

## LAND & LIBERTY

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### THE REAL STRENGTH OF PROTECTION

But he who follows the principle of free trade to its logical conclusion can strike at the very root of protection; can answer every question and meet every objection, and appeal to the surest of instincts and the strongest of motives. . . . It is true that to advocate free trade in its fullness would excite the opposition of interests far stronger than those concerned in maintaining protective tariffs. But on the other hand it would bring to the standard of free trade forces without which it cannot succeed. And what those who would arouse thought have to fear is not so much opposition as indifference. Without opposition that attention cannot be excited, that energy evoked, that are necessary to overcome the inertia that is the strongest bulwark of existing abuses.—*Henry George* (PROTECTION OR FREE TRADE, Chap., XXIX.)

It is monopoly which is the keynote, and where monopoly prevails the greater the injury to society the greater the reward of the monopolist will be. See how all this evil process strikes at every form of industrial activity. The municipality, wishing for broader streets, better houses, more healthy, decent, scientifically planned towns, is made to pay, and is made to pay in exact proportion or to a very great extent in proportion as it has exerted itself in the past to make improvements. The more it has improved the town, the more it has increased the land value, and the more it will have to pay for any land it may wish to acquire. The manufacturer proposing to start a new industry, proposing to erect a great factory offering employment to thousands of hands, is made to pay such a price for his land that the purchase price hangs round the neck of his whole business, hampering his competitive power in every market, clogging him far more than any foreign tariff in his export competition, and the land values strike down through the profits of the manufacturer on to the wages of the workman. . . . It does not matter where you look or what examples you select, you will see that every form of enterprise, every step in material progress, is only undertaken after the land monopolist has skimmed the cream off for himself, and everywhere to-day the man or the public body who wishes to put land to its highest use is forced to pay a preliminary fine in land values to the man who is putting it to an inferior use, and in some cases to no use at all.—*Mr. Winston Churchill at Edinburgh, 17th July, 1909.*

Trade depression, unemployment, disarmament, peace, are the current topics of our public life, and the speech-making reflects a barren enough outlook. In the jargon of the day, we seem to have got right down to one of those fundamental national difficulties which call for vision and effort, free from partisan action, *i.e.*, radical action, and unless this

is recognized and acted upon things will drift on to the undoing of the State. Meanwhile, the House of Commons is controlled by the reactionaries, and the fiscal policy of the country is under drastic revision. The late Mr. Bonar Law once prophesied that two bad winters would give the "tariff reformers" their chance, and Mr. Baldwin, his successor in the leadership of the party, is making the most of the experience.

Twenty Labour Members of Parliament vote with the Government for Imperial Preference (and so to Protection) and the Prime Minister promises more subsidies in aid of production and export. The Free Trade principle limited, Liberal Free Trade, has fallen on evil days. Put to the test, it can do nothing to prevent unemployment; it cannot open new opportunities, and, like the house built on the sand, it goes down before the hurricane. Richard Cobden pointed to the liberation of the land as the next step in advance, and Henry George in his classic work on the subject, PROTECTION OR FREE TRADE, has fully and faithfully explored that side of the case. In a striking passage in the chapter on "The Real Weakness of Free Trade" (in his book: PROTECTION OR FREE TRADE), Henry George gives the key to the position:—

If, indeed, it be popular ignorance that gives persistence to the belief in protection, it is an ignorance that extends to question far more important and pressing than any question of tariff—an ignorance that the advocates of free trade have done nothing to enlighten, and that they can do nothing to enlighten until they explain why it is in spite of the enormous increase of productive power that has been going on with accelerating rapidity all this century it is yet so hard for the mere labourer to get a living. In this great fact, that increase in wealth and in the power of producing wealth does not bring any general benefit in which all classes share—does not for the great masses lessen the intensity of the struggle to live, lies the explanation of the popular weakness of free trade. It is owing to the increasing appreciation of this fact, and not to accidental causes, that all over the civilized world the free trade movement has for some time been losing energy.

The message of Richard Cobden and Henry George has been ignored, and the teaching neglected by those who presume to keep the faith. The organized Free Traders have nothing to say on the question of the fuller application of the principle, and so it comes about that the former strength wanes and the democracy are taught by those who ought to know better, explicitly and implicitly that other remedies than Free Trade are required for the solution of social problems.

It can be argued that the absence of Protection means a greater production of wealth, but that will not suffice if the benefits go to swell the income of the land monopolist and leave the worker still with his face to the grindstone. If Free Trade cannot function so to put an end to this one-sided prosperity, it is fated to go down not before the sound of the Protectionist trumpet, but because of the failure of free imports to stem the tide of adversity. The lesson is that trade depression, unemployment, hard times and low wages are inherent in the material progress Free Traders and Protectionists alike seek after as the cure for the evil.

