

LAND & LIBERTY

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Excuses from the Treasury Bench

In the debate on the Budget (21st April) Lieut-Col Colville (Financial Secretary to the Treasury), said: "The hon. Member for Brigg (Mr Quibell) talked of land speculators escaping taxation. If their gains can be brought into income tax and surtax returns there will be no more ready listener to any suggestions than myself, or any representative of the Treasury."

In other words, if you can carry water in a bucket with the bottom out, you shall have a drink, but not otherwise. Nothing could be easier than to make a valuation of land which must be the necessary preliminary to any tax on land values. But will any of the representatives of the Treasury be ready listeners to that? Is it not the truth that they have resolutely made up their minds that land values must escape whatever happens? Hence, the resort to the non-sensical argument that because the road to York does not go to Dover, it is impossible to go to Dover.

When Exports Stay at Home

A thought for the economists and others who argue the fiscal question in terms of "balance of trade," favourable or unfavourable and play at figures with their "invisible exports" as well as the visible ones upon which all national prosperity is said to depend, comes in this note from an observer in Spain. It is written to the *Manchester Guardian* of 22nd April, by Sir George Young, of New College, Oxford:

"A village in La Mancha, and I am waiting for a petrol permit. The Alcalde is at the telephone. He is doing a deal with another Alcalde for bags of beans in return for barrels of wine. Last year the wine would have been sold to pay the dividends of a company exporting from Barcelona and the beans would have been sold to pay the rent of an absentee landlord at Biarritz. A return to the Middle Ages, you will say. Yes—but also a new Spain that is neither Fascist nor Communist."

Commodity Prices and Land Values

The rapid rise in the prices of primary commodities is one of the outstanding features of recent months. Some of the results of this are indicated in the financial columns of the press. The *Evening Standard*, for instance, on 6th April, discusses the prospects of various Egyptian land companies several of which were formed in the '80s of last century "by far-sighted Englishmen" to acquire land from the Egyptian Government. "In 1936 a record cotton crop and substantially higher selling prices caused an all round rise in land values." "The outlook for the Egyptian farmer is brighter than for any time in the past seven years, and it is thought that land values must rise sharply in the near future."

Another illustration in the same paper concerns the prospects of Canadian land and mortgage companies. "There is another interesting change in the situation. For some years past the company [Trust and Loan Company of Canada] has had to take over a considerable amount of land from the original purchasers. This was regarded as a very doubtful asset in view of the taxation

and cost of upkeep. It seems likely now that this asset will become valuable. If the price of wheat is maintained and there is a fair crop this year or next year, there will be a very rapid change in the fortunes of the company."

A third illustration is given by *South Africa* (3rd April) which says: "The report of the Central Board of the Land and Agricultural Bank of South Africa for last year says the rise in the price of land is still noticeable and this may possibly be ascribed, partly to the improvement in the wool market and partly to the fact that in certain areas bumper crops have been reaped." The Bank however warns valuers to "guard against placing too high a value on land."

Thus all over the world we see the advantage gained by the producer passing over to the non-producer.

Tunes for the Minister of Labour

Mr W. Roberts (Liberal, Cumberland), having asked Mr Ernest Brown, the Minister of Labour, some questions about land drainage in Scotland (House of Commons, 25th March), put the supplementary: "Would the ownership of land be considered to be a business carried on for the purpose of gain?" to which Mr Brown answered: "I should not like to give an impromptu reply to that question."

Long have been the queues at the Labour Exchanges and many have waited in vain since the same Mr Ernest Brown led the singing of the Land Song at the Liberal Summer School in Oxford, 1922, where his voice added to "the shout swelling from the East and from the West"—*Why should we beg work and let the landlords take the best? Make them pay their taxes for the land, we'll risk the rest: the Land was meant for the People.*

But times change and we with them, a fate that the Minister of Labour has not escaped. The refrain has become "Not of this world the Kingdom of our Lord."

A Land Company Thanks the L.C.C.

At the annual meeting of the Law Land Company Ltd., London, on 24th March (*Glasgow Herald* report) the Chairman, Mr M. E. F. Crealock said that the most striking figure in their accounts was the large increase in income from rents, due almost entirely to lettings in the two new properties, Brettenham House and Carrington House. That figure was still on the rise and the revenue from those two properties would be reflected to an even greater extent in the year 1937.

In reply to a question by Colonel Sir Stuart Sankey as to the progress of the rebuilding of Waterloo Bridge, the chairman said that that would take three years to complete, but when Waterloo Bridge was completed and the main through road from south to north was in full use, it would double the value of Brettenham House. He would like to take the opportunity of expressing on behalf of the board and himself their appreciation of the way they had always been met by the officials of the London County Council, who had always done all they could to help the company.

History repeats itself. Time was when a half-penny

toll was charged to cross the old Waterloo Bridge. In 1878 the toll was abolished at the cost of £500,000 of public money to buy out the toll-gatherers. Workmen who lived in the streets and courts on the south side and had to cross the bridge to their work at Covent Garden and in the theatres were saved 6d. a week. But the "law of rent" with its seven league boots quickly overtakes benefits of that kind and the rents of the houses of these working people were raised by sixpence a week. And now we see how the new bridge is going to place a nice little fortune in the hands of the Law Land Company. The bridge becomes in fact one of those "better communications" for transferring wealth from the pockets of the general taxpayer into the purses of the owners whose land is enhanced in value.

No Rates on Idle Mills

The Blackburn Town Council (*Manchester Guardian*, 2nd April) is concerned about a House of Lords decision exempting idle mills from rates. Alderman Porter urged that there should be legislation to ensure that the occupier of a hereditament in which silent plant and machinery remained should be deemed to be in beneficial occupation for the purpose of rating. He said that the decision was such that the financial repercussion on local authorities would be staggering. It was going to affect the working class and the shopkeepers and subsidize the employers.

Alderman Hamer, who is chairman of the Blackburn Cotton Employers' Association, asked: "On what are we going to take counsel's opinion? There has been a decision in the High Court." Mr. Porter replied: "On whether firemen should go to fires to people who are not paying their full quota of rates." To this Mr. Hare, the Chairman of the Finance Committee, remarked: "We cannot take counsel's opinion on a decision of the House of Lords, but there is more than one way of killing a pig."

While Mr. Hare is sharpening his knife at the slaughter house, suppose we think less of pigs and more of honest citizens. Surely the remedy is no taxing of buildings and machinery whether used or idle. The rating system will never be on a just basis till the value of land is taken in taxation for the uses of the community. If the value of the ground underneath those idle mills (as well as of all vacant land and of all sites built upon or not) were assessed and rated, Alderman's Porter's just grievance would be wholly discharged.

Do or Should Landlords Expect this Aid?

Speaking in the debate on Foreign Affairs in the Commons on 25th March, Miss Eleanor Rathbone (Independent, English Universities) said that the Nazi and Fascist ideal appealed to the militarists and great landowners in every country by holding out to them hopes of more power and influence than they could obtain under any democratic regime.

The Duchess of Atholl (Conservative, Kinross and West Perth) speaking next said she thought there was nothing in the very interesting speech of Miss Rathbone with which she was not in warm agreement except possibly a slightly suspicious reference to landed interests and their supposed interests and aims.

What exactly did the Duchess mean?

A Crime to Convey Goods

How the Road and Rail Traffic Act, 1933, has created monopoly and what has become of boasted freedoms is shown in a case reported in the *Manchester Guardian*, 31st March. It was the prosecution of Arthur Noel Parry, Gryn Arms, Llanasa, at the Rhyl Police Court. The prosecuting solicitor, Mr. G. Ouseley Smith, said:

that on 30th December Parry was seen by an officer of the Ministry of Transport using his vehicle without the necessary licence. "The haulage industry is now a closed industry," he said, "and a man cannot obtain a licence as a right. He has to appear before a licensing court and make out a case showing that he is entitled to enter this closed industry." Describing the case as a "very flagrant breach of the law," Mr. Smith said that Parry wrote for particulars regarding licences last May, and forms were sent to him, but they were not returned.

Parry said he received the forms in May and sent them in in July filled up. He heard nothing more, and he wrote again in November, but had no reply.

Parry was fined £5 and costs.

The National Income

A recently published book (*National Income and Outlay*, by Colin Clark) purports to contain an analysis of how the national income is distributed. Table 39 in this work shows for the year 1935 a total income of £3,745 millions, excluding income from abroad (£215 millions) and excluding also net government income (£570 millions). This amount is apportioned between wages £1,520 (40.5 per cent), salaries £937 (25 per cent), profits and interest £949 (25.4 per cent) and rents £339 (9.1 per cent).

It is of course well known that this classification, which is based mainly upon income tax statistics, is largely arbitrary. For instance incomes from mines, quarries, railways and other undertakings which yield rents in the economic sense are classified under schedule D of the Income Tax as profits. Moreover, the figure of income under Schedule A is based upon an assessment which may be less than the income which would be derived if the property were actually let.

Mr. Clark points out that the Inland Revenue statistics do not afford any means of distinguishing the rent of land from the rent of buildings either in the case of agricultural land or in the case of urban land. He assumes that the pure economic rent of agricultural land is very small.

In the case of urban land he falls back on an unpublished dissertation by Dr H. W. Singer which attempts to derive from the statistics of assessments of annual value over a long period, combined with certain assumptions as to the cost of maintenance of buildings, a residue representing the site value. The details of the calculation are not available, but its validity is sufficiently disproved by the result, which is that in 1931 the aggregate value was £394 millions, the building value £405 millions, and the site value was consequently a minus quantity—£11 millions.

The local authorities who day after day are being compelled to buy sites, consisting of bare land or land with worthless buildings at thousands and tens of thousands of pounds an acre, will no doubt retain Mr. Clark and Dr. Singer as expert witnesses to fight these claims for them.

Tenants ask for Enquiry on Rating

At a conference of the National Council of Corporation Tenants Associations held at Leicester on 29th March, a resolution was adopted asking the Government to set up a Royal Commission for the purpose of investigating and reporting on the rating system of this country with a view to removing the existing anomalies and disparities. Mr. A. E. Hall, in moving the resolution, said that there were two possible alternatives—that the approved cost of national and semi-national services should be met by increasing the national income tax; or the rating of land values.

It is hardly necessary that another enquiry should be held on this subject. It has been exhaustively examined by official Commissions and Committees as well as by leading local authorities, the most recent example being the comprehensive report issued last year by the London County Council.

If the burden of rates is reduced by transferring more of the cost of public services to national taxation, what will be the effect on rents? Will not the tendency be for much of the benefit to be transferred to the owners of land in higher rent? We may suggest to those responsible for this resolution that the burdens of rent-payers are not to be solved by subsidizing rent or rates out of national taxation, but by taking the value of land for public revenue, and that the second alternative mentioned is the only effective remedy.

