

# THE PEOPLE'S ADVOCATE

An Organ of Fundamental Democracy

Policy: FREE LAND, FREE TRADE, and PROPORTIONAL REPRESENTATION

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## The Church and Questions of the Hour

FINE ADDRESS BY REV. A. E. VOGT, AT BERRI HENRY GEORGE LEAGUE.

One can always depend upon hearing discussions on things which really matter at meetings of the Berri-Henry George League, and the gathering of social reformers—of many shades of political and religious thought—who greeted the Rev. A. E. Vogt, of the Berri Methodist Church, at the last meeting when he gave an address entitled "The Church and Questions of the Hour," proclaimed the evening very well spent.

In introducing and welcoming the speaker the President, Mr. F. H. Sharley, stated that many people were concerned about the attitude of the Church towards the great social reform movements of the day. Some thought the Church should keep aloof from such movements; others considered the Church should investigate and pronounce judgment upon the remedies proposed, but whatever the individual attitude might be it was noticed that when preachers such as the late Rev. Hugh Gilmour championed the cause of social justice from the pulpit they never had to complain of empty pews—their churches were filled to overflowing, and he thought their example worth following.

Mr. Vogt, after expressing thanks for the hearty welcome accorded him, said that in times of crisis people always asked what is the Church doing about it, and it was an eloquent tribute to the Church to be so universally appealed to in regard to questions of the hour, and her severest critics should remember this, and accept its implications.

He also thought that in approaching questions of the hour the Church should not be lured into that which was less than her task. Her highest authority was Jesus Christ. This did not, however, call the Church to be silent on vital questions, because she had the biggest word. Her "Word" was international, it knew no obstacle of color, creed or political outlook. Jesus is the world's greatest International, and His programme is a programme of peace. International peace must be the programme of the Christian Church. In the world of politics she must demand that the distributions of God's gifts be such that all may share. She cannot accept the statement that the State's budget is balanced, and that all is well whilst there are thousands unemployed, deprived of the right to express the life which God has given them. I believe, he said, that the Church is right in her declaration that the wrong emphasis is placed on money, and I also believe that the hampering of inter-trade between the nations through high tariff barriers is an obstacle to peace, and that this tendency towards the self-sufficiency of nations and countries is contrary to the spirit of Jesus Christ.

At the close of his address the speaker answered many questions, and left no doubt in the minds of those present concerning his attitude towards the international traffic in armaments, which he vigorously denounced, and kindred social evils. Pressed for a definition of the word "love," which he said was the dynamic of the Christian's faith, he said that "love" was not sloshy sentimentalism, but that which made it possible for him to see in the most degraded socially and morally someone to love, and to recognise all men as brothers irrespective of creed, color or condition.

The speaker was warmly thanked for his address in a vote of thanks moved by Mr. Kunoth, seconded by Mr. Denman, and supported by Mr. O. E. Vogt, and in responding said that he was glad of the opportunity afforded of making contact with persons representing other shades of thought.

## "PROGRESS"

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"PROGRESS."

Henry George Club, 18 George Parade, Melbourne.

## Sugar Monopoly Wins Again

The Bill providing for a further ratification of the sugar agreement for a period of five years from September 1, 1936, has been passed by the Federal Parliament. The Bill came before the House of Representatives on December 4 for final consideration. Mr. Beasley (Leader of the Lang Labor Party) moved that the matter be referred to a Select Committee, and this was defeated by 50 votes to 17; Messrs. Stacey, Price and Cameron, of South Australia, voting for the motion. Mr. Fairbairn then tabled a motion providing for a reduction of £4 7/6 per ton in the wholesale price of sugar, to take effect from September 1, 1936. This would mean a reduction of one halfpenny per pound. This was lost by 53 votes to 13, those voting for it being Messrs. Hawker, Price, Stacey, and Cameron, of South Australia, and Messrs. Fairbairn, Fisker, Street, Nairn, Lane, Schofield, Hutchenson, Gregory, and McClelland. It is interesting to note that in this division for a reduction in price, the names of Mr. Beasley and the other Lang Labor Party representatives do NOT appear.

The Bill was before the Senate on December 5, but the application of the "gag" prevented a free discussion. Senator Duncan Hughes (S.A.) moved for a reduction in the price by £4 7/6, the same amendment as was moved in the House of Representatives, but this was defeated by 21 votes to 11. Those voting in favor of the lower price were:—Senators Duncan Hughes, Uphill, Badman, James McLachlan, of South Australia, and Senators Grant, Gibson, Millen, Hayes, Hays, Collett, and Johnston. The sugar interests have thus been successful in getting an extension of the agreement until August 1, 1937.

