

LAND & LIBERTY

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The State of Agriculture

In an article in the *News Chronicle* (16th May) Mr William Rapley estimates the assistance given to agriculture in the shape of subsidies, levies and tariffs to be £28,000,000 a year, apart from the large amount involved in "de-rating." He points out that the price of food is much higher than it would have been but for these interferences by the Government. He asks: "Why prolong this farce?" and then continues: "But who would dare to face the consequences of leaving agriculture to its fate by reducing the amount of State and consumer subsidies to the level accorded other industries? I would advocate such a move if the land were free and not in the hands of private owners; because I am as sure as I can be of anything that the 1,170,000 men, women and children working on the land to-day would be happier, healthier and not a penny poorer if they were transferred to subsistence holdings."

So the answer is that the farce is to be prolonged in order to keep up rent even by those who see that it is a farce. If the land were free (if there were no landlords) we could face the probable reduction of rent, but the landlord, who is merely a parasite upon production, must be subsidized at enormous cost in order to maintain rent at an uneconomic level.

Wages on the Land

In Scotland agricultural labourers are called "farm servants" and farm servants hire themselves out to labour at the seasonal "feeing fairs," as they are called. The landless are like commodities in the market. At the Kilmarnock "fair" (*Glasgow Herald*, 18th May) "young girls and boys were plentiful but there was no demand for them" and quite a number of married men failed to get an engagement. As for the successful, the following particulars show the wages of the workers employed in this subsidy and bounty-fed industry. The spoon must be lying on the landlord's table. Experienced women from £18 to £23 for the half-year; single ploughmen and byemen up to £28, but mostly the wages ranged round £23 and £24. Wages for married men were approximately 34s. and 35s. a week, with the usual perquisites—a cottage and a given amount of meal, milk, etc. Security only till the next "feeing fair" but no independence, no foothold on the land.

Subsidy to help Miners

Speaking at a May Day demonstration at Houghton-le-Spring on 5th May Mr Will Lawther, treasurer of the Durham Miners' Association, said that as the owners had stated they could pay no higher wages it became a national duty to the most dangerous and arduous occupation to provide a living wage.

"Even although this means a subsidy, we accept that position," he added. "Why should we discuss theoretical and hypothetical cases so dear to those whose life and outlook is confined to text-books and class-rooms when we are witnesses of the living fact that the wages of the miners are such that deterioration of physical standards is operating and the most dire poverty is prevailing?"

When tariffs and quotas are being erected to benefit

some industries and subsidies are being given to others it is not surprising that the miners should dream of dangerous remedies for their own evils. The latest estimate of miners' earnings given by the Minister of Mines in answer to a question on 16th May was that the average for the last quarter of 1934 was £30 7s. 2d. per person employed.

Yet in the long run would not the miners' leaders be rendering the best service both to the miners and to the whole of their fellow workers if they agitated for the removal of all the tariffs, subsidies, quotas and indirect taxation which are such a heavy charge upon the workers' wages? In this way a substantial increase in the purchasing power of the weekly wage, not only of the miners but of all workers, could be achieved. While the plan which Mr Lawther contemplates would undoubtedly be carried out by means which would impose the burden of subsidizing miners' wages upon other workers. Nothing could be more disastrous for the real interests of the working classes than to divide them into groups competing for subsidies which in the long run will be paid for by themselves. That kind of thing has sapped the integrity of political life in other countries, and those who wish to preserve democratic institutions and to attain economic liberty should be warned in time.

The Christmas Turkey

Orders imposing tariff duties under the Import Duties Act, 1932, are usually presented to the House of Commons for approval at a late hour in the evening and receive the attention they deserve neither from Members of Parliament nor the Press. One of the latest examples was an Order confirmed on 21st May raising the duty on dead turkeys from 1d. per lb. to 3d. The arguments in favour of this were two: that this would bring the duty up to the same figure as that imposed on fowls, ducks, and geese; and that the foreign turkeys were smaller than the English ones and the duty would encourage the growers to produce smaller birds. The first reason is an illustration of the fact that every protective duty is used as an argument in favour of others. The second shows that the object of protection is to encourage inefficient producers, who do not take the trouble to produce what the market requires. It is stated that 70 per cent of the turkeys consumed in this country are of foreign origin. Those who enjoy this delicacy at their Christmas dinners may also thank the Government for making it threepence per lb. dearer than it need be.

The Cobden Club and Labour Policy

"The Labour Party's Programme Examined" (price 1s.) is a report by a Committee of the Cobden Club, Victoria Street, S.W.1, appointed to consider whether the Programme of the Labour Party is compatible with economic liberty, free trade, public economy and national solvency. There is a good deal in this pamphlet which deserved to be said, especially in regard to the growth of national expenditure, the pouring out of public money in subsidies and the dangers of tariffs and other forms of protectionism.

We cannot help feeling, however, that the Cobden

Club's conception of economic liberty stops short at freedom of international trade. They say: "Capitalism or 'the Capitalist System' is the Socialist nickname for the old English institutions which guarantee the right to earn and save and invest, to buy and sell under free competition and to own property—in short, economic liberty." Such arguments are simply ludicrous to the Socialist. When two millions are unemployed, what has happened to the guarantee of the right to earn? When many more are getting a starvation wage, is it not mockery to talk of the right to save? And as for the ownership of property, the death duty returns show that the bulk of the population has no property in excess of the minimum of £100 which is liable to assessment.

The Greater Freedom Wanted

There is no acknowledgment in this essay of the gross inequalities that exist to-day, and no suggestion for their remedy. It preaches a doctrine of vested rights which may be very comforting to those who have but which is not likely to satisfy those who are concerned about those who have not.

It has been said of the Cobden Club that it knows nothing of Cobden except the name on the door. A savage remark, perhaps, but warranted if one takes this pamphlet as a criterion of its outlook. Richard Cobden spoke plainly enough on landlordism as the ally of protectionism. Repeatedly he urged a freer land system. "The people," he said (17th December, 1845), "had fared better under the despotic monarchs than when the powers of the State had fallen into the hands of a landed oligarchy, who had first exempted themselves from taxation and next claimed compensation for themselves by a Corn Law for their heavy and peculiar burdens." Why is that voice of Cobden's never echoed from the precincts of Victoria Street?

The Glasgow Treasurer's Scheme

"If the Government refuses to relieve the distressed areas of the burden of able-bodied unemployed the towns concerned may refuse to collect the necessary rates to meet the cost."

This course was suggested by Mr P. J. Dollan, Glasgow City Treasurer, at a conference of local authorities held there on 28th April. Referring to local authorities' contributions to the Unemployment Assistance Board, he said: "No Government in this country can compel me, as City Treasurer for Glasgow, to tax the ratepayers unfairly for something they are not entitled to pay. I think the whole of Glasgow, irrespective of Party, would support that attitude."

The Government could speedily take steps to counter any such move, if it has not the power already. That is neither here nor there. What puts this City Treasurer in a strange light, with all his concern for supporting the unemployed, is that he overlooks the inevitable effect of his proposal. The benefit of any such rate-relief, either by non-payment or by subventions from the Government, would not remain with the ratepayers excepting where they were also proprietors, and it would be the wealthiest who would get the biggest relief. As for the mass of the Glasgow citizens who are short-term tenants of their houses, if their rates were reduced they would find that a re-let meant increased rent. The brave ultimatum to the Government is simply an invitation to the landlords to take more pickings out of the people's pockets.

The Glasgow Treasurer's Opportunity

We fancy, and we know Mr Dollan has some notions on the point, that the real Treasury of Glasgow is not

empty. But the Treasurer himself has not the key. It is in the hands of those who collect the land values of Glasgow, and Mr Dollan would be making no bubble reputation if he as Treasurer of his City were leading the other municipalities in Scotland in demanding that this fund be drawn upon for the local revenues. Instead of which the Treasurer is to-day sending his detectives into the highways and byways to discover and mark down and penalize every built house and improvement with the rates that he levies, while exempting land values and endowing the land monopoly that is all around. The connection between this state of affairs and the frightful unemployment and distress with which the City is beset is perfectly obvious. Before the Labour Party was heard of, Glasgow forced this question upon the attention of the whole country, and the Labour Party to-day declares itself as determined to rate land values as any Liberal or Moderate Party was. Why, then, is nothing done? We invite Treasurer Dollan to think again how, if he would give such a lead, the whole of Glasgow, irrespective of Party, would support him in his attitude.

Sir Thomas More among the Saints

On 19th May Sir Thomas More was canonized, the man who was executed at the instance of Thomas Cromwell for refusing to sign the oath of Supremacy, the man of great learning who had been for so long in the high favour of Henry VIII, but best known to posterity for his famous *Utopia* written in 1516. As a social thinker and reformer he was several centuries ahead of his time. To-day, those who worship at his shrine would lead a new religion of social betterment if they took to heart some of the reflections on English conditions made in that wonderful book. The following are a few:—

"When an insatiable wretch, who is a plague to the whole country, resolves to enclose many thousand acres of ground the owners as well as the tenants are turned out of their possessions by trick or by main force, or being wearied out with ill-usage they are forced to sell them."

"There is a great number of noblemen among you that are themselves as idle as drones, that subsist on other men's labour, on the labour of their tenants, whom, to raise their revenues, they pare to the quick."

"For they account it a very just cause of war for a nation to hinder others from possessing a part of the soil, of which they make no use, but which is suffered to lie idle and uncultivated; since every man has by the law of Nature a right to such waste portion of the earth as is necessary for his subsistence."

"The nobility and gentry, and even those holy men the abbots, not content with the old rents that their farms yielded, nor thinking it enough that they, living at their ease, do no good to the public, resolve to do it hurt instead of good. . . . As if forest and parks had swallowed up too little of the land, those worthy countrymen turn the best inhabited places into solitude."

1516-1935. How far has human society advanced from the conditions portrayed or in the perception of the higher order that is possible? Yet, as William Blake says, we can build Jerusalem on England's green and pleasant land.

Perth and St. Petersburg

In the article contributed by Mr Thomas Hunter, Lord Provost of Perth, to the Municipal Centenary Number of the *Glasgow Herald* of 5th May, it is written: "One of the most progressive civic reigns was that of Lord Provost John A. Dewar, afterwards first Baron Forteviot of Dupplin. He laid a good foundation for

the development of the city by clearing out slum areas, constructing new streets and a new bridge over the River Tay which has had the effect of opening up new ground on the shoulder of Kinnoul Hill."

All very well if that feuing ground had belonged to the City. But as it stands it reads more like the "puff" of some real estate agency, taking credit for municipal activities that have raised and will raise land values.

