

LAND & LIBERTY

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The Economic Conference.

A plenary Session of the Monetary and Economic Conference was held on 27th July for the purpose of adjourning the Conference indefinitely. This marks the failure of the Conference to achieve any substantial progress in its task of solving the economic and financial difficulties responsible for the economic crisis. As Mr. Collijn (Netherlands Delegate) expressed it, not a single member of the Conference would be prepared to answer in the affirmative the question whether the conference had agreed on certain practical measures which would serve that purpose.

It should be observed that a sub-committee of the Conference was left in being to pursue the most dangerous and deleterious of the proposals which had been under consideration—the restriction of the production of some of the world's most important foodstuffs and raw materials. We may well hope that the Conference will never again reassemble if its principal work is to be the putting of such schemes into operation. Happily the march of events is likely to render such action more difficult and unpopular than it is to-day.

International Union Memorandum.

A few days before the final plenary session of the Monetary and Economic Conference a memorandum prepared on behalf of the International Union for Land Value Taxation and Free Trade was sent to each of the delegates. The document, which is reprinted in this issue of *Land & Liberty*, was entitled "The Fundamental Causes of the Economic Crisis." It contains a brief statement of the problems which the Conference was called to deal with, examines the proposals considered by the Conference, and explains the failure of the Conference as being due to ignoring the fundamental causes of the economic crisis.

Copies of the Memorandum were also sent to all the Press representatives accredited to the Conference as well as to the principal newspapers in this country and a number of foreign papers. The *Daily Herald* printed a well arranged summary of the main points.

Petrol from Coal: More Protectionism.

The Prime Minister announced in the House of Commons on 17th July that the Government had decided to encourage the manufacture of home produced motor spirit by granting a rebate of the excise duty for a

period of years. The exact amount of the remission each year will depend upon the rate of tax for that year, but the Government has guaranteed that on the average it will amount to 8d. per gallon for a period of four and a half years.

The Chairman of Imperial Chemical Industries Limited announced that the Company intended to erect a plant at Billingham-on-Tees, Durham, at a cost of £2,500,000. An initial output of 100,000 tons a year of petrol (equivalent to 30,000,000 gallons) was aimed at by processing 400 tons of coal a day, and rising altogether to 1,000 tons a day. The operation of the plant would give permanent direct employment to 2,500 miners and other workers, as well as much indirect employment. The construction of the plant itself, estimated to take one and a half years, would call for much activity in the iron and steel and heavy industries. Seven thousand men would find direct employment during the one and a half years, and it was expected that there would be indirect employment for a further 5,000 men during that period.

Another £4,500,000 in Subsidy.

Taking the figure of 30,000,000 gallons of petrol a year, the amount of the subsidy paid by consumers and lost by the Treasury during the four and a half years will amount to £4,500,000—nearly double the cost of the plant!

Assuming that 12,000 men are employed for a year and a half and 2,500 for the remaining three years, the cost of the subsidy will be £3 8s. per man per week.

It will be interesting to know what the average rate of wages actually paid will be.

The Prime Minister stated that the cost to the Treasury would be small. This is not so. The cost to the Treasury will be the loss of £4,500,000 of revenue which will be collected by Imperial Chemical Industries instead of by the State.

No doubt many other employers in this country would be happy to employ labour if they were guaranteed a subsidy of £3 8s. for each man employed. The Government, through Mr. Runciman, dissociated itself at the Economic Conference from any support of public works schemes. Public works do generally result in some tangible asset remaining for the community, but in this case the whole benefit goes to a private company, who in effect have a plant costing £2,500,000 built for them for nothing and a bonus of £2,000,000 besides.

More than that—we have not yet seen the end of this scheme. Judging from the experience of the beet sugar subsidy, we may take it as practically certain that when the four and a half years is ended, there will be an insistent demand for the continuance of the subsidy, backed by the specious plea that if it is not continued 2,500 men will be thrown out of employment.

The Price of a Building Estate.

Newspapers reported in June that the Haviland Aerodrome and flying grounds at Stag Lane, Kingsbury, Middlesex, an area of 116 acres, had been sold to a firm of builders at a price exceeding £100,000. The intention

is to build 1,200 houses "for the less prosperous middle class" and to be sold from £500 upwards.

How the price of land and a wrong and unjust system of taxation enter into the housing question is revealed in the further information we have been able to obtain. The land is situate as to one-half in the Kingsbury Urban District Council and as to the other half in the Hendon Rural District Council.

These 115 acres, bought at a price exceeding £100,000, are rated for local taxation at an annual value of £879 in Kingsbury, including certain buildings, and £238 in Hendon—total £1,117. The total rates levied yearly are £505, mainly in respect of the existing buildings, which cover only seven acres of the total area of 115 acres.

When the 1,200 houses are built they will be assessed at an average of not less than £25 a year each. The outcome will be that whereas these 115 acres, the real value of which exceeds £100,000, although assessed now at only £1,117 a year and paying local taxes of £505, the same land when built upon will be assessed at an annual value of £30,000 and local rates will be levied of at least £13,700 a year.

What Land Value Rating would do.

It is a striking contrast, but that is just how the present rating system works out. The burden falls when the improvement takes place. Encouragement to the withholding of valuable land is given under the protection and privilege of assessing land not according to its value, but according to its use.

Under the rating of land values what would happen is this. All land would be assessed at its true market value and the rates upon these 115 acres would have been at least £2,500 a year instead of £505 a year. Would not valuable land come sooner upon the market for housing and all useful purposes? Secondly, no rates would be levied on houses and other improvements. The land only would be assessed at its real value as if unimproved. The whole burden on use and occupation of buildings would disappear. It is hardly necessary to ask the question whether taxation so levied as to take only the value attaching to land and exempt the work of man's hands would or would not help to solve the housing problem.

An item in the Press reports on this Stag Lane case is worthy of special note. It is so frank and so callous of the right of the community to the value the community itself creates. "Kingsbury at the time of the 1921 census numbered 1,856 inhabitants. By 1931 the population had grown to 18,636, but very rapid developments have taken place since then and the present population is estimated to be 25,000." And in that period those 115 acres had grown in value that multiplied itself quite a hundredfold. The landlord sleeps, but thrives.

Poverty and Tuberculosis.

The annual report of the National Association for the Prevention of Tuberculosis issued on 6th July contains an account of an inquiry into the high incidence of tuberculosis on the Tyneside. The conclusion reached is that poverty, and especially under-nutrition, causes tuberculosis. It is significant that the Tyneside is one of the districts which have suffered most from unemployment.

We are reminded by this of the remarkable report published by the Newcastle-upon-Tyne City Council in 1929 on the enormous prices paid or demanded for land for housing and allotments in and about Newcastle, and the small figures at which such land was rated in comparison to the purchase price.

Excessive Rents.

The Public Assistance Committee of the London County Council recently had before it a report on the question of assessing the amount of relief to be given to applicants who are paying high or excessive rents. The report stated that 40 per cent of the persons in receipt of relief were paying 5s. a week or more per room.

The report proposed that where the rent was considered excessive only what was regarded as a reasonable rent should be allowed, and applicants should be warned to make "more economical arrangements." The Committee do not explain how the unfortunate applicants for relief can be enabled to make a better bargain with a strongly entrenched land monopoly.

Worthing Sea Defences Bill.

Worthing Corporation is promoting a Bill to sanction the construction of sea defence works. On the hearing before a Select Committee of the House of Lords on 12th July, it was explained that the cost would be £20,000. It was proposed that property owners who would benefit should pay half the annual loan charges on £15,000 by a special rate, not exceeding 2s. in the pound.

The idea is a good one, but as the rate is apparently to be levied on the present assessments of land and buildings, the cost will mainly fall upon tenants and not on landowners. Owners of vacant land benefit by all public improvements, but pay no rates.

"Investing in Land."

Under this title *The Times* (19th July) reports the sale by Lord Clifden of Wimpole Hall, Royston. The estate extends to 3,500 acres, including two villages, 12 farms, many small holdings, and a first rate shooting. The park contains a number of lakes and a double avenue of elms, nearly three miles long. It is recalled that when the estate belonged to the first Earl of Hardwicke he demolished the village, except the church, and rebuilt it along the ancient Akeman Street. To make the church accord architecturally with his new stables he refaced it with red brick. Altogether this is an interesting example of the power of landlordism.

The Times remarks that this sale "forms another effective answer to those who assert that large estates are not marketable," and that it is "a noteworthy example of the revived tendency to buy landed properties as an investment." In this connection we may direct the reader's attention to Capt. McDougal's article on another page on "The Land Value Inherent in Agricultural Land."

The Church and the Landowners in India.

We take the following from the Christian Missionary Society Mass Movement Quarterly of March, 1933, a journal published in Mysore, South India, and serving mission work among landless, propertyless and "untouchable" peoples:

Grace New writes from Palameot Tah: "They beg me to send them a Bible-woman and they say they will all learn. I say they must provide her with a house, and then I hear the story of their difficulties. We have the money ready to build a church and houses for our teachers, but we have no land. All the land there belongs to the high caste people, except a pool of dirty water at the end of the street, which is Government property. These new Christians have begged to have this given to them, saying that they will drain it and raise it at their own expense, and build their church there, but, although a petition has been put in, their high caste neighbours are doing all they can to prevent

it passing the local magistrate and getting through to higher powers who would almost certainly grant it."

Again, Florence Smith writes from Nidarnapuram: "These people will build their own church as soon as they can, but they have been sorely harried by neighbouring large landowners, who have tried to prove that the new Christians' titles to their plots of six, eight and ten acres were not valid, so the converts have had to spend great sums of money in proving their right to

the land and defending themselves against false charges; indeed, one evangelist and several Christians were imprisoned for some months on a charge of having forged the deeds concerning their smallholdings."

It was from India that Henry George got his great quotation: "To whomsoever the soil at any time belongs to him belong the fruits of it. White parasols and elephants mad with pride are the flowers of a grant of land."

ECONOMIC INSANITY

In the Country of President Roosevelt

(The following article from the *Colorado Tribune*, 30th June, throws an interesting light upon an aspect of the Roosevelt programme which has not received sufficient attention in this country. Comment on our part is superfluous.)

