

The Legislative Finale

THE 1918 ELECTION DESTROYED THE LIBERAL PARTY AS A POLITICAL force, and the progressive leadership passed to the Labour Party. Many Labourites and Socialists, including Ramsay MacDonald and Philip Snowden, remembered the influence of *Progress and Poverty*. Moreover, trades unionists and Fabian Socialists had supported the taxation of land values from the time it became a political issue. Why, then, was the political position of the taxation of land values weakened in 1918 with the collapse of Liberalism?

The answer is that it did not fit into the Socialist and Labour schemes for the ideal state. Labourites and Fabians supported the land tax from the beginning, but only as a means to an end—the creation of a Socialist state. Under the protection of Socialism and Labour, taxation of land values would have to submit to the demands of the timetable for the Socialist development. As Socialism developed, George's tax principle would be discarded. In fact, the depression, World War II, and a new generation of Socialists who had not imbibed the doctrines of *Progress and Poverty* hastened the process which swept taxation of land values from organized politics.

From the beginning, Socialists had adopted a patronizing attitude toward George and the single tax.¹ Although *Progress and Poverty* was retained on Fabian Society reading lists as late as 1907, the explanatory reference to it shows how Socialists, acknowledging George's popular influence, still looked upon his theories with suspicion. *Progress and Poverty*, declared the annotator, was "a book which, although it is not professedly Socialist and contains many inaccuracies, must yet be recommended, if only on the

strength of the wide and successful appeal it has made in the past." ²

But there was certainly more in common between British Socialism and George's principles than the mere value of *Progress and Poverty* as a recruiting and rejuvenating agency for Socialism and trades unionism. Georgites and Socialists agreed in condemning private property in land, in their analysis of its history and in the belief that unearned increment from land was a form of robbery.³ From this agreement, it follows that they were agreed also on the necessity for nationalizing the land; Fabian Tract No. 7 stated that Socialists went along with land nationalizers to a certain extent in working for the "extinction of private property in land," though differing on the method by which it should be accomplished.⁴ Fabians also joined with single taxers and Liberals in demanding the removal of duties from the necessities of the poor—tobacco, beer, currants, tea, cocoa.⁵

Most important of all, Socialists agreed with Georgites not only in supporting the demand for the taxation and rating of land values, but also in calling for a tax of twenty shillings in the pound. Here, Socialist influence, around 1890, paralleled that of George and his supporters in forcing on the Liberal Party the principle of taxation of land values. Fabian Tract No. 6, *The True Radical Program*, said that the annual unearned income in Great Britain, from rent and interest, amounted to £ 450,000,000, an estimate provided by the "idle classes" themselves. The Tract recommended that this sum be recovered for society by taxation. "How high do we want to tax it [the land]? Twenty shillings in the pound—i.e. complete Land Nationalization—will satisfy us. But we will take an installment to begin."

This is exactly the stand taken by George on the taxation of land values as early as 1885. Shaw boasted sixty years later that he had fobbed off this program on the Liberals and that it was, as a result, embodied in the famous Newcastle Program in 1892.⁶ During the 1909 Budget battle, Fabians supported the Lloyd George land tax because it was an entering wedge for a tax of twenty shillings in the pound. In this respect, Socialists and Labourites outbid Liberals in their support of the tax, the Liberals having to moderate their views to those of their more conservative colleagues.

Like the Georgites, and much earlier than the Liberals, Socialists had advocated applying the land tax to urban property. Long before Lloyd George's ill-fated legislation of 1914, Sidney Webb had advocated the rating of land values. In 1889, soon after the

establishment of the London County Council, he published a sustained argument for site value rating in Fabian Tract No. 8, *Facts for Londoners*. In 1892, in his testimony before the Royal Commission on Labour, the following dialogue was recorded:

Q. 3887: Supposing it [Municipal Land Tax] had to go so far as to amount to 20s. in the pound, what then?

A: That is a consummation I should view without any alarm whatever.