We are reminded of the whole front page advertisement in the *Times Financial Supplement* of 20th May, 1912, reprinted in our columns and advertising the prospectus of the St. Petersburg Land and Mortgage Company, an English concern speculating in Russian land of those days: "Within the last few months the Duma has approved the proposal of a great monumental bridge . . . over this splendid bridge a great and flowing stream of traffic will enter the Island of Vassilewski and the Company's property will accordingly receive the benefit which sure and rapid communication always bestows on property."

It is a sad reflection that neither the administrators of our own most Conservative institutions nor those revolutionaries that so upset things in Russia have been able to appreciate or act upon the dictates of the simple Law of Rent.

A Warning from Aberdeen

Another interesting contribution to this Municipal Centenary Number is that of Mr Henry Alexander, the Lord Provost of Aberdeen, who sees a Fascist development in local government:

"A new factor is appearing on the scene, and that is the growing inter-relation of municipal and national finance. Our local authorities are increasingly demanding and receiving Exchequer assistance, and that involves increasing interference and control by the central Government. I dislike the prospects of a highly centralized State. I regard the maintenance of a sturdy local life in our cities and counties as most important, and the problem of the immediate future will be how to reconcile the two elements and preserve the individuality of our various communities. It will be a sad day for Scotland if, as the result of financial dependence upon the Government, we are all flattened out into the totalitarian State."

But what drives a great wealthy community like Aberdeen and its sister cities to the doorstep of the Treasury like a common beggar there to receive alms and obey the commands of a patron? What is wrong with the domestic economy up there in Aberdeen and in the other centres that they are short of enough revenue, and that in economic dependence they have less and less control over their own affairs? Local self-government has been the bulwark of British political liberties, but, it, like every other democratic institution, has no chance against the ever-increasing domination of its economic masters.

A Specious Plea

The municipalities are cautioned to "Keep down the Rates." A specious plea. Suffer instead new impositions and new indirect taxation that the Exchequer imposes, and feed yourselves and each other on that by the kindly dispensation of the Treasury. So, with the growth of the controlling bureaucracy, rates were "kept down" by the infamous Derating Act which added £35,000,000 a year to indirect taxation, exempted all agricultural land from local taxation however valuable and made vast gifts of public money to the owners of sites used for industrial purposes. A Labour Government made an effort with its Finance Bill for a

Tax on Land Values and a Valuation of Land to turn the ship of State toward a safer harbour, but those vested interests rallied again and this so promising legislation was repealed. Since then the tariff has come to provide the municipalities with more of their wretched subventions, while all the time there have lain at their feet "a multitude of resources ample enough for all common wants, growing as they grow, and so marked out that they, one may say, form nature's budget." The trouble has arisen wholly from the false and unjust system of taxation which the Lord Provost of Aberdeen and his confrères try to administer, this rating of houses and improvements and this surrender of the community's land value revenue to those who hold the growth and the very existence of every town and hamlet in fee. But Aberdeen will not be satisfied with the warnings of its chief magistrate. They will want to hear from him what solution he is able to offer for this problem of municipal finance.

Behold the Hebrides

In Dr Halliday Sutherland's book *The Arches of the Years*, published by Geoffrey Bles, the last chapter entitled "Ultima Thule" has the following striking description of a visit to one of the crofts in the Island of Lewis:—

At the back of each black house is a small croft or farm of two or three acres. On such a croft I saw two old men working, and I asked one of them about the Lord Leverhulme feud. The old man gave evasive answers until he realized that I was Highland.

"Why won't I let Lever build me a four-hundred-pound house? See that black house! It cost me twenty pounds, and is rated at twenty pounds. A four-hundred-pound house would be rated at four-hundred pounds. Who is going to pay the rates? Me and my brother. Where are we going to get the money? Not out of this land. At present it keeps me and my brother and our old sister. We live all right. But to pay the rates on a four-hundred-pound house there would be only one way: to answer a whistle at six in the morning and work for wages in Lever's factory. No damn fear.

"Poor as I am, I'm master here, and could order you off this croft. Why did some of us raid his pasture-land? A dairy farm for the island it was to be! I've another name for that—a monopoly in milk. No damn fear. We are poorer now than we were. Why? Because the line fishing in the spring has failed. Why? Because of these damned trawlers that spoil the spawn, and half of them are Lever's English trawlers. He makes us poor, and then wants us to work for him. No damn fear!"

The Shop-keeper's Grievance

At the Scottish Retail Drapers' Conference at Turnberry on 7th May the Secretary, Mr Crosthwaite, in his annual report, urged that improvements in shop fronts be relieved from assessment to rates. The Chairman, Mr D. M. Hoey, referred further to this question and said that the present rating system had a paralysing effect on shop-keeping and on the whole community. He made the most emphatic protest possible on what he termed the "foolishness and stupidity" of the existing law under which if a shop-keeper ventured to improve his shop front he immediately became liable for rates on the supposed annual value of his expenditure.

It is a decided grievance and one about which the Scottish shop-keeping community has already (in May, 1933) had deputation to the Secretary of Scotland. But it applies not alone to shop-fronts, and these distributive traders would be in a much stronger position

if they would make the protest against the taxing of any and all improvements, new or old, while showing how the revenue should be derived without placing a burden on the industry of any individual.

Unfortunately Mr Hoey proposes nothing but a system of taxation that is equally unjust and irrational and hurtful to business, if not more so. He approved the report of the 1922 Commission on Rating in Scotland, which was against the land value policy and favoured "ability to pay" as a standard. Mr Hoey himself declares that the rates should be charged on a profit basis and not on a property value basis.

The Alternative and the Remedy

The shop-keeper occupies a site the value of which is due entirely to the situation giving access to all the services that the public authority renders and to the stream of people who pass by who are ready to purchase something. There are the widest differences between the value of one site and another according as it fronts upon a busy street or is in a side street where no such traffic congregates. Neither the shop-front of the shop-keeper nor the personal efforts he and his staff put forth have any relation whatever to the payment that should be made to the local authority for the public services performed, because it is the land value of the situation that mirrors wholly the advantage which the shop-keeper enjoys as an occupier. If it were not for the street he would do no business at all. To whom, then, should he pay for this advantage? To a landowner who did nothing to make the street or send the people along it, or provide all the municipal services and public amenities without which no civilized life would be possible? Why should the landowner take this public value attaching to land and leave the State and the Municipality so stranded for revenue that the only recourse must be to the enterprise and the belongings of the individual? It means a searching of the pockets and the tax-gatherer comes down with his exactions in the name of building taxes, income taxes, house rates, and the imposts in all their guises of Customs and Excise when the wages of labour are spent in consumption. It is all so much deprivation, leading to civic conflict and economic distress, made unavoidable by the surrender to private interests of what belongs to all.

The shop-keeper who would say "tax my income" or "assess my profits" is his own worst enemy as he is the enemy of the community. The position is so clear. The land value is what he should insist must go to the community. The shop-keeper's case is RATE LAND VALUES, and then not only shop-fronts but also the walls and roofs and everybody's hearth-stones and windows would be exempt from to-day's wicked impositions. Mr Hoey flirts with the Robin Hood "ability to pay" doctrine, which, by the way, undergoes a most interesting and instructive examination in another column, and that we cordially recommend to every student of this subject.

The Source of Movie Fortunes

G. A. Atkinson, writing in *The Era* (London) 1st May, the official organ of entertainment:—

Of course, Hollywood intends to move from California! Films are fundamentally a real-estate proposition, and real-estate values in Hollywood, to put it on the mildest basis, are not what they were. They are also most menacingly threatened, not only by penal legislation in California, but by the crash which is certainly due in the Roosevelt Administration, and the shape of things to come from political wreckers, who look like having an innings in America.

Don't forget that when you build studios you build a

town, or even a city. Factories spring up, roads are made, house-building accelerates, planning covers a wide area, and land values rise like yeast, with which they have much in common.

The film bosses made much, if not most, of their money out of real-estate values, but Hollywood has come to the end of that phase, and now they want to move and create real-estate values all over again.

Florida is the likeliest place, because Florida was thoroughly planned and in part developed during the boom that disappeared in the American financial landslide, and land values down there, though not wholly suitable for film studios, are as cheap as dirt.

The film bosses have their eyes on another real-estate boom, in a State that stands a little outside the economic storm. Florida is the place, despite the inconveniences of humidity and distance, and Jacksonville, on the St. John's River, about 14 miles from the coast, is the likely spot.

Florida's legislators are even now sitting with the draft regulations in front of them.

An Ayrshire Town under Tribute

The Cumnock Town Council in Ayrshire and "Mountjoy Ltd." (the Marquis of Bute) have been in dispute about the price of land compulsorily acquired for housing purposes last year. The sellers, Mountjoy Ltd., claimed £5,451 for the 13½ acres, and the Council offered £2,670. The arbiter is to declare what is legally and curiously called his "award" in cases of the kind. Whatever figure that may be, it is noteworthy that this particular site for housing has been a part of several grass parks that were let at 35s. an acre for seasonal grazing and as "agricultural land" it was entirely exempt from local rates.

Before the arbiter, the owners based their claim upon the prospective building value of the land *plus* its present value for agricultural purposes. Their counsel cross-examined Provost Hughes, of Cumnock, who said that Mountjoy had always been charging the Council too much for land and two-thirds of the Council were of the opinion that the estate had been extortionate.

The former chief valuer for Scotland estimated the value at £1,473 less £750 as the cost of making proper access to the ground, and other necessary charges, making £723 as the net price that should be payable to Mountjoy.

Yet the Council in its pressing need for housing offers a price of £2,670 for land, which the owners say is worth £5,451. Not a penny piece had been payable in rates. The Cumnock and other local Councils will be nearer to the solution of their housing problem when the "award" given by the law will be not to the landowner but from him, namely, his contribution to rates and taxes equivalent to the real value of the land. No Mountjoy could then stand in the way of housing needs, nor would the slow and costly process of arbitration waste the patience of the people. Who is to blame for the present barriers to housing, the "extortionate" landowner or the complaisant Councils and their electors who hope to build houses in spite of the land monopoly and the taxes that fall on all buildings, is another question. Our towns and cities will continue to be held to ransom until they force Parliament to provide the land value legislation that will break the chains.

Rating of Empty Properties

In connection with the proposal of the London County Council to promote legislation for rating empty properties to the extent of one-fourth of the rate a memorandum has been issued by the Land Union making certain

criticisms. It says that "if substantial rates are imposed on empty properties, the almost inevitable result will be that owners will be forced to accept lower rents to secure income to meet the rates demanded." The memorandum proceeds to state that lower rents will "lead to lower rateable values which will ultimately lower . . . the general standard of rateable value in the neighbourhood."

This is an admission which it is well to have on record as a reply to those who contend that the rating of land values (to which the proposition applies with greater force) would increase rents.