Below we reprint three dispatches, all clipped from the back page of the *Pueblo Star-Journal* last Wednesday, where they appeared almost side by side.

One of these stories tells of the dire poverty and want prevailing in southern Colorado, and of Gov. Johnson's fear that the starving and desperate populace will have to be fed with BULLETS instead of BREAD. (See below the reference to Martial Law.)

The second story, a Washington dispatch, tells how the BREAD BILL of the nation will be INCREASED ONE HUNDRED and FIFTY MILLION DOLLARS a year by the processing "tax" recently imposed by the special session of Congress.

The third story, from Atlanta, tells of the planters ploughing their cotton under—destroying it—and allowing their lands to remain idle, in order to curtail production and hold up prices. For doing this, the WHEAT and COTTON growers will receive a gratuity of \$3 an acre from the Government, to be paid out of the money raised by the processing tax.

With reference to the first of these stories, Colorado is not the only State where such conditions exist. They exist in every State and other Governors beside Johnson are fearful that they may have to feed the starving BULLETS instead of BREAD.

Yet, in the face of the millions driven to desperation by hunger, \$150 million is to be added to the cost of BREAD, the money to be used to FURTHER INCREASE THE COST OF BREAD TO THOSE ALREADY DESPERATE FROM HUNGER.

In order to make this "processing tax" appear negligible, MISLEADING figures are being circulated through the Press. It is sought to make the public believe that the increase per loaf of bread will only be a fraction of a penny. The fact is that the increase will not be less than two cents per pound loaf, and perhaps more.

One of the most pernicious incidents of indirect taxation is this: that the tax is COMPOUNDED each time the article taxed passes through the hands of a "processor," wholesaler, jobber, retailer, or other middleman. Hence, a tax that starts out as a fraction of a penny, grows as the article taxed passes from one middleman to another, until by the time it reaches the consumer it has been multiplied by five or ten. In other words, while the consumer will pay two or more cents per pound additional for bread, the Government will get only a small fraction of the added cost, the difference going to middlemen en route between the grower of wheat and the consumer.

Aside from that, however, if twelve million Americans are now unable to pay five cents a loaf for bread, is it going to be easier for them to pay six or seven cents a loaf? And if 12 million Americans are now unable to pay 50 cents for a cotton shirt, how many more shirts are they going to be able to buy at 75 cents each?

POVERTY IN SOUTHERN COLORADO

DENVER, Colorado, 28th June.—Desperate want and poverty which might lead to food riots and bloodshed in Southern Colorado were faced to-day by State relief officials. The dire conditions were outlined to Gov. Edwin C.

Johnson yesterday by a committee of citizens from Las Animas county.

Governor Johnson suggested the possible necessity of martial law to cope with the situation which, according to Miss Jessie I. Lummis, executive secretary of the State relief committee, is almost as bad in Pueblo and Huerfano and other southern counties as in Las Animas county.

BREAD BILL TO INCREASE 150 MILLION DOLLARS

WASHINGTON, 28th June.—The bread bill of United States consumers will be increased potentially \$150,000,000 for the 12 months starting at midnight 8th July.

On each bushel of wheat ground into flour after that date a processing tax of 30 cents will be levied to provide funds with which to pay cash benefits to farmers who agree to reduce their acreage for harvest in 1934 and 1935.

Approved by President Roosevelt a formal order proclaiming the tax was issued late yesterday by Dr. R. G. Tugwell, assistant secretary of agriculture, in the absence of Secretary Wallace, who is in the middle west.

A maximum processing tax on cotton will be put into effect on 1st August, the exact amount to be announced later. It is expected to be about four cents a pound.

It will be used to provide funds to finance a programme of reducing this year's cotton crop. A campaign is being conducted through the south this week to win agreements from growers to plough up from 25 to 50 per cent. of their growing fields.

If the wheat tax is passed on to consumers in exact ratio to the per bushel rate this is what it will do:—

Increase the cost of a one-pound loaf of bread .483 of a cent; of a pound of ordinary flour, .704 of a cent; of whole wheat and graham flour, .500 of a cent; of pancake flour, .493.

DESTRUCTION OF COTTON ACREAGE BEGINS IN SOUTH

ATLANTA, Ga., 28th June.—The ploughs of Dixie planters to-day turned under the ground row upon row of cotton in accord with the federal administration's plan to bolster the market by cutting acreage.

Acre after acre of wilted and dying stalks in other cotton fields gave evidence of the co-operative trend. Extension workers said messages received from G. A. Cobb, chief of the cotton production division, indicated there was little doubt that reduction pledged by southern farmers would surpass the 10,000,000 acres deemed necessary to ensure success of the federal plan.

JOHN PAUL MEMORIAL

Friends in all parts of the world have subscribed to the Memorial which is being organised in remembrance of John Paul, making it a very representative tribute from the Henry George movement to one of its greatest servants. The presentation of the Memorial to Mrs John Paul will take place on a date in September to be announced in our next issue. Meanwhile, there is still time for other friends to join who wish to be associated. They are cordially invited to add their names as soon as may be, with any contribution to the Memorial Fund they may desire to give. In this they will greatly assist the Organising Committee in the completion of the arrangements. Communications should be sent to the Hon. Secretary and Treasurer, Mr Fred L. Crilly, 85 Rydal Road, Streatham, London, S.W.16.



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THE FUNDAMENTAL CAUSES OF THE ECONOMIC CRISIS

*Memorandum addressed to the Monetary and
Economic Conference, 1933, by the Inter-
national Union for Land Value Taxation
and Free Trade*

The purpose of the Conference was "to solve the economic and financial difficulties which are responsible for the present crisis." In other words, its object was to find means of restoring to employment the more than thirty million workers whose idleness means privation not only for themselves but also for their fellow workmen in employment upon whom they must depend for support.

The concrete policies which have fallen under discussion may be summarized under the following headings:—

1. To stabilize prices.
2. To raise prices—
 - (a) by monetary means;
 - (b) by limiting supply.
3. To reduce or abolish restrictions on international trade including tariffs, quotas and exchange restrictions.
4. To abolish subsidies.
5. To institute schemes of public works.

The Conference very soon discovered that items (1) and (2) are self-contradictory.

The most populous member and the largest producer (the United States) having embarked upon a policy of raising prices (by monetary means mainly), it became impossible seriously to discuss general stabilization of prices (and consequently of exchanges).

The discussion of item (3) has languished because although each country desires reduction of the tariffs of other countries, none is prepared to reduce its own. The interests in every country which

profit by the existence of tariffs are stronger than their governments.

Adherence to the theory that the solution of the problem is to be found in higher prices militates against the removal of tariffs and quotas whose object is to achieve higher internal prices. Items (2) and (3) therefore are also self-contradictory.

The discussion of item (4) has practically been confined to shipping subsidies. A complete abolition of subsidies involves the removal of indirect subsidies, such as tariffs and quotas.

Any international scheme of public works has been ruled out of practical consideration by the refusal of the British delegates to countenance it. Any scheme of this kind must be purely national and outside of the field of effective decision at the Conference, and it has not been proved that such schemes would result in an aggregate increase in employment. The funds to carry on such schemes must be obtained either by taxation or borrowing; in either case they are subtracted from some other uses, and effect a change but not an increase in demand.

The only branch of the agenda of the Conference which is now being seriously pursued is that relating to increase of prices by limiting supply. The commodities to which consideration has been given include wheat, timber, coal, tin, copper, silver, wine, sugar, coffee, cocoa, and dairy products. Mention has also been made of wool and cotton.

This list includes some of the most important raw materials of industry and foodstuffs of the people. Limitation of supply involves:—

- (1) an increase in costs in industries using these raw materials;
- (2) an increase in the cost of living to the consumers of these foodstuffs;
- (3) diminution of employment.

In fine, the whole purpose of the Conference has been lost sight of. Instead of bending its energies to increase employment, it is devising means to benefit certain groups of producers. Limitation of production will almost inevitably reduce both employment and wages. How can more men be employed if less is produced? The real object of diminishing supply is to increase prices and profits. So far as it succeeds in increasing the purchasing power of producers of these commodities it must reduce the purchasing power of the consumers of them. The aggregate result must be a diminution of employment and not an increase of employment.

Further, the effect of limitation of supply upon the conditions of the particular industry affected deserves closer consideration. If it increases the profits of producers, it will eventually lead to an increase in the toll of economic rent or land value which they have to pay to those who own the land, or, what is economically the same, prevent the diminution of land value which existing conditions would have brought about.

The Conference has evidently failed to achieve the high ideal placed before it by His Majesty the King: "so to use the vast resources of the world as to ensure the material progress of civilization." It now appears to have become a tool for creating international combines and cartels, recognized and

protected by governments, which will have power hitherto unprecedented to exploit the masses of the workers. This betrayal of the trust and expectations of the peoples of all countries calls for explanation.

The underlying principle which appears to have dominated the Conference is the belief that the crisis is due to increased production, despite the fact mentioned by the President in his opening speech that "in 1932 compared with 1929, the production of raw materials had fallen 30 per cent." *The crisis is not a crisis of over-production, but of under-production.* The apparent over-production of one or two commodities is merely the result of the under-production of most others and of the consequent reduction in the quantity of goods which the producers of most commodities have to exchange for the products of these one or two apparent exceptions.*

If the crisis were in fact one of over-production, there could be no possible reason for putting forward public works programmes whose avowed (even if not attainable) object is to increase production.

Nevertheless, there is a connection between the increase in production which took place prior to the commencement of the crisis in 1929 and the crisis itself. Improvements in the technique of production were at that time leading to an increase in production and promised a still further increase in the future. The inevitable result was an increase in the demand for land as a source of raw materials and vegetable products of all kinds, as well as for sites for industrial and commercial uses and for the building of dwelling houses demanded by a rising standard of comfort. While the prices of commodities tended to fall, the value of land increased. Speculation in land values led to the holding of land out of use in anticipation of still higher prices to be extracted from industry. In many cases (in the United States especially) land gambling became rampant and land prices rose to fantastic levels. An increasing share of production went to the owners of land, the producers were unable to obtain the use of land upon terms which would enable them to produce at a profit, and production instead of expanding further became actually curtailed. The crisis was thus caused by land speculation, and was still further accentuated by the tariffs, quotas and exchange restrictions which were imposed in all countries to combat the symptoms of the crisis without attacking the causes.