Penalizing a Highland Enterprise

The savage way in which industry is hit by the present rating system is clearly revealed in the speech of the Chairman, Mr R. W. Cooper, M.C., J.P., at the annual meeting of the British Aluminium Company Ltd. in London, 31st March. He said:—

Last year I told you of the very serious increase, which took place in 1935, in the valuation for local rating purposes of our Lochaber Works, the valuation having been raised from £7,575 to £143,816. Following on the failure of our Appeal in that case the valuations of our Foyers and of our Kinlochleven Works were increased in 1936 from £1,660 to £6,767 in the first and from £12,775 to £49,306 in the second case. We appealed both cases to the local Valuation Committees and thereafter to the Court of Session, the final tribunal. The latter Court have fixed the valuations at £4,736 for the Foyers Works and at £32,480 for the Kinlochleven Works. The effect of these greatly increased valuations is that in respect of all our works and properties in Inverness-shire and Argyllshire we shall be required to pay over 20 per cent. of the total rates of the Landward area of Inverness-shire and over five per cent of the total rates of Argyllshire.

We have heard much about the distress in the Highlands and much about schemes for development; but when it is possible for the natural resources, however valuable, to be held as private property quite exempt from taxation as long as they are not used, while on the contrary the burden of taxation falls heavily on the builder and improver, what hope is there of better times? Men like Mr Cooper cry out when the hammer blow strikes them. It is a natural reaction. Yet splendid is the spirit of altruism which, knowing that many suffer from an injustice, will move heaven and earth to have it abolished, whether they themselves are victims to it or not. Mr Cooper qualifies as a leader of a business men's association to defend true business interests not only against the exactions of absolutely wrong taxation but also against the monopoly privilege which must be ransomed before any industry whatever can begin. We invite him to it.

Cremation and Land Values

Remarking on the fact that the first crematorium was opened in 1885, and that since then 100,000 cremations have taken place, *The Tablet* (6th March) says: "The movement has been helped by the rise in land values. In too many cemeteries graves are not kept in perpetuity because space is valuable. . . . It is argued that it will prove cheaper for local authorities to offer free cremation than to arrange for land to be locked up as cemeteries, and this economic argument makes a wide appeal." So from birth to death we meet the problem of high land values at every turn.

Birmingham's Repentance

Reference has been made in these columns to the growing evidence of the existence of rings and combines which have grown up in this country under the shelter of the tariff. The latest illustration comes from Birmingham City Council which at its meeting on 6th April adopted a resolution permitting the committees of the council to accept foreign tenders if they considered that an excessive price was being charged by home firms in combination. It was stated that the prices of many commodities were regulated by associations of manufacturers and merchants, and that competitive tendering no longer obtained. After negotiation with steel trade associations quotations for steel work for the new corporation offices had been reduced by £2 a ton.

Perhaps the day may yet come when the home of protectionism will take the next step of seeking the abolition of tariffs.

SOME LAND PRICES

For the Middlesex Green Belt. Another large sum of public money, this time £75,450, goes to landowners to buy health and fresh air for the London people; but *who pays* and *how* seems not to be considered in these transactions, nor the question whether the recipients have done anything to entitle them thus to draw upon the daily labour of the community. By decision of the Harrow Urban District Council (*Daily Telegraph*, 11th April) two estates have been bought namely the 110-acre estate of Grimsdyke in Harrow Weald, belonging to the late Sir William and Lady Gilbert and the adjoining Old Redding estate of 86 acres: the one for £45,000 and the other for £30,450—total £75,450, equivalent to £383 per acre. The people may get the belt but think of the huge financial sacrifice, the taxation that must be borne to pay it, and all the revenue that has been lost to the community while the owners held this valuable land practically exempt from contribution.

East Grinstead and Arbitration. In our February issue we reported the case of the ground of area 10·6 acres in the centre of East Grinstead wanted as a recreation ground. The owner claimed £11,852 which included the loss of "potential water consumers." Since then according to the *London Star* of 13th April, the Council and the owner agreed between them on a price of £7,500. Later the district valuer valued the land at £5,500; so the Council proceeded to arbitration and now they are ordered to pay £8,660 and costs and fees. The official arbitrator had his own idea as to the market value and his word was final. It is an example showing how arbitrary are these valuations of isolated bits of ground for giving a landowner his price who pays no rates, and how absurd and unjust is the system that allows the publicly created value of land to go into private pockets. But the land racket will continue till the people themselves legislate for taxing and rating land values, which will stop the landlords' game and release the springs of industry everywhere.

A London Site. Over £63,000 an acre has been paid to clients of Messrs. Knight, Frank and Rutley (Hanover Square) for about 33,000 sq. ft. in Holland Park Avenue nearly opposite Uxbridge Road Station (Metropolitan Railway).—*The Times*, 23rd April.

Erratum.—On page 44 of our March issue, under "An Old School in Nottingham," it was stated that the school stood on a site of 1,307 acres. This should have read 1,307 square yards.

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MORE DEBT AND MORE TAXATION

The Budget presented by the Chancellor of the Exchequer, Mr Neville Chamberlain, on 20th April, presents two noteworthy features. The one is that the revenue to be raised is not sufficient to meet the national expenditure of the year. The other is that there is an increase of taxation, including a tax of somewhat unusual character.

The first of these features is by far the most important. It was long a healthy tradition of British public finance that no borrowing should be effected for defraying national expenditure, whether that expenditure was of a capital nature or otherwise. It was regarded as especially profligate to borrow for the purpose of defraying non-reproductive expenditure.

The rule was broken occasionally under the pressure of actual wartime expenditure, but it has been only in recent years disregarded in peace time. Now, indeed, a school of thought has arisen which considers it praiseworthy rather than reprehensible to borrow for public expenditure. It is believed that it is possible in this way to stimulate trade and increase employment and wages, thereby benefiting the poorer section of the community. Borrowing and inflation have become respectable and taxation and deflation have become questionable.

Judgment in all such matters must depend upon the test which is applied. It is fallacious to argue that such and such a policy is in the national interest. A nation is composed of a great number of individuals whose interests are extremely diverse. It is not difficult to show that national borrowing is not to the advantage of all citizens. Some of them lend to the Government; others pay the taxes which provide the interest and redemption of the debt. It is self evident that these classes are not identical. If they were identical, it would follow that those who subscribe the loan would also pay themselves the interest upon it and repay to themselves the principal advanced. If this were so, the subscribers to public loans would consist entirely of altruistic people who desired nothing for themselves and who desired merely to help the State. In that case they would simply give their money to the Government without going through the farce of pretending to subscribe to a loan.

In the world in which we live things do not happen like that. Those who lend their money to the State do so because they expect advantage out of it, and because they do on the whole, obtain advantage. It follows therefore, that others must pay a substantial share of the taxation necessary for the service of the loan. The

proportion of the population which buys public stock is comparatively small, and especially of those who subscribe for large amounts. The point does not need elaboration. It is only those who have capital available who can lend it. The ordinary worker, be he clerk, artisan, or whatnot, lives practically from hand to mouth. Such small savings as he can make are invested with his friendly society, trade union, or life assurance. These, and others in like circumstances, are the people who, in some way or other, will pay the interest and sinking fund on the loan. How they will do so remains to be seen. It may be through indirect taxation, or it may be through increase of prices reducing their standard of living and giving increased profits to other taxpayers. But the inference that they will do so in one way or another is irresistible.

The new tax on excess profits, called by the harmonious name of National Defence Contribution, is almost a confession that the government's policy of borrowing for arms expenditure will lead to increased prices and increased profits. It is a plausible attempt to reconcile the irreconcilable—to make it appear that the wealthy will really bear the burden of armaments. However, the standard of revolt has already been raised in the City, and the Chancellor of the Exchequer has promised reconsideration of his new tax. The result we may feel certain will be to reduce the revenue to be derived from it.

Many just criticisms could be made of the details of the N.D.C. It falls most heavily, for instance, upon those industries which have suffered most during the depression. It gives an advantage to those industries which require a large amount of capital, and in the term capital be it noted is included all the valuable assets of a business, land and monopoly privileges for instance. Yet it might be argued that that industry is most efficient which is able to produce the largest volume of goods with the least capital.

It penalizes new and expanding industries and assists those which are becoming obsolete and inefficient, and thus retards that constant development and improvement which must take place unless the technique of production is to become stereotyped and the advance of knowledge ineffective. It does not fall upon the increased rents or prices which the owner of land is enabled to extract from the producing section of the community.

This brings us to the fundamental criticism of this as well as of our whole system of taxation. It makes no true discrimination between earned and unearned incomes. It does not attempt to distinguish between those revenues which are a mere toll upon the productive effort of the people and those which are a return for services rendered in production.

The most important and far-reaching of such distinctions is between the value of land and the value of other things. We need not stress it. The difference is fundamental. Land is not produced. It is the gift of nature. It is the material basis of all production. Its value grows with every improvement in the condition of society. The basis of all reform both in our system of taxation and in our economic system must lie in the recognition that the community is entitled to the value which attaches to land by reason of the presence and activities of the community, that the individual is entitled to the use of land for his livelihood and to the untaxed enjoyment of what his labour produces.

F. C. R. D.

WHAT IS LAND VALUE TAXATION?—A brief and concise statement of the policy in eight pages, by W. R. Lester. Price 1d. or 3s. per 100, post paid.

NATIONAL PURCHASE OF COAL ROYALTIES

The Tribunal appointed to assess the amount to be paid by the Government if it should decide to buy out the owners of coal royalties has reported that it has fixed the price at £66,450,000. This figure will cover all coal whether being worked or unworked. The Government, which had reserved the right to decline to proceed with the transaction, has announced its intention of proceeding to the introduction of the necessary legislation.

It is stated in the Press that in the negotiations the Mineral Owners Joint Committee had asked for a sum of £150,000,000 and that the Government had offered £75,000,000 which had been refused. The decision of the Tribunal has therefore been welcomed by some of the progressive newspapers as advantageous to the public. It is so to the extent that the Government might have been prepared to pay a higher price, but on no other ground.

The present income of the royalty owners was agreed between the Owners Joint Committee and the Government to be £4,430,000. The sum payable is, therefore, 15 years' purchase of this income. Provision will require to be made for apportioning the purchase money between the mineral owners of whom there are said to be about 4,300. No announcement has been made of how the owners of unworked minerals will be treated.

