

the Tax Laws of Wyoming is that every other private interest in land, whether State or Government land, a homestead or mining claim, must be assessed at its actual value. Otherwise, the Tax Laws are as foolish, in attempting to tax industry and enterprise, as the laws of any State.

EDWARD P. E. TROY.

Another View of the Snowden Budget

WE were taught in the Army that a report by an officer should begin with his conclusion! In case it is not self proving his arguments and evidence are to be then stated for the consideration of his superior should time allow. This seems to apply to our Georgist endless war on the Economic front; and here we are! The Henry George folk have got nothing in the first British all-Labor Budget, and for one this writer has never been better contented with nothing. That is my conclusion. Now for the facts. The Edinburgh Henry George International Conference of 1929 had just over two hundred more or less intelligent and cordial messages from Members of Parliament and about 15 from members of the Government. This is a fine result, but it must be borne in mind that for each in each category there were two so hostile that even formal sympathy without obligation would not be shown. That is the bouquet which we present to the Chancellor, *prima facie*; he is not the master of Parliament, but its agent, and has (with the Cabinet) to preserve its confidence to live. His policy then must be such as to attract at least one and if possible two of the four hundred we are not able to influence, and even to use them to break the House of Lords, the "realtors," and the social code of the land.

What then were his alternatives? For the Georgist is not the only pebble on the beach! We may dismiss the dreamers of the "Land Nationalization School" (though the Cabinet and the Liberal Shadow Cabinet swarm with them) when the Russian Government can make the State farms pay their way, and when the British Wholesale Co-operative Societies can make their farms pay their way, even within the closed market of their organization in which no bad debt is conceivable, it will be practical politics to discuss State purchase of farm lands and minerals, with all the improvements connected therewith, for agriculture and mining directed by Civil Service clerks in offices or talented local people with a distaste for soiled hands. There are three "plumb crazy" proposals which Snowden could have incorporated in his Budget with the certainty of cordial acceptance by a large majority of the Commons and only a decent show of resistance by the Lords. They are: (1) a more or less complete confiscation of all future increases in land value, leaving all values in present hand up to the date when the Valuation should be completed. The Lloyd George Valuation of 1909—10, which

was so orientated has never been completed yet, and having been shot through with judicial decisions (of grass being or not being site value) it can never be finished.

The German Weimar Constitution of 1919 was said to have provided for such a betterment tax which also has never been introduced even when the currency inflation produced an identical site value inflation which would have protected all holders of mark notes had the practical German mind been able to apply its own Statute. Only a sound Georgist valuation in ANHALT has been repealed to make way for such a Reich Bill.

Snowden could have proposed this and did not. Or (2) he could have been assured of carrying a proposal to charge local betterment on frontagers, especially for motor roads paid for by taxes on transport (on cost of living for all). This of course would ignore the benefit accruing at terminal points, and in many cases imposes a levy at an arbitrary rate on frontagers for giving a saleable value to property they do not wish to sell. A fair thing as a national tax, but not as personal. Just as the Supreme Court of Buenos Aires rejected such a law for the CARRETERA to La PLATA on the ground of vagueness in definition of the area of benefit, it is certain that British Courts would have disallowed this plausible proposal, which would have been sure of enactment. But it is not in the Budget. Nor is (3) in any way indicated, though it is the most popular dead end side track for the Georgist movement. A national land value tax exempting all land used for agriculture, or alternatively to fall on "building site" values agreeably to the Churchill-Chamberlain law which remits all local taxes on land classified as agricultural. The uniting thought in these three laws is to tax land more or less according to the use made of it; which in the hands of lawyers has made the wholesome *rebus sic stantibus* maxim into an engine of unparalleled oppression of those who use land in any way, for the relief of speculators and devastators. But Snowden has not only withstood these partisans (who form a reckless majority) but has harnessed them to the car of the Single Tax, taking the first and essential step.

A valuation bill is proposed, in the most general terms. It will include all the land of the country, and be of such a nature that the hopelessly impractical Lloyd George valuation cannot be incorporated or adopted in it. (By impractical I mean that the 1910 Valuation is not capable of being shown in figures or colors on a public site value map as in Denmark; for like adjacent properties they have different site values according to the charges and conditions of tenure; and are official secrets). If the Bill is opposed, or mutilated or rejected by the Lords, it will be incorporated in the 1931 Budget and forced through even at the sacrifice of all other plans. It does not contain any provision for any raising of money; following strictly the precedent of the first Danish trial Valuation, still the best as the first in Europe. If it did, a majority of the Commons today would almost certainly provide for the exemption