The curtailment of production reduced the disposable surplus in the hands of borrowers with which to pay their indebtedness. It also led to an insistent demand on the part of producers for protective tariffs in the vain hope that these tariffs would enable them to maintain their rate of produc-

tion. Further, it reduced the funds available for the payment of taxation, which reinforced the demand for indirect and concealed taxation in the form of tariffs and also led to the nominal balancing of national budgets by borrowing instead of out of revenue. The difficulty of discharging indebtedness (private as well as inter-governmental) out of diminished resources in its turn tended to the accumulation of the world's then monetary commodity—gold—in the hands of a few central banks where it became immobilized, resulting in a shortage of available monetary gold and a drastic fall in gold prices of commodities.

The most fundamental and far-reaching cause of the crisis is, therefore, the system maintained by every country of unrestricted private property in land with its concomitant of periodic waves of speculation. To quote from the Memorandum addressed by the International Union for Land Value Taxation and Free Trade to the World Economic Conference at Geneva in 1927: "Modern civilization contains within itself a canker which destroys or frustrates its own progress. The increase of population, the improvement in the technique of production and the march of invention, cause a stronger and stronger demand for land to supply the necessary materials and sites for industry, commerce and agriculture. The more rapid is the growth of population and the development of industry, the more rapid is the increase in the value of land. Speculation and holding of land out of use is therefore most acute just where its effects are most injurious. The result of land being held out of use is to diminish the available supply of something already limited in quantity, and, therefore, to increase the price of what is allowed to be used. The production of commodities of all kinds is then restricted, prices rise,* and there is in effect an increase in the cost of production. The distribution of wealth is also affected, more going to incomes derived from mere ownership, less to active producers."

The failure of governments to take land values for public revenues has not only facilitated and encouraged the speculative holding of land out of use which has deprived millions of industrious men of employment and reduced the earnings of labour generally; it has also deprived society of a just source of public revenue, growing with every step in social progress. This, in its turn, has compelled governments to have recourse to unjust and burdensome means of raising revenue (such as taxes on buildings, and other improvements, tariffs, sales taxes, and many others) which have still further burdened and restricted trade and extorted immense sums out of the scanty earnings of the workers.

The one essential measure which requires to be adopted in each country is to abolish all tariffs and other taxes upon the products of labour and the processes of production and to substitute therefor a tax upon the value of land apart from any buildings or other improvements upon it. This would not only secure for society the values created by society and now appropriated by individuals, but would also

* The most remarkable case of apparent over-production is, wheat. It is admitted (Conference Journal, p. 64 and p. 87) that this alleged over-production amounts only to 2 or at most 4 per cent. Much, if not all of it, is due to efforts (subsidized by governments) in certain producing countries to maintain prices, and the carrying over year after year by wheat pools of large stocks which have hung like a pall over the market. Tariffs and quotas in the consuming countries have also contributed to prevent this so-called surplus from being absorbed.

* This effect (increase of prices) has, however, been masked during the present crisis by the increased purchasing power of gold due to the causes already referred to.

force unused land into use—the essence of land-value taxation being that it is levied upon the full value of land even if unused. This would stimulate production, increase employment, raise wages and lead to a just distribution of wealth.

The International Union for Land-Value Taxation and Free Trade, therefore, once more affirms that no solution of the problems with which the Conference is confronted can be achieved until each nation reforms its own internal economy upon a basis of justice which will give to the individual the right freely to employ his labour upon natural resources, assure to him the full and untaxed product of his labour, destroy special privilege and monopoly, and secure for society the communal value attaching to land by reason of the very existence of society.

On behalf of THE INTERNATIONAL UNION FOR LAND-VALUE TAXATION AND FREE TRADE:—

CHARLES O'CONNOR HENNESSY, *President.*
CHARLES E. CROMPTON, *Chairman of Executive.*
ASHLEY MITCHELL, *Treasurer.*
A. W. MADSEN }
F. C. R. DOUGLAS } *Secretariat.*

94 Petty France, London, S.W.1, England.
25th July, 1933.

Copies of "The Fundamental Causes of the Economic Crisis" printed as a four-page leaflet, can be obtained from our offices. Price 1s. per 100, post free.

The Salford Corporation advertised for a caretaker for the Town Hall. The wages offered were £4 10s. a week, with free lighting and heating for the man's house. There were over 1,000 applications, and many were from ex-Army officers, old public-school boys and men who had held responsible positions in trade and industry and are now unemployed owing to amalgamations, failure and staff-cutting campaigns. *Newspaper Chronicle*, 17th July.

At the Annual Meeting of Covent Garden Properties Co., Ltd., held on 14th July, the Chairman, Mr Philip E. Hill, mentioned that the company's freehold and leasehold properties, on a conservative estimate of present-day figures, considerably exceeded book values. He continued:

"Property developments during the last fifty years or so provide one of the most striking features in the investment world, both from increase of capital value and income. To realize this to the full one has only to think of the extensive properties of the Crown Lands, those owned by the City Corporation and other municipal bodies and big estates in London, such as the Grosvenor, Bedford, Howard de Walden, Portman, and many others; in the provinces, the estates of Derby, Bute, Tredegar—in fact, all town estates. There have, of course, been temporary lulls—in some instances as the result of over-building, industrial depression, and world conditions—but these have always been overcome, and the advance steadily continued."

These landed interests require no World Economic Conference to devise ways and means of raising prices.

"IDLE LANDS: IDLE HANDS"

A supply of a four-page leaflet under this title containing a brief and useful statement of the bearing of the land question on unemployment and some striking illustrations of the withholding of land from use are available for free distribution. Any reader of *Land & Liberty* who can make use of these for distribution at meetings or in correspondence is invited to apply for such quantity as can be effectively used in these ways, which will be sent post free. ON OFFER TO EVERY PROPAGANDIST. WRITE TO OUR OFFICES.

"THOSE LAND TAXES"

We extract the following from a letter by Mr Michael L. Jacobs in *The Saturday Review* (1st July) in reply to an article by Lord Lymington:—

"The Finance Act of 1931 did not provide for a valuation of improved land, but for a valuation of land apart from improvements. Neither was there any provision in that Act to empower local authorities to levy a rate upon land value. There was only provision for the national tax.

"Lord Lymington states that there is no tax that is not destructive of what it taxes, and he goes on to say that Mr Lloyd George's Land Taxes in 1908 (sic) set back the housing and development of Britain for more than half a generation. This statement was answered by Mr Lloyd George himself in the following words: "So far from the Budget of 1909 affecting employment in the building trade, this is how things went. In March, 1909, the unemployment was 13.3; in 1910, 8.9; in 1911, 6.5; in 1912, 6.2; and in March 1913, 4.6; so that unemployment is exactly one-third of what it was in the months preceding the introduction of the Budget of 1909."

"No doubt Lord Lymington jumps to this conclusion because of his erroneous assumption that the land value tax is a tax on improvements, including houses. It may be true that taxation destroys what it taxes, but it certainly will not destroy land, though it may destroy, or rather divert to the exchequer, land value.

"Present local rates and income tax are both taxes upon houses and other improvements, and on Lord Lymington's principle are destructive of these things. Surely he should therefore support any proposal which will exempt these desirable articles from taxation?"

THE PHILOSOPHY OF HENRY GEORGE

By Professor George Raymond Geiger.

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MONEY FOR PUBLIC WORKS

How much goes to the Landowner?

In a striking article in the *Daily Herald* of 25th July, Mr Francis Williams, the City Editor, who has been one of the strongest advocates of public works schemes, points to the tribute landowners have received from the money spent. He now qualifies his advocacy by insisting that such schemes should not be the means of endowing the land monopoly and that the values created by public improvements should go to the community. Adding some cross-heads, we quote:—

"I suggest that the House of Commons ought to ask for a detailed statement of how the £100,000,000, referred to by Mr Runciman, has been expended, including the exact period which it covers and the way in which the money was distributed."

"Judging such things as the Charing Cross Bridge scheme, the information provided in such a balance-sheet might be illuminating, and might provide evidence that in actual fact only a small proportion of the £100,000,000 stated to have been spent has actually gone in wages."

CHARING CROSS BRIDGE

"It will be remembered that the scheme for building a new Thames Bridge at Charing-Cross was to cost £16,865,000. According to an estimate of the expenses of the work made available in evidence before the Committee to inquire into the scheme, out of this total of £16,865,000 the sum of £11,126,000 was to go in the purchase of land, easements and permanent rights, leaving a balance of only £5,739,000 for actual bridge and building construction, for new streets and for rehousing."

ELEPHANT AND CASTLE

"In another case—that of the improvement at the Elephant and Castle in London—in order to do away with the present traffic congestion there, the total cost of the scheme was estimated at £1,970,000, out of which total only £512,000 was actually to be expended on reconstruction, the balance of £1,458,000 going in acquiring the necessary land and easements."

"If these two instances are at all typical, a detailed balance-sheet of how the total of £100,000,000 was spent ought to make interesting reading. They suggest that a very large, and probably the major, proportion of money spent on public works developments, so far from going to provide employment, goes in paying compensation to existing land and property owners."

INCREASED LAND VALUES

"Such figures as these, indeed, raise the whole question of site value, particularly when it is remembered that a new road or other public works of a similar character which improves a district, leads to an enhancement of the site values of all property in the neighbourhood, thus giving a free handsome present to land-owners who frequently are the same people who have been extravagantly compensated in the first place."

"It is possible that such a balance-sheet might further be of value in arousing public attention to the way in which the interests of the community as a whole and of the unemployed in particular are frequently injured by the demands of land and property owners for extravagant compensation based on site values which, in the great majority of cases, have been created not in consequence of the work of the individual owner, but in consequence of that of the community itself."