The *Manchester Guardian* (27th April) gave the names and the estimated annual incomes from royalties of some of the principal proprietors. The amount that each will receive depends upon how the apportionment is made and upon how the owners of unworked minerals are treated. It is known that some of these proprietors are owners of large areas of unworked seams. Assuming, however, that they receive 15 years' purchase and that the estimate of their royalty receipts are accurate, the figures in these cases are:—

Owner	Royalties £	Price £
Duke of Hamilton	113,793	1,706,895
Marquis of Bute... ..	109,277	1,639,155
Lord Tredegar	74,937	1,024,055
Duke of Northumberland ...	69,194	1,037,910
Lord Dunraven	58,854	882,810
Lord Durham	35,620	534,300
Lord Ellesmere	26,709	400,635
Ecclesiastical Commissioners ...	370,000	5,550,000

It is interesting to observe that these cases alone account for nearly one-fifth of the compensation to be paid.

Although, as we have remarked, the decision of the Tribunal has the merit of saving the community from paying perhaps an even heavier price, we must emphatically protest against the proposal to buy back what is morally public property and what legally should never have been anything else. The decision to buy out the royalty owners is a triumph for landlordism. Considering the character of the present Government, the tenderness with which it has treated vested interests, and the energy which it has displayed in creating new ones, it is surprising that any shade of progressive opinion should be deluded by this transaction. It tends to bolster up the claims of landlords generally. It imposes the burden of compensation of 4,300 persons upon the rest of the 40,000,000 inhabitants of the country. It exonerates these 4,300 from the obligation which might well have been imposed upon them of contributing from their land values to the public revenues. It makes them secure pensioners of the community who will still continue to

pay them unearned incomes either in the price paid for coal or in direct or indirect taxation.

This is an example of the way in which the land question should not be handled. It is a surrender of the rights of the people to the land values which, they and not the landowners, have created. It is the perpetuation of an unjust privilege, an evil precedent which will be welcomed by the vested interests, and at which every just man should shudder.

AUTHORITY OR LIBERTY?

An American paper, *The New Republic*, recently asked the distinguished Italian philosopher and historian, Benedetto Croce, to comment on the questions—

Do you consider that political democracy is now on the wane?

Do you believe that authoritarian government is superior to democracy, and, if so, why?

Do you agree that, for the individual security and freedom are incompatible?

Some passages from his reply (*Manchester Guardian*, 1st April) deserve quotation:—

"Moral, intellectual, aesthetic, and political problems are not outside us, like rain and fine weather: they lie within us, so that there is no sense in asking what will or will not happen to them when the only right course is for each one of us to work and to solve them according to his own conscience and his own ability.

"Among offences committed against liberty to-day none seems more serious to me than that contained in the question whether preference is to be given to a liberal or to an authoritarian regime.

"Liberty and suppression of liberty are not on the same footing, like two things of different value, of which one can reasonably be preferred to the other, for the former means human dignity and civilization, the latter the abasement of men to the likeness of a flock led out to pasture, or of herds of wild beasts broken in and trained.

"The greatest evil imaginable would be that the struggle which is raging over the world to-day should end in the defeat of liberty and in the triumph of authoritarianism of a "totalitarian" kind, as it is now called, in those very countries which have not hitherto been infected. Well, that means going under, but with the certainty that the process of freedom must of necessity begin anew and that it will recommence on the basis of those forces which have been temporarily defeated but will win in the future.

"To the final question (to ask which one must put aside all political and moral considerations)—'Whether authoritarian regimes rather than liberal ones ensure the safety of the individual—that is, his material and economic interests?'—there is no answer unless it be by another question: 'Whether one's affairs are best administered by giving another a free hand to administer them as he pleases, without reserving to oneself any right to intervene, to disagree, or to ask questions?'

As reported in the *Daily Express* (Scottish Edition) 9th April, the Department of Agriculture for Scotland has prepared a scheme for draining land adjoining the River Kelvin at a cost of £27,000. More than two thousand acres will be dealt with under the scheme, and it is estimated that the value of the land will be increased by about £13,000. The cost of maintaining the drainage scheme will be £200 annually.

But who will get the increased value of land?

ASSOCIATION OF MUNICIPALITIES

Consideration of the Cardiff Resolution

At the meeting of the Council of the Association of Municipal Corporations held in London on 22nd April, Alderman Sir William R. Williams moved on behalf of Cardiff City Council:—

"That in the opinion of the Council the existing system of rating should be altered so that local authorities be empowered to levy rates upon owners in respect of the value of land apart from improvements for the purpose of

- "(a) Effecting a reduction in, or the abolition of, local rates payable at present by the occupier of rateable properties;
- "(b) Securing that the public shall benefit from the land values which arise from the presence and activities of the community; and
- "(c) Facilitating the acquisition of land, the provision of houses, and the making of public improvements."

The resolution was seconded by Alderman C. Austin Brook, M.A., J.P., representing Stoke-on-Trent.

An amendment was moved by a Sheffield representative that members of the Association should be invited to approach the Government individually with a request for the appointment of a Commission to examine the whole question of local taxation. After discussion, this amendment was defeated, and a further amendment was adopted that the question be referred to the General Purposes Committee of the Association for consideration and report.

The subject will therefore be considered at a future meeting of the Council of the Association when the report of the General Purposes Committee is received.

Southwark Borough Council

At the meeting of Southwark Borough Council on 3rd April a resolution in the following terms was adopted:

"That this Council—

- "(a) Strongly supports the views expressed by the London County Council on the 14th July, 1936, that the present system of rating is inequitable, and that it would be desirable that the present burden of local expenditure should be transferred to a rate levied upon site values.
- "(b) Expresses regret that H.M. Government have declined to promote legislation to remove the present anomalous system and to empower local authorities to levy a rate on site values; and
- "(c) Expresses the hope that the London County Council will invite the support of local authorities throughout England and Wales in order that further representations be made to H.M. Government to introduce legislation for securing this important and equitable reform.

The Land Union's View

The *Land Union Journal* for March says:—

"The last year is memorable for a strenuous revival of the proposal to assess local rates, in part at least, on site values. While no doubt the movement is fathered

by the disciples of Henry George, many local authorities have become sponsors of the scheme, and in July the London County Council adopted a recommendation of their Finance Committee condemning the present system and urging His Majesty's Government to introduce legislation at an early date to empower local authorities to levy a rate on site values. We understand that other local authorities have passed resolutions to the same effect."

This is a notable testimonial to the work being done to promote the Rating of Land Values in the Municipal field. The interests concerned to maintain the existing system are more than alert. Last year, it will be remembered the Land Union devoted much space in its annual report to "warning" its friends against the growth of the demand for reform, appealing for funds to fight the agitation.

TOWNS TO FIGHT LAND RACKET

(From the DAILY HERALD, 7th April)

Local authorities are in revolt against the growing "land value" racket, by which cities and villages are "held to ransom" when improvement and development schemes are to be carried out.

Many complaints are being received by the United Committee for the Taxation of Land Values, an official of which, yesterday, gave the *Daily Herald* instances of land profiteering—and a remedy.

Land urgently needed for building purposes is too expensive—one rural area had to pay £900 for eight acres of agricultural land, he said.

£1,800 An Acre

Other recent examples included:—

Three acres wanted for cemetery addition—owner asked £500 an acre—finally purchased at £250, a figure declared to be "out of all relation to the assessed value of the land."

Littleover, Derbyshire, wants a parish hall to cost, with the land, £5,000. But owing to the difficulty of securing land at a reasonable price the scheme cannot go on yet.

In outer London suburbs the price of land has soared from £120 to £1,800 an acre within three years.

The Property Committee of Nuneaton Council was asked to pay £600 an acre for 1½ acres of glebe land needed for road improvements.

"We are going mad if we consider it," said a councillor. At the last land auction in the neighbourhood land realized only £175 an acre.

'Dromes, Too

Questions have already been put in the House of Commons about prices the Air Ministry has been asked for aerodrome sites.

The L.C.C. has already tackled the problem. It has published a report petitioning the Government to give effect to the rating of land values.

Cardiff, Bradford, Newcastle, Sheffield are among the cities trying to remedy the evil.

"A system of rating land values would go a long way towards checking the abuse," the *Daily Herald* was told. "There are already similar systems in Denmark, New Zealand, New South Wales, and other countries. It would result in land being available at something approaching its rateable value."

THE LAND FOR THE PEOPLE

By Henry George

(From the Report of the Address delivered on 11th July, 1889, in Toomebridge, County Derry, Ireland.*)

The Land Question is not merely a question between farmers and the owners of agricultural land. It is a question that affects every man, every woman, and every child. The Land Question is simply another name for the great labour question, and the people who think of the Land Question as having importance simply for farmers forget what land is.

If you would realize what land is, think of what men would be without land. If there were no land, where would be the people? Land is not merely a place to graze cows or sheep upon, to raise corn or raise cabbage. It is the indispensable element necessary to the life of every human being. We are all land animals; our very bodies come from the land, and to the land they return again.

Whether a man dwells in the city or in the country, whether he be a farmer, a labourer, a mechanic, a manufacturer, or a soldier, land is absolutely necessary to his life. No matter what his occupation may be, if he is engaged in productive labour, that productive labour, if you analyse it, is simply the application of human exertion to land, the changing in place or in form of the matter of the universe.

Land and Labour

We speak of productive work. What is productive work? We make things. How do we make them? Man does not create them. Man cannot create something out of nothing. All the things that we call making are producing; bringing forth, not creating.

Men produce coal by going down under the ground, hewing out the coal, and bringing it to the surface of the earth; they produce fish by going to the lough, or river, or ocean and pulling the fish out; they produce houses by bringing together timber and stones and iron into the shape and form of a house; they produce cloth by taking the wool of a sheep or the fibres of a plant and bringing them together in a certain connection; they produce crops by opening the ground and putting in seed and leaving it there for the germinating influences of nature—always a bringing forth, never a creation, so that human exertion—that is to say labour upon land, is the only way that man has of bringing forth those things which his needs require and which are necessary to enable him to sustain life. Land and labour—these are the two necessary and indispensable factors to the production of wealth.

What is Property?

Now, as to the rights of ownership—as to that principle which enables a man to say of any certain thing—“This is mine; it is my property”—where does that come from? If you look you will see that it comes from the right of the producer to the thing which he produces. What a man makes he can justly claim to be his. Whatever any individual, by the exercise of his powers, takes from the reservoirs of nature, moulds into shapes fitted to satisfy human needs, that is his; to that a just and sacred right of property attaches. That is a right based on the right of the individual to improvement, the right to the enjoyment of his own powers, to the possession of the fruits of his exertions. That is a sacred right, to violate which is to violate the sacred command, “Thou shalt not steal.” There is the right

of ownership. Now that right, which gives by natural and Divine laws, the thing produced to him whose exertion has produced it, which gives to the man who builds a house the right to that house, to the man who raises a crop the right to that crop, to the man who raises a domestic animal a right to that domestic animal—how can that right attach to the reservoirs of nature? How can that right attach to the earth itself?

