

The Foundering Years

WHEN THE 1909 BUDGET RECEIVED THE ROYAL ASSENT IN 1910, land taxers were jubilant, especially single taxers. *Land Values* asserted: "It used to be said by sagacious-looking people that the question of taxing land values was an idle dream, a visionary abstract idea that would never come to pass, and that it was only discussed in a serious manner by a small coterie of Henry George's followers. Well, those days are over now."¹

At this time thirty-four Members of the House of Commons, just five less than the number of Labour representatives, were members of the League for the Taxation of Land Values. Results of a questionnaire sent out by Wedgwood showed, moreover, that one hundred and sixteen Members of Parliament favored the taxation of land values in principle, and that ninety-eight of these belonged to the Parliamentary Land Values Group.² Here was reason enough for rejoicing, and for the belief that the land-tax principle could be advanced toward George's program.

Single taxers, therefore, immediately began to press for further land-tax reforms. As valuation got under way, *Land Values* announced its approval of the valuation process, because it was necessary for the levying of future taxes on land. On the other hand, the duties on land values set forth in the Budget were inadequate. Additional land-tax measures must be introduced immediately, providing for: (1) the transfer of local taxes from dwellings, factories, and buildings in general, to land values; (2) the financing of national services, such as education, poor relief, and roads, by a national tax on land values and the abolition of taxes on tea, sugar, and "all foods and comforts of the poor."³ Of these, the transfer of local taxes to land values was of prime importance.

For four years Georgites and their Liberal colleagues sought an

extension of the land tax to include local taxation. The factors which seemed to promise their success were: (1) the demand from both Liberals and Conservatives that the Exchequer contribute to local authorities for the maintenance of such national services as poor relief, education, and roads; (2) the evident popular demand for further land-tax reform.

Lloyd George had said in June, 1910, that a "readjustment of local and Imperial finance" must be dealt with immediately.⁴ Early in 1911 Conservatives in the House reminded him of this. Land-taxers were quick to support the proposal of increased national aid to local authorities on condition that it be accompanied by a local land-value tax. The Government yielded, and in February, 1911, the Financial Secretary to the Treasury announced in the House that a committee would be appointed to study the problem.⁵

Accordingly, the Departmental Committee on Local Taxation was appointed in April, 1911, and instructed "To enquire into the changes which have taken place in the relations between local and Imperial taxation since the Report of the Royal Commission on Local Taxation in 1901, to examine the several proposals made [in this Report], and to make recommendations on the subject to His Majesty's Government with a view to the introduction of legislation at an early date."⁶ As several Commission members were for the taxation of land values, it was a foregone conclusion that the rating of land values would be considered.

Land taxers were not content to wait patiently for the Committee's report. By the following year they had convinced Asquith and Lloyd George that only a national land-tax crusade could ensure the return of a Liberal majority at the next general election. They succeeded in doing this by "running an extreme land tax policy at by-elections in the country with some success."⁷ Whether, as the *Times* claimed, they had the sympathy of Lloyd George, they certainly caught his attention. On June 29, 1912, the *Times* reported that Lloyd George had formed a committee of Liberals "to obtain and prepare data and facts on which a new policy for the party can be based, which shall command approbation in Liberal ranks . . ." This Land Enquiry Committee was to investigate such matters as the wider use of land valuation, acquisition of land for local and national purposes, rating, rural and urban housing, and water supply and sanitation.

Appointment of this committee alarmed the Conservatives, who feared that the Liberal Party had been captured by the single taxers.

In the House, Asquith faced a salvo of angry questions.⁸ These questions, declared *Land Values*, were "for the most part frivolous and only served to show how irritated the landed interests are by the knowledge that some of the workings of the present land system are to be brought to light."⁹ Did the appointment of the Committee meet with Asquith's approval? Were Lloyd George's views on land reform those of his colleagues? Asquith answered both questions in the affirmative. Was the Government "pledged to the single tax"? "It is quite untrue," was the answer. At Woodford, June 29, Lloyd George had concluded a speech with an announcement of the new land crusade: "You have got to free the land—to free the land that is to this very hour shackled with the chains of feudalism."¹⁰ Did the Prime Minister share this view? "That is a picturesque but not inaccurate description," he replied.¹¹ Such replies convinced Pretyman, a violent opponent of the tax, that "the repudiation by Mr. Asquith and Mr. Lloyd George of the single tax theory is not much to be relied upon, seeing that they are apparently prepared to support the general policy of the land taxers."¹²

