

LAND & LIBERTY

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THE PEOPLE'S BUDGET IN THE "YAWNING CHASM"

"It may accurately be said that there is practically but one great impediment in the way of a sweeping improvement which would elevate the physical and moral welfare of the people. What is this? It is the interest and the overdue regard to the interest of the landowner and the political and social influence that he and his class can exercise, whether it be the slum owner extorting a preposterous compensation for tenements that ought to be indicted as public nuisances and removed at his expense, or whether it be the possessor of open land holding it up in order that he may gain the increment which the industry and energy of our people create. In these cases and all the classes, and in gradations of cases between them you have the public interest, and in antagonism with it the interest of the individual. You and I side with the public interest. Let the value of land be assessed independently of the buildings upon it, and upon such valuation let contribution be made to those public services which create the value. This is not to disturb the balance of equity, but to redress it. There is no unfairness in it. The unfairness is in the present state of things. Why should one man reap what another man sows? We would give to the landowner all that is his, but we would prevent him taking something which belongs to other people. Here you have, perhaps, the clearest example in present politics of the cardinal, abiding, and necessary difference between the Liberal Party and our opponents. It is here that lies the chasm yawning between us, athwart almost every public question."—*Sir Henry Campbell-Bannerman, at Leeds, 19th March, 1903.*

As reported in another column, the last remnants of the Land Valuation, set up in the land clauses of the 1909 Budget, were successfully assailed during the Committee Stage of the Finance Bill on 19th June, and unless something in the nature of a miracle occurs meanwhile, the Report Stage of the Finance Bill will see them finally repealed.

Judging from the numerous Press notices, it was a day of rejoicing for the landed interest, THE

TIMES heading the procession with a yell of triumph. When the Land Valuation schedules were issued in 1909, an indignant member of the Opposition declared with prophetic vision that the policy of the Conservative Party would be to repeal the Act, dismiss the valuers and tear up every shred of paper connected with the notorious Form IV; and now we have it from the DAILY TELEGRAPH of 21st June that Government supporters are immensely pleased with this recent achievement. "It is the first really Conservative piece of work we have done," one of them remarked. In the same paper the Secretary of the Land Union claims the full credit of this action on the ground that both the Labour and the Liberal Parties are pledged to the re-introduction of Land Value Taxation.

Mr. Asquith had not long to wait for an answer to his reassuring statement at Buxton, 31st May, that the Valuation remains and that there will be little difficulty in completing it and bringing it up to date.

The overthrow of the Land Valuation Department recalls Campbell-Bannerman's words, in dealing with the land values question: "Here you have perhaps the clearest example in present politics of the cardinal, abiding, and necessary difference between the Liberal Party and our opponents; it is here that lies the chasm yawning between us, athwart almost every public question."

The Labour Party has now great Parliamentary standing and its leaders have their ear to the ground. Already there is a growing section of the party who realize that land monopoly is a prime cause of industrial unrest and that the Taxation of Land Values is a solution of the problem that has something to say for itself. It looks as if they would make good the dismal foreboding of the Land Union.

In 1917, when the War was still raging, the Finance Bill for the year was the occasion for the first attack on the Land Valuation. The present Prime Minister, Mr. Baldwin, would have none of it and bluntly told his party that "if they began to discuss a matter of this kind during the War everything which was moribund and dormant in our party spirit would spring once more into life and take possession of us like seven devils." The loss of the informing data as to land sales and transfers, seven years later, when the party spirit is once more in commission, we do not seek to minimize. It is the "fortune of debate," though the knock-out blow comes from a party, be it noted, that holds office with a third of the votes polled at the General Election. If, some twelve or fourteen years ago, the Liberal and Labour M.P.'s had been as faithful to their pledges on Land Values Taxation and half as vigilant as the landlord representatives then were, and are now, the reform would have been secured and established long before the War broke out.

We are promised a Liberal crusade for Land Values Taxation. As Mr. Asquith admits, it is not the first of its kind. The nature and character of this new move has yet to be revealed; so far, what is said is at the close of speeches dealing with the Liberal programme in general. If the new crusade is to be conducted on the lines of securing some "unearned increment" for Liberal social reform and not as a means of opening up new opportunities it

will not be worth while. Much water has flowed under the bridge since a Liberal Government made its unfortunate attempt to introduce increment, undeveloped land, and reversion duties that had nothing whatever to do with the Taxation of Land Values. Late in the day, Liberal speakers are admitting that these duties were wrong in conception, unsound in principle and mischievous in operation. Supporters of our policy will give no countenance to any further prostitution of the radical principle. On the contrary, they will offer all the opposition at their command to a repetition of the 1909 betrayal.