Other Examples

We have recorded numerous examples of the same scandal that has just had this revealing publicity in the *Daily Herald*. The following are typical of the tribute demanded or paid where land is needed for public improvements and any kind of municipal development.

"THOUSANDS OF POUNDS FOR EVERY YARD"

They illustrate the very emphatic statement made by no less an authority than the present Chancellor of the Exchequer who, speaking in Manchester on 18th October, 1927, said:—

"Everyone who has been concerned in the administration of a great town knows how, when you want to cut a little bit off the side of one of your busiest streets to give a little bit of ease to your congested traffic, you have to pour out money by the thousands of pounds for every yard you snatch for the need of the community."

Excessive Prices

Schemes have had to be abandoned because the landed interests demanded too much. Examples are the Charing Cross Bridge and the street improvements at the Elephant and Castle, the Report of the Economy Committee (which so largely contributed to the downfall of the Labour Government) condemning the expenditure as unwarrantable in the financial circumstances. "We cannot afford to deal with London traffic at this rate of expenditure."

The barrier erected by high-priced land remains. The amenity of London suffers, and at the Elephant and Castle, as at all dangerously congested traffic centres, life and limb are less sacred than the interests of special privilege and monopoly.

WEST LOTHIAN ROAD ABANDONED

On 26th March, 1931, the West Lothian County Council considered plans for a shore road between Bo'ness and Queensferry. The estimated cost of the works was £131,890. In addition, proprietors of land submitted claims for £54,829. Bailie Simpson said the claims for land, etc., were staggering, and on his motion by 26 votes to 24 the scheme was abandoned. The landed interests had demanded as much "compensation" as would have paid the wages of 365 men working for a year at £3 a week each.

BEEWICKSHIRE ROAD ABANDONED

The County Council meeting on 4th February, 1931, wished to widen and renovate a road at Coldingham. Half an acre of agricultural land was needed. The proprietors demanded £150. It was agreed that on account of the high price no further action should be taken.

SCHEMES IN GLAMORGAN HELD UP

In an interview published by the *Daily Herald* of 12th June, 1930, Alderman Jenkins, Chairman of the Glamorgan County Council, stated that three "schemes of work" put forward by the Council involving an expenditure of £5,000,000 had been definitely held up by the difficulty of obtaining land for the development and extension of road work.

Items for a Balance Sheet

In his article in the *Daily Herald*, Mr Francis Williams asks for a detailed balance sheet of how the total of

£100,000,000 was spent. The following cases, being some of those where details were got, will be helpful. See, for the first four, the answers given by Mr Herbert Morrison in the House of Commons, 27th March, 1931.

SWANSEA

Street Widening. The total cost was £135,000, and in that was included £35,000 compensation for land and easements.

LIVERPOOL

Extension of Queen's Drive and widening various sections. The landed interests received £16,887 out of the total expenditure of £168,697.

HAMPTON COURT BRIDGE

This is one of the new Thames bridges just opened by the Prince of Wales. The bridge and new road to Esher Road cost £445,000, of which £80,000 was for compensation to landed interests.

LAMBETH BRIDGE, LONDON

The total cost was £339,000, of which £102,500 had to be spent in compensation for land, easements, etc.

In this and all like cases, the tribute that must go to the landed interests before the improvement can be undertaken is only one side of the picture. The other side is the gift of the increased value of land benefited by the improvement after it is made.

The effect of the Lambeth Bridge in endowing the land monopoly was apparent. The *Daily News* of 20th March, 1930, reported that the Duke of Westminster had received approximately £1,000,000 for eight acres of the Grosvenor Estate just sold on the main route between Victoria Station and the new Lambeth Bridge. The *Times* of 19th March, 1930, pointed the moral. The whole of the neighbourhood had been undergoing great development, "but it is the building of Lambeth Bridge that has stimulated this land development and has so enormously increased neighbouring values."

THE BATH ROAD

Between the Great West Road and Colnbrook. From Mr Herbert Morrison's statement (House of Commons, 10th February, 1931), the cost was £171,500, and of this £42,000 was the cost of acquiring land and compensation.

MANCHESTER STOCKPORT ROAD

As reported in our columns, September, 1929, the Manchester Corporation approved the extension of a by-pass road from Stockport to Fallowfield at a cost of £667,000. The sum included £117,000 as compensation for land. Work was to be found for 450 men for five years.

The Landlord Tribute

From the six cases above given we are able to "strike the balance" showing how the money went.

It is officially stated that for every £1,000,000 spent on unemployment schemes, work was given equivalent to the employment of 2,000 men for one year.

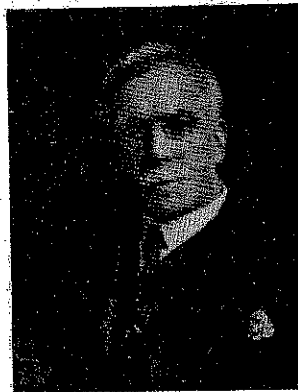
The schemes above mentioned, costing £2,424,200, represent, according to this official formula, one year's work for 4,848 men.

Assuming the wages to be as much as £130 a year per man, the wage bill would be £630,240.

The compensation paid to a handful of people for neither work nor material, but merely for standing aside that the work might proceed, was £493,300.

Property interests received a ransom of £102 for each man employed for a year in the construction of these roads and bridges, apart from the very much larger endowment in increased values of adjoining land benefited by the improvements.

PORTRAIT OF JOHN PAUL



Finely executed photographs of John Paul have been specially produced by Messrs Swan Watson & Co., the official photographers at the Edinburgh International Conference, 1929.

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The land question means hunger, thirst, nakedness, notice to quit, labour spent in vain, the toil of years seized upon, the breaking up of homes, the misery, sickness, death of parents, children, wives, the despair and wildness which spring up in the hearts of the poor when legal force, like a sharp harrow, goes over the most sensitive and vital rights of mankind. All this is contained in the land question.—*Cardinal Manning*.

Mr Ernest Brown, Secretary for Mines, said in Parliament, on 20th July, that the number of wage-earners employed at British coal mines during the week ended 1st July was 765,000. This was 3,100 fewer than a month ago, 3rd June, and 34,000 fewer than a year ago.—*Daily Herald*, 21st July.

The St. Pancras House Improvement Society is appealing for £28,000 to buy a building site of 1½ acres in Somers Town. (*The Star*, 5th June.) This works out at over £25,000 an acre.

In recommending the ordinary shares of Associated London Properties Limited as a "promising look-up investment," the *Evening Standard* (24th July) says: "As commodity prices improve property values will move to higher levels. Already there are signs of a strengthening in many sections of the Property Market, and several property companies are showing better figures. Associated London Properties is among the undertakings which will benefit substantially from a rise in property values in the London area. It has considerable holdings in the Haymarket-Waterloo Place area, in Westminster and Millbank, Hampstead, and in Tottenham Court Road."

FORM OF BEQUEST

I bequeath (free of duty) to the United Committee for the Taxation of Land Values, Limited, the sum of £ and I declare that the receipt of the Treasurer or Treasurers for the time being of that Company shall be a sufficient discharge to my Trustees, who shall not be concerned to see the application of such legacy.

THE LAND VALUE INHERENT IN AGRICULTURAL LAND

By Capt. Arthur R. McDougal

It is a matter of regret to many economists, students of land values, business men and many farmers that Lord Snowden's Land Values Taxation Act of 1931 excluded agricultural land from its scope.

The question at once arises—Why was this done and were the reasons for its exclusion sound?

The principal reason alleged seems to have been that there was no land value whatever in agricultural land and its value was due wholly to improvements. This was urged from so many quarters in Parliament and outside that it appears to have been partly accepted. The other alleged reason appears to have been that agriculture could not bear any more taxation.

As regards the first reason, unfortunately the landowners are almost the only people connected with agriculture in the House of Commons and practically no genuine tenant farmers are in the House to present the other side of the case. It is appropriate, therefore, that the idea that agricultural land has no real value, apart from capital improvements, should be examined by one who is a practical farmer of over 30 years' experience.

GRAZING LAND

To begin with, take an actual case of good moorland grazing, and assess all the capital improvements on it at the cost of replacing them to-day new, which is vastly greater than the cost originally, and greater than they are worth now.

They are as follows, valued at full present cost now:—

	£
(a) Ring fence, adjoining owner bears half cost, leaving 7,000 yards at 1s. per yard	350
(b) Surface drains, 80 miles at £3 per mile	240
(c) Cottage, byre, peat shed, etc.	800
(d) Hay shed	100
Total cost of improvements	£1,490

Let it be noted that this is the maximum cost and it is assumed that the landlord has incurred the whole of it. As a matter of fact the whole of the drains and half the cost of fencing was paid by the tenant. The hay shed also was provided by the tenant, so the landlord's actual expenditure was only £975.

Interest on the above maximum figure of £1,490 at 5 per cent comes to £74 per annum and on the real landlord's outlay to only £48 per annum.

Against the above annual charges one now sets the rents as follows:—

	£
Grazing rent paid by farmer	350
Shooting rent, variable but minimum	50
Total annual value	£400

If we deduct the maximum annual interest on Capital outlay shown above of £74, we are left with a **REAL LAND VALUE** inherent in this grazing of £326 per annum.

It may be argued that the farm is not worth the rent of £350 to-day. That is so, but it was worth it up to 1932, and the tenant being bound by his lease will have to pay it for several years yet.

MIXED ARABLE AND GRAZING LAND

Let us now examine an actual case of mixed arable land. This is a well-equipped farm of about 1,000 acres arable land and grazing land in addition. There are 11 cottages on it and many miles of walls, fences, a good steading and farm house. Over the last 80 years the tenants have paid to the landlord more than £70,000 in rent. Most of the capital equipment was provided by the tenants (father and son) out of farm profits and the total expenditure by the landlord over the 80 years has not exceeded £3,000, which could have been easily met out of rent received. Much of this expenditure by the landlord and the tenants has, of course, depreciated greatly, but taking 5 per cent

on the landlord's total expenditure gives us a total annual charge for capital, allowing no depreciation, of £400. This would in any business by now have been written down to half, but let us take it at full and imagine it is fresh capital. The rent of the farm has varied but has averaged about £900, which it is now.