The Land Union objects to any departure from the principle that rates are a charge upon the occupier and not upon the owner, no doubt suspecting that departure from "this fundamental principle" is the thin end of the wedge of land-value rating.

The memorandum refers to the report of the Lloyd George Land Enquiry Committee of 1913 which, in recommending that some portion of the rates should be based on the capital site value of land, suggested that in the case of empty houses (but not apparently other empty property) the site value rate should be limited to 1d. in the £ of capital value, if the owner could prove that they were suitable to the neighbourhood and that for the time being they could not be let at a reasonable rent. This illogical proposition was supported by the still more illogical reason that "so heavy a burden might have indirectly a bad effect upon the supply of capital for building." The report answers itself elsewhere when it says "the complete transference of all rates to sites would undoubtedly increase production and promote the best use of land, while giving a stimulus to the whole trade and industry of the country in so far as they are dependent upon the application to land of labour and capital." We draw attention to the last word.

Social Credit Theory Examined—A New Pamphlet

Mr W. R. Lester has added another to the able series of pamphlets he has written for the Land Values Movement in his new work, *Poverty and Plenty*, to be published during June at the price of 1s. by the Hogarth Press in arrangement with the Henry George Foundation. It is a contribution to our literature of a very timely nature, for it has often been remarked that the advocate of Land Value Taxation should be speaking in print to all who have been taken up with the idea that the poverty problem is to be solved by any such scheme as Major Douglas has suggested. Mr Lester has supplied this need most effectively. He analyses the theory that has gained an undoubted following, and after revealing its fallacies demonstrates what is the real National Dividend—the rent of land—and what is the true reply to the question which Henry George so cogently stated and put in the mind of all other reformers (including also Major Douglas), although many of them may only subconsciously concede Henry George's instigation: "Why, in spite of the increase of productive power, do wages tend to a minimum that will give but a bare living?"

Mr Lester addresses himself in his characteristically genial way to the controversy with the "all a matter of money tickets" people who would thus increase purchasing power. The style is attractive and the arguments unanswerable. The pamphlet (32 pages) will be on sale throughout the trade, and our own readers may have it direct from our offices, at 1s. post free. They are invited to send their orders right away.

Your support is invited for the
"Land & Liberty" Sustentation Fund.

NOTES AND NEWS

Abject poverty and malnutrition were the results of rent extortion, caused in the main by the fabulous prices paid for land. As an example, he quoted reports of an inquiry held some time ago and quoted the case of 3,006 acres for which £582,509 was paid—although the aggregate annual value upon which the land had been rated was only £6,053.

Either the landowners charged the local authorities five times more than the real value of the land or the landowners were only paying one-fifth of the amount that they ought really to have been paying in rates.—Mr H. J. LLOYD, Labour candidate for Forest Ward, reported in *Nottingham Journal*, 20th April.

* * *

A finely built residence, "Belcairn," with 6½ acres, situate on the upper reaches of the Clyde, offered at an "upset price" of £1 seemed by the references in some real estate papers to be a case of property dirt cheap. The snag in this case was the feu duty which these papers somehow forgot to mention and amounting to £68 3s. 9d. a year. That obligation payable to the "superior" landlord for ever had to be taken over by the purchaser. The residence was sold for £420 subject to this burden, the capital value of which at 4 per cent is £1,705. If the property had been freehold the price would have been £2,125. So much for the £1 "upset price."

* * *

Writing in the *Quarterly Review* of January, 1816, Sir Walter Scott thus delivered himself: "In too many instances the Highlands have been drained, not of their superfluity of population but of the whole mass of the inhabitants, dispossessed by an unrelenting avarice which will one day be found to have been as short-sighted as it is selfish and unjust."

* * *

Dealing with the proposals for replanning and rehousing the East End in one of his series of articles on the New London in the *Daily Herald* (8th May) Mr Ritchie Calder says: The "East End," which is involved, is quite clearly defined in the secret plans, but it must, geographically, remain vague as far as the public is concerned, because it would start a "property racket" and inflation of values. The L.C.C. would be held to ransom by speculators. A scandalous state of affairs in the year of grace 1935! In the area there are 60,000 people living in slum dwellings and another 103,000 in overcrowded conditions.

* * *

In reply to a question in the House of Commons on 14th May the Financial Secretary to the Treasury stated that the import duties on eggs in shell, liquid and frozen eggs and dried eggs during the year 1934 amounted to £1,021,200.

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THE SEARCH FOR SECURITY

"I ask not veneration of the form but recognition of the spirit." So spoke Henry George as he described in a famous address the institution of the Jubilee by which the Mosaic law provided for a distribution of the land every fifty years and made monopoly impossible. "Moses saw that the real cause of the enslavement of the masses of Egypt was, what has everywhere produced enslavement, the possession by a class of the land upon which and from which the whole people must live. He saw that to permit in land the same unqualified private ownership that by natural right attaches to the things produced by labour would be inevitably to separate the people into the very rich and the very poor, inevitably to enslave labour—to make the few the masters of the many, no matter what the political forms; to bring vice and degradation, no matter what the religion."

It is from the Hebrew that we get the word "Jubilee." Its use has been corrupted to mean just a span of years which being passed in good company gives occasion for festivity and rejoicing. So has been celebrated the 25th anniversary of the King's coronation. The national holiday has come and gone. It has been a break in our lives in which conditions remain as before. The shop-keeper takes down his shutters and is concerned to meet his next bill for rent or rates. The workman gets quickly to the factory gate that he may not lose his job to one of the reserve army of unemployed. The labour bureau and the public assistance committee resume business dispensing the dole and the relief that passes the poverty test. Wealth and fashion prepare for a renewed round of pleasure, and from some port a luxury liner starts on a world cruise carrying passengers at £500 a head.

In the Hebrew code the Jubilee was more than a fact. It was a deed. It dated the emancipation of the people from economic oppression. It gave them the security that the modern world is trying falsely to attain by trade barriers, Customs duties, currency manipulation and all the panoply of fiscal weapons and military equipment. For what is this security of which there is so much talk and which the plenipotentiaries are chasing across Europe to capture, saying it can be made possible only by arms conventions, pacts of mutual assistance, bilateral and multilateral, collective responsibility, and what-not? It is the jargon of the diplomatists. Security against what, against whom and for what? The peace that is to be preserved by the possession of superior forces, by such a show of guns and tanks and aeroplanes as will persuade others that their armaments are inferior and therefore useless, is a peace that is not worth preserving. The discipline of the sword keeps each nation at bay, the nations that should be bound together in fraternity, with the prosperity and the moral progress of the people as their highest aspiration. But what

security they now speak of is purchased with the waste of countless treasure and is fraught with the gripping fear that any day the hell hounds may be let loose. While such a peace lasts the people will remain in bondage to their own worst passions, an easy prey for the exploiter within their own doors, the causes of their discontents shouldered by their masters on the foreigner, their belief or hope in social betterment a one-time vision now scorned as heresy.

In this country we may demonstrate our pride in the fact that our institutions, King, Lords and Commons, have lasted through these 25 years of upheaval, that so much of political freedom at any rate has been retained in a world rapidly reverting to despotism. Save for Holland, Switzerland and the three Scandinavian countries, over the whole of Europe Government is by decree, Parliaments have been dissolved or put in commission, tumult and terror have enthroned absolute dictatorships. The voice of Liberty has died away. The hideous spectre of war, dancing devilishly in the Press and the meeting place, leers over the flags and festoons of our own patriotic celebrations. In Germany conscription has been restored. In France and Italy service is prolonged and battalions are called to arms. In Great Britain recruiting offices are opened for the many thousands wanted to be trained in flying and the art of bomb throwing. The ground is heavy with the tramp of soldiers.

It is a League of such nations that is expected to look after the welfare of the common man, to check his warlike instincts and take from him the weapons by which he would kill his fellow-being or destroy his property, the fellow-being across the frontier with whom he has no quarrel that is not fabricated by self-seeking interests. Wars are not fought by the Cabinet Ministers or the diplomats of either side who make the pompous speeches and scurry off to conferences with one another. If that were so the differences and the conflicts would be quickly composed. A few irresponsible persons make the atmosphere that sets nations at each other's throats. The working man at his plough, his machine or his desk, or building for the sweetness of his home, is called upon to murder his mates in another land who were similarly engaged when from an inner room the order was given for the slaughter to proceed.

Security and collective responsibility, what do these words mean? If the statesmen were thinking more of the security of the labourer against poverty and unemployment and less of the perils of dynamite they would be destroying the incentive to make that dreadful stuff. Every tariff is such incentive, every barrier, quota or restriction against friendly commerce. If the statesmen were conscious of their own share of responsibility in fanning the flames, the guilt could be fastened and something done to put the flames out. In our own case it is very pertinent to leave the abstraction of the collective responsibility and judge the acts of the Ministers and Members of Parliament under our own control. What has been their contribution to world pacification? They imposed the tariffs in 1931 and have since increased them. With their Ottawa agreements they carved out trade for special interests and placed embargoes on the goods of other nations. It was an act of War and in the language of War defended as a reprisal but leading to further reprisals and the erection of a new thicket of barbed wire fences beside the trenches that even now are being dug. But the tariff raised to spite the foreigner, and also certainly spiting him, had for its real intent and successful purpose the shifting of taxation upon our own consumers and tribute exacted from them by the protected classes.

Security? What other security has mankind excepting that which nature itself provides for a full and happy existence? It is not in the gift of Governments and Parliaments, a matter for pacts and conventions and the rattling of sabres. The conflict is born of scarcity that Governments have brought about by permitting the monopolisation of natural resources and taxation strangling trade and industry. The security wanted is that which will lift the people out of their distresses and the fears and anxieties about getting a living. Peace and prosperity may not be until economic freedom is. With never a thought of greed or envy, we might be showering on one another the blessings of the earth and sharing all the benefits of mental and moral progress. In recognition of that spirit, let there be collective co-operation toward just laws that will ensure to each his equal opportunity to enjoy the security that nature has so freely placed at man's disposal, the space to stand upon, the raw materials from which everything is produced, the forces that are pent up in rain and wind and sunshine. This and this alone is the road to the abolition of war. A. W. M.

Mr Robert Grindlay, reporting as Inspector of the Society for the Prevention of Cruelty to Children at a meeting in Falkirk, gave instances of overcrowding in that town. For the past six years, he said, a family comprising 10 persons, including eight young children, had been living in a single apartment house. In another instance a mixed family by marriage, consisting of the parents and 10 children, were all living in an ordinary two apartment house. The sleeping accommodation was absolutely inadequate, and a bed had to be rigged up in the lobby of the house. In the county area a family consisting of the parents and six children had been existing in an ordinary wooden toolshed for the past three years.—*Glasgow Herald*, 2nd May.