In another part of this issue we reprint the excellent speech made by Mr. Lang in the New South Wales Parliament. He strongly condemned the existing agreement, and demanded a reduction in price. During the session in March, 1935, Mr. Beasley moved the adjournment of the House of Representatives for the purpose of discussing the sugar agreement. In his speech he made a scathing attack on the agreement, and proved that a reduction in price was long overdue. Because of that speech he was invited to attend the Interstate Sugar Conference convened in Melbourne last September, but he did not even reply to the invitation. At that time a press report indicated that Mr. Beasley had visited the sugar fields of Queensland, and as a result had "undergone a refining process," and that his views were changed. That such was a fact is evidenced by his changed attitude in the House when he opposed the reduction of one halfpenny a pound. Are we to understand from this striking change of front that he and his Lang comrades are now more concerned about the financial well-being of the "Knoxes, the Fairfaxes, and the Onslows" than they are about giving justice to the long-suffering body of consumers who have for such a lengthy period paid tribute to the sugar barons? What thinks Mr. Lang about these Federal Representatives who carry his name? Will he condemn their action as one that is opposed to the best interest of the sugar consumers? Or will he remain silent regarding this traitorous action, encourage the belief that other parties than the United Australia Party have been "sweetened" from the sugar pot of the sugar monopolists? Mr. Lang has a fine opportunity of proving that he is sincere in his opposition to the sugar agreement. Will he rise to the occasion and demonstrate that sincerity by publicly rebuking those members of his own party who voted contrary to the expressed opinions of their leader? We await his next pronouncement with great interest.

Our readers will be interested to know that a conference in relation to sugar production will shortly be held in London. It is thought that sugar interests from all parts of the world will be represented. One of the main objects of the conference is to bring about a restriction of production with a view to retaining existing high prices. The press reports state that Mr. Forgan Smith, Labor Premier of

Queensland, will attend the conference. This, surely, constitutes a grave political scandal. Mr. Smith has recently returned from a visit overseas at the taxpayers' expense, yet he proposes to go to London again—not to look after the interest of the workers he is supposed to represent—but to conserve the interests of the sugar barons who exploit consumers to the extent of over £6,500,000 a year. Queensland politics must be in a bad way when this second raid upon the public Treasury is made to pay the expenses of an alleged Labor Premier who is anxious to have another "joy ride" to conserve the interests of monopolists. Even in Queensland a big body of workers must pay tribute to the sugar interests, and it is surprising they do not offer a strong protest to this proposed expenditure of public money to protect the interests of a privileged few.

The South Australian Parliament holds the unique record of being the ONLY legislative body in Australia to record a protest against the extension of the sugar agreement, and to send it to the Federal Parliament.

## A Parable

Said Christ Our Lord, "I will go and see how the men, my brethren, believe in Me." He passed not again through the gate of birth, But made Himself known to the children of earth. Then said the chief priests, and rulers and kings, "Behold, now, the Giver of all good things; Go to, let us welcome with pomp and state Him who alone is mighty and great." With carpets of gold the ground they spread Wherever the Son of Man should tread, And in palace chambers lofty and rare They lodged Him, and served Him with kingly fare. Great organs surged through arches dim Their jubilant floods in praise of Him, And in church and palace, and government hall He saw His image over all. But still, wherever His steps they led, The Lord in sorrow bent down His head, And from under the heavy foundation stones The Son of Mary heard bitter groans. And in church, and palace, and judgment hall He marked greatasures that rent the wall, And opened wider and yet more wide As the living foundation heaved and sighed. "Have ye founded your thrones and altars, then, On the bodies and souls of living men? And think ye that building shall endure Which shelters the noble and crushes the poor? "With gates of silver and bars of gold Ye have fenced My sheep from their Father's fold; I have heard the dropping of their tears In heaven these eighteen hundred years." "O Lord and Master, not ours the guilt: We build but as our fathers built; Behold thine images, how they stand, Sovereign and sole, through all the land. "Our task is hard, with sword and flame To hold Thy earth for ever the same, And with sharp crooks of steel to keep, Still, as Thou leftest them, Thy sheep." Then Christ set out an artisan, A low-browed stunted, haggard man; And a motherless girl, whose fingers thin Pushed from her faintly want and sin. These set He in the midst of them, And as they drew back their garment-hem, For fear of defilement, "Lo, here," said He, "The images ye have made of Me!"

—James Russell Lowell.

## HENRY GEORGE LEAGUE OF SOUTH AUSTRALIA

The monthly meeting of the members of the League was held at George Parade on Tuesday, November 26. The President, Mr. A. S. Bayly, in the chair and a fair attendance of members. Minutes of previous meeting read and confirmed, and correspondence read and received. The Secretary reported that the sugar campaign was being prosecuted with vigor, and that extensive correspondence had been published in the Brisbane and other papers. He asked that wide publicity be given to the Essay Competition. He had spoken on the taxation resolutions in the House of Assembly, and had placed sound principles before the members. He had also secured the disallowance of the hide and skin regulations, which proposed to increase the licence fee from 10/- to 25. Financial statement read and received and account passed for payment. One new member admitted to the League. It was decided that in view of the Christmas holidays the December meeting be held on Tuesday, December 17th. The question of holding a social evening prior to Christmas was discussed, but it was decided in view of the warm weather to adjourn further consideration until the February meeting. Matters of general interest were discussed.

Next Meeting Tuesday, December 17, at 8 p.m.

