



LAND & LIBERTY

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

Thirty-fourth Year. Established June, 1894.

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

United States and Canada, 1 Dollar.

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Postage on this issue is One Half-Penny.

GOD'S LAW IN INDUSTRY

The darkness in light, the weakness in strength, the poverty amid wealth, the seething discontent, foreboding civil strife, that characterize our civilization of to-day, are the natural and inevitable results of our rejection of God's beneficence, of our ignoring of His intent. Were we, on the other hand, to follow His clear, simple rule of right, leaving scrupulously to the individual all that individual labour produces, and taking for the community the value that attaches to land by the growth of the community itself, not merely could evil modes of raising public revenues be dispensed with, but all men would be placed on an equal level of opportunity with regard to the bounty of their Creator, on an equal level of opportunity to exert their labour and to enjoy its fruits. And then, without drastic or restrictive measures, the forestalling of land would cease. For then the possession of land would mean only security for the permanence of its use, and there would be no object for anyone to get land or to keep land except for use, nor would his possession of better land than others had confer any unjust advantage on him, or unjust deprivation on them, since the equivalent of the advantage would be taken by the State for the benefit of all.

In the growth of this great fund, increasing with social advance—a fund that accrues from the growth of the community, and belongs, therefore, to the community—we see not only that there is no need for the taxes that lessen wealth, that engender corruption, that promote inequality and teach men to deny the gospel; but that to take this fund for the purpose for which it was evidently intended, would, in the highest civilization, secure to all the equal enjoyment of God's bounty, the abundant opportunity to satisfy their wants, and to provide amply for every legitimate need of the State.—Henry George in *The Condition of Labour*.

The autumn session of Parliament opened last month and at once industrial conditions came uppermost in debate. There are over 1,000,000 unemployed in Great Britain; and European countries, to go no farther afield, continue to stagger under the weight of the affliction. The preaching of optimism brings no relief; the war

for markets proceeds apace and tariff walls are made to make the worse appear the better part. The case is argued as if opportunities to employment and trade were limited in quantity and that the struggle is, therefore, inevitable. No one in authority suggests any change that would lead to new openings.

In moving a resolution, in the House of Commons on the despairing condition of the coal industry the leader of the Opposition, Mr Ramsay MacDonald remarked: "Right hon. Members sit calmly and wait until the laws of God operate, because they cannot devise laws of man to meet the situation." The observation makes its own appeal. But to look at the reflection from a different angle, is it not just because the laws of man are in operation that the misery endures? God's law in industry is that wealth—goods and capital—can only be had in obedience to human exertion, and in the land and all that it contains He has made provision in overflowing abundance for man's wants. This is what man's law has failed to observe and in the disobedience there is punishment.

The other day a Member of Parliament who had searched the scriptures on the subject told his audience that unemployment was no mere modern calamity, that when the world was young the unwanted labourers replied to the lord of the vineyard, they stood idle in the market place because no man had hired them. The clear answer to this lament and its inferences is that the lords of the vineyards in those days, as they are in our time, were the stumbling block to any just and fair settlement of the problem. The lesson is that so long as there are lords of the vineyard there will be labourers dependent upon them for work and wages.

If land monopoly—the withholding of land from use—be not the primary cause of unemployment and industrial adversity will those who reject this impeachment not turn their wit and wisdom to a more feasible explanation?

In his book *The Socialist Movement*, Mr Ramsay MacDonald says:—

It is from the land that we derive all the primary raw materials. It is the soil which the agriculturist needs, it contains the ores of all our vast mining quarrying, smelting trades; upon it must be built our factories, our warehouses, our houses; it is still, with the exception of our high seas, the foundation of our transport industry. . . . The owner of land is thus in the position of a man who holds the keys of life, and he constantly can exact a maximum toll as his price. He does so. Rent, therefore, tends to absorb every social improvement that can be turned into an advantage in the exchange market.

In a nutshell that is the case against land monopoly. They who hold the keys of life absorb the benefits of every improvement and under the fear of losing a higher price due to further improvement a vicious system of land speculation prevails. It is a system that breeds poverty that no welfare scheme can hope to mitigate.

The demand for economy in public expenditure points to needless and excessive taxation as the chief cause of business depression; but economy, however effected, can do nothing to bring idle hands to idle acres and until this wanton wastage is first remedied

what hope is there of any reduction in the cost of social services? These services, so named, amount to some £240 millions. As a writer in the *Standard* (London), 28th November, remarks, "Let the Economy Group in the House of Commons tell us which of the Civil votes they propose to reduce: Old Age and Widows' Pensions? Education? Public Health? Housing? Poor Relief? Insurance?" The problem of poverty was present in all its severity before this colossal expenditure was undertaken and anyone is free to imagine for himself what would happen if these social services were not provided for in next year's Budget.

