

standing and make a lasting impression of the truths it teach^{4.}
This book deals with fundamentals, and the fundamental facts of economics are as unchangeable as is human nature; human conduct changes with changing conditions, but man makes his conditions.

All the material things necessary to sustain life and provide satisfaction are produced, now, - as they were in the time of the Druids - by the application of labour to land, and this elementary truth is not affected by the fact that man can, with modern methods, produce all his requirements in greater abundance and with less exertion than ever before. Prosperous peasants in bygone days were reduced to beggary when the land was enclosed against them, and modern industry can only "deliver the goods" so long as the terms of access to land are not prohibitive.

Honest critics of an author should at least know what he wrote, and intending critics of Henry George would do well to suspend judgment until they have tested their own knowledge with such questions as: How does Henry George define the law of rent and the law of wages? Are wages paid out of capital? Does capital employ labour? What is the supreme law of the human mind which influences every action in the daily lives of every human being? Does over-population cause unemployment and poverty? Correct answers to such questions would establish the critic's right to criticise.

The suggestion that 'predatory rogues' would use the Taxation of Land Values for their own purposes is answered in "Progress & Poverty." Briefly, the Georgian system of taxation would secure Equality of Opportunity by destroying the land-lords' power to prevent employment. Where there are more jobs than men and no-one need be unemployed, it would be impossible to become wealthy by appropriating the earnings of others. The key to the worker's independence is the possession of an alternative job.
The Henry George solution.

Henry George did not propose to remedy social wrongs by taxing land values. That can be achieved only by making all men economically free and independent. Land Values Taxation is the means or instrument by which the rental value of all the land can be collected and used for the benefit of the public who create this value. It is a first and indispensable step towards restoring to all men their natural and equal rights of access to the source of production and making them economically free.

Nowhere has the Georgian system of taxation been fully adopted, but its partial application in Australia, South Africa, Canada and Denmark has proved its effectiveness in providing new revenues and reducing existing burdens of taxation. And what is more important it has loosened the grip of 'the dead hand of monopoly' from the natural resources from which alone man can obtain all necessary and desirable things.

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THE PORCUPINE

(WITH SOME TELLING POINTS)

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"POVERTY BECAUSE OF PLENTY." Discussing 'Full Employment' in a recent speech, Mr. Herbert Morrison said: "Production might threaten to outmarch purchasing-power - a situation which would lead up to an old-fashioned depression in which we would again be the victims of poverty because of plenty."

Old fallacies die hard - if ever. The production of wealth cannot outmarch or exceed purchasing-power because purchasing-power is the result of production and is measured by production. In normal circumstances, a man who produces goods worth £10, thereby creates purchasing-power of that value. If Mr. Morrison meant that production might outmarch the producer's share of the product, he could have made his meaning clearer by pointing to the unjust distribution of wealth which is common in modern industry. Instead, he supported this fallacy by repeating another, equally absurd, viz. that poverty can be caused by plenty - over-production. It never was true that people starved because too much food had been produced, or that warehouses over-stocked with clothing were the cause of people being ill-clad. It is true that hunger and rags were common when food and clothing were plentiful - in relation to demand - but the surpluses were not the cause of the shortages, and politicians who repeat these untruths are helping to perpetuate the injustice which explains the seeming paradox.

Take your choice!

It is sometimes instructive as well as interesting to recall the hopes and fears of the "experts" of former days. In 1931, for example, Professor Sir A. Thomson's assertion that the world was becoming too full was countered by Professor T. Gregory's theory that production was expanding more rapidly than population. About fifty years ago Sir Wm. Crookes predicted that by 1931 the world's utmost production of wheat would be required to feed its population, and after that, starvation. Are we to suppose that the starvation would be the result of a too-rapidly expanding production?

Seriously, both the over-population and the over-production theories are false, and rank nonsense. 2.

The natural order

Poor people would eat more or better food and wear better clothes if they were not poor; they are poor when they are prevented from producing other things or performing services which they could give in exchange for what they desire, or when robbed of a part of their earnings by taxation or otherwise. The public consumption of any commodity is limited by the production of other commodities. But in post-war conditions the plain facts of economics are not easily seen; they are hidden behind the various schemes to extricate humanity from the penalties for breaches of the moral laws which are as vital to the well-being of nations as of individuals. The fact remains that now, as in pre-war days, the system of treating land as the private property of a few privileged people, and governmental interferences in the processes of trade (tariffs, etc) are the underlying causes of unemployment and poverty, and the chief barrier to general prosperity and permanent peace. The remedy can be applied by each nation by means of Land Values Taxation and Free Trade - indispensable steps towards economic freedom and 'plenty' shared by all.

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RESPITE FOR PRIVATE ENTERPRISE At the recent Labour Conference in Blackpool Mr. Aneurin Bevan proposed to stimulate private enterprise by competing with it. "If there was something wrong in an industry," he said, "it should not be necessary to take it over. It might be wise for the community to start up in business to show how it should be done." He went on to declare that the Government did not intend to keep a State enterprise alive by pumping public money into it indefinitely. The plan was to set it up and then leave it to compete.

If this denotes a change of heart or of policy it is to be welcomed. Socialists have always regarded competition as a characteristic evil feature of capitalism, and usually describe it as "cut-throat competition." A definition by Robert Blatchford - generally accepted by them - is as follows: "Competition is the instrument by which in the commercial world, one man possesses himself of the fruits of other men's labour." And one of the motives for the nationalisation of industries has been the desire to eliminate competition. Perhaps it is now seen that the alternative to competition is monopoly, and that even State-owned monopolies may be harmful to the community.

Free competition

The competitive instinct is as natural to man as the instinct of self-preservation. In the absence of monopolies and restrictions

competition is fraternal; in conditions of land-monopoly it tends to become fratricidal. It is only in the struggle for existence which results from the land being treated as private property that competition ceases to be wholly beneficial and becomes harmful. This tendency cannot be overcome by controls and regulations but only by removing the barriers of the Land Monopoly and Trade Restrictions. When the competitors in industry are economically free, competition will achieve its true purpose in stimulating human effort in the production and distribution of wealth, to the advantage of all who are willing to give service in return for what they receive from others.

Lovers of freedom will welcome Mr. Bevan's new plan. State enterprise in competition with private enterprise could be adopted in the production and distribution of commodities, in transport (excluding railways) and in all industries and services in which free competition is possible. It will be interesting to watch the development of this kind of socialism.

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PROPERTY RIGHTS "No man can legitimately claim possession or occupation of any portion of land, or any right of property therein except by grant from the people, as tenant of the people, and on terms and conditions made or sanctioned by the people; and every right except the right so created and vested by grant from the people is nothing more or better than the right of the robber who holds forcible possession of what does not belong to him." (J. F. Lalor)

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A CRITIC CRITICISED A casual reader of the "Porcupine" writes that he read Henry George's "Progress & Poverty" twenty years ago, and now believes that George's proposal to tax land-values would not solve the economic problems of to-day. He thinks predatory rogues would use the tax for their own benefit, and would prefer a better organisation of "the business of living." For many years opponents of the Henry George policy have declared in debate that they had read "Progress & Poverty" twenty years ago, and seemed to regard that statement as a knock-out-blow likely to impress hearers who knew as little about the book as themselves. This, however, is not a reflection on the sincerity of the critic referred to above.

Before deciding whether the Henry George remedy for social problems would be effective or otherwise, critics should ask themselves whether they are qualified to do so - twenty years after reading the book, or at any time. "Progress & Poverty" is a complete work on political economy, and although a first perusal is likely to arouse keen interest in an unbiassed reader's mind, nothing less than a careful study of the book can impart an under-