# "The People's Advocate" • THE FEDERAL TARIFF

ADELAIDE: DECEMBER 21, 1935

## A MERRY CHRISTMAS

During the coming week the wish for a "Merry Christmas" will come trippingly from the tongues of many. It is the season of the year when good wishes are freely exchanged. Many will, no doubt, enjoy a merry time and partake of the good things of life. But for a great number of our people the wish will be but a hollow mockery. Some may participate in the distribution of the few shillings which will be given them by way of a Christmas dole, others will secure a few days' employment which will enable them to buy additional commodities for the home, and after those have been consumed they will again revert to the mere existence stage of living. At this time of the year the churches make a special effort to give additional charity to those who suffer from unjust economic conditions. We have no wish to decry the effort made to bring some light and sunshine into homes that are dreary for the greater portion of the year. But we are justified in asking whether this giving of charity is sufficient effort on the part of the churches that exist to give effect to Christian teachings. If we are all children of the One Father, should not we all have a seat at His table? How comes it that notwithstanding the fact that an abundance for all has been provided, some are denied the right of access to the source of wealth, with the result they have to depend upon the charity of those in possession?

We are not asking that the Church shall take sides, and support some brand of party politics. We think we are justified in asking that it speak out boldly on those great principles which make for national righteousness. The Church as an institution claims to believe in the Fatherhood of God and the brotherhood of man. If it is sincere in this belief it cannot justify the continuance of our present social system. Manifestly if we are all children of the Great Father, it would be doing Him an injustice to assume that He had favorites. ~~It is not for nothing that the Church is silent on the matter.~~ Let under our present-day laws, we find a privileged few in possession of those natural resources from which alone can be secured the means to sustain life. The result is that the many can live only on the terms dictated by those in possession. Although willing and anxious to earn a livelihood for themselves and their families, they are denied that right. They are denied the justice which is theirs by right, and, with a few notable exceptions, the Church is silent on the matter. Why?

We would respectfully suggest that the present is a suitable opportunity for a Church stock-taking on this important matter of social justice. The churches wield a great influence with a great body of people. If the leaders would speak out with no uncertain voice on this great fundamental evil and demand the restoration of the heritage which has been stolen from the people, it would be doing some practical work for righteousness. We suggest that it is the silence of the churches on this aspect of the question that has caused many to think that as an institution it is on the side of vested interests. We have not the least doubt that many good church people are animated by the best of intentions, but they have been so keen in arranging for a kingdom beyond the clouds that they appear to have overlooked the necessity for establishing the kingdom of righteousness on earth. It is to be hoped that with the approach of another festive season their thoughts will be directed to securing better conditions for all here. If they would but study the writings of the Prophet of San Francisco (Henry George) they would see the vision as it appeared to him. His works make an instant appeal, not only as a splendid study in political economy, but by reason of the high moral principles expounded, and as an exposition of the best that has appeared in literature. We urge all who have not yet read those fine works to do so without delay. We are convinced that if they do so they will at once become standard bearers for the cause of social righteousness, and as a result of their combined efforts it should not be long before everyone could be placed in that position where they could enjoy

A MERRY CHRISTMAS.

We trust this appeal will not be in vain.

On November 19 there was a further alteration in the tariff schedule. On some 50 lines an increase was made, and the duties on more than 300 commodities were reduced. The main alterations were as follows: In the textile division the duties on towels were reduced from 30 to 40 per cent. in the British preferential schedule, and from 60 to 40 per cent. in the general tariff. British duties on quilts were reduced from 18½ to 5 per cent. With a view to giving some little assistance to the mining industry, the following reductions in duties on mining machinery and appliances were made: British preferential from 30 to 20 per cent., and general rates from 55 to 45½ per cent. Rock boring machine duties were reduced from 30 to 7½ per cent. British rate, and from 60 to 52½ general tariff. Air compressors were reduced from 33½ and 64 per cent. to 20 and 46½ per cent. respectively. Woodworking machines have been reduced from 33½ and 64 per cent. to free under the British tariff, and 15 per cent. general. Portland cement is to be admitted duty free under the British preferential tariff, in lieu of 1½ per cwt. as formerly, and the general tariff has been reduced from 1/6 to 1/4. The Australian cement companies have been taking advantage of the tariff privilege enjoyed and charged high prices, making big profits, so the Tariff Board has recommended lower duties with a view to giving some relief to the users. There has been a slight reduction in British duty on glassware from 18½ to 15 per cent., but the general duty still remains at 60 per cent. In regard to furniture the former rates were British 37½ per cent. and general 70 per cent., but under the new schedule the rates are now 25 and 53½ per cent. Clothes wringers have also been reduced from 30 and 60 per cent. to 25 and 52½ per cent. Boots, shoes and slippers have come down from 33½ and 65 per cent. to 25 and 60 per cent. Wireless parts and accessories have been lowered from 33½ and 65 per cent. to 30 and 57 per cent. Rubber tyres and tubes also enjoy a slight reduction. British rates of duties have gone from 9d. to 6d. per lb. and general tariff from 1/34 to 1/14 per lb. Wrapping paper, which formerly was admitted at 0 per cent. under the British tariff, now comes in at 5½ and 7½ per cwt. Perambulators and go-carts under the old tariff paid 22½ and 50 per cent., but are now admitted at 15 and 42½ per cent. Brushes which paid 30 and 60 per cent. are now 25 and 52½ per cent. Lamps for motor vehicles, which under the old schedule paid 18½ British preference and 42½ per cent. general tariff, have been altered to free and 32½ per cent. if imported separately, and 5 and 45 per cent. if imported with assembled chassis. These constitute the main reductions in the new schedule.