Q. 3888: The Municipality, then, would have rated the owners out of existence?

A: That is so.⁷

Among other things, Socialist agreement with Henry George explains why Conservatives attacked Liberalism as "creeping Socialism" when the Liberal Party adopted a taxation-of-land-values plank.

From the beginning, Socialist approval of George's principles—remembering that George was no Socialist himself—can be explained by the well-known Fabian tactics of reform by installments. They were willing to assist any cause which led toward Socialism. George's attacks on social conditions and his plan for taxing the landlords out of existence popularized the idea of land nationalization, always an objective of first-generation Socialists.

But Fabians, the intellectual aristocracy of British Socialism, were not carried away by the fervor of George and the land-tax crusade. Fabian criticisms of George's principles show that these were fundamentally incompatible with Socialism, a fact which should have warned single taxers in 1918 that their confidence in the Labour Party for taxation of land values was misplaced.

Socialists—Christian Socialists excepted—consistently cast a vote of no-confidence in George's economics and his remedy for social evils. They thought George's political economy was either "old-fashioned or absurd," and believed that the notion of social well-being by way of the land tax and free trade "would not withstand the slightest criticism."⁸ The Fabians thought it "nonsense" to use the argument that God gave the land to all the people.⁹

George's slipshod economic thinking led to what Socialists thought a graver defect. The adoption of "mere Henry Georgism, or State appropriation of rent without Socialism," would be damaging. The distribution of this rent could not be left to chance; you could not, said Shaw, "dump four hundred and fifty millions a year down on the Exchequer counter, and then retire with three

cheers for the restoration of the land to the people.”¹⁰ The danger was not in the enthusiasm of single taxers for land nationalization, but in their regarding it as a cure-all.

Socialists saw in the growing Radical enthusiasm for Henry George, around 1889, a naïve assumption that “nationalization, free land, and peasant proprietorship are . . . three names for one and the same thing.”¹¹ That is, in the hands of Radicalism the single tax was in danger of losing its sole claim to virtue—that it led to land nationalization. Socialists and Labour leaders must not, therefore, succumb to the popular enthusiasm for the land tax and thus be persuaded to support stop-gap legislation which would delay, rather than advance, the social revolution.

The Socialists’ objection to the single tax was simple. It was not Socialism. Whatever its nationalizing potential with respect to land, it stopped short at that point. According to Shaw, Fabian Tract No. 7, *Capital and Land*, was written expressly to make this distinction clear.¹² George’s plan, Socialists saw, would not take them far. Land might seem the source of all wealth to a settler in a new country; it was not so in a highly urbanized and industrialized nation like England.¹³

Therefore, though Socialists and Labourites consistently voted for taxation of land values in Parliament and, in fact, included the principle in the Labour Budget of 1931, they considered the land tax as an expedient which Socialism must necessarily outgrow. The “only final method” of securing the unearned increment for social uses, according to Fabian Tract No. 39, was nationalization or municipalization of the land. This was a project for the future; expediency compelled Socialist support of the land tax as “the only immediately practicable means of tapping the unearned increment.”

Over a period of time the intransigence of George’s followers did not endear them to Socialists. Outhwaite’s victory in the Hanley by-election in 1912 had given Socialists reason to distrust the political morality of single taxers. Hanley had been a Labour seat since 1910; Outhwaite’s intrusion as a Liberal land taxer made a three-cornered fight in which Labour was defeated. The Labour Party had retaliated by entering a candidate at Crewe, splitting the Liberal vote, and permitting a Unionist victory. For a time the Liberal-Labour alliance in Parliament was threatened.