PENNY PAMPHLETS

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RIBBONS FOR SALE

The long-promised Restriction of Ribbon Development Bill has now been issued. The main proposals are that in respect of all "classified roads" it shall not be lawful without the consent of the highway authority (a) to construct, form or lay out any means of access to or from the road and (b) to erect or make any building within 220 feet from the middle of the road. The highway authority may apply these provisions to any other road, or alternatively it may fix for non-classified roads one of the standard widths (60, 80, 100, 120, 140 or 160 feet) and thereupon the restriction against forming any means of access will apply and also a restriction against erecting any building nearer to the middle of the road than one-half of the standard width adopted.

Any person having an estate or interest in the land affected may claim compensation from the highway authority for injury caused by the restrictions. He must satisfy the arbitrator that proposals for the development of the land which at the date of claim are immediately practicable (or would have been practicable but for the restrictions) are prevented or injuriously affected, and that there is a demand for such development.

The highway authority is given power to purchase compulsorily any land within 220 yards from the middle of any road. If it exercises this power before compensation is awarded the price must be determined as if the restrictions did not exist. In any case the arbitrator may set off against the compensation awarded any benefit to contiguous lands of the owner arising from the purpose for which the land is acquired.

The town planning authority may give consent to the development of land affected by the restrictions.

The whole cost of claims for compensation in respect of classified roads will fall upon the local rates. In the case of other roads in regard to which the power to apply the provisions of the Bill lies with the highway authority, the Ministry of Transport may, but is not obliged to, make advances towards the cost. It may be assumed that highway authorities will be disinclined to use these powers unless they have first obtained an undertaking to contribute from the Minister and until they have had some experience of the magnitude of the claims that they may be faced with.

The only people who are likely to be satisfied with this Bill are the owners of land adjoining arterial roads. They are likely to be in the happy position of claiming considerable sums for compensation unless the local authority evades the liability by giving wholesale permission to develop and waives the restrictions, as apparently it may do. The provision with regard to betterment is likely to be in practice a dead letter, as all such provisions have been in the past. In any case it only applies if the land bettered belongs to the same owner who claims compensation.

The one conclusion that stands out clearly is that the Government is resolutely determined to ignore the fact that it is the existence of the road that has created the land value, or that the community has any claim upon the land values it has created. F. C. R. D.

In the year 1557 Archbishop Whitgift bought 70 acres of land in Green Lane, Norbury, for the sum of £375. It was the "Christian Fields Estate" which formed the ancient endowment of the Whitgift Foundation. The *Daily Telegraph*, 16th May, reported the sale of 19 of these acres at £39,100, being more than £2,000 per acre. The land is close to Streatham High Road.

PUBLIC REVENUES AND JUST TAXATION

Adam Smith's "Ability to Pay" Theory Examined

BY EDWIN ADAM

The natural Canon of Taxation would seem to be that each citizen should pay to the State in proportion to the benefits he receives from the State. Taxation should be payment by the citizen for services rendered by the State. But the benefits provided by the State are so numerous and so varied that the difficulty must be to find a rule by which to measure the sum of the benefits conferred on any particular citizen, for the benefits conferred are not conferred on all in equal measure. The dweller in the town enjoys benefits unknown to the dweller in the remote country-side. The dweller in one part of a town enjoys privileges which at another part of the same town he must do without. Nay, even dwellers in the same street enjoy in different degrees the benefits resulting from the presence and work of the community, and a corner lot will be far more in demand than other sites on the same thoroughfare.

The primary services of the State seem rather to confer a general benefit on all the citizens than separable benefits on each. All appear to benefit by the security provided in the defence of the country from foreign foes. Do they benefit equally, or can a measure be found whereby each may pay as he receives? Similarly, while a large revenue can be raised from litigants towards the upkeep of the courts of law, that takes no account of the benefit enjoyed by all the citizens, in the protection afforded by the existence of the courts, even if personally they never require to apply for their assistance. The existence of trustworthy courts, the possibility of applying for justice to them, benefits all the citizens, and renders industry safe and profitable. The benefit may be very difficult to individualize, but it is none the less real. All benefit, but in very varying degree. The problem therefore is, the benefit being unequal, can a measure be found by which each citizen shall only pay to the State in proportion to the benefit received by him from the State?

It is in the above sense only that Adam Smith's famous First Canon of Taxation, the Canon of Equality, can be accepted as expressing a principle just in itself. That Canon runs:—

"The subjects of every State ought to contribute towards the support of the government, as nearly as possible, in proportion to their respective abilities; that is, in proportion to the revenue which they respectively enjoy under the protection of the State."

This is the canon so far as it is usually quoted and adopted by economists, whether they are admitting or disputing its validity. But as thus stated it is by no means a self-evident truth. Its terms are ambiguous, if not contradictory. The "respective abilities" of citizens of a State to pay taxes are not necessarily measured by "the revenue they enjoy under the protection of the State." Accordingly some writers try to define the latter phrase as meaning their surplus income after meeting the necessary cost of maintenance; and lay stress on the word "enjoy," as implying something additional to mere income necessarily expended in maintaining life; as reaching out into the sphere of luxury, or at least of superfluous expenditure.

Adam Smith, however, does not leave his canon without interpretation, for he immediately adds an explanation which may clear up any dubiety. He proceeds: "The expense of government is like the

expense of management to the joint tenants of a great estate, who are all obliged to contribute in proportion to their respective interests in the estate."

Here we are on familiar ground, and the antecedent ambiguity seems explained. The joint tenants of an estate can only in reason be called on to pay towards the cost of management of the joint estate in proportion to the share of that estate held by each. They will each pay to the common fund in proportion to the benefit they receive from the estate.

The key-word of the canon, therefore, seems to be the word "under," which we would translate "by virtue of" or "as the result of." Each citizen should contribute to the support of government in proportion to the revenue which he enjoys by virtue of, or as the result of, the protection and activity of the State.

It is patently just and proper that any income enjoyed by the individual by virtue of something done by the State should contribute to the upkeep of the State, just as it would be right that one of the tenants of an estate should pay an increased rent proportionate to any increase in value of his holding which resulted from some expenditure, on roads or buildings or other improvement, by the management of the estate. Such an arrangement conforms to our ordinary commonsense view of what is right and proper. The improvement may have benefited all the tenants, but we should expect each to pay in proportion to the increase in value of his own special holding. In this sense, then, Adam Smith's Canon of Equality seems to be a canon of natural justice.

To interpret the canon as giving sanction to the idea that each citizen is to contribute to the State in proportion to his income would be to deprive it of all title to be considered a rule founded in justice. It would sanction the theory that the more industrious a citizen was the more the State was entitled to demand from him. This would be to fine the industrious for their industry, whilst the idle would go free.

This is quite clearly not the meaning of Adam Smith. His joint tenants would never have admitted that each was to pay as he improved his portion of the estate, while his idle co-tenant was to get off without contribution. Each would pay in proportion to the value of the opportunity afforded him by the estate. The result of his personal industry should remain to each. If the joint estate expenditure resulted in raising the value of the portion of the estate allotted to him, then he would justly be called on to pay a proportionately increased quota to the expenses of the joint estate. But if by his own energy and capital he improved the earning capacity of his portion of the estate, in all justice that increased capacity should redound to his individual benefit, and should not be made a ground for increasing the quota he has to pay to the expenses of the joint management of the estate.

That each member of the joint adventure should pay to the expenses of the management in proportion to the value of the joint estate which he enjoyed under the joint adventure; that his contributions to the joint fund should vary from year to year according as his portion of the joint estate rose or fell in value by the expenditure of the joint fund, is a commonsense arrangement. But to suggest that the more he improved his portion by the expenditure of his own labour, skill, and capital, the more, relatively to his co-tenants, he

should pay into the common purse, is, to put it mildly, not a business proposition. It would discourage industry.

Take it that the joint estate, at the partition among the tenants, is a tract of unimproved land, the natural, business-like course will be to ask each tenant to pay into the joint purse year by year the annual value of the portion allotted to him, apart from any value added by his own industry, resource, and energy. This leaves him the utmost encouragement to be industrious and improve his portion by leaving him the whole benefit of his work, while it will discourage any tenant from idly letting slip the opportunity of improving his lot, as he must still pay in to the common fund the same quota whether he is idle or industrious. Each would pay to the common fund as he had received from the general estate, and the result of his own industry would remain secured to him.

Again, to interpret the canon as if it meant that all income enjoyed by the citizen, from whatsoever source derived, were equally a just subject of taxation, is as if in the illustration of the tenants one of them were to

be asked to contribute to the joint expenses of the estate, in respect of an annuity or other allowance which he happened to enjoy from a source quite outside the joint adventure. Or as if the joint tenants of a house were to be asked to pay towards the expenses of the establishment in proportion to their salaries, although these were enjoyed quite independently of residence in that particular house. A demand for a contribution to the joint expenses of the establishment might be submitted to in ignorance of the rule by which the amount was arrived at, or under duress or fear of ejection to worse quarters, but a sense of justice could never enter into such a transaction. Such an interpretation of the canon would lack the semblance of an appeal to our sense of justice.

The only permissible interpretation of Adam Smith's Canon of Equality, therefore, must be that each citizen should pay to the revenue of the estate in proportion to the benefits he receives from the State.

(From Chapter III of the book *LAND VALUES AND TAXATION*, by the late Edwin Adam, M.A., LL.B., K.C.)

THE WAR OF TARIFFS Sir Percy Bates' View

Speaking at the Annual Meeting of the Cunard Steamship Company on 24th April, Sir Percy Bates, the Chairman, said: "I doubt whether in the old sense and to the old degree prosperity can return to the world until the world again has some acknowledged and authorized medium of international exchange. It is trite to talk of a vicious circle, but here the term is real and the effect really vicious.

"There is a war to-day—a universal war. The weapons are not navies, armies, or aeroplanes, but tariffs, quotas, and shifting currencies.

"There is no authorized standard of international money exchange, and each change in a tariff, a quota, or a currency is nothing other than a move, a hostile move, in this war.

"The worst of it is that the situation is not officially recognised as a war. Had it been recognised we might have had a peace conference with far better possibilities for the good of mankind than the Disarmament Conference at Geneva."

A SOUTHGATE LAND SALE

Sir Philip Sassoon's West Pole Farm Estate was sold on 23rd May for £116,000. Commenting on the sale the *Daily Telegraph* says:—

"The farm was cut off from the main portion of Sir Philip's Trent Park estate by the extension of the London Electric Railway to Cockfosters. It has been used up to the present as an agricultural holding, but as it has long road frontages, and Cockfosters and Enfield West stations are situated at opposite corners of it, the present-day value lies in building development, for which purpose, it is understood, it has been bought."