The chief increases are: textile working machinery, which formerly came in free under the British schedule, and 15 per cent. general tariff have been increased to 33½ per cent. British rate and 65 per cent. general tariff. Mouse and rat traps, formerly free and 10 per cent. are now 10 per cent. British and 30 per cent. general. Stationery under the old rates paid 22½ and 50 per cent., but has been lifted to 30 and 57½ per cent. under the new tariff. Carpet sweepers were free under the British and 25 per cent. general, but are now 10 and 35 per cent. respectively. The excise tariff has been altered, and wireless telegraphy and telephony and rectifying valves which formerly were free now have to pay 2/- duty on each. These are the main increases in the new schedule.

While the reductions which have taken place will be much appreciated, a glance at the above items reveals the fact that the duties on the main machinery of production have not been reduced. Our primary producers suffer from the high duties imposed on the tools of production, on galvanized iron, fencing wire and piping, and many other things, but apparently the manufacturers of those lines have too strong a hold on the party machines to permit of any changes in the tariff rates being granted. Yet those are the lines which vitally matter. All sorts of schemes are being suggested to help the wheat growers, all working along palliative lines. There is little hope of that industry being placed on a sound and profitable basis until those engaged in it are permitted to buy in a free market. This fact appears to be overlooked by the representatives of the farmers, and it is to be regretted that many farmers are so captivated with the idea of a "fixed price" for wheat that they overlook or refrain from agitating for the

adoption of those principles which alone can make for their economic salvation. We cannot too strongly stress the point that palliative policies of that nature have been tried in other countries and proved futile, and that lasting benefit can only be secured by urging the removal of taxation from their production and the raising of revenue from its natural source—the rental value of land.

## THE SUGAR AGREEMENT

SPEECH BY HON. J. T. LANG

Reprinted from N.S.W. HANSARD, November 26, 1935.

I think this Parliament should show that it recognises the change which is taking place, and indicate to the Federal Government "that the State of New South Wales is opposed to renewal of the sugar agreement unless the interests of the consumer are more adequately protected. For years the sugar combine has boasted that no Government has ever stood in its way. For every move it has taken it has had a perfect alibi. It has been a generous contributor to anti-Labor party funds, and its principal shareholders have openly taken a leading part in the direction of the affairs of every anti-Labor party since the formation of this Commonwealth. In its report the Fowler Committee said that the combine boasted that it had the Queensland Government and the Commonwealth Government in its pocket. It now has its own direct representatives in this House to look after its interests here.

The combine has always attempted to shelter behind the Queensland workers in the industry, but it is in the interests of the powerful Colonial Sugar Refining Company that this agreement was made. Just before the Federal elections last year the Federal Government brought down a Bill to amend the Income Tax Assessment Act. When this Bill was in Committee, Mr. Casey (Federal Treasurer) introduced an amendment exempting all distributions of bonus shares made before the 31st December, 1934. This was an open invitation to all companies to disgorge themselves of concealed profits without becoming liable to taxation. The month following the Federal elections, at a special meeting of the Colonial Sugar Refining Company, the chairman (Mr. E. R. Knox) announced that the directors had decided to distribute £7,000,000 in bonus shares.

We shall be told that the sugar agreement benefits the poor people, but when I have read out the list of people who benefited from that £7,000,000 we will get a true idea whose interests are protected by the sugar agreement. The Knox family, which has been dipping into the sugar bowl ever since the early black-birding days, holds 40,058 shares. Out of the distribution of the £7,000,000 they received £301,160 free of tax. So we see that the sugar agreement was not bad for the poor Knoxes. Then there is the Fairfax family, who own the "SYDNEY MORNING HERALD," the official organ of the United Australia Party. They hold 3,341 shares, and their dividend out of the distribution was £66,820 free of taxation. Not bad for the struggling Fairfaxes, and it is not bad for the Macarthur-Onslows, who hold 2,401 shares, or the Faithfuls who have 2,821 shares. And many similar families receive huge Christmas boxes from this powerful combine.

If the sugar agreement is to help necessitous people I think the Colonial Sugar Refining Company share list is the only one in which the Knoxes, the Fairfaxes, the Macarthur-Onslows and the Faithfuls will appear as necessitous persons. This Santa Claus action on the part of the Colonial Sugar Refining Company took everybody's breath away. It even staggered Mr. Casey, the Minister who introduced the taxation legislation in the Federal House, because when he was asked if he thought the distribution would have been so large he replied, "I think the size of the distribution has given surprise to all of us." Mr. Casey apparently knew what the Colonial Sugar Refining Company was going to do when he introduced the legislation. But even when he found that the amount to be distributed was so huge as to surprise even himself, he still persisted in going ahead with the agreement, which made such huge unjust profits possible.