The Labour Party charged that Outhwaite had been supported “by rich soap manufacturers to save themselves from taxation,” a clear reference to the contribution of Joseph Fels to the single-tax campaign.¹⁴ Labour Party headquarters took the opportunity to

read Georgites a timely lesson on political expediency. Ramsay MacDonald belittled the political importance of the single tax by expressing the opinion that, outside of Wedgwood and Hemmerde, "no sane man in the House of Commons" was in favor of the principle.¹⁵ William C. Anderson, I. L. P. Chairman and member of the Executive of the Labour Party, warned voters with Socialist sympathies to beware of Georgite contamination, for "extreme single-taxers are hostile to the practical collectiveness and constructive remedies of the Labour Party," which favored the taxation of land values, but did not believe that "by putting a tax on land values up to 20s. on the pound, economic forces would be let loose which in themselves will carry us straight to freedom."¹⁶ Labour did not forget the Hanley lesson. That Outhwaite had run on the Liberal ticket may partly explain why, after 1918, Liberals had become, according to D. C. Somervell, "the patient oxen drawing the Labour chariot." Hanley certainly explains the contemptuous reference in the *Fabian News* of February, 1922, to single taxers as "the dreariest of all bores and cranks that have concerned themselves with reforms of any sort." Their fanatical devotion to George's plan for social revolution had alienated support from land reform, for their propaganda had made the average man suspicious of any book dealing with the land problem. This, thought the *Fabian News*, was a pity, since a "land policy will prove eventually the touchstone by which political parties must be judged."

After the 1918 election the Asquith Liberals, a remnant of the host which he had led in 1909, were still loyal to free-trade and the principle of taxation of land values.¹⁷ Labour was willing to join Independent Liberals in supporting land-tax legislation when and if a Labour-Liberal coalition could form a government.

The instability of postwar politics in England may be seen in the fact that from the end of 1922 to the end of 1924 three general elections were held, the second giving the Labour-Liberal coalition a majority of ninety seats. No one foresaw that, when MacDonald formed a government in December, 1923, he would be out of office nine months later. When Snowden, who had once come under the spell of *Progress and Poverty*, was installed as Chancellor of the Exchequer, land-tax legislation, through his sympathy and with Liberal support, seemed a foregone conclusion. An added cause for optimism was the presence in the Cabinet of three members of the League of the Taxation of Land Values: J. R. Clynes, C. P. Trevelyan, and Josiah Wedgwood.

The result of the December, 1923, election was therefore an

occasion for rejoicing among land taxers. It was assumed that Snowden would immediately announce plans for such a tax. When, after three months, his Government remained silent on this issue, a deputation waited on the Chancellor with a petition signed by two hundred and twenty-one members setting forth the urgency of land-tax legislation. Snowden explained his delay by arguing that "the opposition would be aroused by any proposals which were construed as affecting adversely the landed interests who had been so deeply entrenched for generations."¹⁸

When Snowden presented his Budget in April, 1924, single taxers could refer to it as "epoch-making." One feature pleased Liberals and Georgites alike; it contained many tax reductions, including those on "breakfast table" items, and thus veered toward free trade. But the Budget contained no land-tax provision, merely a pledge to deal with the problem later. The Labour Party, said Snowden, looked upon taxation of land values as "important from the point of view of unemployment, housing, and other reforms, and I ask them to take my further assurances that there will be no unavoidable delay in bringing this question to a direct issue."¹⁹

Like Lloyd George's promises in 1914, this declaration came too late. A trivial matter brought down the Government in October. J. R. Campbell, editor of an obscure Communist paper, had published an article urging soldiers to disobey their officers rather than shoot English workers on strike. The Attorney General decided to prosecute; in August he withdrew the prosecution. The opposition demanded an inquiry; and, on the vote going against the Government, MacDonald resigned. The Conservative Manifesto for the ensuing election declared, "We are opposed to land nationalization, the Taxation of Land Values, and all schemes of spoliation." When the new House assembled, Labour had one hundred and fifty-one seats, Liberals forty, and Conservatives four hundred and thirteen. *Land and Liberty* announced glumly that before the election "there was a majority in the House of Commons for Land Values Taxation with a Chancellor of the Exchequer informed as to its merits and determined to make provision for the policy in next year's Budget," but "today there is a Parliament elected with a clear majority against any such step being taken."²⁰

Some years after the crumbling of the first Labour Government, George's land-tax principle had its last moment of political glory. Late in 1929 the statutory five-year term of the Government ended, and a new election was held. With unemployment rampant, Labour was returned as the strongest single party in the House, winning two

hundred and ninety seats. With the aid of sixty Liberal votes, MacDonald was able to form a Government. He and Snowden, a pair of Party veterans who remembered the former glories and electoral appeals of the taxation of land values, still led the party. When Labour took office, newspaper editors generally predicted that Snowden's first Budget would contain land-tax and land-valuation clauses. As the *Irish News* for December 6, 1929, said: "The Henry Georgian scheme would, it is declared, solve the question of unemployment . . . Enthusiasm and zeal for their cause have led the Henry Georgians to high hopes for the fulfillment of Mr. Snowden's promise in this session."