Equal Rights to Land

We start out with these two principles, which I think are clear and self-evident: that which a man makes belongs to him, and can by him be given or sold to anyone that he pleases. But that which existed before man came upon the earth, that which was not produced by man, but which was created by God—that belongs equally to all men. As no man made the land, so no man can claim a right of ownership in the land. As God made the land, and as we know both from natural perception and from revealed religion, that God the Creator is no respecter of persons, that in His eyes all men are equal, so also do we know that He made this earth equally for all the human creatures that He has called to dwell upon it. We start out with this clear principle that as all men are here by the equal permission of the Creator, as they are all here under His laws equally requiring the use of land, as they are all here with equal right to live, so they are all here with equal right to the enjoyment of His bounty.

We claim that the land of Ireland, like the land of every country, cannot justly belong to any class, whether that class be large or small; but that the land of Ireland, like the land of every other country, justly belongs in usufruct to the whole people of that country equally, and that no man and no class of men can have any just right in the land that is not equally shared by all others.

We say that all the social difficulties we see here, all the social difficulties that exist in England or Scotland, all the social difficulties that are growing up in the United States—the lowness of wages, the scarcity of employment, the fact that though labour is the producer of wealth, yet everywhere the labouring class is the poor class—are all due to one great primary wrong, that wrong which makes the natural element necessary to all, the natural element that was made by the Creator for the use of all, the property of some of the people, that great wrong that in every civilized country disinherited the mass of men of the bounty of their Creator. What we aim at is not the increase in the number of a privileged class, not making some thousands of earth owners into some more thousands. No, no; what we aim at is to secure the natural and God-given right to the humblest in the community—to secure to every child born in Ireland, or in any other country, his natural right to the equal use of his native land.

Not by Sub-division

How can we secure that? We cannot secure it by dividing the land up equally, by giving each man or each family an equal piece. That is a device that might suit a rude community, provided that, as under the Mosaic code, those equal pieces be made unalienable, so that they could never be sold away from the family. But under our modern civilization where industry is complex, where land in some places is very valuable and in other places of but little value, where it is con-

* The crossheads are introduced in this reprint.

—EDITOR, *Land & Liberty*.

THE LAND FOR THE PEOPLE—continued

stantly changing in relative value, the equal division of the land could not secure equality.

Rent of Land a Common Fund

The way to secure equality is plain. It is not by dividing the land; it is by calling upon those who are allowed possession of pieces of land giving special advantage to pay to the whole community, the rest of the people, aye, and including themselves—to the whole people, a fair rent or premium for that privilege, and using the fund so obtained for the benefit of the whole people. What we would do would be to make the whole people the general landlord, to have whatever rent is paid for the use of land to go, not into the pockets of individual landlords, but into the treasury of the general community, where it could be used for the common benefit.

Now, rent is a natural and just thing. For instance, if we in this room were to go together to a new country and we were to agree that we should settle in that new country on equal terms, how could we divide the land up in such a way as to insure and to continue equality? If it were proposed that we should divide it up into equal pieces, there would be in the first place this objection, that in our division we would not fully know the character of the land; one man would get a more valuable piece than the other. Then as time passed the value of different pieces of land would change, and further than that, if we were once to make a division and then allow full and absolute ownership of the land, inequality would come up in the succeeding generation. One man would be thriftless, another man, on the contrary, would be extremely keen in saving and pushing; one man would be unfortunate and another man more fortunate; and so on. In a little while many of these people would have parted with their lands to others, so that their children coming after them into the world would have no land. The only fair way would be this—that any man among us should be at liberty to take up any piece of land, and use it, that no one else wanted to use; that where more than one man wanted to use the same piece of land, the man who did use it should pay a premium which, going into a common fund and being used for the benefit of all, would put everybody upon a plane of equality. That would be the ideal way of dividing up the land of a new country.

Make Rent Public Revenue

The problem is how to apply that to an old country. True, we are confronted with this fact all over the civilized world, that a certain class have got possession of the land, and want to hold it. Now one of your distinguished leaders, Mr Parnell, in his Drogheda speech some years ago, said there were only two ways of getting the land for the people. One way was to buy it, the other was to fight for it. I do not think that is true. I think that Mr Parnell overlooked at that time a most important third way, and that is the way we advocate. Besides getting rid of the landlords by buying them out, or getting rid of them by fighting them out, there is a third and peaceable way, and that is getting rid of them by taxing them out.

That is what we propose by what we call the single tax. We propose to abolish all taxes for revenue. In place of all the taxes that are now levied, to impose one single tax, and that a tax upon the value of land. Mark me, upon the value of land alone—not upon the value of improvements, not upon the value of what the exercise of labour has done to make land valuable, that belongs to the individual; but upon the value of the

land itself, irrespective of the improvements, so that an acre of land that has not been improved will pay as much tax as an acre of like land that has been improved. So that in a town a house site on which there is no building shall be called upon to pay just as much tax as a house site on which there is a house.

I said that rent is a natural thing. So it is. Where one man, all rights being equal, has a piece of land of better quality than another man, it is only fair to all that he should pay the difference. Where one man has a piece of land and others have none, it gives him a special advantage; it is only fair that he should pay into the common fund the value of that special privilege granted him by the community. That is what is called economic rent.

The Power of Monopoly

But over and above the economic rent there is the power that comes by monopoly, there is the power to extract a rent, which may be called monopoly rent. On this island that I have supposed we go and settle on, under the plan we have proposed each man should pay annually to the special fund in accordance with the special privilege the peculiar value of the piece of land he held, and those who had land of no peculiar value should pay nothing. That rent that would be payable by the individual to the community would only amount to the value of the special privilege that he enjoyed from the community. But if one man owned the island, and if we went there and you people were fools enough to allow me to lay claim to the ownership of the island and say it belonged to me, then I could charge a monopoly rent; I could make you pay me every penny that you earned, save just enough for you to live; and the reason I could not make you pay more is simply this, that if you would pay more you would die.

How to End the Monopoly

The power to exact that monopoly rent comes from the power to hold land idle—comes from the power to keep labour off the land. Tax up land to its full value and that power would be gone; the richest landowners could not afford to hold valuable land idle. Everywhere that simple plan would compel the landowner either to use his land or to sell out to some one who would; and the rent of land would then fall to its true economic rate—the value of the special privilege it gave would go not to individuals, but to the general community, to be used for the benefit of the whole community.

The Bishop of Meath

I cannot pass on without mentioning the name of one of the distinguished Irishmen who have declared for the principle long before they heard of me. I refer to only one name. Many of you know, and doubtless all of you have heard, of Dr Nulty, the Bishop of Meath.

In 1881, before I had ever been in Ireland or Dr Nulty had ever heard of me, he wrote a letter on the Land Question to the clergy and laity of the diocese of Meath. Dr Nulty lays down precisely the principle that I have endeavoured to lay down here before you briefly, that there is a right of ownership that comes from work, from production; that it is the law of nature, the law of God, that all men should work; that what a man produces by his labour belongs to him; that the reservoir from which everything must come—the land itself—can belong to no man, and that its proper treatment is just as I have proposed, to let there be security of possession, and to let those who have special privileges pay into the common fund for those privileges, and to

THE LAND FOR THE PEOPLE—continued

use that fund for the benefit of all. Dr Nulty goes on to say what every man who has studied this subject will cordially endorse, that the natural law of rent—that law by which population increases the value of land in certain places and makes it grow higher and higher—that principle by which, as the city grows, land becomes more valuable—that that is to his mind the clearest and best proof, not merely of the intelligence but of the beneficence of the Creator. For he shows clearly that that is the natural provision by virtue of which, if men would only obey God's law of justice, if men would only obey the fundamental maxim of Christianity to do to others as they would be done to them: that by virtue of that provision, as the advance of civilization went on, it would be towards a greater and greater equality among men—not as now to a more and more monstrous inequality.

Land Value Taxation

These are the plain, simple principles for which we contend, and our practical measure for restoring to all men of any country their equal rights in the land of that country is simply to abolish other taxes, to put a tax upon the value of land, irrespective of the improvements, to carry that tax up as fast as we can, until we absorb the full value of the land, and we say that that would utterly destroy the monopoly of land, and create a fund for the benefit of the entire community. How easy a way that is to go from an unjust situation like the present to an ideally just situation may be seen among other things in this. Where you propose to take land for the benefit of the whole people you are at once met by the demands of the landlords for compensation. Now, if you tax them, no one ever heard of such an idea as to compensate a people for imposing tax.

In that easy way the land can again be made the property in usufruct of the whole people, by a gentle and gradual process. Instead of fighting the landlords out, instead of buying them out, what we propose is to tax them out. (Cheers, and a Voice, "The Government will not do it.") The Government will not do it until the great people of the three kingdoms demand that they should, and then they will do it fast enough.

The Freedom of Mankind

What I ask you here to-night is as far as you can to join in this general movement and push on the cause. It is not a local matter, it is a world-wide matter. It is not a matter that interests merely the people of Ireland, the people of England and Scotland or of any other country in particular, but it is a matter that interests the whole world. What we are battling for is the freedom of mankind; what we are struggling for is for the abolition of that industrial slavery which as much enslaves men as did chattel slavery. (Cheers and a voice—"It would take the sword to win it.") No, it will not take the sword to win it. There is a power far stronger than the sword and that is the power of public opinion. When the masses of men know what hurts them and how it can be cured, when they know what to demand, and to make their demand heard and felt, they will have it and no power on earth can prevent them. What enslaves men everywhere is ignorance and prejudice.

If we were to go to that island that we imagined, and if you were fools enough to admit that the land belonged to me, I would be your master, and you would be my slaves just as thoroughly, just as completely, as if I owned your bodies, for all I would have to do to send you out of existence would be to say to you "get off

my property." That is the cause of the industrial slavery that exists all over the world, that is the cause of the low wages, that is the cause of the unemployed labour.

The Remedy—and the Answer to Land Purchase

How can you remedy it? Only by going to first principles, only by asserting the natural rights of man. You cannot do it by any such scheme as is proposed here of buying out the landlords and selling again to the tenant farmers. What good is that going to do to the labourers? What benefit is it to be to the artisans of the city? (A voice—"It would make them worse.") And what benefit is it going to be to the farming class in the long run? For just as certain as you do that, just as certain will you see going on here what we have seen going on in the United States, and by the vicissitudes of life, by the changes of fortune, by the differences among men—some men selling and mortgaging, some men acquiring wealth and others becoming poorer—in a little while you will have the re-establishment of the old system. But it is not just in any consideration. What better right has an agricultural tenant to receive any special advantage from the community than any other man? If farms are to be bought for the agricultural tenant, why should not boots for the artisans, shops for the clerks, boats for the fishermen—why should not the Government step in to furnish everyone with capital? And consider this with regard to the buying out of the landlords. Why, in Heaven's name, should they be bought out? Bought out of what? Bought out of the privilege of imposing a tax upon their fellow-citizens; bought out of the privilege of appropriating what belongs to all. That is not justice. If when the people regain their rights compensation is due to anybody it is due to those who have suffered injustice, not to those who have caused it and profited by it. With this statement of my views on this great question I will now conclude by thanking you all for the patient manner in which you have listened to me.