Even the United States of America gaoled her principal gangsters for evading taxation on an amount less than £7,000,000. Of course, the shareholders in the Colonial Sugar Refining Company got their usual bonus of 25/- a share during the same year as the £7,000,000 was

distributed, but that was an additional amount. Besides passing out huge amounts to the poor Knoxes and the struggling Fairfaxes, this company spends hundreds of thousands of pounds a year buying the silence of the anti-Labor newspapers of Australia. It controls Parliament, it controls newspapers, and it does it all with the money that it is extracting from the consumers of sugar in Australia under the monopoly powers granted to it by the sugar agreement. When it buys the newspapers it does not do it by placing advertisements which are recognised as advertisements. It follows the methods of Kneuger, Insull, Stavisky, and other overseas monopoly controllers who subsidise newspapers to print the combine's point of view as if it was the newspaper's own point of view. It can, of course, quite easily do this, because the Australian public has paid a tribute of over £50,000,000 to this blood-sucking combine.

Mr. TONKING: The hon. member's newspaper must be included in that category!

Mr. LANG: Not as an anti-Labor newspaper. Just think what this sugar combine has had from Australian Governments in the last twelve months. A tax-free distribution of profit amounting to £7,000,000, a knighthood and a seat in Parliament for its general manager, and a renewal of its monopoly powers eighteen months before the existing agreement falls due. So powerful is it that apparently the United Australia Party Governments will overcome any obstacle to satisfy the merest whim. When its general manager desired to enter Parliament a seat had to be found for him—not an ordinary seat, but a blue ribbon United Australia constituency. So the Government made provision for the appointment of an extra Judge to the Supreme Court bench. Sir Thomas Bavin was elevated to the Supreme Court bench, and the Gordon seat handed over to Sir Philip Goldfinch.

At the annual conference of the United Australia Party an attempt was made to give the executive the power to select candidates for the by-elections. That move failed, but when the time arrived to hold a ballot for the selection of a candidate for Gordon, Sir Philip's opponents were given no chance. About fifty members of the United Australia League, in the Gordon electorate, were either shareholders or employees of the Colonial Sugar Refining Company. Fully 75 per cent. of the remaining members were disfranchised, and Sir Philip became the best of all certainties when the ballot was held. This combine apparently can do anything it wishes in Australian politics. On 28th February, this year, the Prime Minister announced that he proposed to renew the sugar agreement. In one day the value of the Colonial Sugar Company's shares rose by 30/- a share. This rise alone meant a profit of £1,000,000 to the shareholders like the "poor" Knoxes and the "struggling" Fairfaxes. Since then, of course, the shares continued to rise, every rise bringing more millions to the people who continue to exploit the pennies of the people who consume sugar in Australia.

To give an instance of how powerful this combine is: In 1932, Mr. White, who is now a Federal Minister, bitterly attacked the Colonial Sugar Refining Company in a speech in Parliament, but a few months ago the same Mr. White issued a pamphlet, printed by the Government Printer, and paid for by the Commonwealth Government, defending the company. Nothing is impossible to this combine. Everything is made possible because the Colonial Sugar Refining Company has a Government charter that enables it to take unnecessary pennies from the people, and use them to expand the power and grip of the Colonial Sugar Refining Company. And yet this wealthy combine, giving its millions to its rich shareholders, has just been to the Arbitration Court and obtained an award bringing in an all-round reduction in the wages of its employees. Not only is the combine not decent, it does not attempt to keep up the appearance of decency. Fancy a wealthy concern like that asking the Courts of Australia to reduce the paltry wages of its employees by three to five shillings a week! And fancy a Court granting such a request.

The Government of this State must protest to the Commonwealth Government against the renewal of the sugar agreement in its present form. Until the agreement is so framed that producers, employees in the industry, and consumers are protected equally with those who own and control the combine, the agreement must not stand. My reason for rising is to ask the Committee, in the interests of

the people of New South Wales, to protest against the renewal of this agreement. I have shown what the combine does. I have shown the millions it makes. In this Chamber is a gentleman who can get up and protect that company. . . . The toilers in industry mean more to us than what the Knoxes and the Fairfaxes and the Onslows do. I ask Parliament to enter its protest, and so that it may do so I intend to test the Committee.

## Retaliation

The doctrine of retaliation, so often advocated, is militant, and suggests hostility in trade. "They strike us with their tariffs, let us strike them in return," expresses the policy. The real fact is that a protective tariff strikes the nation that adopts it; it is true that by its check upon trade other nations do less business with the protected country; but the injury of high prices, of monopoly, of misdirected industry is suffered by the nations which adopt the restrictive policy. Why should we incur similar loss and injury merely to show our annoyance that they have curtailed their trade with us? The tariffs of other countries are a loss to trade generally. Why double the loss? Retaliation has been advocated for punishment, but its penalties would recoil upon ourselves; if we are annoyed by the restraints on our trade, we do not improve trade by further restraints. Retaliation of this kind has frequently led to tariff wars. War in any sense is destructive, and commercial, like industrial, war is productive of great suffering and of material injury and loss.