Here is one more added to the many examples of how public improvements increase land values. The price works out at £1,557 an acre. A few years ago this land would not have been worth more than a tenth of that sum. The owner has been paying little or no rates upon it because it is agricultural land. The people of London and Middlesex have to pay for the building of the Tube Railway in the fares that they pay. Sir Philip Sassoon, without effort on his part, reaps the benefit of what other people have done.

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CAPITALIST—MONOPOLIST

Is not a ditcher who has two shovels and who hires a tramp to work for him with one of them as truly a "Capitalist" as the man who owns a flock of steam shovels?

"Capitalist" seems to be an alias for "Monopolist" or Privileged person, gladly adopted by Plutocracy to take the place of the word "Monopolist"; but perhaps you have a definition that shuts out the man with only shovels?

Does the steam shovel owner want to monopolize the food at a dinner party, or to monopolize suitable clothing?

It is doubtful whether many persons desire unfair advantages. People naturally wish to share with those in need as much as they feel that they can spare. Multi-millionaires are able to spare great sums.

Are not all monopolies sustained by laws? If so we could repeal all such laws, including the appropriation by land-holders of increase in the unearned land values. Then the rent of land which is created by the people could be taken by the people for public use instead of taxes.

But it seems difficult to improve an earth where a few own eighty per cent of its wealth. Even if we could improve it and retain monopolies, will not the benefit go eventually and mainly to the owners of the earth?

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BOOK REVIEWS

Towards Monopoly

In *Towards a National Policy* (Longmans, 2s. 6d.) five members of the National Labour Committee, prefaced by the Prime Minister, give their views on political problems of the day. In default of a more authoritative statement this will be found useful as an indication of the views held by the Labour wing of the present coalition.

Mr Kenneth Lindsay, dealing with economic policy, makes the interesting admission "that protection cannot cure unemployment," but we doubt whether this view will be put before the electors when the Government appeals to the country. His preference is for a full-blooded system of legalized monopoly on the lines that marketing boards and other devices have made us familiar with. He approves of proposals that associations of manufacturers should be formed and the members registered as milk and pig producers are now. These associations would control the industry, regulate productive capacity, "define a profitable and reasonable level of prices and see that such prices are maintained," and should be armed with statutory powers for these purposes. The protectionists of the past never dreamed that so completely entrenched monopoly would ever be proclaimed a political objective. Mr Lindsay is nothing if not thorough-going. He considers that the possibilities of a Land Trust should also be explored "which would enable numbers of neighbouring landowners to form Trusts in their own area."

One note of hesitancy is to be found in the sentence: "It is as yet an unsolved problem how to organize consumers' interests." It has not occurred to those who favour monopoly that the best safeguard for consumers' interests is cheap goods and high wages, whereas this plan means high prices and low wages.

Although we profoundly disagree with it, perhaps it is as well that this *naïve* book should have been written.

Economy: True and False

Economics in Practice (Macmillan, 4s. 6d.) is a series of six lectures recently delivered by Professor A. C. Pigou. They deal in non-technical language with a number of problems of topical interest, such as The Balance of Trade, Inflation, Deflation and Reflation; State Action and *Laissez Faire*; and The Economics of Restrictions. Those who remember his "Economy and Finance of the War" will not be surprised to find that he deals some shrewd blows at many popular fallacies. It is a pity that someone cannot compel the members of the Cabinet to study the essay on Restrictions.

The central idea that runs through the lectures is a simple one. It is that the test of whether an economy is functioning properly or not is whether any of its resources are being wasted or whether they are being employed so as on the whole to give the maximum return that they are capable of yielding. Such waste occurs not only when resources are actually standing idle, but also when they are being employed for some purpose which gives less return than some other available use.

This principle is a simple one, yet it is flouted every day. Tariffs are being erected for the purpose of subsidizing inefficient industries at the expense of those which are more efficient. Four and half million pounds a year is added to the price of bread in order to encourage the growth of wheat in a country which is not adapted to it. Nearly the same amount every year is taken from the consumer in order to foster the beet sugar industry

which cannot produce sugar as cheaply as the sugar cane with the aid of the sun can do it in the tropics.

Every country is endeavouring to reduce imports and to increase exports, a policy which as we have seen can only result in decreasing both. This process wastes the resources of all countries and directs them into less productive channels.

The greatest waste in our economy is, however, waste of natural resources in unused and under-used land, as to which, strangely enough, Professor Pigou has nothing to say. The concomitant of this wastage is the wastage of labour power embodied in some two million men standing idle who have to be maintained by the labour of the rest. Some positive statement with regard to this would have made the destructive criticism of false economies in this book of far greater permanent value.

The Machinery of Public Finance

A brief and readable account of the financial system of the United Kingdom is given in *State Finance* by R. J. Mitchell (Pitmans, 2s. 6d.). The means by which Parliament maintains its control over finance and the procedure with regard to Estimates, the Finance Bill, accountancy and audit are clearly explained. As Viscount Snowden says in his introduction, "the newspaper reader is constantly coming across such terms as the Consolidated Fund, the Appropriation Bill, Ways and Means, Funded and Unfunded Debt, Treasury Bills, Exchequer Bonds and Appropriations-in-Aid. It will add interest to the reading of Finance Debates to understand what is meant by these terms." Mr Mitchell's book gives the explanation which is needed.

The one weak spot is the last chapter, dealing with the principles of taxation. One cannot agree that "the United Kingdom made a great step forward" in the "setting up of the Import Duties Advisory Committee." The whole policy of tariffs is economically and morally wrong. The device of tariff boards is merely an attempt to lend respectability to the introduction of protectionism. If the members of such boards were convinced free traders and were free to exercise an unfettered judgment, they could only reject every application for protection of any industry. In order that the system may work the members must either have an initial bias in favour of tariffs or else they must be bound down by regulations which prevent them from having a perfectly free discretion.

Mr Mitchell says that a good system of taxation should conform to Adam Smith's four canons. The first one he interprets to mean "equality of sacrifice." What Adam Smith does say is that the subjects ought to contribute "in proportion to the revenue which they respectively enjoy under the protection of the State." Elsewhere, in dealing with a tax on ground rents, he says: "Ground rents, so far as they exceed the ordinary rent of land, are altogether owing to the good government of the Sovereign." He concludes that they should be taxed peculiarly.

No discussion of the canons of taxation can be adequate that ignores the examination of the subject made by Henry George in *Progress and Poverty*.

F. C. R. D.

FORM OF BEQUEST

I bequeath (free of duty) to the United Committee for the Taxation of Land Values, Limited, the sum of £.....

THE COUNTRY'S FINANCES

The Annual Financial Statement issued on Budget Day, 15th April, showed in 1934-35 total National Revenue of £804,629,000 and total Expenditure of £802,107,000, of which £236,200,000 went in interest and management of the National Debt and other Consolidated Fund services.

It is estimated that the local taxation collected by the Local Authorities was £152,900,000 in England and Wales and £18,974,000.

The actual national revenue *from taxation*, eliminating miscellaneous receipts and including only the profit of the Post Office (instead of gross receipts), was £722,062,000, which we analyse as below:—

TAXES OF A DIRECT NATURE

	£
Income and Sur-Tax	280,042,000
Estate Duties	81,356,000
The old (1692) "Land Tax"	770,000
Recovery of arrears of tax on excess profits and corporation profits (now repealed)	2,300,000
Total Direct Taxes	£364,468,000

INDIRECT TAXATION

	£	£
On Transport:		
Duties on motor spirit	41,623,000	
Vehicle duties	31,538,000	
		73,161,000
On spirits, wine and beer, including licences		100,174,000
On tobacco		70,657,000
On entertainments		9,729,000
All other Customs and Excise, including £31,326,000 for the new General Tariff and Ottawa duties; also £17,354,000 on sugar, tea, etc. (the "Breakfast Table" duties); also silk, matches, etc.		67,513,000
Stamp duties		24,110,000
Profit on the Post Office Monopoly (essentially an indirect tax)		12,250,000
Total Indirect Taxation	£357,594,000	
Add Direct Taxes	364,468,000	
TOTAL TAX REVENUE	£722,062,000	

The indirect taxes thus make up 49½ per cent of the total tax revenue, as compared with 43 per cent in 1930-31, before the protectionist policy imposed its burdens on trade and the consumer.

This, however, by no means includes all the fiscal burdens on the consumer. It leaves out of account the Wheat Levy for instance, equal to a farthing a loaf and giving a subsidy of four and a half millions to the wheat growers. Although this sum does not pass in and out of the Treasury it is taxation nevertheless. There are also the various marketing schemes with their quotas—bacon, potatoes, hops, milk—where the levy takes the form of the increased prices the consumers are obliged to pay. But this is all part of the general protectionist scheme of things, piling on consumption a tax on the home produce which is simply pocketed by the producer. It is an incalculable amount, and if it could be computed these comparisons of what is paid in taxation direct and in taxation indirect would take on a very different aspect.

The total tax on petrol and oils was £42,323,000, of which about £700,000 (according to a statement in the Commons on 14th May) was imposed on lamp and lubricating oils. The rest was a tax on transport, save for the petrol used in other than motor engines. The latest act of the Government is to tax transport still further by raising the tariff on heavy oils from 1d. to 8d. per gallon. The successful development of the engine that does not burn the heavily taxed petrol has met with an inevitable nemesis at the hands of those who make industry sweat to provide revenue. Even they are ashamed of their practices, for do they not disguise a very large slice of this transport taxation under the high-sounding name of the "Road Fund"? The name was the invention of those Liberals who took credit for establishing the so-called "fund" in 1909, whereas the achievement was nothing but the imposition of taxes as hurtful to trade and communications as any tariff. So to-day the Road Fund finds a place in the national accounts, treated not as a taxation device but as a sort of national windfall enabling the country last year to spend £26,438,000 on the roads and having a "self-balancing income" of equivalent amount. It is about time to cry humbug to these pretences. The motor vehicle duties yielded £31,338,000, but the accounts are so presented that the Exchequer appeared to get only £5,100,000 of that sum. The Road Fund is not a fund at all. It is a yearly burden inevitably adding to the cost of everything that is transported. In the fact that the making and maintenance of roads everywhere maintains and increases the value of land, it is obvious where the money for road up-keep should come from and who should pay.

A. W. M.

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LIBERAL PARTY DECLARATIONS

National Federation

At the Annual Conference in Blackpool, 23rd to 25th May, there was an amendment from Hendon to make the following addition to the main resolution on unemployment which, referring to the "New Deal," said, "it is intolerable that unemployed labour, idle land and unused capital should be allowed to run to waste" :—

To ensure that the Nation shall reap the full benefit of this effort at National Development, this Council reaffirms its intention to press forward the policy it adopted at Nottingham on 25th February, 1921, that a uniform national tax should be imposed on the capital site value of the whole country.