In industrial affairs the three parties in the State are out for money, for additional schemes of social service and they must keep at it while unemployment and poverty prevail. The pace is set for increasing burdens on industry as long as land monopoly and land speculation remain to make a mockery of every well-intentioned plan and every impulse towards a better understanding of the law of human progress.

There is the same bitter feeling in the municipalities. The rates are mounting and the local debt assumes proportions that can only breed discontent and illwill. The call for economy is countered by a demand for elbow room and fair play that cannot be safely ignored, and as the discontent gathers momentum, the voice of the conventional wiseacre is heard solemnly assuring the ratepayer that if he will only resolve to pass on the burden to the National Exchequer the problem will be half solved. But this device ignores the economic relation between rent and rates; for grants-in-aid like all subsidies where they do reduce rates as at present levied go straight into the pockets of the local landowners in a corresponding increase in the value of the land. In the end the ratepayer is worse off than before. He has the relief in name; the landowner has it in substance.

It is an easy exercise to ponder over the solution of social problems without regard to the teaching of political economy; it is the same as ignoring the science of botany in agricultural research, or putting the ban on geology in an effort to ascertain the age of the earth.

The Prime Minister was approached by the London Council of Social Service, 22nd November, who urged the appointment of a Royal Commission to consider the Housing of the Working Classes. That was the name of a Royal Commission appointed to consider the question in the preceding generation, and forty-one years ago they reported:—

At present, land available for building in the neighbourhood of our populous centres, though its capital value is very great, is probably producing a small yearly return until it is let for building. The owners of this land are rated not in relation to the real value, but to the actual annual income. They can thus afford to keep their land out of the market, and to part with only small quantities, so as to raise the price beyond the natural monopoly price which the land would command by its advantages of position. Meantime the general expenditure of the town on improvements is increasing the value of their property. If this land were rated at, say,

4 per cent on its selling value, the owners would have a more direct incentive to part with it to those who are desirous of building, and a twofold advantage would result to the community. First, all the valuable property would contribute to the rates, and thus the burden on the occupiers would be diminished by the increase in the rateable property. Secondly, the owners of the building land would be forced to offer their land for sale, and thus their competition with one another would bring down the price of building land, and so diminish the tax in the shape of ground rent, or price paid for land, which is now levied on urban enterprise by the adjacent landowners; a tax, be it remembered, which is no recompense for any industry or expenditure on their part, but is the natural result of the industry and activity of the townspeople themselves.

If the principle of this recommendation signed, among others, by King Edward, then Prince of Wales, had been given effect to forty, twenty or even ten years ago, the housing of the working classes would have been assured without the help, or the encumbrance, of costly subsidies. In the past eight years subsidies have added hundreds of millions to the national and local debt of the country and reduced the building trade to its present precarious position, with millions of the working classes still in the slums.

A Royal Commission on Housing, in view of the data accumulated and the experience gained from working models in a decade of public inquiry and press publicity on the subject, is a mere drawing-room proposition that can be left to its own resources. In the open streets of men the idea that the housing question is a wages question is winning its way and the taxation of land values as the means to a more equitable distribution of wealth, in spite of confused thought and the conspiracy of silence, continues to make headway in the public mind. It would make rapid headway indeed if the information we supply as to its progress in other lands were not deliberately suppressed by the powerful interest that vigilantly operates behind the scenes.

In its leading article on "The True Demand of Labour," the *Observer*, 27th November, says:—

Let there be no doubt of it—pride, not poverty, is the root of labour unrest. Everywhere the worker is seeking for a principle of social justice that will proclaim the rights of man in economics as surely as they have long since been asserted in politics. Indignantly he feels himself gripped by a process which avails itself of his strength and skill but disregards his aspirations. This is the temper upon which revolution thrives. What matter if it be a leap in the dark? In any event, what could be worse than a social system which exhausts the body and atrophies the soul? Happily society has created the means of its own improvement. Science, itself long confined in mechanical channels, is beginning to recognize that humanity comes within its province. . . . Out of the desire to better the environment of labour has arisen the need to inquire into the causes of industrial fatigue.

When that "leap in the dark" takes place this is the kind of instruction that will account for some of its crudities and rough-and-ready manifestations. To translate the rights of man in

economics into the need for an inquiry into the causes of industrial fatigue is akin to the feeble cry for money to train the thousands of boys who leave school annually for industrial life, while over a million men and women search in vain for employment.

The principle of social justice that will suit the worker is one that will put an end to industrial tyranny and when this is achieved he will be able to speak for himself, when he feels the need of a day or two at home. The rights of man in economics will be safely established when the element of monopoly is removed from the raw material of all industry. That means all round economic justice, and the laws that make for this enlightenment are the laws that will bring humanity "within its own province." There is no hope for the miners in any *ad hoc* legislation while unemployment, low wages and a low standard of purchasing power is the common lot of the workers. For weal or woe, in fair weather or foul, coal-getting is related to all other industry and that being so, its safety lies in the general improvement the land value policy would ensure.

J. P.