

THE HOUSE OF LORDS

On Uthwatt and George

By Douglas J. J. Owen

THE reduction of Sir Stafford Cripps to the rank of a lesser minister of State carries an omen. It may be regarded as the culmination of a series of events, and the Land Value question was an inescapable factor.

It is significant that while Sir Stafford is reduced, Colonel Oliver Stanley, son of Lord Derby, one of Britain's greatest landowners, is brought back to government rank and made Colonial Secretary. Cabinet making seems to be a matter of taste. The Cripps change is not to the taste of public opinion. While Sir Stafford may not have committed himself to the full Henry George cause, most people looked to him as the guarantee of a radical approach to reconstruction problems now, and after the war. He had identified himself with the Archbishop of Canterbury at several meetings recently, and as we know, local taxation of site values is a main plank in Dr. Temple's program of social reform.

In the last two months there have been debates in Parliament on the reconstruction plans of the Government. On October 22, the House of Lords discussed the two reports—the Scott Committee's, referred to in my last article,* and the Uthwatt Committee's report. A valuable speech was made by Lord Wedgwood. In it he said: "Whether you are going to deal with the problem of the user of land by purchase, which I do not recommend, or by the rating and taxation of land values, which I do recommend, valuation is the key to both." The speech is reported fully in *Land and Liberty* for November, which also carries the Observations of the Land Values Group of the Labor Party in the House of Commons, on the Uthwatt Committee's Report. This is a most valuable document and it is being circulated widely to local government authorities by the United Committee for the Taxation of Land Values, in London. The Land Values Group criticize the Uthwatt proposal of a levy of 75 per cent. of the increase in annual site values, and argues cogently the case for the straight taxation of land values.

On November 18 and 19 another debate took place in the Lords on the Scott and Uthwatt reports. This was opened by Lord Latham, of the London County Council, who did so much along with Alderman F. C. R. Douglas, M.P., on that body to press the Government for powers to levy local taxes on land values. He pointed out that the Scott report is in conflict with certain principles of the Atlantic Charter and that recognizing freer intercourse between nations is an important foun-

ation of world peace. He also spoke against the increment proposal, and urged his alternative of the tax on site values. Lord Portal, for the Government, said they could not carry out the Committee's proposal for a 75 per cent. levy on increases—that it was too controversial; so that there is no hope for the more sensible Latham idea. Lord Latham had shown that the land value tax would "squeeze out of the price of land a large portion of its speculative elements" and that this would help to solve some of the worst problems of reconstruction. Lord Portal argued that because one member of the Uthwatt Committee recorded his dissent, the whole subject of site values was too controversial to deal with during a war.

The debate was continued on November 19, when Lord Astor warned the Peers that, unless Parliament agreed to pass essential controversial legislation now, there was a danger in the future of Parliamentary congestion, a sense of frustration and general disgust in the country, and a feeling that democracy had failed. Notwithstanding this from one who is not a "single taxer," the Lord Chancellor, Lord Simon, winding up the debate said: "The rating of land values, which had been advocated by Lord Latham, was absolutely contradictory to the conception involved in planning. It had nothing to do with any possible contribution to town and country planning." He took the same view with regard to land nationalization. Apart from the enormous range of such an operation, and the question of compensation, when the State had acquired the land, was planning any further on? Not at all.

Before this Lords' debate, Sir Stafford Cripps, on November 16, made one of his series of speeches on Europe after the war, and four days later, in the House of Commons, made what turned out to be his last speech as Leader of the House. He then spoke of the paramount need of preserving political unity, while at the same time making a beginning with such legislation as would lay the foundations of post-war reconstruction. If it was reasonable, he suggested, for those on the political Left to *retard* their pace in the interests of maintaining unity, then it was equally reasonable to ask that those on the political Right should *hurry* their steps in some degree. Hurried steps were certainly taken, for on November 22, the news was broadcast that Sir Stafford was to take a back seat. Whether this will prove to be in the interests of unity or progress remains to be seen. Public comment reveals a sense of uneasiness, not so much as to the future of Sir Stafford, but as to the future of pressing social changes. The *Times* on November 23 said: "Sir Stafford Cripps joined the War

*"The New Order in Britain Taking Shape," by Douglas J. J. Owen, November-December, 1942.