We, therefore, see that this farm has a real land value of at least £500 valued on the basis of the present rent.

It is admitted that for the last two years it has not been worth that rent but even in these times the farm would still fetch about £600 if offered to let, so we have even now a land value inherent in this farm of at least £200, valuing the farm in the present great depression at 30 per cent, less than it has been rented at for 60 years.

These two actual cases may be taken as fair samples to show that, honestly calculated, there is no truth in the assertion that there is no true land value in agricultural land.

PRICES OF FIELDS

Let anyone inquire into the prices made in their district of any fields which have been sold, with no buildings attached and they will at once note that there is great inherent value in bare land, even if one allows a big value on the drains which may be there.

IMPOSSIBILITY OF DEFINING AGRICULTURAL LAND

Apart from these matters it is impossible in practice to make a definition that will distinguish agricultural from building land.

Recently, as a member of a Public Health Committee of the County Council I spent the afternoon with the Committee looking for a site for a housing scheme of eight houses in and around a small village of about 800 inhabitants. All the land belonged to two landowners and wherever we suggested a site the price was £300 an acre on the road, and not less than £200 an acre in the back areas and right out in the open.

Here, wherever we went, as elsewhere, the owners in practice make no distinction between agricultural and building land, but simply say: "Wherever you want to build is building land and £200 is the price." The advent of the Taxation of Land Values would change all that and this land would tumble to £20 an acre for building or less.

THE TOLL OF RENT

In order to get an actual picture of the burden of rent on agriculture I recently made a graph of a big farm over a period of the last 30 years. I found that for the 14 years preceding the war the division of profits was as follows:—

	£
Rent for permission to use land, paid to one man	900
Wages for 16 men and women for six days' work a week	700
Profit for the farmer for his work, management and return on his capital which equalled two-thirds of the landlord's capital	350

During and after the war this was changed to a fairer basis and the wages came to about £1,600 and profits to about £1,000. Now with the depression things are tending back to the old division and worse, the division for this last two years averaging as follows:—

	£
Rent for one man	900
Wages for 14 men	1,200
Profit for farmer, being a loss of	—300

The above instances and averages are given to show that even in these depressed times the landlord still receives an enormously disproportionate land value from his agricultural land and that a land values tax on it would be no burden on real agriculture, but would merely be a taxation of the unearned fortuitous increment accruing to the owner.

Last year, in the case of a big arable sheep farm selling over 2,000 sheep and lambs per annum, the rent charge per head of sheep sold was 8s. whilst the average price

obtained was only 20s. 2d. per head. Over the whole farm, rent took more than one-third of the total produce sold.

VALUE OF BUILDINGS

There are, of course, plenty of examples where a wealthy faddist has spent a sum far exceeding the present value of the whole farm. This has been spent on extravagant equipment and buildings, etc., quite out of proportion to the farm.

Further, in any case in which the whole farm is worth less than the amount spent within, say the last 20 years on improvements, it is not reasonable to say that the land has no value and to credit the whole value to the buildings. In many cases it is the buildings that have little value as revenue producing subjects.

WHAT LAND VALUE TAXATION WOULD DO

As regards the effects of the Taxation of the Land Values of agricultural land: First, it would reduce the capital value of land, which would be an inestimable boon to real agriculture, since it is the money spent on improving a farm and not the money paid for the land that is important. When the tenant, buying his farm, pays a big price for the land he is hampered with debt and has less money to spend on actually reconditioning his farm.

Secondly, the man who improves his farm would not be penalized by higher rates and taxes, and would be encouraged thus to improve. On the other hand the man who did no improving would still have to pay as much as if he did improve.

It is part of the land value taxation policy that as the land values tax is imposed other taxes should be remitted, so that it is possible that the improving farmer or landlord would actually pay less total taxes under the land values taxation than he does now.

Finally, to show the folly of our present system I will quote an excerpt from the instructions given by the County Councils of Roxburgh, Berwick and Selkirk to their Chief Constable as follows:—

"That the Chief Constable be requested to instruct his officers to report to him, with a view to the information being communicated to the County Assessors, the erection of any new buildings and the alterations and additions to existing buildings which they may observe."

Under our present wonderful system the County Assessor would proceed to *FINE* those who had made improvements by imposing more *RATES*. What a job for the police! Yet it is necessary under our present system.

The complete answer to the contention that there is no land value in agricultural land is simply this: If there were none, why are people so anxious to buy land? True, they will not pay the wild prices still demanded in spite of the slump; but there is an enormous demand for agricultural land at prices far in excess of anything that would be paid for any asset in any other industry.

CAN AGRICULTURE AFFORD TO PAY A LAND VALUES TAX?

This is the second reason given for excluding agricultural land from the Land Value Taxation Acts, and on examination it is seen to be unsound.

A tax on *RENT* is not a tax on agriculture at all. Rent itself is the heaviest tax on agriculture and it makes no difference to the tenant farmer how much of the rent is taken in taxes. It certainly does not adversely affect agriculture or the farmer. One will be told that the landlord will not be able to provide maintenance or fresh capital equipment if he is taxed further. The answer is that, except in isolated cases, he never has provided adequate maintenance or adequate new equipment and that the tax will not, say cannot, make him do much worse.

When rents were high and taxes were low then we ought to have seen landlords improving their farms. But that was not done, as anyone can see by noting the state of farms now.

There is no reason to believe that fresh prosperity or subsidies, etc., would make any alteration to the landlord's outlook, which simply is to spend nothing unless compelled.

In this connection one must consider the vast amount

of public money now being poured into the landlord's pocket. Here are a few of the items:—

- (a) Wheat Quota, £6,000,000 per annum.
- (b) Beet Sugar Subsidy, £4,000,000 per annum.
- (c) Derating of Agricultural Land, £10,000,000 per annum.
- (d) Remission of Increase on Death Duties, £500,000 per annum.
- (e) Free grant of two-thirds of the cost of repairing farm cottages.
- (f) Free grant of £2 per acre for clearing old woodlands.
- (g) Free grant of £4 per acre for planting up same.
- (h) Free grants of from 30 per cent to 50 per cent for drains, roads, and water supplies.
- (i) Proposed new monopolies under the Marketing Acts and Schemes.

In addition to these, the free provision of research and agricultural education is in itself a huge subsidy to landowners who ultimately reap the whole benefits of these in higher rents or land prices.

At present not only have we to pay rackrent and price for any land required, but that in addition a daunted Parliament votes public money to pay for the great bulk of the landlord's outlays and relieves him of most of his taxes and rates.

WHAT SHOULD BE DONE

1. Tax all land values.
 2. Repeal all subsidies to industry or landed interests.
 3. Repeal all protectionist devices—quotas, etc., and leave the richest asset in the country to make its own way.
 4. Apply the proceeds of land value taxation to the relief of other taxes, and begin by derating houses entirely.
- Until these things are done agriculture and industry can never thrive. The remittance man is always an acknowledged failure and the agricultural landowner is the greatest remittance man in Britain. Protection means instability.

Within five years of the adoption of the above policy, agriculture and industry would be on a sound and healthy basis, with *RENTS* and *PRICES* of land reduced to a level at which agriculture and industry could thrive.

The bankrupt estates which, like moribund corpses, poison and damage whole districts would be sold up and would be in new and better hands.

The relief of the householders from rates would enormously increase their purchasing power which would increase consumption and thus benefit both industry and agriculture.

Deflation of Land Values, increased purchasing power of the masses and lower costs of production should be the aim and not artificial inflation of Food Values and Land Values.

An illustration of the current trend towards monopoly and restriction is afforded by the fact that National Shipbuilders' Security Limited, when it acquires and closes "redundant" yards, re-sells the sites subject to a covenant restricting them from being used for shipbuilding for a period of 40 years.

At a conference of local authorities of the North-East Coast held at Newcastle-on-Tyne on 25th July, a resolution was passed expressing the opinion that this policy would cripple industry, and urging the Government to make it illegal. Councillor Holmes, of Tynemouth, according to the *Daily Herald*, gave one instance in which the plan was applied to a shipyard formerly employing 1,700 men.

The world's shipping figures which we publish to-day make melancholy reading. There was a net decrease of 1,814,125 tons during the year ended June last, following a decline in the preceding 12 months of 396,750 tons.

This is a reflection of the world crisis and the catastrophic effect of tariffs, restrictions, and the other trade-destroying devices employed by practically all the nations of the world, including our own.

Empty ships. Idle docks. Deserted coal mines. Tariffs displace far more labour than they employ.—*Daily Herald*, 19th July.

THE ONLY WAY

By H. G. Chancellor

Utter despair all over Europe has produced revolution and destroyed liberty and its one safeguard, representative institutions. Behind protective barriers, Governments are run by organized interests for organized interests. The people are plundered that the privileged may prosper.

Thirty millions of unemployed workers in civilized countries mean, with dependants, more than one hundred million persons living, so far as they are kept alive, on those in employment, a population over three times that of Great Britain. Their very existence threatens the employment and lowers the earnings of those by whose work they live. Standards of living are going down, and trade unions are powerless to prevent or do more than slightly retard the operation. Standards of luxury and ostentation are going up, as the daily paper accounts of society functions, especially charity functions, and even of successful burglaries, prove.

Experts from all countries again and again in Economic Conferences have declared more freedom to be the only hope of recovery. The statesmen at home, dominated by organized interests, ignore their own experts. Raising barriers higher and higher has reduced international trade to less than one half. It has thereby multiplied workless citizens, increased prices, cut wages and put workers at the mercy of masters.

RESTRICTIONS ON TRADE

Economists, in seeking remedies, find all sorts of secondary causes and propose all sorts of cures—currency, credit, rationalization, technocracy, shorter hours, compulsory restriction of output, banking reform, etc. What they will not face or mention is the primary cause from which these secondary ones flow, the robbery of the worker for the enrichment of the landowner. Whilst this continues, its effects will follow, mitigated, perhaps, in some aspects and in some degrees, by changes of season or fashion, by new invention or discovery leading to new industries and new employments, but never remedied till the cause is removed.