This was moved by Mr F. W. T. Krohn and seconded (on behalf of the Executive) by Mr Milner Grey and carried with one dissentient. It is important to point out that the mover of the resolution clearly explained what was meant by site value as comprising the unimproved value of all land, whether urban or rural.

The Women's Federation

At the Annual Conference in Blackpool, 21st and 22nd May, a resolution on "the bearing of the taxation of land values on the New Deal" was carried unanimously, declaring that :—

This Council of the Women's National Liberal Federation, convinced that the land monopoly is a contributory cause to the prevailing widespread poverty and unemployment, urges the Liberal Party to press with vigour for the drastic reform of our system of land rating and taxation.

The resolution was moved on behalf of the Rhyl Association by Mr Gomer Owen and seconded by Mrs Bayfield, of Manchester.

The policy was well stated in the speeches made at these meetings.

Scottish Liberals

After almost three hours of lively proceedings the "Simonites" were defeated by 87 votes to 17 at the meeting of the General Council of the Scottish Liberal Federation in Edinburgh on 30th April. The question was whether the Annual Report for 1934-35 adopted by the Executive should be approved. Mr James Scott (ex-M.P.) moved it, seconded by Capt Arthur R. MacDougall, Liberal candidate for Selkirk and Roxburgh. The opposition was led by Mr J. Henderson Stewart, the National Liberal M.P. for East Fife.

The main paragraphs of interest to our readers in the Report now confirmed are that

The domestic policy of the Liberal Party includes . . . relief of unemployment, sound national finance, breaking the power of land monopoly and the imposition of land values taxation, developing our national resources and the remission of food taxes.

It is vital to Liberalism to urge that as a preliminary to the great scheme of national work proposed for the unemployed the taxation of land values shall be made statutory, as otherwise the schemes, when carried out, will deprive the community of their due reward and the profit will accrue to the benefit of the landowners.

* * *

At the annual conference of the Scottish League of Young Liberals on 11th May at Selkirk, a resolution, moved by Mr A. Steel of Selkirk and seconded by Councillor Mrs Selby of Camlachie, was unanimously adopted declaring in favour of the reversal of the

Government's policy of trade restrictions ; and a wide measure for the taxation of land values allied to a co-ordinated scheme of national development providing extensive and productive employment.

At this conference Capt A. R. McDougall said : If the people wished their rule to continue and to be effective they would have to do the thinking themselves. Dictatorships which had sprung up all over Europe were symptoms of a desire in many people's minds to have their thinking done for them, or of apathy which was sure to end in their losing the power to rule or control their rulers. "Give us liberty to trade and liberty to use the land and our troubles, now desperate, will vanish."

JOSEPH FELS

By George Lansbury

(The following passages extracted from Mr Lansbury's "Fifty Years of London," recently appearing in "The Star," 14th May, will be read with particular interest by those who recall the notable assistance given by Mr Fels to the land-values movement in this and many countries.)

"Another well-known Jew, the late Joseph Fels, with his wife, did a very great deal to make me honour Jewry. Keir Hardie brought us together over the land question. I was a great admirer of Henry George then, and believed very firmly in the taxation of land values, as indeed I still do, though I think we shall gain our end by national ownership of all land.

"Joseph Fels was a friend of Henry George, and had spent big sums of money helping to spread the Single Tax gospel, but he was a practical-minded business man, and wanted to do something concrete, so in America he started the Vacant Land Cultivation Society, the object of which was to take waste land in towns and allow the unemployed to turn these wastes into vegetables, fruit and potato plots.

"This little man travelled Great Britain, Ireland and Denmark, interviewing kings, princes, premiers, cabinet ministers, bishops and the clergy, pouring out his money like water, lending it in large and small sums to Governments and local authorities, free of interest for stated periods, so that land could be bought or hired for the use of the unemployed.

"There never lived a finer or more selfless man. Simple, unassuming and absolutely catholic in his outlook on life, he helped thousands of lame dogs over stiles, assisted struggling artists of all kinds, and never asked thanks or publicity.

"Joseph Fels had a typical Jewish characteristic in his view of money. He always insisted that money must not be wasted. When the Russian Social Democrats, chased across Europe by reactionary Governments, finally landed penniless in London, it was Joseph Fels who, out of sheer love of humanity, put down the money they needed. This money was repaid by Lenin immediately the Bolsheviks secured power.

"He knew and preached the truth that labour and land were the source of all wealth. He believed in individuals and individualism, and had no faith in 'paternalism.' He was a lover of peace, and once, going round a cathedral with me, he said : 'George, do you realize that the stones are soaked and cemented with the blood of martyrs ?' There was a tremor in his voice, as if he had seen the long roll of Jewish, Protestant and Catholic martyrs, sacrificed for bigotry.

"If ever it could be said of anyone, 'He loved his fellow men,' it could with absolute truth be said of Fels. His was the friendship of a brother which never failed, however much his friends might disappoint him."

NEWS OF THE MOVEMENT

THE UNITED COMMITTEE FOR THE TAXATION OF LAND VALUES, LTD., 94 Petty France, London, S.W.1. A. W. Madsen, Secretary; F. C. R. Douglas, Assistant Secretary; W. R. Lester and G. E. Crompton, Hon. Treasurers. (Telephone: Whitehall 6008. Telegrams: "Eulav, Sowest, London.")

A survey of the work of the Committee during the first four months of this year has been sent with accompanying letter to more than 700 supporters who have helped to make so much possible. A copy of this statement, which will familiarise friends with the general nature and scope of the propaganda conducted from the office over a very wide field, is available to any reader making application.

We are glad to announce the forthcoming publication of a new pamphlet by Mr W. R. Lester on the much debated topic of "Social Credit" which we are sure will have a ready welcome throughout the Land Values movement. It is entitled *Poverty and Plenty: The Real National Dividend; The Pros and Cons of Social Credit*. By arrangement with ourselves as trustees of the Henry George Foundation, it will be published, price 1s., by the Hogarth Press, London and copies will be obtainable during the present month.

A welcome also awaits Mr Frederick Verinder's new and considerable work, upon which he has been engaged for a number of months. It will deal comprehensively with the Taxation of Land Values in principle and policy and be taken as an authoritative text-book on the subject. The type has been set, but in view of the further work necessary on indexing, etc., the publication date cannot yet be announced. It has been written on behalf of the Henry George Foundation which has the publishing in hand.

Further meetings arranged with Adult Schools as the result of our general circular and advertisement include Mr W. E. Bland at Winchmore Hill, Mr John S. J. Stevens at Leicester, and Mr A. H. Weller at St. Helens. Others are in negotiation.

Economica, the Journal of the London School of Economics, and the *Citizen*, the Journal of the Greenwich Labour Party, have advertisements of the Henry George books.

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

June 4th.—Greenwich Labour Party, Open-air meeting at St. Alfege Church Corner: Andrew MacLaren. 7.30 p.m.

.. 19th.—Polytechnic "Parliament," The Polytechnic, Regent Street: H. G. Chancellor, "Taxation of Land Values."

The 52nd Annual Meeting of the League was held on 15th May. There was a full hall and the proceedings throughout were lively and interesting.

Although barely recovered from a serious illness, the veteran President, Mr E. E. Belfour, J.P., took the Chair. He read his Annual Address seated and aided by a microphone, and concluded by moving the adoption of the Annual Report, which was carried. Mr H. A. Berens presented the audited accounts for the past year; seconded by Mr F. McGhee and, after discussion, adopted. Two Past-Presidents, Messrs T. Atholl Robertson and H. G. Chancellor, moved and seconded the re-election of the President, Hon Treasurer and General Secretary of the League. Carried unanimously. The President proposed the election of 18 Vice-Presidents nominated by the Executive, with the addition of Mr Peter Burt, J.P., of Glasgow, on the President's own nomination. Carried.

There were 22 nominations for 15 seats on the Executive, the following being elected: Chas. Aukin, LL.B., F. H. Baker, A. C. Blackburn, W. E. Bland, Frank Fox, Mrs Kate Fox, Miss Edith Hill, Ernest Ingledew, Miss Dorothy Jacobs, Mrs Louis P. Jacobs, C. L. N. Laing, F. L. McGhee, Andrew MacLaren, Leon MacLaren, and D. H. Thomas, B.A.

Mr Chas. Aukin, LL.B., on behalf of the Executive, moved the adoption of a revised Constitution of the League drawn up by the out-going Executive, which, with some amendments, was adopted. A vote of thanks was given to Mr Aukin for the skill and good humour with which he carried through the discussion of the Constitution, on the motion of Mr D. H. Thomas, seconded by the Hon Treasurer. A vote of thanks to the President closed the business of the evening, and the meeting resolved itself into a social gathering. The President's Address will be reported in the June *Bulletin*.

The Annual Report, 1934-35, gave account besides other matters of the activities reported in the League Notes in *Land & Liberty* month by month. The weekly Economic Lectures and Discussions held in the League rooms under the leadership of Mr Andrew MacLaren; the Literary and Debating Club meeting there on Sunday evenings, which has also had two

social evenings and a dramatic recital; the numerous meetings addressed by the League's speakers in connection with political, co-operative, religious and other societies; the course of lectures conducted by members at Streatham and Richmond; the open-air meetings (for which now a "loud speaker" is available) held at Wimbledon, Clapham Common, Croydon, Ealing, Highbury and, in the lunch hour, at Finsbury Square; the letter by the General Secretary on the Municipal Elections and the Rates, sent to 376 newspapers; the resolution passed by the Executive, protesting against the Government's reprehensible action in repealing the Land Value Tax provided for in the Labour Party's Budget of 1931.

Chief among the publications of the year has been Mr MacLaren's new pamphlet *The Truth About the Distressed Areas*, members being asked to help in giving this valuable summary and criticism of the Commissioners' Reports a wide circulation—price 3d., post free 4d., 2s. 6d. per dozen post free. Three new leaflets were issued for general distribution. The General Secretary has completed the writing of a new text-book on the Taxation of Land Values written at the request of the Henry George Foundation, which is making arrangements for publication.

The President and Executive, at the beginning of the year, appointed Mr Andrew MacLaren "Director of Propaganda." Besides speaking at many of the meetings in and near London, he has addressed meetings at Newhaven, Hailsham, Glasgow, Plymouth and Oldham; attended the Conference of the Labour Party at Southport; interviewed political leaders and editors, and made many confidential reports of useful activities to the Executive.