Mr George then resumed his seat amid loud cheers.

(The Address was fully reported in the printed pamphlet "The Land for the People," published by the Scottish Land Restoration League, now the Scottish League for the Taxation of Land Values. Mr John Duddy of Belfast presided at the meeting and it is interesting to notice that among those on the platform were Messrs Charles L. Garland, M.P., of New South Wales; Silas M. Burroughs of London; James B. Archibald of New York; Organiser of the Knights of Labour; and Joseph Davison of Bellaghy, Ulster.)

Outstanding men and women of Phoenix and Arizona write the "Guest Editorial" for the *Phoenix Gazette* each day. The subject on which each writes is of his own selection and does not necessarily express the views of the Gazette.

The "Guest Editorial" on 18th March was by Mr J. C. Lincoln, on "A Great Book" who used the space well to describe *Progress and Poverty* as the book which does the same thing for the field of economics, and the questions concerning the production and distribution of wealth, as Copernicus did for the field of astronomy three or four hundred years ago. Its importance and what its proposal would do to establish social justice are explained, and the article concludes "One who understandingly reads *Progress and Poverty* will have a more active mental exercise than when he reads a dime novel, but there are some who are willing to work to see the vision of the new world after absorbing George's ideas." We are indebted to Mr Francis Neilson for having sent the cutting.

PROPERTY AND IMPROPERTY*

In this book Mr Hobson presents a useful survey of the essentials of social reform. It deserves attention both because of its recurrence to first principles—so often lacking in books of this nature—and because of the candour of its acknowledgment of the difficulties of the socialist philosophy to which he adheres. "The failure of Labour and Socialist parties in this and other countries to make a clear distinction between the right and wrong sorts of property, between the sorts which in their origin and use are expressive of personal effort and personal satisfaction, and the sorts which proceed from looting, oppressive bargains, gambling and cunning, and are put to luxurious expenditure or waste, is the chief barrier to sound economic reform." He adds that effective remedies for maldistribution of incomes can only be based upon intelligent acceptance of this distinction.

The fact of maldistribution may be accepted for the purpose of this discussion as proved. The degree of maldistribution cannot be ascertained unless some standard of just distribution is assumed. This difficulty is not mentioned by Mr Hobson who indeed begs the question by assuming that the object to be attained is "the fullest satisfaction of human needs." But who is to measure human needs, and who is to say what is the satisfaction they require?

If maldistribution is to be remedied by State control of the production and distribution of wealth, then the State must decide how much each individual shall have. This involves that some class of officials must be endowed "with the delicate task of determining what quantities and kinds of final commodities shall be available for consumers." If this question "occupies the minds of intellectuals of the Left," it at least has not received a solution.

Not only does the method of State control involve the determination of what each must have for consumption, it likewise and necessarily involves "that the proper proportions of the several productive resources shall be applied in the several industries." And let it be noted that this applies not merely to inanimate resources, but to the labour of human beings as well. If the State is to determine what each shall consume it must also determine what each shall produce.

But the problem is even more complicated. The State must strike the balance between present use and future use. The production of capital involves a sacrifice of immediate enjoyment, or immediate leisure, for the sake of future enjoyment or future leisure. To what length shall that sacrifice be carried? It is not merely a sacrifice by individuals for their own benefit; it is a sacrifice by some individuals for the benefit of others.

In addition all production involves a cost, and unless the costs are kept to a minimum the resources of society, its land, labour and capital, are to that extent wasted. As Mr Hobson puts it: "Even when public ownership is substituted for private, it remains important that the public shall apply each sort and position of its land to its most productive use, that productivity having a monetary value attached to it, corresponding to 'rent' under private ownership. Socialist book-keeping cannot ignore but must take strict account of the differences of productivity in different kinds and quantities of capital and land. And must not the same book-keeping apply to labour from its lowest unskilled levels to its highest inventive and administrative levels?"

How prices can be fixed, and how the distribution of land labour and capital to their most economical uses,

can be carried out by that select class of officials, may well perplex the minds of "intellectuals of the Left."

Under such a system there cannot be unlimited freedom of choice of occupation "for it might yield a plethora of inferior artists or musicians and a deficiency of miners and navvies." On the one hand there must be "such a retention of the price system as would starve out the incompetent aspirants to artistic and other high careers." On the other hand we cannot assume that the best work can be obtained "without some appeal to the acquisitive instinct." Thus Mr Hobson's analysis shows that the idea of "from each according to his ability, to each according to his need" is in fact impracticable, for even if those needs and those abilities could be assessed by some class of officials, the abilities may not be exerted unless they are rewarded in proportion to their ability instead of according to their need. Mr Hobson very properly remarks that however wasteful free competition may be in some respects, "the waste of monopolies is greater." There is no magic in State monopoly which prevents it from being wasteful; on the contrary the greater the proportion of industry conducted under monopoly conditions the greater the inefficiency. The justification of State or municipal ownership of monopolies exists only in the case of undertakings which are of necessity monopolies, and where freedom of competition cannot prevail.

In the result Mr Hobson concludes that we must not jump to the hasty assumption that the ownership and use of all property should be socialized, and that all private ownership and private enterprise in production should be liquidated. "The general trend of sound socialism would be towards public ownership and operation of what are termed 'key' industries and 'monopolies.'" He considers that these two groupings are largely identical and gives as examples, iron and steel, electric and other power, transport by rail and road, and in part by sea and air, banking, insurance, and investment.

A programme of this kind leaves a large field for private ownership not merely of consumption goods but of production goods. Mr Hobson looks forward to the prospect of an enlarged field for private enterprise. State industries will satisfy certain standard or basic requirements, but an increasing amount of productive energy of workers will be set free for the satisfaction of individual needs and tastes. Exponents of socialism in his opinion make a mistake in failing to recognize the value of such freedom and private enterprise.

What requires to be overthrown is not property in all its forms but those detrimental sorts which produce inequality and which Mr Hobson has called "improperty." Free competition is, therefore, not an evil in itself, as socialists so frequently imply. The real evil lies in the existence of conditions of privilege and monopoly which prevent free competition.

If equality of opportunity existed the result of the working of economic laws would be advantageous. If equality of opportunity existed, then the case for "unconscious socialism" would be strong. Under such conditions each man in pursuing his own interest is, in the phrase of Adam Smith, "led by an invisible hand to promote an end which was no part of his intention," the welfare of society at large. The tendency would be for wages to rise and for the maldistribution of wealth to diminish.

The difficulty which afflicts Mr Hobson is to find some criterion to distinguish between the field of private enterprise and that of public enterprise, between private property and what should be public property. So obsessed is he by this difficulty that he denies the

* *Property and Improperty*. By J. A. Hobson. Victor Gollancz, Ltd.

possibility of distinguishing between land values and capital. "Rent must be regarded as in part the product of capital and labour." Rent is everywhere combined with interest upon capital and "there is no reasonably accurate way of assigning the value belonging to the two co-operating sources respectively." It is indeed true in a sense that rent is the product of capital and labour. If these did not exist there would be no rent, but it is quite another matter to say that rent cannot be distinguished from interest (or from wages). To make the distinction is not merely theoretically possible, it is practically possible and is being done day by day in those countries which have established scientific systems of land valuation.

The inference which Mr Hobson draws that there is no half-way house between the present system and a completely socialistic state is untenable, and in a sense contradicts his own proposal for such a half-way house, based on less clear-cut distinctions.

It is also disappointing to find that Mr Hobson advocates the use of tariffs, subsidies and bounties, in order to "evoke the best social uses of the land." The "two capitals" argument of Adam Smith (so completely demolished by Henry George in *Protection or Free Trade*) is revived as justifying the use of tariffs. Another equally fallacious argument is that in a time of depression it may pay a country to make some of the goods it needs at a higher cost of production than would be required in a foreign country, because thereby men may be kept in employment. It may be true that by this means some men in some particular industry can be kept in employment, but if so, they are kept in employment by consumers paying higher prices than need be for the articles produced, by a cessation to that extent of the demand for other articles and therefore by increased unemployment in other industries. It is simply not true that all men in all industries can be kept in employment by means of tariffs. Mr Hobson himself in another passage points out quite properly that it is not the depression that causes maldistribution of wealth, but rather maldistribution that causes the depression. And the depression will not be remedied by accentuating the maldistribution, which tariffs, bounties and subsidies inevitably do.

It is also disappointing to find that Mr Hobson does not discuss the question of taxation, and its effects upon the distribution of wealth. The taxation of land values is tacitly ruled out because of the alleged impossibility of distinguishing between land values and other values. Thus he has no means of attacking the greatest source of "improperty."

Nevertheless, this is a book to be welcomed in that it tries to bring back the discussion of social reform to fundamental issues which are ignored or evaded in so much of the current treatment of the problem. D.

(Continued from next column.)

responsible for tearing up the Land Values Taxation plans drawn up by Philip Snowden. You feared the wrath of your Diehard followers, though you should be able to persuade them now that the rearmament programme demands sacrifices even from the vested interests.—*John Bull*, 24th April.

"If the Chancellor wishes the well-to-do to contribute something extra towards the cost of rearmament, why single out the owner of equity shares? Why allow the landowner and the rentier to go scot-free? There is no morality in the proposal, for the owner of equity shares, who bears the main risks of business, is worthy of more consideration than the owner of fixed-interest securities, who is merely drawing rent from the community."—*Investors' Chronicle*, 24th April.

SOME REMARKS ON THE BUDGET

The New Tax on Excess Profits or the Taxation of Land Values?

SIR ARCHIBALD SINCLAIR (Liberal, Caithness), speaking on the first day's debate on the Budget, 20th April, said: "After all it (the new profits tax called the 'national defence contribution') is an increment tax on productive industry, and surely the Chancellor of the Exchequer must feel that he would be in a much stronger position now if he had not in 1933 repealed the tax upon land which would now be yielding invaluable revenue for his purposes without imposing a direct burden on productive industry."

MR D. J. K. QUIBELL (Labour, Brigg division of Lincoln and Rutland) in the debate on 21st April, said: "A man buys an estate and sells it out in portions. If it is a 50-acre estate in five 10-acre portions, he makes an enormous profit. I know that in one case as much as £30,000 profit was made. He is not a trading estate because he does not make sewers or roads, or develop the property in any way. He sells it out in portions, and leaves those who have purchased these portions of land to lay down the sewers and construct the roads. The man who actually develops the land that, is, the man who actually makes the roads and lays the sewerage, is going to be penalised under these proposals, while the man who has walked off with the biggest share of the profit is not touched; he just sits in his office in London."