By the middle of 1912 land reform and land taxation were once again major political issues. The official statement of the new Liberal land program was delayed until October, 1913; the final reports of the two committees of inquiry were not published until April, 1914. In the absence of a specific declaration from the Liberal Party, Conservatives sought to prove that the Liberals were leading the country toward the single-tax Utopia; Liberals denied this and claimed that their program would simply relieve the sufferings of the people.

The problem faced by Liberals was how to be land taxers without being single taxers. Or, in terms of politics, it was how to retain the considerable support mobilized by the English and Scottish Leagues for the Taxation of Land Values while denying allegiance to Henry George, the Leagues' founder. The *Daily News* complained that "we have almost daily tirades against the 'single tax,'" ¹³ and expressed fervent hope that Asquith's blunt statement, "They [the Government's land proposals] would not include what was called 'the single tax,'" ¹⁴ would kill the assumption.

Yet neither the *Daily News* nor *Reynold's Newspaper*, which supported land reform, made the distinction clear. The *News* wrote approvingly of the transfer of local rates from improvements to land, another single-tax objective.¹⁵ It announced cheerfully that the "program of the single-taxers does not specifically include all that the Government is informally discussing," and at the same

time, declared that advanced land taxers such as Wedgwood, Hemmerde, and Neilson "have the support and encouragement of more authoritative spokesmen of Liberalism."¹⁶ The three Members of Parliament referred to were widely known as "more or less" single taxers.¹⁷

Articles in *Reynold's Newspaper* seemed to show that the Liberal land crusade embodied Henry George's principle and was a neat substitute for Socialism. A series was written for this paper by Morrison Davidson, who had been converted by George in 1882.¹⁸ Davidson assumed that the Liberal land program would contain further installments of the single tax and devoted himself to demonstrating its superiority to Socialism. George's remedy would soak the "bloated rich" more effectively than Socialism;¹⁹ it would "kill not merely the landlord dog but the capitalist hound simultaneously";²⁰ it would gobble up the unearned increment of the landlord and the "interest or usury" of the capitalist.²¹ Conservatives and Whiggish Liberals could derive little comfort from the assertion that single taxers did not wish the Government to adopt the single tax as a principle, but only "the principle of land reform, especially in the direction of the taxation of land values."²²

In July, 1912, an official announcement of the land program was expected in the autumn; in December the *Daily Chronicle* predicted that it would be made by Lloyd George at Swindon in January, 1913. In January it was postponed to "some time in the spring," to make way for discussions of Home Rule and Welsh Disestablishment. In the meantime, single taxers alternately hoped and feared. They hoped that the new program would outrival the land taxes in the 1909 Budget, reading into Lloyd George's speeches "a policy of liberating the land from the bondage of monopoly."²³ Their fears stemmed from rumors that the land committee was considering such "halting and haphazard" schemes as land courts, minimum-wage legislation, and State cottages at controlled rents.

At long last Lloyd George set forth his land policy in Bedford in October, 1913, but did not once mention taxation of land values. As the *Observer* summarized it, he proposed: (1) to destroy the land monopoly; (2) to guarantee a living wage to the farm laborer and to provide him with a decent home, garden, and prospect of a small holding; (3) to remove the discouragement to tenants to improve and develop the land by securing for them the benefits of the improvements and compensation for damage by game; (4) to provide facilities for the acquisition of land by the State on terms fair to the community and to the owner (to the State would be given power

to deal with owners unable or unwilling to develop their land); (5) to encourage the cultivator by instruction, technical advice, improved transport for produce, and the control of foreign competition; (6) to provide aid by the State, by legislation, by administration, and by finance to carry these provisions into effective operation.²⁴

If Lloyd George hoped to consolidate Liberal support, or to allay the opposition fears by skirting the land-tax issue, he was disillusioned. Both the leftists within his own party and the Conservatives assailed him. Advanced land reformers believed he had tempered his radicalism to suit the Whiggish Liberals; Conservatives thought that all this Government interference came perilously close to Socialism.

