

should inevitably suggest itself. Not only is a firm grip of principles necessary for a worthwhile reform to be secured, but unless legislation is the expression of an informed public opinion there is always a danger of its being repealed as a result of the activities of special interests and the indifference and ignorance of the people.

Anyone who once grasps the vital distinction between the value of land and the value of other things—who once clearly apprehends what is public and what is private property—would not ask the question: Why single out land values as the source of public revenue? Nor would he talk about a tax on land values being a sectional tax on landowners. Anyone who once clearly understands that land values are public or social property, will quickly realize that our present-day taxes are largely "larceny in form of law"—he will know that in paying land rent to Society he is honourably discharging his obligations of citizenship and is standing in equitable relations with his fellows—that it is his rent payment

for what Society does for him, thus "paying for what he gets and getting what he pays for." Anyone who can clearly see the line between public and private property, so clearly traced by George, will have no difficulty in determining what is mine from what is thine, and will have no difficulty in realizing that the abasement of the Nation is due to that disregard, in our social affairs, of the eternal truth that "right doing alone exalteth a nation."

It is due to the blurring of vital distinctions, to the confusion of essential differences, to the controversial legerdemain which has so successfully made fundamentally different things appear to be one and the same thing, and which, such is the irony of it, has made even the robber appear to be the robbed, that we have the confusion and evil that prevail to-day in social affairs.

(Extract from the Paper "First Steps to Economic Betterment," presented at the Australian National Conference, Newport, N.S.W., 19th to 22nd January, 1940.)

## POVERTY OR PLENTY: MR COLIN CLARK'S OMISSIONS

THE *Manchester Guardian* for 5th July carries a review of Mr Colin Clark's *The Conditions of Economic Progress* (Macmillan, 25s.). The review is headed "Progress and Poverty." This heading seems to be an indirect reference to Henry George in view of the sentence quoted from the work under review: "Oft repeated phrases about poverty in the midst of plenty and the problems of production having already been solved if only we understood the problems of distribution turn out to be the most untruthful of all modern clichés." A further quotation speaks of the "much more important fact that, with productive forces fully employed, they can produce so little."

As it is recorded in this work that 81 per cent of the world's population have an average real income per worker of 500 International Units or less (standard of living below £2 or \$10 per week) per breadwinner, and that 53 per cent enjoy a real income per head of less than half this amount, it is difficult to see how the author can maintain either that the problem of distribution is solved, or alternatively that productive forces are fully employed. Is it pretended that the productive forces of the whole populations of India or China included in the 53 per cent are fully employed up to their potential capacity? To say nothing of the populations of Europe and America whose productive labour is both under employed and unproductively employed. We hear that thirty million men in Europe are under arms and another sixty millions engaged in equipping and maintaining them. We suspect that Mr Clark is thinking, for the purposes of his arguments, of *actual* productivity and not of the *potential* productivity of these world masses, nor of the *potential* plenty that might exist if the resources of nature were thrown open to all producers on equal terms. With access to land the world's potential workers would produce more and consume more. They cannot be said to be fully employed under present conditions of land monopoly and trade restriction. Our author may even limit his productive forces to such things as machines, and thus fail to give due weight to the teaching of *Progress and Poverty* that labour and land are the primary factors in the "productive forces." If he had seen this he would have seen that the productive force of labour is not fully employed because the productive capacities of the land in every country are also not fully employed. No economic writer can overlook the monopoly and privilege that exists and their effect on both production and distribution.

Even if we confine the term "productive forces" to machines and factories, these also are not fully employed if they are compelled by land monopoly to carry on production in the most uneconomic situations. They can only be fully employed when they are situated on land giving them the readiest access to supplies and the most economic access to

markets. This involves a recognition and understanding of the Law of Economic Rent (or Land Value). Again, productive forces are not fully employed if a third or a half of their output has to be devoted to payment for the use of land, which as indicated may not be the best suited to their particular form of production. This payment being made not for the supply of any raw material, or any service other than the permission to produce. When the payment of economic rent is made to the community, through the taxation of land values, then potential productive forces will have a chance to become actual.

To quote our author again: "The age of plenty will still be a long while in coming" as long as economic writers try to dismiss as clichés the reasoning of "Progress and Poverty," and offer as substitutes such question-begging "facts" as that productive forces are fully employed, and yet produce so little. Such economic writers have their share of responsibility for the undoubted fact, stated by Mr Clark, that "the world is found to be a wretchedly poor place."

D. J. J. OWEN.

## AN AMERICAN INVITATION

A cabled message has been received from the Henry George School of Social Science, 30 East 29th Street, New York:—

*AMERICAN GEORGEISTS OFFER HOMES TO BRITISH GEORGEIST CHILDREN. HOW MANY CAN YOU SEND—CABLE REPLY.*

The generosity of this invitation was acknowledged by cable with greatest appreciation. By letter it was explained that overseas evacuation arrangements are at present suspended and that in any case enquiry would need to be made among parents likely to consider the invitation before any number of children could be stated. Meanwhile we pass on the invitation to our interested readers and will be glad to assist them in what way we can to get in touch with American friends. Write to *Land & Liberty*, 34 Knightrider Street, London, E.C.4.

WALTER LIPPMAN'S Book *The Good Society* has been reprinted in cheaper edition at the price of 7s. 6d., cloth bound. It is published by George Allen & Unwin, London. Many of our readers have welcomed the extracts we made from it last month, and with the further extracts printed in our present issue we repeat our commendation of the book. Orders sent to us will have immediate attention.