THE RT. HON. JOSIAH C. WEDGWOOD, M.P., commenting on the Budget at a meeting in Newcastle-under-Lyme on 20th April, said: "What nobody has observed is that the landlords, who are just getting rid of the Rent Restrictions Act and putting up rents, and the value of whose land has been enormously increased by the making of new roads, are free. It is only business that has been tackled."

THE MARQUIS OF LOTHIAN, presiding at the annual meeting of the Scottish Liberal Federation in Edinburgh on 21st April, said: "The new tax on industry is in principle a bad one. It is fundamentally a tax on enterprise the real life blood of a free civilization. The real dead weight of the nation," he continued, "was not the business man, but the rentier, the ground rent owner, the mortgage owner, the profiteer in increments from land values, old people who were assured of incomes without doing anything for them—that was the source from which special taxation ought to be raised."

MR J. A. SPENDER, writing in the *Yorkshire Observer*, 23rd April: When one looks at the enormous development of building in the neighbourhood of London and other great towns, and collects only a few facts about the rising values of land in any one of them, can it be doubted that we have here a rich and just source of revenue which ought to have been tapped for the benefit of the public?

MR G. M. GARRO-JONES, M.P. (Labour, Aberdeen, N.), in the Commons on 22nd April: In South Wales recently a large tract of land was bought for the purpose of putting up a new aircraft factory. There are people who have pocketed, or are likely to pocket, vast sums of money because of the erection of new factories of that sort upon their land or near to it. Why should those people not be specially mulcted, just as much as the people who happen to be connected with the armaments industry?

MR ROBERT GIBSON, M.P. (Labour, Greenock), speaking at Greenock (*Glasgow Herald*, 23rd April), said: The Treasury must now feel the loss of the taxation of land values, which was shipwrecked after the formation of this latest coalition, as it had been over 20 years ago during a war-time coalition.

Dear NEVILLE CHAMBERLAIN,—Your Budget imposes no special and heavy taxation, for example, on the land speculators—the gentry who have bought land for a mere trifle, wait until its value is enhanced by transport services and building needs, and then sell out at a vast profit. The gentry who own land required by the State for new aerodromes or new housing estates, and who hold us up to ransom... It was you, let me point out, who were mainly

(Continued in previous column)

WHAT CAN THE RICH MAN DO?

According to the *London News Chronicle* (6th April) a much perplexed man is Mr John Jay Morgan who wants ideas on how to spend the sum of £800,000 for "constructive human welfare purposes, as a lasting memorial." The money was left by his partner in a chemical business, William Henry Hall, to his daughter Martha Hall and when she died it was found that her will named Mr Morgan as sole executor, instructing him to spend the money as a memorial to her father. That was two years ago. Since then Mr Morgan has been beset by a stream of visitors. He has publicly asked anyone with genuine ideas to write him. What bothers him is not how to distribute the £800,000 for "constructive human welfare" but how to make sure it will provide a "permanent memorial." He has appointed four business men as co-directors of his trust.

This notice tempted the hope that a letter might find its way to the notice of Mr Morgan and the letter was written from the Henry George Foundation as follows:—

"With respect and recognizing the great aspirations you have as well as your immense responsibility, may I draw to your attention the eloquent passage in which your fellow-countryman Henry George has analysed with remarkable brevity and clarity the problem which confronts you?

"I enclose a copy of his work, *The Condition of Labour*, and would refer you to the discussion of the question, beginning on page 146: 'Take the case of the rich man to-day who is honestly desirous of devoting his wealth to the improvement of the condition of labour. What can he do?'

"The author of the book here considers all the typical proposals for spending money to advance constructive human welfare and shows why none of them can be a lasting memorial.

"I am not asking you to subscribe to anything or to do anything. I only ask you to read a few pages of this book in the belief that they will materially simplify your problem.

"Should you be moved to acknowledge this letter, I will be very grateful."

What Can He Do?

(The passage which the letter refers to will be well known to many of our readers (it has been published and widely circulated in leaflet form) but they will be glad to see it again and to have it presented to others unacquainted with its message.)

Take the case of the rich man to-day who is honestly desirous of devoting his wealth to the improvement of the condition of labour. What can he do?

Bestow his wealth on those who need it? He may help some who deserve it, but will not improve general conditions. And against the good he may do will be the danger of doing harm.

Build Churches? Under the shadow of churches poverty festers and the vice that is born of it breeds!

Build schools and colleges? Save as it may lead men to see the iniquity of private property in land, increased education can effect nothing for mere labourers, for as education is diffused the wages of education sink!

Establish hospitals? Why, already it seems to labourers that there are too many seeking work, and to save and prolong life is to add to the pressure!

Build model tenements? Unless he cheapens house accommodation he but drives further the class he would benefit, and as he cheapens house accommodation he brings more to seek employment, and cheapens wages!

Institute laboratories, scientific schools, workshops for

physical experiments? He but stimulates invention and discovery, the very forces that, acting on a society based on private property in land, are crushing labour as between the upper and the nether millstone!

Promote emigration from places where wages are low to places where they are somewhat higher? If he does, even those whom he at first helps to emigrate will soon turn on him to demand that such emigration shall be stopped as reducing their wages!

Give away what land he may have, or refuse to take rent for it, or let it at lower rents than the market price? He will simply make new land-owners or partial land-owners; he may make some individuals the richer, but he will do nothing to improve the general condition of labour.

Or, bethinking himself of those public-spirited citizens of classic times who spent great sums in improving their native cities, shall he try to beautify the city of his birth or adoption? Let him widen and straighten narrow and crooked streets, let him build parks and erect fountains, let him open tramways and bring in railroads, or in any way make beautiful and attractive his chosen city, and what will be the result? Must it not be that those who appropriate God's bounty will take his also? Will it not be that the value of land will go up, and that the net result of his benefactions will be an increase of rents and a bounty to land-owners? Why even, the mere announcement that he is going to do such things will start speculation and send up the value of land by leaps and bounds.

What, then, can the rich man do to improve the condition of labour?

He can do nothing at all except to use his strength for the abolition of the great primary wrong that robs men of their birthright. The justice of God laughs at the attempts of men to substitute anything else for it.

At the annual Liberal Party Assembly to be held in Buxton, 27th to 29th May, the agenda includes a resolution urging the Taxation and Rating of Land Values, moved by the Tunbridge Wells Liberal Association.

At the East and West Conference of International Students from the Scottish Universities at Bonskeid Y.M.C.A. Holiday House, Pitlochry (*Glasgow Herald*, 5th April), the Rev J. Frazer said he would rather be answerable for all the gin which was sent to Africa than for robbing one native of the land which belonged to him and his ancestors, because the whole basis of his culture hinged on that.

The Rev J. Frazer was founder and first principal of Achimota College, Gold Coast, and is now Principal of Newbattle Abbey.

In a paper on the "Housing Subsidy" given at the Scottish National Housing and Town-Planning Committee in Dunfermline, 23rd April, Treasurer D. R. Kidd of Dundee said that despite the various Government programmes the position, so far as overcrowding was concerned, was twice as bad as it was in 1917.

On 9th April William McKeown died at his home in Streatham where he had been living a retired life for a number of years, but ever interested in the Henry George movement with which he had been closely connected in Glasgow from the early days when Henry George paid his visits to Scotland. He was in his 83rd year. He is survived by three sons and three daughters to whom we convey our sympathies in their bereavement.

INTERNATIONAL NEWS

DENMARK

The Finance Minister has appointed a Commission of 21 members, with very wide powers of reference, to inquire into the question of taxation and to make recommendations. The reference, for example, says: "Among the matters it is desirable to discuss is that of the remission or reduction of the taxes and duties which are specially burdensome on consumers with moderate incomes, also what rebates should be made in the national and local income tax on behalf of families with children." Very interesting to our readers is the request to the Commission to consider the real property taxes for both State and local purposes, with a view to developing further the land values legislation and the transfer of taxation to land values; also investigation of means for improving valuation methods and procedure. Members of the Commission include three well-known authorities on the question of Land Value Taxation—Mr Smorum, M.P., Mr H. C. Henningsen (Vice-chairman of the Commission), and Mr K. J. Kristensen, the Chief of the Central Valuation Board.

ISLE OF MAN

The Isle of Man legislature has decided to appoint a committee "with power to take evidence to consider whether any amendment of the law is necessary or desirable to secure to the Government or local authorities some portion of the increased value accruing to landowners by the execution of public improvements or the natural development of the district."

The matter arose on a resolution moved by Mr S. Norris, who said (we quote the *Isle of Man Times*, 19th April, which had a very full report of the discussion): "This might be called the idea of Taxation of Land Values, and yet it is not quite so wide as that. I think members must have felt, time and time again that there was something wrong with the law of the land, which enables very high charges to be cast upon the people of this Island, through the Government and through the local authorities, and yet confers a great benefit upon private individuals without their making any return for it."

Mr Alcock, seconding the resolution, said: "I have never in my life seen anomalies as you see in the Isle of Man. This is a small place, and you see land, probably valued a few days ago at £20 an acre, suddenly being developed as building land and beginning to be sold at 6d., 1s., 2s., and 4s. a yard, and so on. While that means that the property as land is only paying local rates and taxation on a valuation of £20 an acre, it has increased in value by no action of the owner, but by the people in the neighbourhood who wish to build. Then the price may go up to £250, £500, or even £1,000 an acre. But the owner is not paying local rates and taxation on £500 or on £1,000; he pays rates on the old sum of £20."

"If I open a tobacconist's shop and develop it, I am taxed by the local authority, and the valuation goes up; my income tax increases; I am taxed in every possible way; but the man who owns land can sit down and smoke his pipe and wait till a man wants to build a bungalow. Then up goes the value. It seems outrageous and grossly unfair."

The amended form of resolution ultimately adopted was suggested by Deemster Cowley who said that he was much in favour of the principle. We do not approve of increment taxation, but we welcome the enquiry especially as it would, in the words of Deemster Cowley, "cover the whole question, and also the question of betterment. It would enable the committee to consider the taxation of land values and generally carry out what the hon. member has in mind."

It was agreed that the committee should consist of five members, who were appointed as follows:—Deemster Cowley, Messrs Norris, W. A. Kelly, McArd, and Craine.

THE TRANSVAAL

The Johannesburg *Sunday Express* of 14th February featured a special article by Advocate F. A. W. Lucas entitled "Challenge to the Church," which was replied to the following week by the Rev A. W. Eaton. The Editor invited correspondence and on the third week the letters were a remarkable demonstration in favour of Mr Lucas's point of view, his article having concluded with the statement that when the churches wake up to their responsibility to strive against social injustice and work actively to remove it they will not find any lack of the true religious spirit among the people of this or any other country. But, until they do take their stand against such injustice, the poverty and the misery of the masses of our people will be a constant challenge to their ministry. The God of Love, of whom they preach, cannot sanction the injustice of the system under which we live.