Conservative opposition to further land reform, of course, had begun with the passage of the 1909 Budget. The Land Union, organized in 1910, was pledged to defend landlords against a "well organized and insidious campaign" which had been carried on for years by "Fabians, Henry Georgites, Socialists, and others" for the expropriation of other people's property.

Land Union leaflets misrepresented the aims and motives of the Liberal Party on further land reform. The "schemes" of Lloyd George and the Government were "Socialistic and predatory," and Conservative speakers were advised to use strong language in attacks against the taxation of land values. "Avoid the terms Liberal and Conservative," ran the injunction, "and use the terms Communist or Robber-Socialist as opposed to Individualist or Honest Citizen."²⁵ The Land Union also kept up a running attack on the operation of the 1909-10 land taxes; in the words of Lloyd George, they worked "night and day in every part of the country to find faults with the valuation; stirring up suspicions; working up complaints; and picking holes."²⁶

Most Conservative newspapers did not assail the Liberal program until the appointment of the Land Enquiry Committee in 1912. To the *Land Union Journal*, Lloyd George's speeches were "an appalling example of incitement to class hatred, cloaked with the vilest hypocrisy";²⁷ the *Pall Mall Gazette* charged that he was motivated by "rancour and cupidity" and that his words merely cloaked his contemplated plan of plunder.²⁸ He was engaged in stirring up envy and malice, wrote the *Daily Telegraph*. The *Observer* saw nothing in his Bedford speech but "crude tirades against land owners."

Eventually, however, all Conservative attacks fell back on the connection between Liberalism and the single tax. Conservatives believed that the phrases "Henry George" and "single tax" aroused such aversion in the average voter that he would repudiate any program so labeled.

Attacks on Liberal land reform as "Henry Georgism" were monotonously repetitious, on the principle that the simple accusation made often enough must be convincing. The *Observer* described Lloyd George as "moved by the sweeping and rhetorical sophistries of Henry George—whose Rousseau-like writing is just the sort of thing to take the facile fancy of his namesake."²⁹ About the same time, the *Standard* warned that "all the wildest economic fallacies of Henry George are to be combined in one gigantic scheme of robbery designed to tempt equally the farmers, the labourers, and the workers in towns."³⁰ A moderate variation on this theme was the assertion that Lloyd George did not intend to undertake the confiscatory taxation of land immediately, but only some time in the distant future.³¹ The October, 1912, issue of the *Land Union Journal* made the typically English comment that the single tax could never be really popular because, although the masses disliked the "merely rich man . . . they prefer the rich land owner to the rich manufacturer, because the former is usually a sportsman—and the crowd adores a sportsman."

Attacks in the press were seconded in the House of Commons; but since, up to 1914, the Government did not introduce any new land-tax valuation, Conservative Members of Parliament, with no specific issue to debate, tried to discredit land-tax legislation by attacking the operation of the 1909–10 land-tax provisions. The valuation of land was "unreasonable, unjustifiable, and fruitless" because of its cost, which, opponents charged, amounted to a million pounds for landowners. Since only twenty percent of the land in Great Britain had been valued by June, 1912, the total cost of valuation would be close to £10,000,000, claimed the Conservatives.³²

It was insinuated that Lloyd George was concealing serious defects in the operation of the taxes, that valuers were working in the interests of the Liberal Party, and that valuation was being conducted for some undisclosed but nefarious political purpose. Lloyd George denied these charges: Twenty-six percent of valuation had been completed by June, 1912, not twenty percent; only two hundred and sixty-three appeals had been made, which showed that the opposition was not so great as alleged. In April, 1913, Lloyd

George promised that valuation would be completed by March, 1914. The low yield of the land taxes had been expected, he said, from the beginning. Valuation and the land taxes were more important as sources of future rather than present revenue. This was, of course, what single taxers had been saying all along.

