation which seeks these ends by these means is taxation which is not only sound in economic principle, but which conforms to the eternal and immutable principles of social justice.

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## SOME IMPRESSIONS OF BRITISH POLITICS.

(*For the Review.*)

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By CHARLES J. OGLE.

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GOVERNMENT.

One of the first impressions the American visitor to England receives is that of compactness. From that extreme Southern point in Cornwall, called Lands End to the Northernmost reach of Scotland where John O'Groat solved the vexed question of precedence in his family by building an octagonal house with eight doors and containing an eight-sided table,—there is but one law making power and its seat is at Westminster. A unitary State, thus distinguished from the federal governments of both Germany and America, and unique in the fact of its having no written constitution whatever, as we know the term, England towers above every other nation in the world in the ponderous simplicity of its government. It is ponderous because the lack of adequate

municipal powers throws an immense amount of work upon Parliament that is of a purely local nature. And it has but one method of action. There is exactly the same machinery to be gone through for providing a new water supply for the city of Oxford, as for giving Home Rule for Ireland or abolishing the House of Lords.

Its simplicity lies in the fact that despite the dead institutions with which it has become encumbered in its continuous existence of nearly a thousand years—institutions that one might say are like the ghosts of Swedenborg, who are tormented by the fear of death and cannot realize that they have died—England today has the most democratic government in the world. Forty-five millions with but one legislature and that absolutely supreme in its actions, administering as well as legislating, and with no written code to fetter its lawmaking powers and judicial co-rulers to decide whether the fetters bind, is a spectacle demanding the most profound consideration from the believer in popular government.

Now that the House of Lords has been shorn of the ultimate veto, England may be said to be in effect a colossal example of our much advertised "Commission" form of government,—on a National instead of a municipal scale. The leaders of the majority party of the House of Commons (who are the "Government") constitute this "Commission," all vexed questions of grave import cause them to go before the country in a new election for a "referendum;" and any action of theirs not meeting with the approval of the majority of the House makes them immediately subject to a "recall." The House of Commons consists of 670 members, or about one to something like every 10,000 electors.

#### SUFFRAGE.

The Suffrage by the way is a much involved affair, representing as it does a series of gradual extensions. With such a hue and cry for Woman Suffrage resounding from one end of the country to the other, the fact that about 30% of the men in England are still without suffrage is generally overlooked. The present government it is expected will amend the suffrage laws extending the suffrage to most of these, and abolishing plural voting. At present the owners of property in different political divisions have a vote in each division, and the graduates of the great universities are also entitled to a University vote in addition to their residence or property franchise.

#### WOMAN SUFFRAGE.

It is very probable that within the next year or two women will also be granted Parliamentary Suffrage. They already have Municipal Suffrage, although not to an equal extent with the men.

The Woman Suffrage Movement in England is in itself the most notable social achievement of the sex in history. Splendidly organized and conducted on a vast scale with the most business-like thoroughness and energy, it has penetrated every nook and cranny of the country. There is no public occasion

where the woman's suffragists are not in some manner in evidence. At the time of the coronation festivities in London, they turned out in a magnificent historical pageant marching 40,000 strong. When the first aerial post was attempted it contained a letter to the Prime Minister from the Suffragists: "Remember! Votes for Women in 1912." This referred to a promise made by the premier that facilities for a third and final reading of the Woman's Suffrage bill would be granted early in 1912. Six times before has a bill for the Enfranchisement of women passed two readings in the House of Commons, only to meet disaster in its final stage. The present measure drawn by a committee representing every political party in Parliament and called therefore the "Conciliation" Bill was given its second reading on May 5th and received a more favorable vote than any of its predecessors, the result being 255 for and 88 opposed. It gives the vote to spinsters and widows possessing certain property or house holding qualifications, and, it is estimated, will admit about one million women. Married women, being presumably represented by their husbands, do not participate. Convinced that as an entering wedge this bill offers the most likely method of success, the Suffragists of the country are for the present waiving larger claims and are united in leaving no stone unturned in their endeavors to secure its passage. A truce to their turbulent militancy has been proclaimed until the bill has received final consideration; but in the meantime the way of the candidate who will not declare himself in favor of it is being made extremely hard. More familiar with practical politics than their American sisters are, through their widespread Women's Liberal or Conservative Clubs and by their long established custom of canvassing for their male relatives who are candidates, the women of England are far more intense in the earnestness of their demand for direct participation; and the sentiment has become so formidable that it cannot be much longer withstood.