BURMA

M.J.S. writes: Till recently a great section of the Indian Empire, Burma, has now a separate "Colonial" status, which is marked by a highly informative special number of *The Times* for 20th April, 1937.

The process by which a fine people is lured to self-destruction by the introduction of land monopoly is to be gathered from references in separate articles. J. A. Swan says (p. xxxiv) that after the British conquest in 1852 "a system of land settlement was established under which, on payment of a FIXED annual land revenue tax, the cultivator had full security of possession and full freedom of disposal of his crops." So all increments of land value were given away as gambling counters, and urban lands were not even taxed on 1852 values!

The result of this surrender is shown as regards public works in the article (p. xxxiii) on Organized Water Supply; on three proposed irrigation schemes, "none will be profitable unless the Government can devise some means of securing a share in the rise of land values subsequent to construction"; all the land value of constructed canals has hitherto been thrown away.

The result requires no prophet to discern; but what has been done in one generation to reduce a fine and happy people to a landless and hopeless proletariat is honestly told with the simple self-satisfaction characteristic of British India. The article on "Agricultural Finance" (p. xiii) tells us that of ten million acres of cultivable land in Burma proper one fourth has passed "by unavoidable foreclosures and sales of land" to landlords, and a fourth to the Indian money-lending caste of Chettiers, leaving half nominally at present in hands of agriculturalists; "half of the land in Lower Burma is, as we have seen, in the hands of non-agriculturalists who are, in most cases, absentee landlords."

The folly of the British rulers in exempting urban values from land revenue is plainly inferred in this last article: "Under the head of Land Revenue comes one half of the total revenue receipts. Agriculture is the main source of this head."

In other words the urban land values which in any country make up half of its total land value are in Burma practically scot free; and with Burma's wealth in oil, jewels, mines and forests, the agricultural land can hardly exceed one fourth of the total land value. Landowners are well served. The only land revenue collected is that from agricultural land based on assessments that were fixed at the end of the 18th century.

SPAIN

Gratifying news has come from a subscriber in Barcelona that he has been in touch with Señor Baldomero Argente who is in Madrid and well, but unable to communicate with friends outside Spain in view of the censorship.

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 C. E. Crompton, Hon. Treasurers. (Telephone: Whitehall 6008. Telegrams: "Eulav, Sowest, London.")

The Annual Report, 1936, of the United Committee has been published. It is a pamphlet of 24 pages describing the various activities, the publications and advertising of the Henry George Foundation, the general work of the Committee and the service of *Land & Liberty*, the International Union work and the International Conference in London, and the work of the Henry George School of Social Science. An important section is that dealing with the Municipal demand for the Rating of Land Values, and the lead taken by the London County Council through its Report published last July. A list is given of 230 local authorities which in recent years have passed resolutions in favour of the Rating of Land Values. Specimens of Henry George Foundation advertisements are reprinted. Advantage is taken of the remarkable entreaty of the Land Union, speaking for the landed interests, for funds to combat our agitation, by our own reply to this challenge in which we say: "Not our puny equipment, which we could not hope to match against the unlimited financial resources of the landed interest, has succeeded thus far. Rather it is the power of truth allowed expression in the company of error. Let the Land Union provide its briefs for the spokesmen of the existing order. But let us also have adequate chance to state our case and make it known. The public will judge."

The Report is an informing and encouraging document which we should like to see in the hands of all readers of *Land & Liberty*. Those who do not get it by post in the course of a short time should make application for a copy. It is being circulated along with our latest list of literature and the brochure "What is Land Value Taxation?": and a form is enclosed enabling donors who so desire to earmark their contributions for the benefit of any particular organization or purpose as described or named in the Report.

The newest publication of the Henry George Foundation (ready early in May) is the *Social Science Manual*, and guide to the Study of *Progress and Poverty*, by F. C. R. Douglas. It has been previously announced as the "Economic Manual" but the title adopted is as stated, the *Social Science Manual*, a handy octavo book of 84 pages which will be on sale at 1s. Already numerous orders have been received for it.

The new edition of *Progress and Poverty*, making 38,000 published by the Foundation since 1930, will also be ready in May. It is the same price (1s.) and the same type as previous editions, but the size of the book is larger to make it conform with the other Henry George books published by the Foundation, and with the wider margins the text lends itself to easier reading. The new edition of *A Perplexed Philosopher* we hope to have ready early in June.

The *Manchester Guardian* published the list of 65 successful candidates in the Final Examination of the Institute of Municipal Treasurers and Accountants. A letter went from the Committee congratulating each on his success with enclosure of matter relating to the subject of local taxation likely to be of interest and of use for future reference. The letter said: "The question of local rating is one of the most important that Municipal Treasurers are called on to deal with and if we can be of service to you with any information, please let us hear from you." The literature sent included *Cities Held to Ransom*, the Memorandum on *Methods of Local Taxation*, and the Report of the Sheffield City Council on Land Value Rating.

ENGLISH LEAGUE: Frederick Verinder, General Secretary, First Floor, 94 Petty France, Westminster, London, S.W.1. (Phone: Whitehall 3831.)

The fifty-fourth Annual General Meeting of the Members of the League will be held on Wednesday, 26th May, at Livingstone Hall, Broadway, Westminster, London, S.W.1. (opposite St. James's Park Station, District Railway). The President, Mr Rupert East, will take the Chair at 7 p.m. The Annual Report of the Executive and the Audited Accounts of the past year will be presented, and the Officers and Executive Committee for 1937-38 elected. Nominations must reach the General Secretary at least seven clear days before the date of the meeting.

Mr A. C. Blackburn addressed meetings at West Greenwich (Greenwich Labour Party) on 14th April, and at North Tottenham (Women's Liberal Association) on 29th April.

The General Secretary will address the Women's Fellowship at St. Matthew's, City Road, E.C.1, on Tuesday, 4th May, on "The Housing Question," at 3 p.m.

Sidcup, a Kentish suburb of London, about 20 minutes by train from Charing Cross, is growing rapidly; its population is said to have increased from about 12,000 to 60,000 in the last

few years. The local people are much concerned about the increased assessments and the increased rates in the £. The members of a local Liberal Association listened with evident approval, at their annual meeting on 15th April, to an address by the General Secretary of the League on the Rating of Land Values, and unanimously adopted the following resolution, drafted and moved by the Secretary of the Association:

"We, the Lamorbey Liberal and Radical Association, request the Chislehurst-Sidcup Urban District Council to petition Parliament to amend the law of rating so that all land (including agricultural and mineral land) may be assessed to the rates on its market value, and all houses, buildings and other improvements be exempted from rating."

A report of the meeting appeared in the *Kentish Times* for 23rd April.

The annual report of the Executive, sketches the work of the League during the past twelve months. A leaflet on "Peace: at Home and Abroad" amplified the thesis of the resolution adopted at the annual meeting "that the present world troubles are mainly economic and that the principal cause of poverty is land monopoly." The leaflet was sent to nearly 2,000 individuals and societies known as advocates of peace. Special attention was devoted to the municipal elections: a letter by the Secretary was sent to 311 provincial newspapers and secured publicity in all parts of the country. Very much use was made of the report of the L.C.C. on the Rating of Site Values: and in the municipal agitation large quantities of the Secretary's pamphlet *The Crying Injustice of our Rating System* were circulated, rendering necessary a second edition which was well-timed for the L.C.C. elections in March last. Another press letter was that sent to 111 newspapers in the London area and published in many of them. Propaganda has been carried on as in past years by lectures mostly in London and the Home Counties. Other meetings include those addressed by Mr Andrew MacLaren, M.P., in Tyneside and Merthyr Tydfil in April, 1936, in Hyde Park, London (a farmers' demonstration), in Newhaven and York, and conferences at Morpeth and Stoke-on-Trent. Mr F. L. McGhee, J.P., a member of the Executive was elected unopposed to the Borough Council of Malden and Coombe. The report pays tribute to the memory of members the League lost by death during the year including Dr M. D. Eder, Charles O'Connor Hennessy, the Rev. Harold Rylett, Mr E. S. Weymouth and Alderman W. G. Wilkins.

The report is printed in full in the May issue of the League's *Monthly Bulletin*, a copy of which will be sent to any interested reader on application.

THE HENRY GEORGE FREEDOM LEAGUE: Wm. Reid, Secretary, 9 Woodside Crescent, Glasgow, C.3. (Phone: Douglas 5599.)

The meeting convened for the purpose of forming a Summer Social Study Circle on the lines of the Henry George School of Social Science was not well attended. Only five were in attendance, although it was just such an evening as we had hoped would induce people to come indoors later in the season. For the present we are not abandoning the idea. Anyone interested in the methodical study of *Progress and Poverty* is invited to attend a meeting at above address on Friday, 7th May.

Among recent letters to newspapers we have noted those of Mrs McGrouther in the *Bulletin* and Mr A. J. Mace in more than one of Glasgow's evening papers. One of our friends has been conducting a correspondence in the *Evening News* signing his letters "Veteran Citizen."

The Secretary is to lecture to a Labour Club on 2nd May: the subject being "The Land Question Still the Most Important Question."

At the Annual Meeting of the Scottish Liberal Federation held in Edinburgh on Wednesday, 21st April, points were considered which it might be advisable to place before the forthcoming National Conference of Liberals at Buxton. The League of Young Liberals presented a resolution on "The Rating of Land Values," and Kelvingrove Liberal Association submitted the following:—

"It being generally agreed that undeveloped property does not pay its fair share of taxation, we suggest to the Chancellor of the Exchequer that taxation on heritable property under Schedule A should be equalised as between developed and undeveloped property; without interfering with present exemptions, abatements, surtax, or other modifications, assessors of income tax should be empowered to levy an equivalent tax on capital or selling value where that value exceeds the capitalized net rental of the property."

Capt A. R. McDougal suggested an addendum to the effect that the Liberal Party be asked to put the taxation of land values in the forefront of its programme. The motion as amended was carried without dissent.

WELSH LEAGUE : Eustace A. Davies, Hon. Secretary, 27 Park Place, Cardiff.

The annual meeting was held at The Friends' Meeting House, Cardiff, on Saturday, 17th April.

The meeting unanimously approved the action of the Cardiff City Council in bringing the question of the Rating of Land Values to the notice of the Association of Municipal Corporations and complimenting Alderman Sir W. R. Williams as the mover of the resolution. (For the text of the Cardiff resolution and its consideration by the A.M.C., see another column.—EDITOR, L. & L.)

The following officers of the League were elected for the ensuing year :

President, Dr D. G. Taylor, M.A.; Chairman, Capt. F. Saw; Vice-Chairman and Press Secretary, C. A. Gardner; Hon. Treasurer, J. T. Jones; Hon. Secretary, Eustace A. Davies; Auditors, D. Pugh-Jones and C. R. O. Hughes; The Executive Committee was re-elected and Mr Edgar S. Buck was elected a new member of it.