One tendency of restraints on trade is to foster big business combinations and monopolies, and to crush small traders, reducing numbers of free citizens to the status of employees. With these restraints the big man can more easily eliminate his small competitors and increase prices and profits without increasing output. That is why the Federation of British Industries is protectionist almost to a man. The consumer pays every time.

Another tendency is to send up the price of land, and thereby take from land users, which means everybody, an increasing proportion of their product, to give to landowners who, as such, produce nothing at all.

Capital is only a form of labour, and in natural conditions would prosper as labour prospered and lose as labour lost. But in the artificial conditions now obtaining, the interests of landlords and capitalists, which are naturally hostile, get merged; and unite to keep down wages, and to share all the surplus above the minimum below which labour cannot or will not produce at all. That is why those who control our Press and by their wealth get returned to the House of Commons and control legislation prevent the people from knowing the facts, and the legislature from dealing with them.

Depressed wages mean shrinking demand, first for goods, then for labour, as goods not bought cease to be produced, and workers cease to be employed in making and distributing them.

Let me give a few facts to show how inevitably every restraint on trade and every improvement in human amenities robs the worker to enrich the idler.

HOW LAND VALUES RISE

Agricultural legislation just passed aims at protecting the farmer by raising prices. Price raised above its natural limit robs consumers of all the excess. It is theft legalized. For a time the proceeds go into the farmer's pocket. But not for long. Raised prices of produce soon mean raised rents for landlords or raised prices for farms. Of the extra wage spent on butter, cheese, bread, meat and

vegetables the ultimate thief is not the farmer, who at least supplies them, but the landlord who does nothing, but merely, as "owner," pockets it.

The Corn Production Act ruined hundreds of farmers or loaded them with debt. But it put millions into the pockets of landlords.

The invention of the motorcar at first sight seems to have no relation to land values. But it has compelled the construction of hundreds and the reconstruction of thousands of miles of roads at a cost to the public of millions of money. By creating frontages, and by turning remote farming land into sites of "desirable residences" which the motor car has brought within easy reach of town, it has multiplied prices by ten, and even more.

Even flying has created demand in places before valueless because inaccessible, and enriched happy owners without effort on their part at the cost of users. As flying develops it will make bits of unpriced desert financially "blossom as the rose."

EFFECT OF PUBLIC IMPROVEMENTS

Of course, public money paid for land bought for public improvements taken from tax and ratepayers and given to owners is a mere fraction of what it enables them to charge extra for adjoining land not bought. By-pass roads through agricultural land have sent up prices from £50 to £1,000 per acre. This is as much a public creation as the road itself, made by all and given to some.

During the last twelve years the Middlesex County Council has spent £8,000,000 on buying land and making arterial roads, and increased the value of adjoining land by not less than £15,000,000, enabling owners to charge these millions more for using their own creation to the very people who made it.

The illustrations given show how, even in times of deep depression, the public sow and the landlord reaps a constantly increasing proportion of the total wealth produced, how public acts and private inventiveness alike crystallize in land values. The power to absorb these is a strong inducement to create artificial scarcity by extortionate monopoly charges for unused or underused land whenever required for better use, especially by public authorities. Hence the failure of housing, allotment and smallholding schemes, and the prevention of needed improvements that would keep workers busy.

LAND VALUES ARE SOCIAL VALUES

What is true of these additional values is equally true of the values existing before. These values represented the sum total of advantage their holders possessed over that of land at the "margin of cultivation," i.e., so poor or so badly situated that nobody would pay rent for it. The value inheres in the land itself, whether used or not, and irrespective of the kind of use to which it is put. It is as much a gift of nature as air or sunshine. All values of land are determined by the needs of the community, whose requirements cause demand, which fixes price or rent. An individual can by improving create an improvement value, something he has made. But no individual can create land or give it value. That can only arise when two or more require or desire it; so that land value is purely the creation of society, i.e., of the community. Any reservation of it to one member or one section is a withholding from the rest of what all have made, and to which, therefore, all are entitled.

In equity every acre should be valued and its value should go to the community.

The assessment and collection of economic rent would be done by the taxing department, and the method is known as the Taxation of Land Values, though its nature and effects are the opposite of present forms of taxation which hamper production of goods, buildings and improvements and, by making them dear, decrease their purchase and use. On the other hand, taxation of the values of land not only promotes but actually enforces production, by making the non-use or inferior use of land ruinous.

UNUSED LAND

Few have any idea of the extent to which the land of Britain is either not used at all or devoted to sport or game, or left derelict, producing no wealth and employing no

labour. The area of Great Britain is 56,205,688 acres. Of this, less than 5,000,000 are covered with buildings, including gardens and yards attached, and only 30,677,699 acres in crops and grass. This leaves over 20,000,000 acres, more than one-third of the whole area, "waste or rough grazing," i.e., uncultivated. Some, such as mountain tops, may be uncultivable; but surely nothing like one-third of the total area of this island.

With recent scientific advance, millions of acres now "waste or rough grazing" could be turned into good pasture. Rothamsted, Cambridge, and other experimental stations are producing hardy wheats and grasses that flourish where such things never grew before. Quite recently a bleak Welsh hillside produced a fine crop of nourishing grass.

In 1898 Kropotkin published *Fields, Factories and Workshops*, a scientific inquiry into possibilities of production. He wrote: "Taking the powers of man over the land and over the forces of nature—such as they are at the present day—we can maintain that two or three inhabitants to each cultivable acre of land would not yet be too much."

PLENTY FOR ALL

Thirty-five years of further study and experiment have seen immense strides in "the powers of man over the land and over the forces of nature," incidentally smashing to pieces the theory of Malthus.

Comparing spade with machine culture, Mr Dawson, of Wymondham, wrote in the *News-Chronicle* of 23rd May, 1932: "For the last quarter of a century I have been getting a decent living for four or five adults from one acre of land, and that not of the best." Properly worked, the land of Great Britain would feed her 45 millions and many more with her own agricultural produce.

Under operation of this land value policy, requiring payment of the rent or value of land whether used or not, all land suitable for cultivation would be opened to the cultivator, including huge private parks, fox coverts, game preserves, and even moors. This would encourage migration from the over-crowded towns and the people so settled on the land would in their turn by their demand for goods provide so much more employment for those who remain in the towns.

Under the same pressure the difficulty of obtaining land for smallholdings and allotments would disappear, and the tens of thousands who, after waiting for years, have given up applying in despair, would get their chance to settle on the land.

Moreover, speculation in land to hold for a rise would come to an end. Building sites taxed at their full value as building land could no longer be kept idle without ruin. They would be put to the use for which they were best fitted, covered with the kind of buildings to which the sites were best suited, factories to employ and homes to house the workers, at economic rents they could afford.

That is the only way to solve the problems of housing and unemployment.

BENEFITS OF LAND VALUE TAXATION

As land values would take the place of rates and taxes, these would be needed no longer. Their abolition would give further impetus to trade, and therefore employment.

House rent, freed from oppressive rates, and living, freed from oppressive taxes, would be cheaper. The worker would get full value for his wages.

With his own produce to consume or to exchange, the weapon of starvation would disappear, and currency, banking and other problems need trouble him but little.

His share of land value that now, by draining into the pockets of non-workers, creates the scandalous contrasts of wealth and poverty, palace and slum, park and back-yard, would come back to himself in the form of public services. Monopoly in land being the basis of all monopoly, the employer, as capitalist, could only get the wages of capital, and as manager the wages of management. Great fortunes could only be earned by great service, not accumulated by monopoly.

In time wealth would come to be distributed, not equally, but equitably, according to each worker's character, capacity and industry.

Being free to employ himself he need never be out of

work, nor, when working for another, need he accept wages less satisfying than he could secure on his own. In other words, he could bargain with employers on equal terms. No man could exploit him but by his own consent. For the first time in history, within the limits of citizenship, the working man would be a free man.

In an obituary notice of Sir John Ellerman, who was reputed to be one of the richest men in Great Britain, *The Times* (18th July) refers to the fact that he was not only interested in shipping, but was also "concerned in vast real estate transactions in both the City and West End of London." The most recent real estate transaction in which Sir John Ellerman's name was mentioned was the sale of the ground rents and reversions on over 78 acres in Earl's Court. This property was sold 30 years ago by Lord Kensington for £565,000 to the late Lord Iveagh. In 1930 the Iveagh Trust sold the property to Sir John Ellerman and the Audley Trust. The property was again sold early this year. Another large transaction was the purchasing by Sir John Ellerman, in 1929, of 14 acres of the Cadogan and Hans Place Estate in Chelsea.

Credit and debt grow together. No credit can be given without the creation of debt; they are merely different names for the same thing. It is surely a very short-sighted policy which would seek to offset the evils of a past speculative boom and a past creation of unsound debt by creating a new speculative boom and new gigantic volume of unsound debt. — *Economic Bulletin* of the Chase National Bank, New York.

Nearly 36 acres at Norbury, forming part of the North Surrey Golf Course, was sold recently at the London Auction Mart for £51,000. The property is described as ripe for building.

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NEWS OF THE MOVEMENT

THE UNITED COMMITTEE FOR THE TAXATION OF LAND VALUES, LTD. Secretary: A. W. Madsen, 94 Petty France, London, S.W.1. Assistant Secretary: E. C. R. Douglas. Hon. Treasurers: W. R. Lester and C. E. Crompton. (Telegrams: "Eulas, Sowest, London." Telephone: Victoria 4308.)

One of the main activities at the office during the past month has been to prepare and issue on behalf of the International Union for Land Value Taxation and Free Trade the Memorandum to the Monetary and Economic Conference, the text of which appears on other pages. The moment for this approach to the Conference was well chosen, coming as it did at the end of deliberations that have been altogether barren. The document explains the reasons of the breakdown and asserts clearly the policy that Governments ought to adopt if they seek to remove the causes of the business depression and industrial unrest. It was posted to the Delegates in time for their Final Plenary Session, as well as to Liberal and Labour Members of Parliament, and has been widely circulated to the Press. Our readers who can make effective use of it by distribution in their own localities are invited to obtain copies, available at the price of 1s. per 100, post free.