#### FREE TRADE.

England is a resplendent example of the immense advantages accruing to a nation from the adoption of a policy of free trade. A protectionist country until 1846, the economic doctrines of Adam Smith, promulgated seventy years before and at first listened to with astonishment in Parliament, had gradually gained ground, until the powerful reasoning and ceaseless agitation of the group headed by Richard Cobden at length prevailed in spite of protected interests, long rooted prejudices and the contrary example of every other great nation of Europe. The establishment of Free Trade, or as it is generally called here, the Repeal of the Corn Laws in 1846, is probably the greatest triumph ever effected by abstract economic theory over practical legislation. And nobly did this economic truth vindicate itself. English exports had increased under Protection from 42 million sterling in 1801 to 58 million in 1846,—an increase of only 16 millions in 45 years. With Free Trade her trade went forward at a bound. In ten years her exports more than doubled, rising from 58 millions to 122 millions between 1847 and 1857. From 1857 to the present time her exports have mounted up until they now show a yearly

total of nearly 450 million sterling or  $2\frac{1}{4}$  billion dollars. Her imports have gone forward from 188 million sterling in 1857 to about 650 million or  $3\frac{3}{4}$  billion dollars annually. In other words, this little country with less than half America's population gets nearly twice America's share of the World's Commerce! Truly, if, as Mr. Roosevelt once said, "The Great Principle of Protection" in America had "vindicated itself" one is tempted to ask what the principle of Free Trade would have done.

The upholders of Protection in America who point to excess of exports over imports as a "favorable" balance of trade, may be horrified to learn that England has had an excess of imports over exports, or "unfavorable" balance amounting to a billion or more dollars a year for quite a number of years past. In fact the record of the past fifty years shows an invariable excess of imports over exports ranging from half a billion to  $1\frac{1}{4}$  billion dollars annually. As this amount really represents such things as shipping earnings, the profit of British capitalists from foreign holdings, the money spent in this country by visitors from other lands, etc., it is hardly necessary to say that it is not looked upon as an "unfavorable" balance over here.

The country gets its principal revenues from an income tax, "death duties" or inheritance taxes, and from excise and customs duties on spirits, tobacco, and a few other things. Its expenditures have increased so enormously of recent years owing to the enlargement of its navy, the establishment of old age pensions, etc., that the Liberal Government in 1909 was at a loss where to turn to for more revenue. Conditions of widespread poverty and unemployment were turning men's minds to the seductive palliatives held out by Tariff Reformers, as Protectionists are called, to a most alarming degree. It is undoubtedly true that England was on the verge of committing itself to a Protective policy when Lloyd George introduced his epoch-making Land Tax Budget.

#### LAND MONOPOLY.

The landed classes have enjoyed immunity from taxation in England to a most remarkable degree. The great estates originally granted in fiefs by the Conqueror were held on condition that each would supply several thousand men fully equipped in time of war. Indeed, as Cobden once pointed out, for a period of one hundred and fifty years after the Conquest the whole revenue of the country was derived from the land. Then commenced a gradual shifting of the burden to the shoulders of the producers. This movement received an impetus from the invention of gunpowder, the evolution of the military art as a distinct profession and the consequent rise of standing armies. In 1714 the land paid three-fourths of the country's revenue; by 1760 it was reduced to one-half, by 1793 to one-fourth, and from that time until 1816 one-ninth. Until as Cobden said, "Thus the land which anciently paid the whole taxation paid now (1845) only a fraction or one twenty-fifth, notwithstanding the enormous increase that had taken place in the value of the rentals."

The Rates (or local taxes) settled upon house and rents, or the income derived from the land. To-day houses are rented for so much plus the rates which must be paid by the tenant; and if a house is vacant no rates are paid. Vacant city lots and great stretches of valuable land adjoining a city but used only for grazing or agricultural purposes, although gaining an added value through each successive step in the city's growth and civic outlay, practically escape taxation altogether.