As usual, events did not move at the pace desired by single taxers. The 1930 Budget, like that of 1924, did not once mention land taxes, but Snowden apologized for the omission. He acknowledged belief in the need for taxation of land values, repeated his pledge of 1924, and announced that the Government would introduce a separate bill providing for valuation and a land tax.²¹ But single taxers had lost none of their impatience in the face of political necessity. In April Josiah Wedgwood spoke bitterly in the Commons of unfulfilled political promises, addressing his remarks principally to Snowden. Stung by the attack, the Chancellor explained that land taxes had been omitted from the Budget because of the timetable imposed on the debate over the Finance Bill. He half contemptuously dismissed land taxers as "very difficult people to please. They are like all people with one idea, they think there is nothing else in the world of the least importance." A Valuation Bill would be introduced, Snowden promised, immediately; if the Bill were not passed during this session, he promised categorically that he would "carry this valuation by the insertion of an impost on land values in the next budget."²²

Snowden proved to be as good as his word, and a land valuation bill was introduced and ordered printed on June 6, 1930. But on June 25 it was not included in a list of bills which the Prime Minister announced would be pressed for immediate adoption. A query from Wedgwood brought from MacDonald the news that the Bill was postponed for this session only.²³ On July 30, exactly two days before adjournment, the Land Valuation Bill was published; it was hailed by single taxers as "coherent, workable, and comparatively simple."²⁴ For the first time, land was to be valued according to the Henry George principle, that is, without reference to buildings. The Bill defined "value" as: "what land would bring by sale in the open market." It contained, moreover, a provision for keeping the

valuation rolls up to date by providing for a valuation at the commencement of the act, another seven years later, and subsequent valuations every five years.²⁵

Parliament resumed its sitting October 21. A week later the speech from the Throne contained the announcement: "My ministers propose to introduce legislation to secure for the community its share in the site value of the land." But thereafter nothing was heard of the Bill. The Government, facing unemployment and economic depression, could not spare the time necessary for passage of the Valuation Bill. Once more, but for a different reason, the Budget had to be used.

Snowden presented his Budget in April, 1931. Apart from the Chancellor's characteristic preference for free trade, as opposed to protective duties, single taxers had eyes only for a single resolution: "There shall be charged for the financial year ending the thirty-first day of March, nineteen hundred and thirty-four, and for every subsequent financial year, a tax at the rate of one penny for each pound of the land value of every unit of land in Great Britain."²⁶ A special resolution was introduced to authorize in the Finance Bill provisions for the valuation of land.

For the next four months, history, in so far as it concerned the land tax, repeated itself. In contrast to 1909, the 1931 debate over taxation of land values was not so loud, nor was the name of George so often invoked. But as in 1909 the center of the storm area was the land tax; "the whole fight," wrote Snowden, "centered on these land proposals," so that the guillotine was imposed.²⁷ Supporters of the measure used their usual extravagances, and opponents anathematized it as "Henry Georgism."

True to past history, valuation and the land tax passed into law, this time without interference from the Lords. But in less than two months after the final passage of the Finance Bill, the mounting financial crisis caused a change of Government. The Labour-Liberal majority was replaced by a National Government predominantly Conservative. Compromising with their opponents, MacDonald and Snowden clung to office, and, like Lloyd George in 1920 in a somewhat similar situation, were compelled to assist in the obsequies of the land tax. The cause of the land taxation had been won and lost in four months.