In the absence of the Hon. Treasurer the financial statement was submitted by Mr C. R. O. Hughes. This showed a deficit of about £15.

Mr Walter J. Sirrell submitted the Hon. Secretary's report in which he pointed out that the finances had improved during the year and that the membership had been maintained. Knowing that Mr Eustace A. Davies was in better health and was again prepared to take on his former work as Hon. Secretary, Mr Sirrell resigned the position and nominated Mr Davies as his successor. A hearty vote of thanks to Mr Sirrell for his good services during the past year was passed with acclamation and it was an instruction that our appreciation of his services be recorded in the minutes.

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

On 6th April, Mr O. B. Sweeney addressed the Higher Bebington Co-op. Women's Guild in the afternoon and the Birkenhead Liberal Association in the evening. At the latter meeting there was a keen discussion on our reform as the only means to secure full freedom of trade. On 29th April the Secretary addressed the Birkenhead North End Co-op. Women's Guild, where it is hoped that next session a class of the Henry George School of Social Science may be formed. Attempts are now being made to arrange classes in various organisations, and individual members are collecting groups, some being in influential circles.

In the *Birkenhead News* the Economic Review conducted by Mr O. B. Sweeney has been criticising the policy and teachings of the Economic League. In the correspondence columns Mr E. J. McManus has entered into debate on the Catholic attitude towards land ownership. The controversy is still proceeding.

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

A meeting at the Friends' Unemployed Club on 31st March, was addressed by Mr D. J. J. Owen. On 7th April a meeting under the auspices of the Warrington (Central) Co-operative Guild was addressed by the Secretary and reported in the local newspaper.

An article on "Economic Freedom or War," written by the Secretary, was printed in the *Warrington Examiner* of 17th April. Mr and Mrs Sumner of Sabden, have contributed letters to newspapers circulating in the Blackburn area.

The H.G.S.S.S. Class meetings continue to be held in the League's office on Tuesday evenings at 7.30 p.m. The attendance of new members has been well maintained.

An increase of 2s. 6d. in the £ in the local rates of Carlisle has given Mr J. T. Hastings opportunities to point to the proper source of public revenue, of which he has taken advantage.

The estimated cost of the proposed widening of Cannon Street, Manchester, is £266,672. Of this total, £256,902 represents the purchase price of land. The Government has undertaken to contribute one-third towards the £9,770 to be expended on street works.

Mr A. W. Madsen has promised to address a meeting of the Henry George Club in Manchester on Friday, 7th May. The meeting will be held in Smallman's Restaurant, 14, Piccadilly, Manchester, commencing at 7.45 p.m.

YORKSHIRE AND NORTHERN LEAGUE : F. Skirrow, Secretary, Tanfield Buildings, 129 Skipton Road, Keighley.

Bert Brook addressed a Fellowship meeting at Waterloo, Huddersfield, on 25th March; Fred Smith, Seaton Sluice, addressed the Bedlington Pit Welfare Lecture and Debating Society on Tuesday, 30th March, and also had a debate with Capt. Speke, O.B.E., at Bedlington. C. H. Smithson addressed a

meeting at Mytholmroyd on 21st April. The meeting was preparatory to the formation of a class to commence in September.

J. W. Booth had a letter in the *Yorkshire Observer* on 20th March, and the Secretary had a letter in the same paper on 24th April. We have received a letter of thanks from A. H. Stoakes for copies of John Archer's brochure on The Religion of Henry George, which are to be sent out to the Clergy of Portsmouth and district.

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

The annual meeting of the League will be held on Saturday, 29th May, at 3 p.m., and will be addressed by Councillor F. C. R. Douglas of London, and we hope to have a large audience especially in view of the part Mr Douglas has taken in promoting the Rating of Land Values in the London County Council.

BRISTOL LEAGUE : E. Reed, Hon. Secretary, 69 Kensington Park Road, Brislington, Bristol 4.

The weekly meetings have been well attended and the new members and visitors are evidence of the increasing interest in our movement. Our president, Mr Brierley has given his usual quota of lectures during the month, to Co-operative Guilds, L.N.U., and other movements. Efforts are being made towards getting the Peace Movements to more fundamentally examine this problem so that more concerted action may be taken. Councillors are being approached for the object of trying to get support for the Rating of Land Values.

In future the League meetings will be devoted to the study of *Progress and Poverty*. The first lesson held last Monday was well attended and very successful. We hope for still better results when the *Manual* is published.

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

The Chairman, Mr F. Collins Bailey presided at the meeting of the League held on 14th April in the Wesley Central Hall; when the secretary opened a discussion on local taxation. The local *Evening News* published a useful and informing report contrasting the present system, with its defects and injustice, with the advantages the whole community would derive by exempting buildings and improvements and levying rates instead on the true market value of the land, whether used or not.

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

The crofters of Torridon, Ross-shire, have decided to refuse to pay rates for a very good reason explained by one of them as follows :

"The excessively high valuations will prevent further progress, for no crofter will dare improve his cottage, knowing he will be expected by the assessor to shoulder burdens out of all proportion to the improvements effected."

Captain Ross Williams of Pitmarie, Nigg, Easter Ross, also refuses to pay rates (£10 an acre) as he has spent a large sum erecting glass-houses for the cultivation of tomatoes. Hitherto he had only paid 6s. 3d. The assessor it appears is only roping in a few crofters at a time. Had he tackled the whole of the crofters and small holders in Ross-shire matters would have been brought to a head. As it is they are now on the alert and it looks as if the days of the Highland Land League will return.

The Secretary had a welcome call from Mr C. H. Smithson of Halifax during Easter Holidays on his way north to Dornoch. He had a cheery story to tell of progress made in Halifax.

A letter appeared in the *Ross-shire Journal*, 23rd April, under the heading "60 Million Dole to Agriculture," by J. M., also in *Highland News*, 24th April, one on "Our Penalizing Rating System."

NORTH WALES

A Williams Price writes :—

Much is being said, in the Local Government Councils of North Wales, about slums, and slum areas. Housing schemes are being rushed through, huge local debts are being piled up, refugees from the condemned areas are being planted in their new homes. But many of the industrial districts in North Wales must inevitably return to their agricultural standing of (say) 150 years ago, prior to the Land Enclosures. The minerals have been worked out, and the same fate awaits the industrial centres as attends similar places in South Wales—Merthyr, Bryn Mawr, Blaenau, etc.

The great estates, formed by evicting the peasant workers from their holdings, are at the bottom of our unemployment and housing troubles.

A walk, while tract distributing, will illustrate this :—The park wall, the boundary of the domain sacred to the stately deer and

the lordly pheasant, commences near the river, rising and following the contour of the enclosed plain; bending, curving, and circling, like a huge sinuous snake, until it joins the river again, many miles lower down. The main road skirts the park wall, and along this we will tramp for a couple of miles.

Between the road and the wall we see a dish-shaped hollow, full of cottages, along this a stream meanders, flooding the "dish" during the rainy season, and providing abundant odours (not of "Araby the blest") during a dry summer. A little further on there is a derelict colliery, with many acres of spoil-bank, and a small group of cottages. This collection covers part of the old "Village Green," such as Goldsmith describes.

The next village is situated on a triangular fragment of ground, and, strange to say, fairly flat; but most of it is water-logged and boggy. The houses are packed closely together, just as they might be in the centre of a large city.

The plain is now divided by a "fault" or earth fracture. On one side of the "fault" the surface is lower than on the other. The fracture extends for about half a mile, the plan of its route resembles the pictures of forked lightning, the greatest difference in height is, say, 200 feet, and the greatest width (across the "fault") about double that length. The park wall runs along the higher ground, thus enclosing the "twine," the arable or assessable land, while the broken, hummocky, rock and boulder strewn surface of the "fault" was allotted for the "homes for heroes"; the surface only, mind: the minerals were collared by the land enclosers.

Of course the villagers have one great consolation for the loss of their land and their independence: they are now, and ever since 1928, doing their bit by paying all the rates on the land their parents once cultivated! This, I believe, is what the politicians mean when they speak about "broadening the basis of taxation"?

In the report of the Scottish Department of Agriculture for 1936 it is stated that payments of subsidies have been for beef cattle £893,171; for wheat £392,500; for milk, £311,000.

During 1936 the Department constituted 213 new holdings and enlargements, and 74 applicants were settled on holdings and enlargements previously formed and afterwards vacated. On the other hand, the number of applicants for new holdings during the year was 941 and the Department have found no difficulty in choosing tenants. "The acquisition of suitable land has become less easy."

The Department comes up against the land monopoly and the land prices that are boosted by the Government's policy of doles and subsidies for farming interests.

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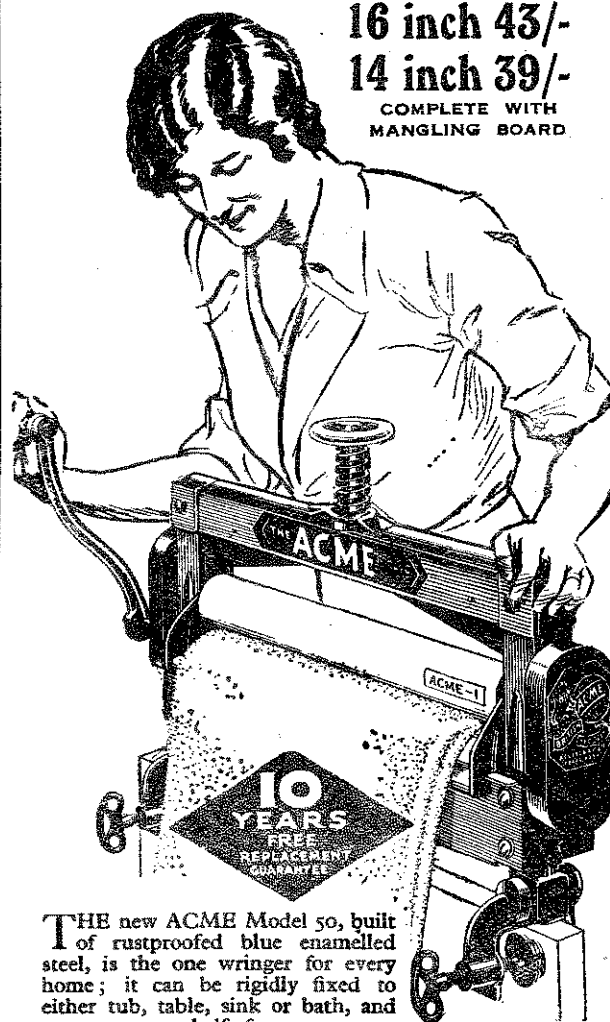
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