At the Southport Conference he secured a promise that the Taxation of Land Values should find a place in the new Labour Programme ("Socialism and Peace"). This promise was, in the opinion of the Executive, very inadequately redeemed by the insertion of eleven words in the final edition of the pamphlet, and, in reply to their protest, the Secretary of the Labour Party assured them that the Party still stood by its former declarations in favour of the principle.

Mr A. C. Blackburn, besides giving efficient help in the office, has been successful in securing the insertion of his letters in a number of papers, and has been an acceptable speaker at many meetings, both in and out of doors.

The Executive earnestly appeal to all the members of the League to assist its work of "making public opinion" by every means in their power, and by making a special effort to enlarge the membership and strengthen the finances of the League.

SCOTTISH LEAGUE: William Reid, Secretary and Treasurer, 9 Woodside Crescent, Glasgow, C.3. (Telephone: Central 4136.)

The offices of the League are now at 9 Woodside Crescent. More will be told in future notes, but as we are suffering from removal fever meantime the good news can await dissemination. The new premises are commodious, a committee of management is considering ways and means, and how best to rejuvenate the propaganda.

In recent weeks we have to report indoor meetings addressed by Mr Mungo Fairley and Mr Otto Ommen. The former meeting was under the auspices of the Men's Guild, Glasgow Eastern Co-operative Society, and the latter at the C.Y.M. Society, associated with St. Francis' Church, Glasgow.

Newspaper propaganda is being steadily maintained, with Mr A. J. Mace giving a good lead. He has written to the *News Chronicle*, *Glasgow Evening News*, *Glasgow Evening Times*, *Reynolds*, and other newspapers. Another *News* correspondent signs himself J. M., which is not to be confused with A. J. M.

WELSH LEAGUE: Mrs Annie Fenton, Ruskin House, 214 Caerphilly Road, Birchgrove, Cardiff.

There was a very good attendance of members at the Annual Meeting held at the Park Hotel, Cardiff, on 27th April. The following Resolution moved by Captain Saw, seconded by the Rev D. J. Evans, of Pontygwaith, was carried unanimously and communicated to the Press, to Welsh Members of Parliament, the Prime Minister and the Chancellor of the Exchequer:

Whereas the present rating system is most unjust in that it exempts valuable land from taxation, allows the economic rent of land to go into private pockets instead of furnishing the public revenue, and imposes taxation on houses and other buildings and improvements, thereby aggravating unemployment and business depression:

This meeting of the Welsh League for the Taxation of Land Values applauds the decision of the Cardiff City Council to call a representative conference of local authorities in Wales and Monmouthshire for bringing pressure upon Parliament so to amend the present rating law that rates shall be levied on the full market value of land whether used or not, with

corresponding reduction of the rates that occupiers have now to bear:

The League further declares that the rating of land values simply secures for the community the values which the community itself creates, and that by bringing unused land into use and exempting buildings it offers the sound and lasting solution to the problems of housing scarcity and low wages.

This meeting was made the occasion of the presentation to Mr Davies of a silver Tea Service, handed to him on behalf of the League by Mr J. E. Emlyn-Jones in appreciation of his good work. Letters from members and friends of the League in many parts of the country were read, in which congratulatory references were made to Cardiff's lead and good wishes expressed to Mr Eustace Davies, to whose services as Hon Secretary over a period of 21 years the League owes so much. In responding Mr Davies thanked members for the gift and for their help during his years of office.

The Secretary's report showed that the work was being carried on with vigour along the usual lines and much propaganda had been done during the past year, especially among those interested in municipal affairs.

Dr D. G. Taylor, M.A., was re-elected President and the following officers were re-elected: Chairman of Committee, Capt F. Saw; Treasurer, Mr J. T. Jones; Hon Secretary, Mrs Annie Fenton; Vice-Chairman, Mr C. A. Gardner, who was also asked and agreed to act as Press Secretary; Auditors, Mr D. Pugh Jones and Mr C. R. O. Hughes. The Executive were re-elected *en bloc*.

Mr Eustace Davies continues to give us all the help he can, which is a great deal, and we were glad to have his promise during the meeting that he would do his best for the League in the future.

The League's Circular to Welsh Borough and County Councillors issued in conjunction with the United Committee would, it was hoped, stir up renewed interest in the work we are doing and lead to increased membership.

After the meeting, members took tea at the invitation of the family of the late Mr David Davies.

The proceedings were prominently reported, with full text of the resolution, in the *Western Mail* of next day.

Capt. F. Saw is addressing a mass meeting of the Gabalfa Ward Ratepayers' Association on 21st June moving a resolution that will support the action of the City Council in calling the representative municipal Conference for the Rating of Land Values. A requisite quantity of the leaflets "Who Should Pay" and "What Mr Lloyd George has Said," as well as of the Postcard with graph showing how "The Landlords Threw Off Their Taxes," is being supplied by the United Committee for free distribution.

MANCHESTER LEAGUE: Arthur H. Weller, J.P., Secretary, 69 Piccadilly, Manchester 1. (Phone: Central 5527.)

A good discussion followed an address by the Secretary to the St Helens Adult School on Sunday, 5th May. His subject was "Housing the Poor."

The season just closed was a busy one for the League's workers. During the six months which ended on 31st March, 55 meetings were addressed in various parts of Lancashire, besides those held in Manchester under the auspices of the Henry George Club. Many of these meetings were reported in the *Manchester Guardian* and local newspapers, and sales of literature were generally satisfactory.

During the summer months it is hoped to arrange the usual visit of Manchester members to their colleagues in Clitheroe on a Saturday afternoon. Readers who would like to join the party are invited to write to the Secretary for particulars of this and other summer events.

Open-air meetings will be held at Alexandra Park Gate, Moss Side, Manchester, every Wednesday evening in July and August, commencing at 8 p.m. The support of friends—silent or vocal—will be appreciated.

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

Meetings have been addressed as follows: Councillor A. W. Dakers, W.C.G., Choppington, Northumberland. Mr Dakers has also addressed several meetings putting Land Value Rating before the electors in a County Council by-election.

Mr P. V. Olver has spoken at four branches of the Women's Co-operative Guilds in Leeds, also at the Chapeltown Women's Liberal Association and a Brotherhood meeting at Halton.

The Secretary addressed a well attended meeting in Laycock's Café, Bradford, on 2nd May.

Press correspondence has been maintained and includes a notable letter by Councillor A. W. Dakers in the *Yorkshire Observer* of 20th May.

Mr W. Walker, of Corbridge-on-Tyne, is ever busy recommending the Henry George literature among his friends and has ordered a further supply of the books for sale. He is

engaged to speak at a local Labour Party meeting on the Land Question from a historical point of view.

The *Keighley News* of 4th May had an extensive report of our public meeting held on 28th April. Much correspondence has been received testifying to the success of both the recent Leeds and Keighley meetings.

LIVERPOOL LEAGUE: F. R. Jones, Hon. Secretary, 23 Rocklands Avenue, Bebington, Cheshire. (Office and Meeting Room: 21 Harrington Street, North John Street, Liverpool.)

On 8th May Mr E. J. McManus addressed the Bromborough Co-op. Men's Guild on "The Problem of Poverty." Keen interest was shown, and there was a good sale of literature.

In the *Birkenhead News* Mr O. B. Sweeney issued a challenge to Protectionists to defend their doctrines in his columns. This drew a letter from the House of Commons from Colonel Sandeman Allen, M.P. for Birkenhead West, who, however, pleaded lack of time as an excuse for not entering into controversy. In the correspondence columns letters have appeared from Miss N. McGovern, Mr E. J. McManus and the Secretary. In *G. K.'s Weekly* also, 16th May, a letter from Mr. O. B. Sweeney.

MIDLAND LEAGUE: Chapman Wright, Hon. Secretary, 20 Cannon Street, Birmingham 3.

In these notes reference has been made before to the growth of land values as illustrated by the case of the Edward the Sixth's Schools. The site of 7,700 square yards (about 4½ acres) lies in the centre of Birmingham, extending along New Street for over 240 feet near the junction with Corporation Street.

The *Times* of recent date announced that this site had been sold for £400,000.

In his "jubilee book" on Birmingham, Mr H. G. Smith describes the establishment of these Schools of Edward the Sixth. In the year 1552 a grant was 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 Brymicham." 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 income of £21 per annum increased to the present (1933) income of about £50,000.

So wrote this authority on Birmingham. And now less than 4½ of these 125 acres, which yielded an income of £21 a year in 1552, have been sold for £400,000.

To the objection that Education would suffer under the Taxation of Land Values the reply is that the reform would make it possible to increase enormously the facilities for free education up to the universities without placing a single penny of rate or tax on industry or individual earnings.

BRISTOL LEAGUE: J. A. Hurley, Hon. Secretary, 14 Queen's Road, Knowle, Bristol 4.

We have come to the end of our second season and can look back at a very successful series of meetings and addresses given to almost every type of social movement. The Land Question is new here and is made difficult to understand by the previously existing fallacies which by persistent repetition have become deep rooted and require much effort to remove. A large amount of literature has been sold and this must have its effect in time. Our membership is growing slowly but steadily. We are fortunate in having sympathizers who although they have not been able to participate with the League are actively carrying on the work in private circles.

An appeal to reason and intelligence must necessarily be slower than the more attractive but shallow and fallacious appeals to sentiment, emotion, and mass mentality. Our members are very keen and give wholehearted substantial support to the League.

The President, Mr E. J. Brierley, in addition to his lectures and addresses, is continually making personal visits where any chance offers of possibly spreading the knowledge of the Land Question.

Among Press matter is an article contributed to the *Bristol Labour Weekly* of 18th May by the Secretary on "Land Ownership; the Fallacy of Over-population Exploded."

PORTSMOUTH LEAGUE: A. H. Stoakes, Hon. Secretary, 110 Baffins Road, Portsmouth.

The League held its annual meeting in the Wesley Central Hall on 14th May. Officers elected for the ensuing year are: President, Mr H. Thirsk; Vice-Presidents, Mr W. Cadman and Mr F. Collins Bailey; Hon Secretary, Mr A. H. Stoakes; Treasurer, Mr F. Miller; other members of Committee, Messrs J. H. McGuigan, A. Cooper and S. R. Cole; Auditors, Messrs R. H. Cole and L. Franklin.

In declining nomination for re-election to the secretaryship, Mr S. R. Cole spoke of his advancing years and expressed the pleasure he had in serving the League for so long as Secretary. He kindly offered to continue the distribution of *Land & Liberty* and other literature, in addition to serving on the Committee. With deep feeling he recalled the last words of our late member

Mr Edward Trodd, who quoted Whittier's lines: "Never yet Share of truth was vainly set In the world's wide fallow."