The Land Enquiry Committee also came under fire. An attempt by Wedgwood to introduce legislation for rating land values was rebuked on the grounds that, in the absence of a final report by the Land Enquiry Committee, such motions prejudiced the issue. Conservatives attacked the Committee because its meetings were secret; Austen Chamberlain demanded disclosure of the evidence collected and who had supplied it. Lloyd George's taunt, "They want to get the names of the witnesses, the names of those who supply information about the condition of labour, about management, about game," was greeted by roars, taunts, and jeers from the Conservative benches.³³ The opposition took it for granted that the committee was mostly concerned "with the vexed question of the single-tax," and proportionately fearful.³⁴

The same mood prevailed in the Lords; Lord Ribblesdale viewed with alarm the activities of the Committee because it included several single taxers. The Earl of Halsbury objected to the Committee's obtaining much of its information through the circulation of questionnaires which many persons thought were concerned with official government business. This criticism collapsed when it was shown that a Tory group, the Rural League, was engaged in the same practice. Lord Lansdowne ridiculed the charge that single taxers on the Committee presaged a Georgian land program. The Committee was "probably" not a committee of single taxers, for no one with any knowledge of agriculture would "identify himself with single taxation in the full sense of the term. The absurdities of the doctrine of Mr. Henry George were so obvious that, although fanatics might hold that author's views, he [Lansdowne] did not believe that any responsible government would do so."³⁵ Lansdowne concluded, therefore, that radical land taxers had been put on the Committee to muzzle them.

Even single taxers and advanced land reformers were quick to attack Lloyd George when they found no reference to taxation of land values in his Bedford speech. The indignation of Georgites and radical land reformers was understandable enough when one reviews the hopes they had cherished since 1910, and the details of their propaganda for the taxation of land values from 1910 to 1914.

Soon after the 1909 Budget received the Royal Assent, the land-values group in the House of Commons drew up a Memorial stating its demands for the extension of taxation of land values. The Memorial urged the Government to develop the policy inaugurated in the Budget by: (1) making the revenue from land values available for public needs, (2) freeing industry from monopoly and undue burdens of taxation, (3) increasing British food production by bringing more land into cultivation and abolishing duties in food. These points were to be achieved by local taxes on land values and by a national tax on all land values.³⁶

By August, 1910, the Memorial had been signed by one hundred and forty-three Members of Parliament, but because of the December election its presentation was delayed until May, 1911, by which time it bore one hundred and seventy-three signatures. When Lloyd George appointed his Enquiry Committee, land taxers rejoiced, for they thought that the proposals in the Memorial would be incorporated in the final report. By October, 1912, the Memorial had been endorsed by the National Liberal Federation and the Scottish Liberal Council. *Land Values* claimed wide support for it, expected Lloyd George to "come out courageously for the taxation of land values," and looked "forward to the future with every degree of confidence."³⁷

Almost immediately, however, this optimism was dimmed when the Government disclaimed Tory attacks that the Liberal land crusade was a Georgian scheme. In October, 1911, Asquith declared that the Government's proposals would not include the single tax, that the single tax had not a single supporter in the Cabinet, and that it was neither just nor expedient.³⁸ It is, of course, highly significant that Asquith repudiated the single tax without mentioning the real issue, taxation of land values. The repudiation was, moreover, meaningless, as *Land Values* pointed out, for the Liberal Party had endorsed the taxation of land values as far back as 1889. Asquith was "one of the few outstanding Liberals, who in the blackest days of the movement for the taxation of land values gave it a prominence which encouraged the Single Taxers to guide and advance the policy in the Liberal Party."³⁹

The belief that Lloyd George's land program would contain the proposals of their 1910 Memorial governed the behavior of single taxers and radical land reformers from June, 1912, when the Land Enquiry Committee was appointed, to October, 1913. While supporting the Government, they intensified their propaganda for an extension of the taxation of land values. What enabled the single

taxers to increase their activities was the financial support of an American manufacturer, Joseph Fels.

Fels, a Georgian convert, had resolved to "spend his money to wipe out the system which made it." He went to Britain in 1901 and became active in social reform. He was associated with Snowden, Lansbury, Hardie, and others; from 1903 to 1908 he worked toward relieving unemployment by establishing co-operative small holdings and farm laborer groups. When these proved unsuccessful, he became an active supporter of the taxation of land values, and achieved national prominence.