The continuous flow of correspondence to the office from all parts is indicated in these figures, which refer to the month between 24th June and 24th July. The letters received, asking for information or special instruction or applying for literature numbered 262, and a corresponding number of letters with the desired books or pamphlets were dispatched. There is also the demand for the literature through the bookselling trade and the sales over the counter. Altogether during the month 1,081 books by Henry George and 1,990 pamphlets were sent off to their destination, to make, it is hoped, new adherents for the movement.

The new edition of *The Condition of Labour* is in preparation. We are anxious to have it published at an early date as the former edition is now almost exhausted. The edition will make 5,000 copies. It will embody new features that will add considerably to its value as the book which deals more particularly with the moral aspect of the Henry George philosophy. An introduction explains how the book came to be written, as an open letter to Pope Leo XIII, and the part played by Dr Edward McGlynn as a protagonist in the Single Tax campaign. Dr McGlynn's own statement defending his attitude will be reprinted. The book will also contain a considerable part of the historic Pastoral Letter of Dr Nulty, the Bishop of Meath, a letter that is the more remarkable in that it was written (in 1881) before Dr Nulty was acquainted either with Henry George or *Progress and Poverty*. A comprehensive Index, incorporated in *The Condition of Labour* for the first time, adds the finishing touch to this new edition, which we are sure will have a most ready welcome. The Henry George Foundation are rendering another signal service to the movement in this new issue. The book will be on sale, in binding uniform with the other publications of the Foundation, at the price of 1s.

The Social Gathering held at the office on the evening of the 5th July was a very successful and profitable event. Our guests were Mr and Mrs M. Wilson from East London, South Africa, and Miss Agnes George de Mille who, after spending some time in London, was about to depart for Copenhagen. It was not an evening for speeches, but rather for conversations and the making of acquaintances. Yet there was an informing discussion on the practical adoption of land value rating in East London and the adjoining municipality of Cambridge—an achievement due to the efforts of a small band of earnest men of whom Mr Wilson was one. Mr Madsen, who presided, recalled from personal experience the beginnings of the campaign in the years 1904 to 1909, which afterwards, so ably led by Mr E. J. Evans, bore fruit in the carrying out of the policy both in East London and Cambridge. The discussion also ranged over the progress of the movement in the Transvaal and the rest of South Africa. The evening concluded with a commission to our guests to convey fraternal greetings to the co-workers in the countries to which they were

bound—Mr Wilson to the Cape Province, and Miss Agnes George de Mille to Denmark.

The next Social Gathering will be held on the evening of Thursday, the 31st August, our guest being Prof. H. W. Roman, of Los Angeles. Prof Roman passed through London during July on his way to Germany and Russia, and on the 31st August he will speak of his experiences in these countries. Among other visitors at the office from overseas was Mr Ben Marsh, of New York City.

ENGLISH LEAGUE: Frederick Verinder, General Secretary. (Note New Address): 7 St. Martin's Place, Trafalgar Square, London, W.C.2. (Phone: Temple Bar 7830.)

18th July. Rotary Club of Wimbledon: Andrew MacLaren.

23rd " Meeting on Wimbledon Common: Leon MacLaren and other speakers.

28th " Pelham Road, Wimbledon: Open Air Meeting.

30th " Wimbledon Common: Open Air Meeting.

1st Aug. Portsmouth Liberal Federation (open-air meeting): W. R. Lester, M.A.

The many London members of the League who worked for the Wimbledon campaign of 12 open-air meetings followed by a Demonstration on Wimbledon Common (on 16th July) did their utmost to deserve success, but, unfortunately, they could not ensure fine weather for 13 days, and some of the meetings were spoilt by heavy rain. Names and addresses of many interested persons were taken and much literature was distributed or sold, including a leaflet *Idle Lands*; *Idle Hands* supplied by the United Committee. The question of forming a Wimbledon Branch is under consideration. Local readers of *Land & Liberty* are invited to communicate with the General Secretary of the League.

The Executive highly appreciate the help given to the League by the very hard work put in by Miss Joyce Gardener and her colleagues of the Propaganda Sub-Committee in connection with this interesting experiment.

A bye-product of the widespread distribution of circulars and handbills in Wimbledon was an invitation to supply a speaker to the local Rotary Club. Mr Andrew MacLaren addressed an interested meeting on 18th July.

A circular offering speakers to political and other organizations will shortly be widely circulated. Readers of this journal who are members of societies which organize courses of lectures are asked to seek an invitation for one of the League's speakers. Invitations from Ratepayers' Associations will be specially welcome.

Miss R. Lapin attended the National Peace Congress at Oxford as delegate from the League, speaking at the meetings as suitable opportunities arose, interviewing other delegates and making many new "contacts."

Mr Andrew MacLaren had striking letters in the *Manchester Guardian* (17th and 26th July, 1933), and Mr Chas. Bevan a letter in the *News-Chronicle*. Members should note that, during the holiday season, it is usually comparatively easy to obtain entry to the correspondence columns of the Press.

The General Secretary will be absent on holiday from 5th August to 22nd August. Mr Munn, Assistant Secretary, will be in charge of the office during his absence.

MANCHESTER LEAGUE: Arthur H. Weller, J.P., Secretary, 4 Piccadilly, Manchester (Phone: City 5527.)

Meetings have been addressed by the League's speakers as follows: Littleborough W.C.G., Mrs Gatterall; Buxton W.C.G., A. H. Weller; Alexandra Park Gate, (three meetings), E. M. Ginders, D. J. J. Owen, W. Withington, E. E. McClafferty and A. H. Weller; New Mills Labour Party, A. H. Weller.

The response to the League's recent circular offering to supply speakers is gratifying, and a busy winter season is to be expected.

An article entitled "Where Poverty is Unknown," written by Mr Ginders, has been sent to a number of

Lancashire newspapers. The "happy land" referred to is Lord Howe Island.

Particulars of the lands administered by the Ecclesiastical Commissioners were given in an article recently published by the *Manchester Guardian*. The Church of England was said to be one of the largest landowners in the country, its estates consisting of about 250,000 acres, for the most part in and around London. Some part of the income of £1,000,000 derived from this property is drawn from slums. The article led to a discussion in which the Church was attacked and defended. In two letters the Secretary maintained that neither the Church nor an individual could have a moral right to appropriate ground rents, either from slums or other areas. The challenge was not met.

An article written by the Secretary, entitled "A Thirty-million pound Palliative," has been printed in the *Stockport Express*, the *Bolton Citizen* and the *Clitheroe Advertiser*. Letters have also been inserted in the *Chorlton News* and the *Barlow Moor Advertiser*.

On Saturday, 22nd July, Mr Harold B. Hobson, President of the League, gave a Garden Party at his residence, Park Hall, Little Hayfield, which is situated in one of the most beautiful parts of Derbyshire. Favoured with perfect weather conditions, there was a large attendance, including many new friends. Mr Hobson makes it a condition on these occasions that a charge shall be made for tea and the entire proceeds given to the League's funds. Before the party broke up a very hearty vote of thanks was accorded to Mr Hobson.

YORKSHIRE AND NORTHERN LEAGUE: F. Skirrow, Secretary, Compton Buildings, Bow Street, Keighley.

Meetings have been addressed as follows: P. V. Oliver, W.C.G., Armley; William Thomson, Council of the Federation of Liberal Clubs, Leeds District; the Secretary, Members of the Society of Friends, Keighley; and the Debating Society at the Tokio Café, Bradford.

Press Work.—J. W. B. and the Secretary have had several letters in the *Yorkshire Observer*, and "Impot Unique" in the *Keighley News*. The Secretary has had letters in the *Yorkshire Post* and the *Accrington Observer*.

Six hundred circular letters and leaflets have been sent to Secretaries of Political Societies and Co-op. Guilds. Demand for literature is good, an order having just come from a Durham W.C.G. for 100 copies of Henry George's *Protection or Free Trade*.

An excellent report of the Annual Meeting of the League appeared in the *Keighley News*, and shorter reports in other newspapers in Sheffield, Leeds and Bradford.

MIDLAND LEAGUE: Chapman Wright, Hon. Secretary, 20 Cannon Street, Birmingham 2.

The increase of land value, which accompanies the growth of population is well illustrated in Birmingham by the case of the King Edward Foundation. Influenced by the stimulus given to educational matters by the revival of learning, the citizens of Birmingham, says Mr H. G. Smith in his jubilee book, appealed to Edward VI for a restitution of the Gild Lands. The appeal met with a sympathetic hearing, with the result that in 1552 there was a grant made to the city of about 125 acres of the Gild Lands, with an annual income of £21, "for the foundation of a grammar school in Brymcham, with twenty of the more discreet and more trustworthy inhabitants of the town as governors."

Thus was established the Schools of King Edward VI in Birmingham; the lands so granted were gradually absorbed within the city boundaries, and, as the city grew in size and wealth and importance, so, too, the modest revenue of £21 per annum increased to the present income of about £50,000.

LIVERPOOL LEAGUE: F. R. Jones, Hon. Secretary, 21 Highfield Crescent, Rock Ferry, Cheshire. (Literature Dept. and Meeting Room: 21 Harrington Street, North John Street, Liverpool.)

As usual during the summer months, our activities chiefly consist of internal work of organization in preparation for the coming winter session.

Mr O. B. Sweeney is still continuing his two-column

weekly feature in the *Birkenhead News* under the heading of "The Economic Forum." The editor has given him complete freedom to express his opinions, and his contributions appear exactly as written. Correspondents from all over the country—one even from France—have sent him questions, objections and criticisms for comment in his columns. The discussion is covering every portion of the economic field, and Mr Sweeney is downright in his presentation of our point of view. It is a splendid piece of propaganda for our movement, exercising a considerable influence over a sufficiently wide field.

PORTSMOUTH LEAGUE: S. R. Cole, Hon. Secretary, 165 Francis Avenue, Southsea.

At the usual monthly meeting, held on 12th July at the Wesley Central Hall and reported in the *Evening News* of next day, Mr J. H. McGuigan gave an address on "Principles of Political Economy," and the production and distribution of wealth were explained by means of charts. He advocated the appropriation in taxation of the value of land for the community, and the abolition of all taxation that lessened production and exchange of wealth.