But it is urged that retaliation can be used for negotiation, that by its penalties we may compel other nations to remove their tariffs. The logic of such a proceeding is that we teach them Free Trade by becoming Protectionists; we are to reform other people by copying their evil habits. We are to put up barriers which are an injury to our trade and well-being, in order that we may reduce them a little if our opponents do likewise. The theory is fallacious. Attempts to adopt it have failed; they have caused ill-feeling and hostility, and have not led to the removal of tariffs. Doing evil that good may come is a vicious maxim. Besides, if once a tariff be set up, whether for retaliation or under the erroneous belief in its protective virtues, it becomes difficult to remove.

G. Armitage-Smith, M.A., D.Litt.

## Inconsistency of a Protectionist

Lord Nuffield, on August 18, made a vehement protest against the increase in prices of his materials for motor-car production in these words:

"I have been one of the advocates for a duty on steel with the object of improving the condition of the workers, but steel producers have taken advantage of the duty to put up the price. It is impossible, while this state of affairs exists, for the British motor industry to reduce the price of cars. I say now that it is time the duty was taken off. The present state of affairs is disgraceful. Unless they change their methods I will go so far as to say that we will buy our steel outside the country. I do not want to take on any further responsibility now; but if they defy me much longer I will go into the steel trade and produce the steel at the same price as the foreigner."

Hot stuff, that! Lord Nuffield wants to have his car materials untaxed and therefore cheap. But he says nothing about the tariff protection he has enjoyed, not since 1932, but since 1915. He makes no offer to start a movement for the repeal of the car import duties. Might not a motoring steel producer retort:

"You, my Lord, have had 38 per cent. protection since 1915, and I was one of those who helped to obtain it for you. Now you ask me to consent to the repeal of the steel duties which we have only just obtained. If you insist, I shall go so far as to say that I will buy my next car outside the country."

It would be a pleasant change if the interests which have been engaged in advocating protection for one another in order to get support for tariffs for themselves were now to denounce the protection so granted, on the grounds that it raises the prices of their own requirements. —"The Free Trader."

## LAND AND FREEDOM

Mr. Frederick Verinder, secretary of the English League for the Taxation of Land Values, has rendered splendid service to the movement by the publication of his new book bearing the above title. His opening chapter makes it clear that land is "The Mother of all Things." He shows that: "Land, in the widest sense of the term, is the dwelling place, the workshop, the storehouse, and the final resting place of the human animal." He provides abundant evidence to prove that when people are divorced from the land they are slaves. The chapter on "The Value of Land" gives some very striking examples of the growth of land values in various countries. "The Mansion House, official residence of the Lord Mayor of London, stands on a plot of land held on perpetual lease, since the latter part of the 18th century, at a ground rent of £10 per year. This site is now valued at nearly £2,000,000." "The City of London spent £8,787 of Elizabeth's money in acquiring and clearing the site of the Royal Exchange. What is that site worth now? Plots of land in its immediate neighborhood have been sold in recent years at rates varying between £5,000,000 and £6,500,000 per acre." And we have some people who still imagine all the land values are in the farming areas, and for this reason oppose the collection of land value for public purposes.

The chapter on "Monopolies" is very interesting, and provides much food for thought. It shows clearly that land is the basis of monopolies, and that where land is free monopolies are impossible. Socialists would do well to read and study the chapter dealing with "Landlord and Capitalist." Mr. Verinder gives some telling extracts from Karl Marx's "Capital" to prove that land monopoly is the basis of capitalist exploitation. He also shows clearly what capital really is, and that under free conditions there is no power in "Capitalism" to injure wealth producers. In dealing with "Taxation" Mr. Verinder shows how the present system presses upon industry and restricts production, but that taking community-created land value for public purposes stimulates production and has a beneficial effect on society. Betterment taxes and the taxation of unearned increments as suggested by many well-meaning reformers are dealt with and shown to be inadequate. He also shows that the exposure of the evils of land monopoly by those who favored land nationalisation left little to be desired, but the remedy they proposed was not satisfactory.

Some very illuminating facts are disclosed in the chapter on "Disemployment." When public works are urged as a means of dealing with the unemployment problem, how many give serious thought to the question as to who is to get the greatest benefit. A proposal to build a new Thames bridge at Charing Cross is mentioned. This was to cost £16,865,000, and Mr. Andrew McLaren, M.P. for Burslem, on a Select Committee of the House of Commons, elicited the fact that no less than £11,122,000 of the estimated cost was to go in purchase of land, easements and permanent rights. If the scheme had been carried only a little more than one-third of the total cost would have gone in labor and materials, the landlords would have secured the balance. Other similar examples are given, and Labor members who urge such schemes should read this work and gain knowledge.

Other chapters deal with "Our Heritage of Shame—the Slums," the question of "Agricultural Land," and "The Burden of the Rates." A number of pages are taken in dealing and answering objections. A strong appeal is made for the preparation of "A new Doomsday Book," and the final chapter shows what would take place when "Economic Freedom and Social Justice" is established.

