

## STATE-MADE SCARCITY

It is not necessary to look overseas for the effects of the State control of production and distribution, but the following story, told by the Government of Victoria in its *Journal of Agriculture*, is worthy of wide publicity in this country, where State interference in industry is steadily increasing and producing similar results.

In the September issue of the journal referred to (quoted in *The People's Advocate*, Adelaide) is an account of the destruction of growing fruit with the co-operation of the Agricultural Department. A grower of apples on 1,000 acres near Melbourne was concerned about the uneconomic state of the apple industry due to State control. Assisted by the Department, he used 3,000 gallons of spray to destroy the apple blossoms and prevent the formation of the fruit. The cost of spraying and removing by hand the blossoms still living amounted to 11d. per tree. If this had not been done, the trees would have yielded a crop varying from four to ten cases of apples each—a probable total of between 4,000 and 10,000 cases of fruit from this one orchard.

### KEEPING PRICES HIGH

The Agricultural Department, established to assist growers to increase their production of fruit, now uses its expert knowledge to destroy growing crops in order to keep prices high. How many shiploads of food on the way to Britain have been destroyed by enemy action we may never know, but that, in these circumstances, scarcity should be deliberately planned and carried out by a government department in a world threatened with famine is an outrage on commonsense and

## NEW TAXATION

THE TIME is drawing near when the Chancellor of the Exchequer has to find fresh sources of revenue to meet the war expenses of the country. This task is becoming more difficult each year, since every tax so far imposed has many deficiencies, and some taxes, notably indirect taxes including the purchase tax, cruelly penalise the poorer sections of the community.

There is one source which appears to have been overlooked, since the Chancellor has made no effort to avail himself of it. That source is the value of land. From every point of view (except that of speculators) the value of land is particularly suitable for taxation. Here are some of its chief merits.

*Its origin.*—It is a value produced by the presence and activity of the community, not, as with other values, owing to the work of any individual. It is highest where the community's needs are greatest. To take for the community, therefore, that which has been produced by the community is merely simple justice, and will not result in the penalising of anyone's labour.

*Its application.*—The main taxes we have to suffer, income-tax and customs and excise, are complicated and unjust. They all involve elaborate arrangements and a tangled mass of legislation, and the indirect taxes are passed on in high prices, making it difficult for people to know how much

decency. It is stated that thousands of tons of apples have been allowed to rot on the ground as a result of State interference, and it is now found necessary in New South Wales to import apples from overseas. But while this policy does injury to the masses everywhere through the resulting scarcity and high prices, it enriches a few influential people in the countries where it is pursued. There is method in this madness.

### FREEDOM AND PLENTY

The alternative to State control and the dictatorship to which it leads is to be found in full economic freedom. This includes freedom to produce wealth as well as to exchange it, and also freedom from all unnecessary interference by the State and by private vested interests. In free conditions the people would need few of the public services (poverty services) which now keep an army of officials busy and lay heavy burdens on tax and rate-payers. No one is so well qualified to conduct business as business men, nor to supply markets with commodities as those engaged in production and distribution. But for these functions to be discharged to the mutual benefit of themselves and the public, the sources of supply (land) at home and abroad must be freed from all existing obstacles and restrictions by means of land values taxation and Free Trade. This liberating policy would not only ensure ample market supplies at reasonable prices, but also create a new and effective demand through the higher purchasing power resulting from the abolition of unemployment and from justice in distribution.—A. H. WELLER, J.P., in the *Oldham Evening Chronicle*.

they are being taxed, and pressing with greater severity upon poorer people than upon the wealthier classes. Land value taxation would be comparatively easy. Land cannot be hidden, and can be easily assessed. A tax on the value of land cannot be passed on; and since land values measure the extent of the benefits received from the public (a person's income does not measure such a benefit as so many people erroneously believe) it is eminently just that the recipients should pay according to what they have received. A further merit is that it may be brought into use gradually so as to cause as little disturbance as possible.

*Its effects.*—The country would receive a much-needed addition to its revenue. Land speculation would be smashed. The price of land would fall, and opportunities for production be opened. The most oppressive taxes could be remitted, and that equality of sacrifice we hear so much about would be brought nearer.

Finally, if the tax were raised to 100 per cent, the country we are fighting for would become really our country, not ours in name only, but ours in reality.

I have necessarily been very brief in my remarks, and there are many more advantages of land value taxation which I have had to omit, but I hope I have said enough to show the urgent necessity of having a measure of land value taxation in our next Budget.—C. W. F. WATKINSON, in a letter in *The Spectator*, 6th February.

## THE LAND MARKET

THE ADVERTISEMENTS of the estate agents sometimes make instructive reading. In *The Times*, 25th February, at the foot of a series of offers of country houses and farms, we find:—

### INVEST IN LAND!

*However low ordinary Investments might fall, Land is the one tangible asset which must retain a basic value on account of its fundamentally productive character.*

**Shrewd Investors are seeing this Fact Clearly and are Buying Farms with an Eye to Present and Future.**

CHAMBERLAINE-BROTHERS & HARRISON can offer a varied selection of FARMS in the WESTERN MIDLANDS—one of the best agricultural areas in the country—ranging from £1,500 to £20,000 and showing yields of around 4%.

On the following day another firm had this advertisement:—

For INVESTMENT. Just in the Market.

### LINCOLNSHIRE

SOUND AND COMPACT AGRICULTURAL ESTATE FOR SALE.

1,600 ACRES,

Producing a Yearly Rental of £1,270

To show a net return of 3 per cent.

8 Mixed Farms with substantial Stone or Brick Houses and Buildings, in Good Order, and 10 smaller Holdings, surrounding a pleasant Village.

All let on yearly tenancies to established tenants at rents below present values.

The emphasis in each case is ostensibly on investment, but perhaps speculation also enters into the matter. In the one it is pointed out that land will retain its value when other investments fall; in the other attention is drawn to the fact that the rents are below present values, and hence that there is a possibility of getting more out of the tenants who are "established" and would not wish to leave. The relatively low rate of return on the money invested is not regarded as a disadvantage in view of the possibility of capital appreciation.

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Post-war Poland will be a democratic Republic with rights and liberties guaranteed to all citizens. A Polish National Council has been set up in London (*Scotsman*, 24th February), and in the statement issued by a member it is said: The new Poland would stand by Christian principles and culture and for sound agricultural reform with just partition of land among the peasant population.

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Crofters in different parts of the North are having "snippets" of their land taken over by the military for one thing or another. On these occasions there is a sharp difference of opinion about the value of the croft between the crofter, to whom it represents home, livelihood, and security of tenure, and the Treasury, who base their calculations on the rental. One Lewis crofter asked for £250 for a bit of bogland. His claim has since been settled for 5s.—*Glasgow Herald*, 19th February.

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"We hold these truths to be self-evident: that all men are created equal; that they are endowed by their Creator with inalienable rights; that among them are life, liberty, and the pursuit of happiness."—THOMAS JEFFERSON.