The principle of Land Values Taxation carries its own argument. The moral claim is for full economic justice; the statesman's job is the start in the right direction. The housing fiasco is the proof that unless the foundation is first laid no kind of building is possible. Land Valuation and a national tax on land values, with local rating of land values and the unrating of houses and all other improvements, correctly defines the starting point. Nothing else will suffice, and as to any kind of imposture like the 1909 affair with its wooden machinery painted to look like the genuine article—if ever such a bogus policy gets even the length of the paper stage, Mr. Baldwin's seven devils are sure to appear on the scene.

But we do not fear any such recrudescence of the 1909 "land value duties." What does look alarming for the advance of the Liberal Party now as ever is the power and influence of the landed interest within the camp. Just as the new crusade is announced we have to record that 16 Independent Liberals and 17 named National Liberals voted with the Government in the latest "dole" to the territorial landlords. Under the stress of the War, landlords and land speculators were presented with millions of pounds which were delivered over the counter at the auction rooms with so many farmers in the background who had to purchase their farms at inflated values, or leave their farms.

Mr. Asquith's references to the question can be welcomed as good propaganda. Had he spoken at the Albert Hall meeting in 1908, when he took over the fine heritage left him by Campbell-Bannerman, as he spoke at Paisley last month, the Liberal Party would be strong to-day as a militant force for progress, and what is more important, millions of people would have been better housed, there would have been additional employment and more general prosperity. The day has gone by for a crusade on Land Values Taxation as a mere fiscal reform. It must be linked up with housing and unemployment. As "C.-B." said, the Taxation of Land Values goes to the root of these most pressing and neglected social reforms.

It is not enough to urge that the reform will put a stop to public bodies being bled white when they come to purchase land for housing or any sort of municipal development. Of course the reform will put an end to this scandal; but wider ground must be taken. In his speech at Paisley, Mr. Asquith struck the right note: "In the case of land you have got a subject absolutely limited in quantity, and at the same time absolutely essential to the life, industry and prosperity of the community."

At Buxton, before his more representative Liberal supporters, he elaborated the case for both principle

and policy in terms about which there could be no misunderstanding:—

"That being so, it is time for us once more to reassert that we recognize for the purposes of taxation, whether Imperial or local, a distinct difference between two kinds of value—the value created by the energy and enterprise of individuals and the value which is not so created, but which arises from the progress and general development of the community at large. Upon that fundamental distinction we have always taken our stand, and we hold, as we always have held, I think, that so far as practicable local and national taxes which are necessary for public purposes should fall on the publicly created value rather than on that which is the product of individual enterprise and industry. That does not involve a new or additional burden on taxation, but it would produce these two consequences—first of all that we should cease to be imposing a burden upon successful enterprise and industry, and next that the land would come more readily and cheaply into the best use for which it is fitted. These two things would be two potent promoters of industry and progress."

This is a faithful description of the case we put forward and constitutes in itself the reply to those Liberals who busy themselves with schemes for bolstering up industry under existing disabilities. It is an idle business, a wanton misuse of time, energy and money, to frame up schemes for the betterment of any enterprise in the teeth of a system of land tenure and taxation that operate to keep desired land out of use and to heap burdens on the man of enterprise. If acres, like capital, could be manufactured to meet human needs there would be no land question. The indictment is that the natural supply of land is narrowed by land monopoly and it is this artificial and injurious obstruction to social and industrial progress that the Taxation of Land Values would cripple and ultimately overthrow. Land monopoly is the legalized robbery of industry. It is what Mr. Asquith is out to abolish if he is to be taken at his word. And if he means what he says, does it not follow that it is his plain duty to put the Taxation of Land Values in the forefront of the Liberal programme.

The Taxation of Land Values is no mere expedient for raising public revenue for schemes of social reform. It is what Mr. Asquith says it is, a reform that will bring industry and enterprise a measure of justice and relief without which all other reforms have neither beginning nor end. It will give Capital and Labour greater scope and new freedom. It will provide additional employment and raise wages. In a word, it opens the door to the natural inheritance of the people and offers willing workers the opportunity to liberate themselves.

And it is in this light that the question must be approached. It will not help to argue from a general premise a particular conclusion—that the communal value of land belongs to the community and that the community is entitled, on some unintelligible Liberal principle, to "a small share." There is neither logic nor rectitude in such a claim. That the full amount of this publicly earned sum cannot be taken at once year by year or cannot be included in any political programme, is not because it would be unjust, but because in the circumstances it would be as unwise as it is impossible. As practical politicians we put forward no such demand. We can sympathize with those who hold that the

whole of land values should be taken at once and not step by step; but in a society like ours the demand for the full economic rent of land is not a practical proposition. As Henry George has said: "We cannot get to the Single Tax at one leap, but only by gradual steps. In the very nature of things, it can only come slowly and step by step. We do not delude ourselves on that point, and never have."