There is a very valuable appendix to the book by Mr. A. W. Madsen, B.Sc., secretary of the United Committee for the Taxation of Land Values." This gives a summary of the places where land value taxation is in practice, and indicates that the principle has been applied in many countries. We commend this work to our readers, as a valuable contribution to the literature of the movement. The book is nicely bound, and the English price is 2/6 net. We hope to have some of these in stock at a later date, when further information as to the Australian price will be given. We most heartily congratulate Mr. Verinder on the very fine book he has produced.

## LONDON'S GOLD MINE

By FREDERICK VERINDER

(General Secretary, League for the Taxation of Land Values).

It used to be said that London's streets were paved with gold. Lord Rosebery, first Chairman of the London County Council, told us that London had a gold mine under its feet.

But neither the immigrants from the villages nor even the L.C.C. can work the mine.

It belongs to London's ground landlords.

A fine nugget was found the other day, when Bart's Hospital bought back for £130,000 a piece of land which was sold many years ago for £130.

It is being realised that any improvement which makes London a healthier place to live in, gives the ground landlord a double "take-off." Those whose land is acquired by the public get heavy compensation, and those whose land is within or near the improved area collect ground rents.

Take, for instance, the question of London traffic, so much to the fore just now.

London stands on both sides of a tidal river; and better means of traffic from North to South are urgently necessary. A long-talked-of new bridge at Charing Cross was to have cost nearly £17,000,000, of which over £11,000,000 was to go in purchase of landlord interests.

The site of Grand Hotel Buildings, at Charing Cross, has been recently valued at £1,055,525—over £40 a square foot.

What would have happened to land values thereabout if the new bridge had been made, may be inferred from the story of Lambeth Bridge. It cost £839,000, of which £102,500 went in compensation to landlords.

On the main route from the new bridge to Victoria Station the Duke of Westminster sold eight acres of the Grosvenor Estate for approximately £1,000,000. The "Times" said: "It is the building of Lambeth Bridge that has stimulated this land development and has so enormously increased neighbouring values."

Even before the Blackwall Tunnel was opened the late Mr. Glynns told the L.C.C. that land formerly worth £5 an acre had gone up to £300. One effect of the establishment by the L.C.C. of a Free Ferry at Woolwich was to send up by £3,000 the value of 11 acres at North Woolwich, bought for an open space.

The real London has now extended far beyond the L.C.C. boundary, and new traffic problems have arisen. In 9 years (1920-29) the Middlesex C.C. constructed 70 miles of arterial roads at a cost of over £6,000,000 of public money, and it has been estimated that the value of the adjacent land was increased by £15,000,000.

The Edmonton District Council employed out-of-work men to improve Bury Street, and then had to pay £1,400 an acre for some nearby land which they could have had for £300 to £400 an acre before the improvement was made.

Land on the Great West Road, which, a short time ago, could be had for £60 an acre, was fetching £5,000 a year ago. A farmer at Watford sold 2,000 feet of frontage, created by the Watford bypass road, for £21,000—10 guineas a foot.

A tube railway was extended from Finsbury Park through Southgate to Cockfosters. An estate of 102 acres, adjoining the site of the proposed Southgate Station, was put up for auction and withdrawn, as the highest bid (£85,000) was below the reserved price.

At Cockfosters, an elderly woman, who owned six cottages and lived in one of them, refused £10,000 for the property which—buildings and land—had cost only a few hundred pounds.

This kind of thing is no new discovery.

Nearly half a century ago, Mr. W. E. Gladstone, addressing a meeting in London, said:—

"We have just been driving along your magnificent Embankment. But at whose expense was that great permanent and stable improvement made? Instead of being made, as it should have been, mainly at the expense of the permanent proprietary interests, it was charged, every shilling of it, either upon the wages of the laboring man in fuel necessary for his family, or upon the trade and industry and enterprise which belong of necessity to a vast Metropolis like this."

He then went on to refer to the ground rents of London, "those great unearned increments." The Embankment, paid for by the people of London through their local rates and a tax upon their coal, had increased the unearned incomes of the ground landlords, whose "business was simply to receive and pocket the vast

earnings of the labor, industry, and enterprise of their fellow creatures."

For instance, Queen Victoria Street, opened in 1871, connected the Embankment with the heart of the City. Seven houses in Cannon Street, assessed in 1870 at £2,770, were assessed at £3,794 in 1875.

The whole of this increase was in the land value; the houses themselves had not been improved. At 20 years' purchase, it meant a gift of at least £20,480 from the public to the landlord.

It is plain that these recent "increments" of land value have been created by the people, and are "unearned" by those who pocket them. But the same thing has been true of every successive increment of the land value of London, created and maintained by the people since the time of the ancient Britons.

The famous "Pedlar's Acre" in the parish of Lambeth was valued in 1504 at the sum of 2/3 a year. It was bought in 1910 by the L.C.C. for £81,000 as the site for their County Hall. This enormous value had been built up in the intervening four centuries by the growth, the industry, and the public expenditure of the people of London.

It is all "unearned increment," so far as the landlords are concerned.