Mr Stoakes presided. The charts used by Mr McGuigan are large reproductions of the very instructive coloured diagrams by which in his *Outlines of Lectures*, Louis F. Post illustrated and correlated the Law of Wages with the Law of Rent.

BRISTOL LEAGUE: J. H. S. Rowland, Hon. Secretary, "Penfure," Wesley Avenue, Hanham, Bristol.

We are preparing for the Autumn Session and, with that in view, are putting together a circular, which will be sent to all interested, together with a copy each of *Idle Lands: Idle Hands*, the United Committee having supplied a number of copies for distribution.

Mr E. J. Brierley has continued to address Co-operative Guilds, Labour Party gatherings, etc., and, through the courtesy of Councillor Cox, the head of the Educational Department of the Bristol Co-operative Society, a circular has been distributed to the local Co-operative Guilds, offering to provide a speaker on economic questions at least once during the next session. It is hoped that much useful propaganda will result.

NORTH WALES.

Mr A. Williams Price, Gelff Bychan, Wrexham, writes:—

In one village I was enjoying a chat with a farm worker, standing at the gate of his garden; he was an intelligent, middle-aged man, and Crabbe's lines were running through my mind:

"A wise, good man, contented to be poor."

The tooting of a motor-horn, heralding the passing of a gorgeous car, complete with chauffeur in resplendent uniform, this had an immediate effect upon my chance acquaintance. He turned his back to me, stooped towards the soil, then straightened himself enough to make a most reverent salute to the august Presence reclining in the luxury car. When the car (and the august Presence) was out of sight he straightened up and said: "The folk up at the House don't like us to bother with politics, and suchlike. I agree with all you say about the land; I know that all the land about this village was stolen from us by lawyers and Parliament men, but what can we do?"

It is up to members of our League to do something to mend matters; subscribe liberally, speak, distribute tracts. Do one or all of these.

Mr Jonathan Slater, one of the prize-winners in the Henry George Foundation Essay Competition, writes from Lancashire:—

"It is surprising how many young people there are who are becoming fascinated with the writings of Henry George. They realize that his truths offer something of a more substantial nature than anything that our so-called party politics embraces. The movement is spreading. I know by our own town, which is only a reflection of what is happening elsewhere. People are sick and tired of 'political dope'; even though such powerful vested interests oppose us. Henry George was right when he said his ideas will one day triumph."

INTERNATIONAL NEWS

(Press Service of the International Union for Land Value Taxation and Free Trade, 94 Petty France, London, S.W.1)

UNITED STATES

Robert Schalkenbach Foundation

Land and Freedom, May-June issue, carried a stirring report of the activities of the Robert Schalkenbach Foundation during the past year. The report was submitted to the Board of Trustees by the president, the Hon. Charles O'Connor Hennessy, who has been the moving spirit in the work of the Foundation since 1927. He has filled this office with an amount of industry that is the more remarkable when one considers the heavy calls upon him in business life and especially in the administration of the Franklin Society through all the anxieties of the financial crises of these recent years. We are very sorry to learn that Mr. Hennessy now feels he must relinquish the office of president of the Foundation for reasons of health and pressure of business.

In his annual report Mr. Hennessy says: "I cannot recall any period since Henry George's death during which his name and his teachings have been brought to the eyes and ears of great multitudes of people with more force than in recent months." Reference is made to the syndicated articles by Gilbert Seldes; to the leading articles by Bernard MacFadden in *Liberty*; to the Radio publicity when Bernard Shaw delivered his remarkable eulogy of Henry George, when John W. Davis, bidding farewell to Ramsay MacDonald, eulogized Henry George and quoted appropriately from *Progress and Poverty*, and when Professor John Dewey demonstrated to his hearers that land monopoly and land speculation were the basic causes of the economic prostration of the country.

Since May, 1932, the Foundation has distributed by sale and otherwise 5,353 books, 11,201 Single Tax pamphlets and 266 Henry George Calendars. Sent out from the office during the year were no fewer than 136,000 pieces consisting of reprints of editorials and advertising books and circulars. Over 200 consignment accounts with book firms and individuals have been established. A new order for 2,500 copies of the Fiftieth Anniversary Edition (price \$1) of *Progress and Poverty* has been placed, making the fifth printing since August, 1929, of this book of which altogether 10,587 copies have been distributed.

Outstanding among the achievements of the Foundation has been the successful launching of Professor George Geiger's remarkable treatise *The Philosophy of Henry George*, published by special arrangement with the house of Macmillan. Mr. Hennessy rightly regards it as one of the most important works published since Henry George's death. It will be for many years an inspiring "source book" not merely for the followers of Henry George but also for all who would understand his teachings. It has had significant and eloquent reviews in a number of American papers. The Robert Schalkenbach Foundation has done a brilliant service for the movement in making it available. While the published price is \$3, the Foundation is able to supply it, under the special arrangement, at \$2.50 post paid. We call attention to our own advertisement in another column in which for British readers we offer the book at the special price of 10s. 6d. post paid.

The Foundation is to be congratulated on a year of most fruitful work that will have abiding results. Our American readers can "make contact" with these activities by communicating with the Secretary, Miss A. Kaufmann, at 11 Park Place, New York City.

CAPE PROVINCE

The East London Land Values League was well represented by Mr. Matthew Wilson at the Social Gathering held at the rooms of the United Committee, London, on 5th July. A day or two before this meeting a letter was received from the Hon. Secretary of the League, Mr. F. Holden, renewing the annual subscriptions to *Land & Liberty* on the part of all the members, and it was with great regret that we heard of the passing of the former Secretary, Mr. F. Venables, who had occupied his post for the past 10 years or more. Adjoining East London is the Municipality of Cambridge

which, since 1818 under provisions of the enabling Municipal Ordinance, has levied the whole amount of the local rates on the value of land alone apart from improvements.

In East London itself a strenuous fight was fought to get land value rating adopted, and maintained after its adoption. In the years from 1910 to 1925 the rates were levied one-tenth on improvements and nine-tenths on land values; in 1926 and 1927 the rates were levied wholly on land values. This progress was only attained in face of the constant challenges of the opponents who never lost an opportunity to compel a poll of the ratepayers. They had a short-lived success in 1928 which put back one-third of the rates upon improvements and correspondingly reduced the local tax on land values. When the issue was again raised in 1929 the opponents were glad to abandon the taking of more polls if the supporters would accept a period of five years during which the rates would be levied nine-tenths on land values and only one-tenth on improvements. So the position was "stabilised" for the time being, until 1934. The actual rates in East London are at present 1s. 13d. on the capital value of the land alone and 14d. on buildings and improvements; in addition there is a sewerage rate of 5d. in the £ of the capital land value.

Over the whole of the Cape Province a periodic valuation is made which shows in a separate column the value of land apart from improvements, and the principle of land value taxation is applied to a certain degree in the exemption of most agricultural improvements (other than residential buildings) from the levy of provincial taxation.

EGYPT

The Egyptian Budget debates have been marked by a strong demand for the reduction of the property tax. The rate of tax was fixed in 1899 at 28.64 per cent of the income from the land. *The Times* Cairo correspondent states (18th July) that owing to the fall in the prices of agricultural products the assessment is now in many cases unjustly heavy, and the farmer is now paying something like 60 per cent of his income. The tax is actually driving people from the land and increasing the class of landless peasants. One of the difficulties of dealing with the matter is that the tax is earmarked for the security of the public debt. It does not appear to have been suggested that a revaluation of the land alone and exemption of improvements would solve the difficulty.

The Egyptian Labour Advisory Council has submitted measures against unemployment. These include, according to *Industrial and Labour Information* (Geneva, 17th July), a proposal to exempt new buildings from the property tax for five years, limited to buildings not exceeding a certain size. The Council has also recommended to the Minister that every new factory producing industrial articles not hitherto manufactured in Egypt should be exempted from property tax for five years.

INDIA

The *Daily Herald* of 15th July reports—

"Bombay's housing is more suggestive of the Black Hole of Calcutta than of any modern city pretending to sanitary living conditions."

This is the declaration of the just published Bombay Census Report, which presents a horrifying picture of India's greatest city.

Only 4 per cent of the population of Bombay, it is stated, know what it is to have a room to themselves. Housing is so inadequate that thousands are compelled to sleep in the streets, and the average number of people occupying a room sized ten square feet is five.

Sixteen thousand living-rooms in the city are occupied by more than 20 people each. A hundred thousand people, in addition, are living from 10 to 20 in a room; and 250,000 inhabitants live from 6 to 10 in a room.

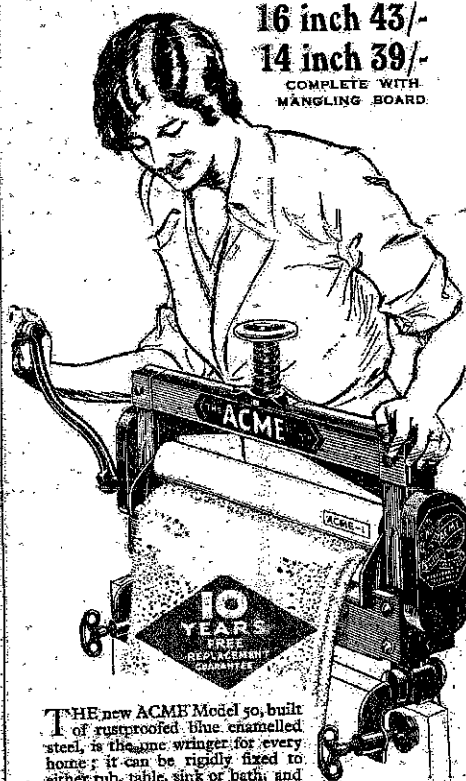
Two hundred thousand tenements in the city consist of only one room. Whole families have to share water taps and sanitary accommodation. "It is impossible," the Report declares, "to view the situation with complacency."

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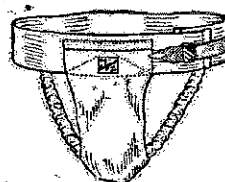
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