The new President, Mr Thirsk, rendered an eloquent tribute to Mr Cole's service extending over 37 years, and other members joined in expressing their high appreciation and warm personal regard. It is interesting to recall the fact that Mr Cole's association with the movement dates from the delivery of an address in Portsmouth by Mr Chapman Wright, the present Secretary of the Midland League.

Our principal activities during the past year have been concerned with a series of monthly meetings and economic class work. These meetings received reasonably good notice in the local Press, and Press propaganda has been done also in the frequent "Letters to the Editor" from League members, including Messrs F. C. Bailey, Osgood and Franklin. On the other hand, the League work has been seriously handicapped by the accident to Mr McGuigan which incapacitated him, but now he is making good progress towards recovery. The League also lost the capable co-operation of Mr Osgood in his departure for London.

The help rendered by *Land & Liberty* to the League was specially mentioned, and the United Committee was thanked for the service of the literature in the way of books, pamphlets and leaflets which the League had used to good effect during the year.

HIGHLAND LEAGUE: I. Mackenzie, Hon. Secretary, The Arcade, Inverness.

The Department of Agriculture applied recently to the Scottish Land Court to have two of the smallholders removed from the holdings at Inches, near Inverness. But the Land Court have refused the application on the ground that the charges for improvements are "excessive" and "unreasonable." The bonds the land-holders refused to sign amount to £800 and £762 respectively. The interest, together with rent for land (£30 for 33 acres) was an impossible burden. This important decision ought to lead to a reduction of rent and revision of bonds of all the small-holders in the Highlands.

As reported in the *Ross-shire Journal* (17th May) the Rev T. Murchison, of Glenelg, has rebuked the Secretary of State for Scotland for having turned down the case for the Highland Small Landholders even before he has heard their story direct or received the petition that has been extensively signed. The situation is desperate, and the Rev Murchison quotes typical examples of distress. If the Highland League were equipped with funds a most effective campaign could be carried out at this testing time on behalf of the smallholders, the crofters and the farmers generally to show the way out of their difficulties and bring organized pressure to bear on the Government.

COUNCILLOR J. C. DOYLE

A sincere although unfortunately belated tribute must be paid to the memory of Councillor J. C. Doyle, of Newcastle-on-Tyne, of whose passing in December, 1933, we have only just heard. Councillor Doyle had been ill for some time and thus correspondence had been interrupted. He was known throughout the Tyneside as a champion of the working people and as one who ever remonstrated publicly against appalling housing conditions. His title to respect in the land values movement is the lead he gave to the agitation for land value rating, being responsible for the striking Report issued by the Newcastle City Council revealing the way in which the City had been held to ransom by high-priced land; and he had the greatest share in organizing the Municipal Conference of Northern local authorities held in Newcastle in March, 1930.

Some of the cases he gave in his speech at that Conference were as follows: Land bought for housing at Ferguson's Lane, 107½ acres at the price of £52,675, which previously had been rated at an annual value of £30 4s. 2d. Again, the purchase of land at St. Anthony's, 125 acres for £57,556, previously rated at an annual value of £13 5s. 10d. He mentioned also the general results of the enquiry made by the Council's special committee of which he wrote the Report. Within the past 25 years the City had acquired 653 acres, paying a total price of £318,973, which previous to purchase had been rated at an annual value of £1,527.

Among those who fought to remedy this scandalous state of affairs Councillor Doyle's place will not soon be forgotten.

AN APPEAL TO LANDLORDS

Mr W. J. Ogden uses a racy and attractive style in his *Tax Talk to Business Men*, a well-printed and easily read book addressed to the business community of Baltimore. It is published by the Albrecht Company at the price of \$2. "Land value," he says, "is one of the most interesting things in the world. It is not the worth of sand or dirt or rock. A filled-in marsh may be the most valuable land in the city and farms of great fertility the least valuable. What is called the *growth* of the city is the intersection of intersecting streets, forming many blocks of such sizes that the land is made suitable for dwelling and business purposes. The street also becomes the way for the distribution of water, gas, electricity, rapid transit, sewerage, police and fire protection, access to the courts and city hall, access to schools, parks, public health, harbour, and all the activities of the public service corporations. In describing the distribution of the services of government, for that is what these services are, we find that every service of government is brought to the blocks by the streets. *These are the things government does* and for which the taxes are levied. They are directed to one thing: the use of land served by them. They are the reason, the source and the continuance of land values. Plainly stated: Land values are the product of the services of government."

From these premises the conclusion is inescapable that the revenue for the payment of the government services should be derived *alone* by the taxation of land values. But Mr Ogden is not satisfied with that demonstration. He tries to prove that the abolition of all the present taxes that penalise the use of land and diminish earnings would increase the value of land by an equivalent amount and more; that in fact the landowners of Baltimore would be enriched by the change; even the owners of vacant lands would get a higher price or a higher rent, a *net* increase after paying their new land value tax and they would get that out of the largely increased wealth that the change would bring about. In this Mr Ogden overlooks several very important factors—(1) the effect of increasing the supply of the land now unused and therefore diminishing its value and *pro rata* the value of all other land; (2) the greatly increased contribution (as compared with present taxes) that would come from those sites where land value is higher in proportion to the improvement value than is the average over the whole city; (3) that the cost of the government services may quite easily expand beyond the present cost, especially as it is admitted that the wages of all workers will increase, and (4) that neither Mr Ogden nor anyone else can deny the right of the community to the whole of the value attaching to land.

The pretty picture presented to the landowners of Baltimore is that the land value tax will be restricted to the expenses incurred on government services, that these expenses are now being met by injurious taxes which hold back the production of wealth and depress land values, that when the *user* of land is relieved of these burdens the *owner* of land will benefit, and that the owner is to retain and enjoy this benefit because the government is not entitled to take more in land value taxation than exactly balances the cost of the services it performs. For the rest, the book chops logic with Henry George on the statement that "private property in land is unjust" when Henry George made it so perfectly clear that the injustice lay not in the private possession of land but in the private appropriation of its rent. He would secure and sanctify this right of possession by stopping the private appropriation of land values. But Mr Ogden would not allow that

land values should be appropriated for the public. He has no word to say either that all the people should have equal opportunity to use land or that the land value *belongs* to the community. He in fact says that it belongs to the *landowner* after the owner has paid so much of it to the government as is equal to the cost of the government services. It was hardly necessary to say in the foreword that "This is not the Henry George idea." The reader discovers this himself, but whether this is just the way to appeal to the attention of the landed interests of Baltimore and get their sanction for some thin end of the wedge we very much doubt. After all, the rent-payers in Baltimore are also a worthy and influential constituency whose claims upon this land value deserve attention. A. W. M.

Economic nationalism, tariff barriers, exaggerated protection to aid selfish vested interests, and trade restrictions of every kind combine to make the world most unsafe for democracy.—*Buenos Aires Herald*, 21st February.

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In the by-election for the Swan Hill district of South Australia Mr Cyril Judd stood as an independent candidate making land value taxation the main plank in his programme. On the final count he received 4,333 votes, as against the successful candidate's 4,496. Mr E. J. Craigie, M.P., who assisted in the campaign, writes: "We heartily congratulate Mr Judd on the splendid fight he made, and feel certain that with a little more educational work the seat can be won."

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Australia is one of the many countries which "encourages" the sugar industry. The Government has entered into an agreement with the sugar interests whereby the monopoly is to be extended for another five years, the extension of sugar production is prohibited and the retail price is to be maintained at 4d. per lb. This is more than four times the price at which sugar is offered in the free market. The Colonial Sugar Refining Co. has capitalized reserves to the amount of £7,000,000 and given one free £20 share for each share held by its members.

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Mr Fred L. McGhee has been selected by the Walton Divisional Labour Party, Liverpool, as their prospective candidate at the next General Election. He is a son of the late Richard McGhee, the personal friend of Henry George and one of the foremost advocates of the Henry George teaching, the founder of the National Dock Labourers' Union and Member of Parliament for South Louth in 1896 and Mid-Tyrone until 1918. Mr Fred McGhee is a member of the Executive of the English League for the Taxation of Land Values and of the National Trade Union Club. At the previous Election (1931) in Walton the results were: R. Purbrick, Conservative, 31,135; F. A. P. Rowe, Labour, 11,183.

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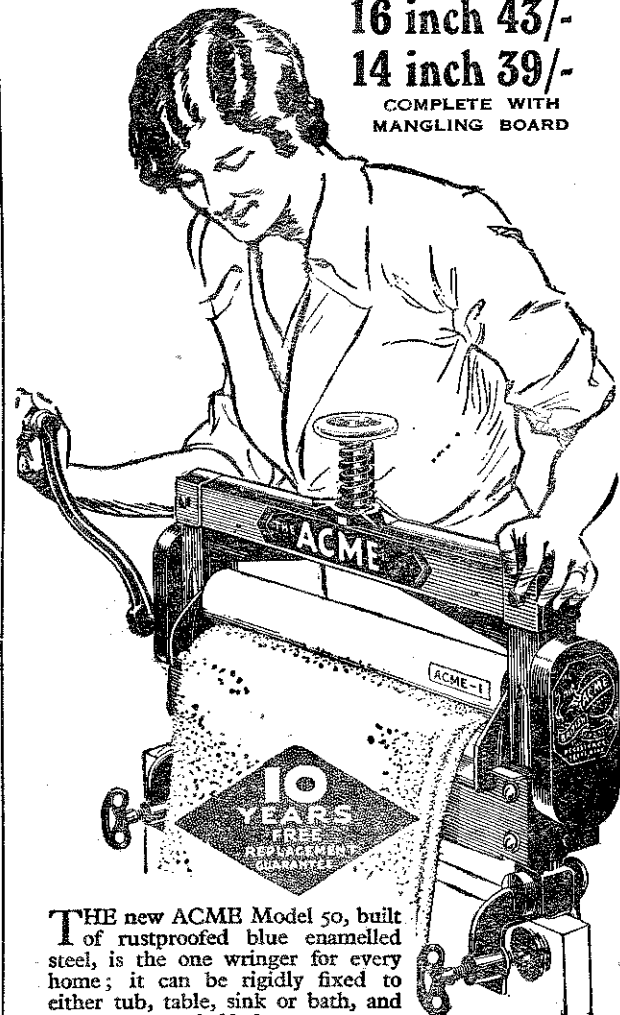
When land is plentiful in the market, land is cheap, but when you support measures like the De-rating Act (1929), then landowners can withhold land from use, pay nothing, get speculative prices for their holdings, transfer rates from land to improvements, like your houses, and up go your assessments and the amount you are called upon to pay. When you allow land to be withheld from use and make this easy by de-rating land, then land will reach famine prices, and you, as users of land, will pay more for it, if you or your town are the purchasers or lessees—WM. BOWLER, in an article contributed to the April *A.E.U. Journal*.

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