In August, 1912, *Land Values* announced that Fels offered to match any contribution up to £20,000 to advance the land-tax cause along Georgian lines. The *Pall Mall Gazette* for August 29, 1912, called Fels "the mammoth Jack the Giant Killer, who is out to spifficate landlordism in sixteen countries at once, of conditions of which he is almost totally ignorant." The Belfast *Northern Whig* reported on September 2 that Lloyd George, who "would not know a turnip from a mangel-wurzel," was to head a land campaign "financed by an American millionaire." The Land Union appealed to Englishmen to resist "attacks of Land Taxers, or Socialists subsidized and supported by foreign coin."⁴⁰ Fels's contributions intensified the Government's dilemma: whether to pledge itself to further extension of the taxation of land values and alienate the Liberal right wing, or to ignore this principle and risk a revolt of the Radical left. Lloyd George was indecisive, but eventually was compelled to endorse the single-tax view. Henry George's followers were right when they boasted that their agitation had made the single-tax policy one to be reckoned with in spite of Asquith's repudiation.⁴¹

Two by-elections in 1912 gave radical land taxers their most convincing argument for including the taxation of land values in the Liberal land crusade. No sooner had Lloyd George announced the appointment of the Land Enquiry Committee than Hemmerde and Outhwaite determined to put the popularity of their cause to a test by entering the contests at Norfolk (N. W.) and Hanley, respectively, as Liberal candidates. Their campaigns conducted along taxation-of-land-values lines brought easy victories.

These victories not only validated the boast of the land taxers, but seemed to indicate an alliance between single taxers and the Government. According to the *London Star*, Outhwaite's entry into the Hanley fight showed that "the body of Liberal opinion" was "ripe for a strong agitation of the land issue."⁴² In a similar vein,

the *Daily News* found great significance in Hemmerde's victory because it "revealed the possibilities of an appeal to rural England on the land issue." Since Hemmerde had defeated his Unionist opponent on a fight over the land issue, the *News* thought that the Government would not "be insensible to the real lesson of this memorable victory."⁴³ T. P. O'Connor wrote in *Reynold's Newspaper* that these victories made inevitable an emphasis on taxation of land values in the land crusade.⁴⁴

Asquith's denial of any single-tax allegiance in the Liberal Party, the victories of two Liberals running with single-tax support, the acclaim given Hemmerde and Outhwaite in the Liberal press, and the Tory attacks on Liberalism as the party of Henry George presented a picture of confusion and cross purposes in the Liberal Party over the issue of the land tax. No way appeared out of the dilemma which George's influence had thrust on Liberalism. Many Liberals saw in single-tax support of Liberal land reform a threat to party unity and an obstacle to all moderate land reform. They were for a summary dismissal from the party of all who had been infected by Henry George.⁴⁵

But the Government could not solve the difficulty by amputation alone. The Liberals knew too well that taxation of land values commanded enormous support. Therefore, they had to resort to the more difficult technique of accommodation, of which Harold Spender's statement in the *Daily News* may be taken as the quasi-official version. So-called single taxers, he said, flushed with by-election victories, had "exaggerated their influence with headquarters." This suggestion disturbed moderates in the party. But their fears were groundless; for even Liberals such as Hemmerde, Outhwaite, and Neilson repudiated George's extreme view that land ownership was "a wrong to be severely punished by deprivation through taxation."⁴⁶ Single taxers might object to Spender's reference to George as "rather fanatical," but the ordinary citizen, reading such statements in the *Daily News* could be forgiven for assuming that the Liberal land program would promote the taxation and rating of land values, a single-tax objective.

A testimonial to the single-tax influence in high places came from Lloyd George. Shortly after his Bedford speech, a conference of English and Welsh Leagues for the Taxation of Land Values met in Cardiff. The Chancellor of the Exchequer sent his best wishes for its success. "The future of this country," he wrote, "depends on breaking up the land monopoly—it withers the land, depresses wages, destroys independence, and drives millions into unhealthy

dwelling which poison their strength. Godspeed to every effort to put an end to this opposition.”⁴⁷

The evident political success of their propaganda in by-elections and support for taxation of land values in the *Daily News* had left single taxers unprepared for the omission of their proposals from the Bedford program. Especially bitter was their disappointment at the Chancellor's failure to include a proposal for the local taxation of land values. Lloyd George elaborated the land program in four other speeches; *Land Values* complained that the subject of local rates was introduced only once. In Middlesborough, the Chancellor said that the Exchequer would make a larger contribution to local rates, but did not promise that this money was to come from new taxes on land values. Yet, at the end of November, single taxers still expressed confidence that Lloyd George would not fail them!