The Taxation of Land Values is part payment of the full claim, and the legislation attempted must be framed on that principle. The literature of the movement, in whatever language it appears, speaks in these terms. The Liberal experience of trying to evade this issue is a proved failure, a lesson to all politicians who would think of any method short of an instalment that is in keeping with the rights of the people to the land. The truth of the matter must be adhered to, but in putting forward the full principle we are not unmindful of the task of the politician. To quote Henry George again:—

"The advocates of a great principle should know no thought of compromise. But the zeal of the propagandist needs to be supplemented by the skill of the politician. While the one need not fear to arouse opposition, the other should seek to minimise resistance. The political art, like the military art, consists in massing the greatest force against the point of least resistance; and, to bring a principle most quickly and effectively into practical politics, the measure which presents it should be so moderate as (while involving the principle) to secure the largest support and excite the least resistance. For whether the first step be long or short is of little consequence. When a start is made in the right direction, progress is a mere matter of keeping on."

The Taxation of Land Values claims support from all parties, Labour, Liberal and Conservative. We attach no importance to party labels, but we do believe that the party that will take it in hand for its own sake, for the help it can be to the solution of social problems, will stand well with the country in the long run. In a special article in the SUNDAY TIMES, 24th June, Mr. Harold Cox, knight-errant of every reactionary cause, comments on the loss of the Valuation Department as "a danger averted." Mr. Cox is mistaken. The dangerous elements in society are not those who call for extreme action. That is but so much noise and shouting. The real enemies of the State are those who, prompted by selfish interest and narrow outlook, blindly refuse to undo the cords that bind the spirit of progress to the slavery of our day.

J. P.

The Salford Education Committee adopted the following resolution at its meeting on 16th April:—That some of the children attending the elementary schools within the area of this authority are unable, by reason of lack of food, to take full advantage of the education provided, and the funds other than public funds are insufficient in amount to defray the cost of food furnished in meals provided under the Education Act, 1921. It was explained that it was necessary to pass this statutory resolution to give the Committee power to spend the ratepayers' money for the provision of free meals in necessitous cases. There were 184 children receiving free meals. What Richard Cobden said of his own time is, unhappily, still true: "There are in England women and children dying with hunger—with hunger made by the laws."

MR. SEEBOHM ROWNTREE AND UNEMPLOYMENT:

The Land Question in the Background

Mr. Seebohm Rowntree has been contributing to the Press a series of articles on Unemployment which he holds can be largely reduced though not altogether prevented.

He passes in review a large number of the schemes which have been advocated with more or less authority. These include:—

1. The regularization of industry through the giving or withholding of credits by the banks so as to level out the crests and troughs of the waves.
2. The advance or retardation of requisitions for goods and services by the central and local governments, as trade shows signs of coming depression or prosperity.
3. Improved transport.
4. Employment exchanges.
5. The admission of wage workers to a share of profits.
6. Public Relief Works.

He considers there is something to be said for most of these though none completely meet the case, and in the end he comes down in favour of a reformed scheme of unemployment insurance, the chief feature of which is that the cost shall be mainly charged to employers. This he justifies because, in his belief, unemployment results from our "industrial system," a reserve of unemployed workers being absolutely essential to its proper functioning. The unemployed margin being essential to the modern system of industry, that system must therefore pay for it. Were workers properly insured, the terrors of unemployment could, he believes, very largely be mitigated, though the thing itself could not—and we gather even should not—be altogether abolished.

We shall not here enter into the details of his insurance scheme because in the course of his inquiry we come across a most striking statement of fact, and this statement (or shall we call it, admission) seems to render superfluous most of what he says on insurance. For he points out that in some communities the workers do not suffer at all from unemployment. His words are that "this is true absolutely if men are cultivating land on their own behalf. The unemployment problem begins to develop so soon as men begin to work for wages. Under the wage system a man is employed or he is not employed. In a time of trade depression a man who is only 90 per cent. efficient stands very little chance of getting a job, but if he is working on his own land a 90 per cent. man can get 90 per cent. as much out of the soil as a 100 per cent. man can." Moreover, he tells us, that even in a wage-earning community "if an industrial worker keeps his footing in the country, as he grows older and his chances of getting regular work lessen, he can depend more and more on his land, until ultimately he can rely on it altogether, gradually adding to the holding until it is sufficiently large to make him self-supporting."

After reading this very clear statement, judge of our surprise when we find him draw from it the following inference: "In view of the above consideration we shall recognize the importance of a study of the transport facilities (italics ours) in each country to see if they can be so developed as to lessen the volume of unemployment"! He then and there drops the whole matter to discuss quite other plans which he admits to be palliatives at best.

In amazement we can only ask why it comes that after showing how, through access to land, unemployment is avoided, he refuses to turn his mind to ways and means for making access to land easy? And why does he confine his outlook to farming land only, making not an allusion to the quite equally important industrial and city land of every kind? We wish Mr. Rowntree would set himself to develop the radical idea which he sees for a