When the speech from the Throne announced that land taxes were to be introduced, the opposition sprang to the attack. The

columns of the *Times* mirrored the reaction of Conservative newspapers. It printed a solid stream of letters protesting against taxation of land values. In an editorial, "The Liberals and the Budget," the *Times* sought to alienate Liberal support for the land tax by describing the Budget as "a contract for at least the companionate marriage between the present Government and the Liberal Party."²⁸ The tax, another writer asserted, was "political," a mere attempt to consolidate Socialist and Labour votes for the next election. Snowden's contemptuous references to "dukes," and his parroting of George's notion that the land belongs to the people, were beneath notice.²⁹ The danger spot in the Finance Bill was the valuation provision, for the *Times* saw the horrid possibility that "when the Socialist Party possesses an independent majority they will be able without delay to convert an irksome tax into an instrument of confiscation."³⁰ On May 8, 1931, Edward Grigg published an appeal in the *Times* for Liberals and Conservatives to "unite in facing a national emergency." The same paper, on July 4, carried a long report of a meeting of the National Federation of Property Owners and Rate Payers at Southport on July 3. Under the heading "Injustice of the Land Tax," the article listed the calamities which would befall the nation if this raid on landlords were to succeed.

Conservatives sang the same old words about the land tax to the same old tune, and Socialists and Labourites followed suit in their own particular way. The *News Chronicle* called the tax "the one great constructive feature of the Budget"; its presence made the Budget "the landmark which it was yesterday declared to be."³¹ To show its enthusiasm for the measure, the newspaper published a cartoon called "End of the Close Season."³² It showed Snowden with a gun (the land tax) drawing a bead on a vulture wearing an eyeglass and coronet (landlord) perched in a tree (land monopoly). This dialogue followed:

Philip—"I will soon have you off that tree, my lad."

The Bird—"I don't worry, I've seen that gun before."

Philip—"Yes, but this time it's loaded."

In the House, opposition to the tax was noisy but ineffective; conditions had changed since 1909; Conservatives could no longer count on the Lords to back them effectively. As usual, the opposition charged the Government—Socialist this time rather than Liberal—with adopting the confiscatory principle of *Progress and Poverty*.

Knowing that the House of Lords could not veto a Finance Bill also affected the arguments of the Government in favor of the land tax. With sufficient votes to carry the measure, it was enough for them merely to resist amendments that might damage it. Lloyd George, now back in the Liberal fold, and Snowden carried the main burden of arguments in favor of the taxation of land values. Anyone with a sense of irony would have been justified in smiling when Lloyd George arose to charge the Conservative Party with political perfidy and to defend his own position in 1920. He pointed out that he had promised to retain valuation; he asked what had happened to this bargain in 1923 under a Tory Government. The land taxes of the 1909 Budget had failed not because they were bad, but because Tories had deliberately sabotaged them from 1918 onwards.³³

In Snowden, single taxers had, for the first time in the history of British politics, a Chancellor of the Exchequer who, if not a George man in the complete sense of the term, had, as a youth, been inspired by George's writings. Now he spoke out in favor of the land tax in terms which might have been direct quotations from George:

By this measure we are asserting the right of the community to the ownership of the land. If private individuals continue to possess a nominal claim to the land, then they must pay rent to the community for the enjoyment of the privilege and they cannot be permitted to enjoy that privilege to the detriment of the community . . . Land is different from all other commodities. It was given by the Creator, not for the use of Dukes, but for the equal use of His children.³⁴

Never again was a Socialist leader to echo such sentiments.

The Finance Bill passed its third reading in the House of Commons July 3, 1931, against the background of an ill-humored debate between two Liberals—John Simon and Lloyd George—over the land-tax provisions. Snowden expressed his regret that the measure was not more sweeping in its levy on landlords and hoped that “a more courageous Parliament will, in the future, deal with it [taxation of land values] more drastically.”³⁵

The measure having been certified by the Speaker as a Money Bill, the Lords could do no more than express their displeasure. They first tried to force Snowden into accepting crippling amendments by threatening to “murder” the Agricultural Land (Utiliza-

tion) Bill; ³⁶ failing in this, they assailed the land-tax measure. The Land Commissioners who were to administer the valuation had received inquisitorial powers; their information would no doubt be used for sinister socialistic purposes. The tax was "confiscation," a "vindictive capital levy on the property owner." Snowden's reference to dukes and the Creator was "nauseating humbug and cant." It was hoped that "the author of the land tax and those who supported him would before long have disappeared into obscurity, and that the tax might disappear with them." ³⁷ But the provocative name of Henry George was not once mentioned.