But *Land Values* did not wait for Lloyd George to redeem his promises. The magazine attacked the program, endeavoring to force the Chancellor's hand.⁴⁸ It was “no more than a random attack on the existing system of rating,” contained “grandiloquent phrases and ineffective palliatives,” and was dictated by “politically hostile” groups. The schemes put forth forecast “not the freedom of Liberalism, but the sordid machinery of state charity and the contemptuous restrictions invented by Fabian Socialists.” Unless taxation of land values was made a leading issue, the land crusade would end in a disaster at the polls, and possibly in a fatal injury to the Liberal Party, predicted *Land Values*.

Despite such outcries, there was evidence that neither the Government nor the Liberal Press had forgotten the land-tax principle. A month after the Bedford speech (in October, 1913) the *Daily News* hailed the approaching completion of land valuation as a preliminary to “revising our antiquated and grotesque system of rating and taxation.” It confidently spoke of the benefits to result. The Government was urged to heed the requests of hundreds of public authorities for the transfer of some of the public charges from improvements to land, because such a change “will relieve industry, bring monopoly within the scope of taxation, and free the land for its fullest development.”⁴⁹ Three weeks later the paper seemed to endorse the single-tax principle as a solution to the land problem in the statement: “There are only two ways in which the community can secure its rights—either through becoming the land-owner or through taxation, local or imperial, which gives the State the unearned increment. The first of these methods, nationalization, is hardly practical politics here and now. The second is.”⁵⁰

Like the single taxers, the *Daily News* was evidently attempting to nudge the Government in the direction of further land-tax reform. In December the Government broke its long silence on this subject. In an address to the National Liberal Club, Asquith substantially agreed with both single taxers and the *Daily News* by asserting that reforms in local taxation would be dealt with in the Finance Bill rather than through separate legislation such as was suggested for the Government's land-reform proposals.⁵¹

Asquith's statement came too late to cool the indignation of land-tax politicians. Their resentment had been increased by a statement of the Marquis of Lincolnshire, president of the Liberal Party Executive: "No solvent or sensible landlord has anything to fear from the government proposals [concerning land-reform], and this opinion is shared by so shrewd a Unionist M. P. as Mr. Mallaby-Deeley."⁵²

Henry George's influence had always been strong in Scotland, especially in Glasgow. And, when Liberal organizers arrived in that city to arrange for a proposed speech by Lloyd George in December, Scottish Liberals warned them that to talk about land reform without stressing the taxation of land values would be to risk splitting the Scottish Liberal vote. Lloyd George then postponed his speech to January, 1914. In the meantime, land taxers organized demonstrations in Glasgow, Dundee, and Aberdeen, centers of Henry George influence since the 1880's. As a result of the meetings, the Scottish Liberal Federation passed a resolution warning the Prime Minister and the Chancellor of the Exchequer that a speech in Glasgow on land reform would not be acceptable unless it contained a declaration on the taxing and rating of land values. Lloyd George's speech was postponed once more, and land taxers were sure that their propaganda had caused Lloyd George to give ground. Outhwaite predicted that the Liberal Party would now recognize the demand for an official declaration on land values; he urged the single taxers to push their demands openly and not to rely on mere promises from headquarters.⁵³

Lloyd George finally delivered his speech on February 4, and the result was indecisive. In forcing the Chancellor to refer to taxation of land values, Outhwaite and his supporters gained their point. According to the *Highland News*,⁵⁴ Lloyd George was ill-at-ease, and the audience was chilly until the land tax was mentioned. He broke the ice with: "You want a complete change in the land monopoly. (Cheers.) What would you do? (Voice—Tax land values.) Oh! I am not going to shirk that. (Loud cheers.)" Later,

he added, "You must make the land contribute to public expenditure on the basis of its real value."