In the country districts Land Monopoly has been maintained and fostered by the same absurd system. If the land is not put to some productive use but is held as a game preserve, no tax whatever—except perhaps an utterly insignificant one—is paid upon it. The mal-distribution and fearful congestion of population which such a system causes may be partially realized from the statement that in England and Wales no fewer than 25 millions of people are living on 200,000 acres, and of these 13 millions live in tenements of four rooms or less; while in Derbyshire alone four dukes, near neighbors, own in Great Britain about 400,000 acres. Seventy men own the entire half of Scotland, and thousands of small farmers have been driven from the great estates there to make room for deer forests. Time and time again the local authorities have petitioned Parliament to allow them to assess land values for municipal purposes, but the House of Lords have always managed to block the final passage of the bill. They have also steadily refused to allow a valuation of the land, until Lloyd George made the valuation a part of his finance bill. Although the Lords have for centuries had no power over finance bills they were determined to throw this out at all hazards; and their action brought about the recent constitutional crisis which ended in forever destroying their power. An American only wonders how the enlightened English people have submitted to such hereditary obstructions for so long, but it is accounted for by their extreme reverence for custom and tradition.

#### SOCIAL REFORM.

The famous 1909 Budget, however, is only a beginning. It has broken the back of the tariff agitation by pointing to a new source of revenue; but many radicals consider its chief benefit has been, besides calling national attention to the evils of landlordism, to secure the separate valuation of land, a great part of which has not been assessed since the year 1692. This valuation has not yet been completed and further land reform awaits the compilation of this new "Domesday Book." Meanwhile a great and growing body of Liberals inspired by the ideals of Henry George are urging its completion, and that done will not rest until the straight-out taxation of land values for both local and national purposes is an accomplished fact. "Freedom to produce as well as to exchange" is the cry. The Land Values Group in Parliament consisting of 173 members, addressed a petition to the Prime Minister a few months ago asking that the Government hasten the valuation of the land so that a tax could be laid which would "free industry from monopoly" and "secure greater opportunities to produce in our own country by affording greater opportunities to



use the land." A conference participated in by over 300 municipalities was recently held in Glasgow which also called upon the Government to complete the valuation so that they could be allowed to adopt the value of land as the Standard of Local Rating. They even went so far as to express their conviction that "the existing deplorable condition of the people in regard to bad housing, low wages and unemployment is directly traceable to land monopoly and is further aggravated by the present system of taxation and rating." A few days ago Lloyd George sent to a gathering of land taxers the significant message that he "had not done with the land question yet."

On the whole, notwithstanding a slight tendency to paternalism on the part of the present Government, there is no nation which promises such great strides in social reform within the next decade. With the simple directness of its machinery, its comparative freedom from political corruption, and the high type of its public men it certainly bids fair to outstrip America, despite our many advantages.

The singular freedom from Political Bosses in England seems to be due: 1—To the absence of smaller legislatures and the existence of one all powerful law-making body drawn from the nation at large. 2—To the municipal ownership of public utilities, which in private hands are the main sources from which the bosses in America derive their sustenance. 3—To the non-existence of trusts or special interests which thrive under cover of a protective tariff.

Whether a limited suffrage tends to less corruption will soon be determined, for the sentiment, "One man, one vote" will before long be a part of the British Constitution.

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ALBERTA, then, by the end of 1918, will be raising its taxes from land values only. By spreading the change over a period of seven years provision is made against injustice that might result from too sudden dislocation of existing conditions; but, as a matter of fact, more than one-half of the more important municipalities in Alberta have already expressed themselves as strongly favorable to the new form of taxation, and it is believed the bill will pass the legislature by a large majority.

Ontario seems in a fair way to follow the western example, and one of the reviewers who endorses the new movement, reminds his readers that when Mr. W. A. Douglas introduced the idea in Toronto, twenty-five years ago, he was regarded as an agitator whose cause was hopeless. One Toronto editor tells of a citizen who "improved his house by a veneer of brick and other additions and embellishments. His assessment was increased by \$600, with the result that he had to forego the installing of modern conveniences and the making of further projected improvements.—St. John (N. B.) *Telegraph*."

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THIS association of poverty with progress is the great enigma of our times. It is the riddle which the Sphinx of Fate puts to our civilization, and which not to answer is to be destroyed.—"Progress and Poverty," by Henry George.