of urban and rural land called "agricultural" from any national tax; it is for Georgists so to rouse public opinion on the need of cheap land for food production that this danger will pass away. Provision for a local tax (Rate) on land value for the part or all of all local revenues would stand to reduce us to the level of Canada, New Zealand, or South Africa, with a fairly good municipal tax code and bitter Protection in national affairs. In this Snowden could bid for unanimous support from Protectionists who have no reason to love landowners, especially in urban areas. His feet are set about with snares, and any departure from Georgism would give him much more immediate credit than the rigid and narrow step now proposed. The valuation once made and published will place in our hands figures applicable with deadly effect in every locality—it is for Georgists to use them and to make public opinion which even without a just P. R. system in electing the House of Commons will ensure the next step. In Denmark this was a small national tax in substitution of (not in addition to) the other taxes; and a small compulsory local tax with incomplete further optional powers for municipal authorities. Thus we can look forward to a long struggle marked with regular small advances if Denmark is a criterion. The British Empire rule to concentrate on municipal reform would probably be intolerable to the Free Trade Chancellor.

In concluding, a few words on personalities may be of service. The Premier has been a sympathiser with us, but considers he has gone on to greater wisdom. It is not expedient to quote his past words as his back is towards us. His chosen chief helper is Mr. J. H. Thomas, the king of "good mixers" and the chief exponent of *la politique de la pourboire*, that strange British quality by which skilled and honorable railwaymen seek a tip in addition to wages for service. The Chancellor has been our bitter foe but comes nearer to us continually; his record too should never be quoted, as his face is to us, and his pace rapid; if he is still far away. Mr. Lloyd George is quite definitely in favor of our objects, but does not accept our methods—boasting that he has never read anything by Henry George; and would never sacrifice a follower who stipulated against Georgism. This weakness and the power of enthusiasm over quite trivial side issues are a grave danger to him. We cannot count on any help from him, but he is capable of being of the greatest use if someone could only induce him to read "Progress and Poverty." A rudderless racer. A formidable figure is Winston Churchill, the half New Yorker. As Snowden said, the taxation of land value is the only principle to which Mr. Churchill has been ever faithful in his professions in a most varied career, though indeed his transport fuel tax in relief of charges on agricultural land is his worst blow to our policy. Even he may come off the fence on our side—and any Cabinet would be glad of his support for as long as it suited him to be loyal.

None of these great forces have commented one word

on the Valuation proposals, in strong contrast to the independent Labor Party which asks "drastically increased taxation of large incomes; increases in the scale of death duties to the full extent of 100% on estates over a certain amount; the appropriation to public funds of the full site value increment of urban and publicly developed land; and the preparation and provision of machinery to facilitate at an early date the public ownership of all land." This very naturally was associated with the usual enthusiasm for contraception including immunity for abortionists if skilled and qualified, on the suggestion of a qualified medical delegate. To this sort of thing Snowden might have surrendered with the assurance of a good Press and batteries of loud speakers. Never was I more content to get, so far, nothing.

—M. J. STEWART.

Pyramiding Land Values

The following address was delivered by James R. Brown, Friday, June 27, before the League for Industrial Democracy, at Tamiment, Forest Park, near Stroudsburg, Pa. Mr. Brown appeared before the League at their Summer conference by invitation, and the title of the address was suggested by the committee who invited him. The League has headquarters in this city, at 112 East 19th Street, and among the members and officers of the League are John Dewey, Rev. John Haynes Holmes and Prof. Mickeljohn.

A BETTER title for this address of mine would be How Land Values Pyramid and Why They Pyramid, and what is the force that keeps shoving them up and up beyond the clouds, as it were.

I know of no better example, I know of no better illustration, than that of Manhattan Island. The assessed value of the land on Manhattan Island today is over \$5,000,000,000. This includes the ordinary building lots and land either in lots or plots owned by corporations, but does not include a great deal of our most valuable land, water fronts owned by the city, nor any franchise values, which are after all, in the last analysis, nothing but land values. Nor for that matter does the assessed value come anywhere near the selling price or the asking value of land, and the asking price of land is, after all, the embargo on production.

A little while ago a plot was sold on Seventh Avenue for \$7,000,000. This same plot was assessed at \$2,500,000 and it would not surprise me, if we could get at the exact facts, to discover that the selling price of Manhattan Island alone would amount to \$10,000,000,000.

I want to make two or three statements that to the ordinary assessor will be most astonishing, and the pseudo-economist could hardly understand. One statement is that the assessed value of land pays no taxes whatever and is the greatest liability carried by production.

The selling price of land is not wealth, nor does it represent wealth, and when the selling price goes up, it does not mean that there is any increase of wealth. It simply