Single taxers, however, received his assurance with mixed feelings;⁵⁵ they recalled that the same promise had been made before. Why had not the announcement been made in Bedford, they asked? Moreover, Lloyd George seemed to be skirting the land-tax issue. His pledge was general, halting, weak; by treating taxation of land values as a fiscal policy only, he ignored the important social benefits which justified the principle.

In April, 1914, Lloyd George began to carry out his Glasgow pledge. The 1914 Budget provided for the raising of £9,000,000 for grants in relief of local rates. Because both right-wing Liberals and Conservatives favored such relief, the provision attracted support for further proposals—that the grants be contingent on the passage, in the next session of the House, of a Land Values Rating Bill and a corrected full-site-value provision in the valuation measure passed in the 1909 Budget. This measure was to be part of the next Revenue Bill, and would establish the value of land apart from improvements, something that had not been secured by the original valuation clause. *Land Values* hailed the proposals as marking a renewal of the work begun in the 1909 Budget.⁵⁶ However, single taxers were fated not to succeed. The outbreak of World War I prevented consideration of this legislation, and the death of Joseph Fels in February, 1914, removed the main financial support of the Leagues for the Taxation of Land Values.

Why had Asquith, in his December speech, and Lloyd George, at Glasgow, capitulated to the demands of single taxers and of the land-tax men in the party? Were their speeches a capitulation? Unionists thought so. On February 25, 1914, Lloyd George was accused in the House of having admitted the rating of land values to his program because "he had a pistol presented to his head by the Land Values League . . ." ⁵⁷ Lloyd George denied the charge; he gave a disingenuous explanation that his promise at Glasgow represented no change of mind, for he had committed himself many years ago to the principle of the taxation of land values.

What he saw in Committee findings should have convinced him and the Cabinet that, politically speaking, at least, the rating of land values was a good risk. The Departmental Committee on Local Taxation had split seven to six against the principle, but the Land Enquiry Committee approved of it unanimously.⁵⁸ The Land Values League certainly had forced Lloyd George to act on the

taxation of land values, but only to the extent that a majority of his combined Committees had recommended.

Although none realized it in 1914, taxation of land values was never to recover from the effects of the war. From 1914 on its political influence began to diminish, its parliamentary representation shrank, and membership in the Land Leagues dropped off. The war imposed a truce on all party legislation, including taxation of land values; land-values men in Parliament could do no more than resist raids by Conservatives on the 1909–10 taxes and valuation. Thus, when, on June 16, 1915, Frederick Banbury proposed an amendment to the Finance Bill which would suspend land valuation, the Chancellor of the Exchequer was able to force its withdrawal by declaring he would resist it. In the Lords, the Marquis of Crewe warned Conservatives that an attack on land values would be a breach of the truce. Such defensive tactics as these, however, were not likely to maintain public interest in the principle.

Another reason for the discomfiture of single taxers was the Government's failure to complete the valuation of land as prescribed in the 1909–10 Finance Act. In 1915 Lloyd George promised its completion by June 30, 1916, admitting that the war was slowing the process and that the time for filing protests against provisional valuations had been extended indefinitely.⁵⁹ By November, 1915, it was admitted in the House that the staff of valuers had been reduced to fifty-six. In its February, 1916, issue, *Land Values* acknowledged that the 1909 Budget was "a dead letter as far as concerns valuation and the collection of the land values duties."

Worst of all was the financial problem faced by the single-tax organization. The July, 1914, issue of *Land Values* announced that the death of Fels, their most generous subscriber, had created a financial problem, and warned that unless the deficiency were made up by new contributions, land-tax propaganda would suffer. In September, 1914, *Land Values* saw financial hardships ahead and curtailed its activities, predicting hopefully that the movement would "be rendered not less but more important by many of the consequences of the war." In 1917 *Land Values* sent out urgent appeals for funds. It noted that "many legislators have forgotten their pledged word to see a measure of land values taxation passed into law";⁶⁰ remembering only its past successes, *Land Values* declared that "we need only agitate to win."⁶¹ It was an empty boast.