"Betterment" proposals are not good enough. History and common justice alike call for the simple and straightforward plan of a valuation of all land, and the taxing and rating of all land values.

## Some Thoughts on "Protection"

### Protection Is Illogical.

The peoples of the earth are constantly striving after easier and better means of communication. They shorten distances by new routes; they bore through mountains at enormous expense in order to reduce the cost of transit and increase the bulk of commerce with neighbours. They build larger steamers and augment their power and speed for the same end. They advertise and employ commercial travellers and agents to obtain custom in other countries. If they do not think international trade a desirable object, what motives govern such action?

It is with the object of extending commerce and multiplying exchanges of commodities that all this toil and expense are undertaken, and in the belief that an increase of wealth will follow, and that abundance, cheapness, and consequent larger consumption will repay the outlay. These same countries, having stimulated trade by the improved transit, then impose high tariffs to check that trade, to prevent its full benefit being realised through exchange, and to confine the trade in certain articles within their own boundaries. This is the inevitable result of tariffs, and it is the result desired by those who secure the imposition of the tariffs. Is it not an illogical, nay, an utterly irrational proceeding, for a nation to go to enormous expense to open the doors of commerce, and then to strive to close them or reduce the opening to the narrowest dimensions by imposts; to triumph over Nature by physical science and to throw away the gains by rejecting the resulting economic advantages?

What is the meaning of this contradictory double policy of cheapening goods by easy access on the one hand, and making them expensive by duties on the other, thus negating the former by the latter and rendering it futile? To the unbiased investigator, who realises the true aim and object of all labor and exchange to be an increase of general comfort it seems the rankest folly.

### Protection Is For Private Gain.

How, then, are we to explain it, since it is common procedure on the part of intelligent nations such as the peoples of the United States, Germany, France, Great Britain, Italy, and Australia? The explanation is simple; the two courses of action are promoted and conducted by different groups of individuals; both are not intended to be in the interests of the nation as a whole.

The first policy, that which promotes easier access, assumes very correctly the advantages and economic gain of free-trading as a universal good. The policy of restriction is promoted by groups of persons interested in obtaining monopolies for their own products; they secure support by pointing to the activity of particular industries which flourish in the countries under the fostering system of pro-

tection from competition. They neglect, however, to draw attention to the effects of the artificially augmented prices upon consumers. The small area of benefit is magnified, the large extent of loss is ignored, and the tariffs simply become a means of taxing the whole country for the advantage of special industries.

The tariff seekers are active, in close relation, and combined in political matters; the consumers are scattered and unorganised; they have no co-hesion and are frequently ignorant of the causes from which they suffer. Yet we read that those who profit by tariffs are a very small percentage, not five per cent. of the population; they are, however, powerful in combinations, trusts, and in schemes to exploit the suffering consumers; and a very limited number of the latter qualify themselves to investigate the problem by any systematic study of economic theory.

### Private Gains and National Losses.

The fallacy involved is that of false generalisation, and consists in representing the gain which is obtained in particular cases through the exclusion of competition as if it were a general or national gain, while it ignores altogether the national loss due to diminished efficiency and high prices.

Professor Perry, an American economist, writes: "No protectionist tax has ever been put on by Congress from the first day until this day except at the instance and under the pressure of the very men personally and pecuniarily interested to secure thereby an artificial rise in prices for their own domestic wares."

It is the limitation of efficiency which causes the economic loss and is the root evil of all protective systems; the protected article is not produced in the most favorable circumstances. There is a deliberate adoption of an inferior mode of production, while the richer and more bountiful results of superior production elsewhere might be obtained by international exchange.

The INDIRECT method of obtaining the article by purchasing it with commodities which can be more profitably produced by local skill and efficiency is rejected for the less efficient method of DIRECT local production.

## The Measure of Government

All the benefits of government are accurately measured—not by any man-made statutes—but by a law of nature as irresistible as the law of gravitation.

What is that measure? The measure is this: The benefits of all good government are accurately reflected in the VALUE OF LAND.

Why is a lot in one part of a city worth five—ten—a hundred—a thousand times as much as the same sized lot in another part of the same city?

Everybody knows the answer.

Where the streets are improved—paved and curbed, with side-walks, water, gas, sewer, street car services, etc., there lots will be high priced, provided only that these improvements have been put in where they were needed—where the people congregate and need them to use.

Build a new school house and lots go up in price.

Run a paved road through the country and the farms will sell for more money.

But good government is not the only thing that increases the price of land in the country or lots in the city.

Every child born into the world adds to the value of land. Every self-supporting immigrant adds about \$1,000 to the land value of the city when he leaves his ship. This, then, is the natural law. The value of land is created and sustained by the presence of the people; by their civilization, by their intelligence; by the services their government renders; by everything that makes a place more desirable for a home or a business location. It therefore follows that people should pay for the support of our common needs—not according to their wealth or their poverty—not according to their physical or mental ability; but according to THE VALUE OF LAND THEY POSSESS.

Most farmers are city home owners—most workers of all kinds, whether in country or city—are now paying three or four times as much taxes as they would under this theory.

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