Cabinet in the dark days of defeat last February—one of several changes which fortified it against the stresses of that time. What he brought to the common stock was undoubtedly a certain assurance to a large body of opinion in the country, that in the highest councils there would be ample consideration of forward views in the shaping of policies both for war and peace.” The same day the Political Correspondent of the *Manchester Guardian* said: “Of course there may be deeper reasons still for what has happened, and there is certainly a rumor current that last month Sir Stafford wrote to Mr. Churchill pressing strongly for specified changes of policy.” And on November 25, the same paper in its editorial remarked: “The universal assumption is that Sir Stafford Cripps has left the War Cabinet because he and the Prime Minister do not see eye to eye on major matters in the conduct of government.”

The personal side of this story is less important than its political aspect. Evidence points to the effect of the unceasing propaganda of the Henry George movement in Britain for many years. The writer well remembers the time when Dr. Temple, then Bishop of Manchester, presided at the Conferences on Social Questions,* at which Mr. A. H. Weller made an address on the taxation of land values. Mr. Weller, the veteran secretary of the Manchester Land Values League, is one of the fine band of workers who for 30 years or more have devoted their lives to economic freedom. The charge of futility is sometimes leveled at such work. We are entitled to claim that we are seeing its fruit once again in the political life of our country. Not for the first time. The tax on land values found its place on the Statute Book in 1931, to be repealed later without any mandate from the people.

Now again the proposal is being discussed in Parliament and press, and has the backing of some of the most influential and dynamic personalities in our public life. No small credit is due to the Leagues jointly operating under the central coordinating organization, the United Committee in London. The educational influence of the journal, *Land and Liberty*, must not be overlooked. These things may be said by way of encouragement to co-workers in other spheres. We have not yet gained our full purpose, but it is proved that the force of fundamental principles cannot be ignored, especially in these discussions of post-war reconstruction.

All of the Leagues have adopted resolutions of criticism concerning the Uthwatt report, which have had a good press. At the same time the members are addressing meetings of the Workers' Educational Association, the Women's Cooperative Leagues and similar bodies. Another most effective means of education is the Essay Competition organized by the Henry George Foundation; the prospectus is being advertised widely and applications for copies are rolling in. These are some of the ways whereby public opinion is being created to compel the Government to implement legislation which alone will end land speculation and monopoly. The harvest seems to be ripening.

As this article is being written, the United Committee

* September, 1921.

states that its recent publications, *Land in Post-War Reconstruction*, and *Observations of the Land Values Group* (both are criticisms of the Scott and Uthwatt reports) were sent as specimens to a large number of municipal bodies throughout the country. As a result, requests for further copies have been received from 59 counties and boroughs, 37 urban district councils, and 22 rural district councils for distribution to their council and town planning committees. A number of associations of municipal and town planning authorities have also made application. In addition to the original circulation, about 2,500 copies of each of these publications have been sent to these official bodies. This is striking proof of public interest in the taxation of land values.

The Report on Social Insurance, known as the Beveridge Scheme, is providing another opportunity for interrelating the land question. Detailed comment must wait for a later article. More important still is a letter from Labor members of the New Zealand Parliament to the Land Values Group of the Parliamentary Labor Party in this country. They write:

“We have followed with interest the efforts of your group to obtain legislation which would enable municipalities throughout the United Kingdom to change from the annual to the unimproved system of rating. [That is, from taxing improvements to taxing land values.] We are aware of the increased importance that is being attached to this reform, because of the destruction to property caused by the savage onslaughts on your heroic people, since the outbreak of the war, by our common foe, and the need that will exist after peace has been declared for the reconstruction of your towns and cities. We are in receipt of a request from the Trades and Labor Congress of Canada, and the Canadian Congress of Labor, for a statement of our views upon unimproved rating.”

The Labor Group has replied to the Canadian request, with a survey of New Zealand's experience, and increasing public favor of land value taxation, and states: “A survey of the comparative merits of these three systems of rating, that has been completed recently in New Zealand, with the cooperation of our Government, in the interests of the International Research Committee on Real Estate Taxation, by H. Bronson Cowan, an American economist, has revealed the many advantages of rating on unimproved values.”

The Labor Group refers to its forty-six years experience of this system, and finally endorses the London County Council's Report of 1936. The full statement from New Zealand is quoted in *Land and Liberty* for December. The signatories to the letter include the New Zealand Minister of Agriculture, the Chairman of Committees in the House of Representatives, the Minister of Transportation, and eight other representatives.*

Thus at a time when the two hemispheres are in the throes of war, the message of Henry George encircles the globe, sounding a note of hope for ultimate peace and justice in the world. A mighty word may yet be spoken from these British Isles.

* This important letter is being circulated to all British Labor M.P.'s and to some 100 newspapers.