With valuation still incomplete and the 1909–10 land taxes producing a pitifully small revenue, taxation of land values as a Liberal measure was dead. In the 1918 "coupon" election,⁶² Lloyd George

was installed as Prime Minister and nominal master of five hundred and twenty-six votes in the House, three fourths of which were Conservative. Independent Liberal members numbered only thirty-three.

The House, remarked D. C. Somervell in his *British Politics Since 1900*, was now the "wealthiest, the stupidest, and the least representative House of Commons since the Great Reform Bill of 1832." Single taxers were disheartened by the failure of land-tax candidates. *Land Values* listed only ten successful land-tax candidates. Among these was Wedgwood, now an Independent. How far the taxation of land values had declined in popularity since 1914 was illustrated in the change of title of the single-tax magazine. In 1919 *Land Values*, said the editor, suggested to the uninitiated that "the Journal was more the mouthpiece of a real estate agency than one standing for the appropriation of the commercial value of the land." Henceforth the magazine was to be called *Land and Liberty*.⁶³

With Lloyd George virtually a captive of the Conservative majority in the National Government, and with a combined independent Liberal-Labour representation of only ninety-six, conditions were favorable for the removal of valuation and the land tax from the statute books. This came July 14, 1920, when, during the committee debate on the Finance Bill for that year, the Conservative-Liberal coalition passed Clause 49: "As from the commencement of this Act the Land Values Duties shall cease to be chargeable, and the obligation of the commissioners of Inland Revenue, under the section 26 of the Finance Act of 1910 to cause a valuation to be made of all land in the United Kingdom, shall cease."

The *Daily News* recorded its impression: "The position in the House today was almost grotesque. An opposition very small in numbers, fighting tooth and nail for the retention of land taxes by the Prime Minister [Lloyd George] which were about to be offered up as a sacrifice to the landed interest at the behest of his Tory colleagues."⁶⁴ Independent Liberals and Labourites did not concede defeat without branding Lloyd George with perfidy. Asquith, having redeemed his "coupon" defeat at Fife with a by-election victory at Paisley, now rose to read aloud passages from *The Budget, the Land, and the People*, which, with a preface by Lloyd George, had provided Liberals with a fighting slogan in the contest over the famous "People's Budget."⁶⁵

Raffan, one of the few true land taxers in the House, recited the pledges made by Lloyd George in favor of the taxation of land values, national and local, from 1912 to 1914.⁶⁶ A Labour mem-

ber prophesied that if the amendment passed, those in favor of this form of taxation would "take up the 'single tax' as advocated by Henry George."⁶⁷

Conservatives answered with ridicule. Reference to Lloyd George's pledges in favor of the land tax were met with "ironical ministerial laughter." Opponents to the amendment were referred to as "the followers of the prophet." And Austen Chamberlain stigmatized Asquith as "the merriest mourner at the funeral," an unfair jibe, considering Asquith's unwavering support for taxation of land values since 1907.

Josiah Wedgwood had the last word in the debate. He accused the Government of bowing to the Land Union and its landlord following, and promised that "when we resurrect the land duties, we shall have a fresh valuation, and the landlords will be compelled to value their own land."⁶⁸ On July 14, 1920, the opposition marched into the division lobby singing Henry George's "Land Song," to the tune of "Marching Through Georgia."

Sound a blast for Freedom, boys, and send it far and wide!
March along to victory, for God is on our side!
While the voice of Nature thunders o'er the rising tide—
"God made the Land for the People!"

Chorus—

The Land! the Land! 'twas God who gave the Land!
The Land! the Land! the ground on which we stand!
Why should we be beggars, with the ballot in our hand?
"God gave the Land to the People!"

Hark! the shout is 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!

Chorus—

The banner has been raised on high to face the battle din:
The Army now is marching on the struggle to begin.
We'll never cease our efforts till the victory we win,
And the Land is free for the People!

Chorus—

Clear the way for liberty! the land must all be free!
True men will not falter in the fight, though stern it be,
Till the flag we love so well shall wave from sea to sea,
O'er land that's free for the People.

Chorus—

The 1918 election was the beginning of the end for the Liberal Party as a major influence in British politics. Within ten years it became, in Somervell's words, merely an "electoral nuisance." With the fall of the party went any real likelihood for the political success of George's land tax.

NOTES TO CHAPTER 12

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