In his Radical days, the Chancellor of the Exchequer (Mr. Winston Churchill) set out to defend

Free Trade and showed how its benefits were intercepted by those who rendered no service to the community. In one of his illuminating speeches against Protection he asked: "What kind of fools are those who come to us and say that when we have spent so much money in building a canal (the Manchester Ship Canal) and making foreign goods cheap in the Manchester market, we should spend more money in custom house officers and custom house buildings to make them dear again? These arguments," he added, "are not only against reason and logic, they are against nature." The Protectionists were silenced at that time; the door was shut in their face and bolted and barred against them. But nothing has happened since to alter the distribution of wealth in favour of the worker. The sources of trade are still in bondage to monopoly, unemployment as never before has settled down on the land, and our one-time counsellor has turned jester, joyously leading the "fools" he formerly exposed to his own heart's content and to their dismay.

At a meeting under the auspices of the League of Nations Union held in London 25th June the leaders of the three political parties in the State indicated the usual anxiety as to the condition of Europe and the urgency of keeping the peace. The Prime Minister in his letter wrote: "We may gradually succeed in creating conditions in which disarmament will become a practical proposition, but such an achievement will lose value if the nations of Europe have not meanwhile acquired the will to disarm." How often have we not heard the plaint these past seven years! "the grave problems, the vital international necessities, the need for an enlightened and a determined public feeling to establish a reign of law instead of force, if we would avoid another war that would destroy European civilization past possibility of recovery."

The hope of the League of Nations as a peacemaker has gone, if it ever really did exist with its promoters and advocates. There is no leadership and the problem of disarmament is thrown back on the will of the people. There is a passionate cry for peace to save civilization and those who lead the chorus are they who press onward with the building of armaments. It is the kind of homage that hypocrisy pays to virtue and it reduces parliamentary institutions to impotence and despair. It is urged that the politicians or many of them who play the game know no better. Perhaps not, but in that case they can give no direction and are in themselves a menace to peace and progress.

Tariffs make for international strife and provoke not the will to disarm, but the will to war. The League of Nations cannot stop the building of warships or reduce the scale of war expenditures in any country determined to have its own way in the matter. The League talks peace but its representative spokesmen prepare in their own home lands for the next trial of strength on the battlefield.

When the British Labour Government last year ordered the building of five cruisers the excuse made was the provision of work for the men in the dockyards, and that brings us to the crux of the problem. There are millions of workers directly and indirectly in every country under the eye of the League engaged in the manufacture of war

material. As good citizens they may vote for peace and believe in it, but as workers for the time being their interest lies in the opposite direction. Alternative employment for the workers condemned to earn their living in war factories is imperative if they are to join the ranks of those who stand for international peace.

In the Commons debate on Unemployment, the Prime Minister referred to the fact that a million workers on the land employed in agriculture forty years ago have been reduced to 800,000 to-day, and that the drop in arable land from 14,000,000 acres to 11,000,000 accounted for 100,000 of these men. He admitted the scandal and in the same breath confessed his inability by a stroke of the pen to put the unemployed on the land. But who is concerned to know what Mr. Baldwin cannot do? It is more to the point to know what he intends doing. In the matter of agricultural development it is not just a question of putting the unemployed on the land, though the allotment holders' success in working on the land during the War would fully justify the experiment again. It would be an improvement on the "Dole" and less costly to the taxpayer. But the question Mr. Baldwin should tackle in this department of industry is the breakdown of the Small Holders Acts. In England and Wales there are 19,000 unsatisfied applicants for 299,093 acres of land for small holdings. As regards Scotland there are 10,000, including some 4,000 ex-Service men, disappointed applicants on the list of the Board of Agriculture. Mr. Adamson, when Secretary for Scotland, told the House of Commons that no part of the large quantity of land recently reported by the Committee on Deer Forests as suitable for small holdings had been made available because it costs too much money.

The land sales recorded in the Press explain who gets the money; the waiting list of disappointed applicants can tell how the acres are kept out of their reach. Mr. Baldwin can do nothing to restore the people to the land; and so he talks at large about the need for special study and education before embarking on any scheme of land settlement. It is always a scheme that is to be considered; but schemes are not acres and it is acres that are in urgent request. The man with education and no land is as helpless as the Government; he who has land can look after his own education.

The Taxation of Land Values will make the speculator let go the land he is keeping out of the market at prices which capital and labour cannot afford to pay and carry on. It will promote industry and bring a certain measure of relief to the overburdened taxpayer. Subsidies and tariffs at best can only help some industries at the expense of other industries. They have a binding and not a liberating promise. What is wanted is expansion, new outlets for the pent-up feeling that more wealth can and must be produced, if the nation is to survive. By all means let us have efficiency in industry and commerce, but how are these virtues to be exercised for the common good when monopoly exists to obstruct every possible advance and to batten on the proceeds of any successful enterprise?

If improved methods in industry were sufficient of themselves to solve the industrial problem there would never have been any problem to solve. It is land monopoly, the economic obstacle to all

improvement and progress that bars the way to peace and contentment and until the iniquity is faithfully dealt with, unrest and chaos will continue to baffle all inquiry.

The next step forward, to quote Mr. Churchill when he was not with the "fools": "Is one that will secure the double advantage of free trade and free land together, a commercial system from which as far as possible all form of monopoly has been rigorously excluded." Protection is an issue to-day because of the failure of the professing followers of Cobden to be true to the principle in all its fullness. But the principle will not be denied. As Henry George prophesied, the Tariff Question has passed into the agitation of the Land Question, and the Taxation of Land Values emerges at every point in the debate to trouble the vision of its declared opponents and to inspire all who realise its potency and power for good.

