

landed class, the House of Lords is confronted with the first real land tax since the Norman times. Never did the popular party and the popular Ministry strike back a heavier blow for the accumulated insults of generations, if not centuries. It is around this budget then that at last the Lords and the Commons are to fight out their secular struggle.

The budget appeals to the Liberals in other ways. Most of them have been clamoring for years for a tax on the unearned increment, as it is called, of the land in the towns. It was John Stuart Mill who first suggested this method of taxation. Since then his proposals have received enormous corroboration from the vast accumulation of wealth in a few hands which have taken place in many big new towns and in some old ones. The prospect of making these big landowners pay their share of the taxation of the country delighted the radical heart, especially in view of the hollow and dishonest cry for more Dreadnaughts which these same classes recently raised.

There is, for all these reasons, a spirit of pugnacity and hopefulness in the Liberal ranks such as there has not been for several years, and even losses at by-elections do not damp their confidence. Energy has succeeded to despair; union to discord.

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Advices by mail tell of the adoption of the land-tax proposals of the budget on the 12th. Lloyd George had made the motion on the 11th by resolution in this form:

That on and after the 30th day of April, 1909, the following duties be charged in respect of land: (1) A duty on any increment value accruing after the said date at the rate of £1 for every full £5 of that value, the duty to be taken on the occasion of the transfer, or the grant of a lease of the land, and on the occasion of the death of any person where the property passing on his death comprises any such land, and in the case of land belonging to a body corporate or unincorporate on such periodical occasions as Parliament may determine; (2) a duty on the value of any benefit accruing to a lessor by reason of the determination of a lease at the rate of £1 for every £10 of that value; (3) an annual duty in respect of the capital site value of land which has not been developed for building or other purposes, and the capital value of ungoten minerals, at the rate of one halfpenny for every £ of that value.

The debate on this resolution was interesting. Mr. Mason protested that there is no monopoly in land. Dundas White said that any one who thought land was cheap should try to buy some. Mr. Pretyman thought the great burden would fall upon small owners. Keir Hardie (one of the leaders of the Independent Labor party) closed the discussion for the night, saying that—

this was not the last that would be heard of land taxation for national or for local rate purposes. He was glad this budget was called socialism, because it was robbing that term of much of its terrors—it was popularizing the term. If the land of the country had all along borne its proper share of taxation, the burdens upon industry and labor would be lighter than they were to-day. The rating value

of the land upon which London was built had increased in thirty years from £20,000,000 to £43,000,000. Nearly the whole of this increment was due to municipal socialism—the making of roads, drainage, and the opening of parks, all done at the public cost—and it was only right that it should be taxed for the public benefit. The Labor party would support the resolution, hoping and expecting it would be the forerunner of many similar resolutions in the future. This budget had unmasked the tariff reform movement. Tariff reform now stood out in all its nakedness as a device to extort more from the laboring poor in order to protect the interests of the rich.

The debate was resumed on the 12th. Harold Cox contended that land is the same as other classes of property and should not be subjected to special tax burdens. Josiah C. Wedgwood (president of the English League for the Taxation of Land Values) charged unemployment to shortage of land, and said it was time the ancient privileges of land were cut down. Loud protests from the Conservatives were made when Lloyd George moved closure on this subject, and Austen Chamberlain attacked him bitterly; but his closure motion was carried, and the resolution for land value taxation as quoted above was then adopted by 330 to 120.

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Progress Toward a Federated South Africa.

The Draft Constitution for a Federated South Africa prepared by the Convention which met at Durban last October (vol. xi, p. 732; vol. xii, pp. 208, 252, 275, 492), has been approved, with suggested amendments, by the legislatures of the several South African states, and on the 3d came again under consideration by the Convention, meeting in second session at Bloemfontein. The Convention sat for two days, and adopted various amendments. These include provision for free trade throughout the proposed Union; for elimination of most of the proportional representation proposed in the original draft (p. 275); and for the striking out of the words "of European descent" in the phrase in section 139 which reads, "All persons of European descent who have been naturalized in any of the colonies shall be deemed to be naturalized throughout the Union" (p. 492). The Convention delegates added a recommendation that delegates who will proceed to London to represent South African Governments during the passage of the Union Bill through the Imperial Parliament, shall be authorized to agree to necessary amendments which do not involve a change of principle. The old racial lines between Briton and Boer are declared by the Governor of Cape Colony, Mr. Merriman, to be wiped out by the proposed Constitution.

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The French Strike Comes to an End.

Although, as reported last week (p. 493), the strike of the postal employees was losing ground,