J. P.

## WILL OUR CIVILIZATION SURVIVE?

By Will Atkinson

Is our civilization so founded that we are safeguarding the happiness of our children's children? If not, how should it be changed?

Lowell wrote, in *THE PARTING OF THE WAYS* :—

"Through the streets of towns where chattering cold  
Hewed wood for fires whose glow was owned and  
fenced,

Where nakedness wove garments of warm wool  
Not for itself; or through the fields it led,  
Where hunger reaped the grain it might not eat,  
Where idleness enforced, saw idle lands,  
Leagues of unpeopled soil, the common earth,  
Walled round with paper against God and man."

And in *THE LAW OF HUMAN PROGRESS* (originally printed as the tenth book of *PROGRESS AND POVERTY*) Henry George, with inexorable logic, and with an eloquence unequalled in all English literature, accounts for the growth and decay of all past civilizations and points out the only way we can escape a similar fate.

He proves that "association in equality" is "the law of human progress"; that it is the universal law; that it is unchanging and beneficent; that it is the moral law: "Just as social adjustments promote justice, just as they acknowledge the equality of right between man and man, just as they ensure to each the perfect liberty which is bounded only by the equal liberty of every other, must civilization advance. Just as they fail in this, must advancing civilization come to a halt and recede. Political economy and social science cannot teach any lessons that are not embraced in the simple truths that were taught to poor fishermen and Jewish peasants by One Who eighteen hundred years ago was crucified—the simple truths which, beneath the warpings of selfishness and the distortions of superstition, seem to underlie every religion that has ever striven to formulate the spiritual yearnings of man."

But Henry George does far more: he points out, clearly and unmistakably the path of security and freedom; the only method by which humanity may continue its upward course and every improvement in mechanics and arts, every new invention, every new discovery in science, shall benefit all, shall be a step toward greater freedom and equality, and by the adoption of which we may assure our children's children the blessings of plenty and peace.

## COAL AND POWER

### THE LIBERAL POLICY: IS IT PURCHASE OF MINING ROYALTIES AND MINERALS OR THE TAXATION OF LAND VALUES?

Sir Edgar Harper, F.S.I., in a letter to the *WESTMINSTER GAZETTE* of 10th June, discussed Mr. Frank Hodges' proposal in his address to the Warwickshire Miner's Association on 6th June that a scheme should be formulated: "A scheme for the erection of low temperature carbonization plants, for the utilization of waste gases, for the recovery of oil, and other valuable by-products, for the scientific burning of low grade fuels on the basis of the best modern pulverised fuel practice."

"The preparation of such a scheme," Sir Edgar wrote, "is a proposal likely to command universal support from power-users; but as the taxpayers are to be asked to advance several millions in order to put the mining industry in the way of prosperity, any such scheme will require most careful consideration from their point of view. . . . The receivers of Royalties who are the legal 'owners' of the coal, cannot be compelled—except by Act of Parliament—to contribute towards the cost of the enterprise; but is certain to increase the value of their property very considerably. As it is, they derive, in most cases, large incomes from royalties upon the coal gotten, though neither they nor their predecessors in title can have had any share in Nature's bountiful provision of this most useful mineral. But as the law stands they are entitled to continue in receipt of the present royalties.

"Should, however, the scheme now proposed come into force, it ought to be so framed as to secure that those who finance and carry it into effect—the State, the colliery companies, and the miners—should alone participate in the profits, no part of which should go to increase the income of the royalty owners, unless they contribute in due proportion towards the cost of the scheme."

To these pertinent questions put by Sir Edgar Harper the *WESTMINSTER GAZETTE* answered in its leading article as follows:—"The reply is simple, for the report of the Committee set up by Mr. Lloyd George (which published the book called 'COAL AND POWER') proposes the purchase of all minerals and royalties by the State, and to the Royalty Commissioners proposed to be appointed wide powers are given to insist on better housing conditions, better gardens, better town-planning, better sport and recreation, to make the new mining village a very different thing from the old one."

This Statement on the part of the *WESTMINSTER GAZETTE*, with its open advocacy of the purchase of mineral royalties, drew forth the following challenging letter from Mr. Charles Bevan, published in the same paper on 15th June:

"I have read with interest your leading article of Wednesday, the 10th, but would point out that the 'Coal and Power' proposals submitted by Mr. Lloyd George's Committee are a mixture of compensation and confiscation. There is no suggestion, as I gather from your statement, that "all the minerals' should be purchased by the State. The Committee divided minerals into three classes: (1) those being actually worked; (2) those not worked, but whose presence is known or presumed to exist; and (3) those which as yet are unsuspected. As to class (1) the Committee proposed outright purchase of the mineral royalties; as to class (1) there was a time limit of five years for compensation but owners had to put in a claim within that period stating that minerals existed on their estates, and they had to declare the value of such minerals; the State