The *Times*, on the same day it printed these denunciations, carried a statement by Stanley Baldwin: "I can say one thing about it—that if we get back into power that tax will never see daylight." Three months later Baldwin's "if" became a certainty. On August 24 Ramsay MacDonald, yielding to the pressure of the financial crisis, resigned. He was charged by the King to form a National Government, which was to take immediate steps to assure a balanced Budget. He went to the country in October and was returned as head of the National Government with a majority of four hundred and ninety-nine, most of whom were Conservatives. But in all truth MacDonald was no more than a pitiable figurehead.

Neville Chamberlain, as Chancellor of the Exchequer, wished to carry out Baldwin's threat of immediate repeal of the land tax, but was persuaded to go gently to spare the feelings of MacDonald and Snowden.

However, Chamberlain did not wait long. On December 8, 1931, he announced that valuation, and the valuation staff, would be suspended immediately as an economy measure "without prejudice to the merits of the plan." ³⁸ Labour members considered this not merely an insult, but a betrayal. Clement Attlee declared that the act was illegal, and suggested that Chamberlain be prosecuted for violating the privileges of the House. ³⁹ He denounced Snowden, who had recently been elevated to the peerage, saying that "he [Snowden] had sacrificed his Socialism, free trade, and land tax, and now had nothing left but his coronet." ⁴⁰ Snowden defended himself, explaining that he had yielded only after "a piteous appeal" from MacDonald. ⁴¹ Chamberlain's 1932 Budget legalized the suspension of land valuation. Wedgwood told the House that this was "the final consummation of the death of all hope of the taxation of land values." ⁴² In respect to an unwritten rule that party legislation be suspended under a National Government, the tax itself was not repealed at this time.

In 1933 Baldwin resisted an attempt by three hundred Conservative Members of Parliament to secure a "free vote" on the repeal. But a year later, in the Finance Bill, the Government announced its intention of repealing the tax. The tax had been virtually killed in 1932, as Wedgwood pointed out, but the Socialist and Liberal opposition was in no mood to remain silent. A few Liberals nursed a long-standing grudge against Conservative National Governments which played party politics; Socialists and Labourites smarted to see MacDonald acting as the tool of Conservative interests.

The opposition therefore burst out in protests and recriminations, which Conservatives blandly ignored. The *Times* even attempted to save face for the Labour members of the Government—MacDonald, Thomas, and Lord Sankey—by explaining the repeal "to mean that ministers who formerly supported it [the land tax] believe that this particular dog is so dead that it may as well be formally buried."⁴³ Herbert Morrison, leader of the Labour Party in the London County Council, found in the repeal a proof that "the Government is acting as the servile political agent of the landed interests," and that "the Prime Minister is the broken and humiliated prisoner of the Tory reaction."⁴⁴ Labour's own paper, the *Daily Herald*, after cynically noting that to tax land was to "defile the ark of the covenant of Conservatives," predicted that a national referendum on the question would show "an overwhelming majority in its favor."⁴⁵

According to the *News Chronicle*, the repeal of the tax showed the subservience of the National Government to Conservatives; it quoted an attack by Snowden on MacDonald because of the Prime Minister's desire "to give his Tory colleagues further proof of the thoroughness of his conversion to Toryism."⁴⁶

Snowden, now in the House of Lords and stung by Attlee's earlier charge of disloyalty, could at least indulge in the luxury of defending himself. Why, he wanted to know, was repeal considered a humiliation for Labour members of the Government in 1932, but not in 1934? He thought that "the only honest information they can give will be that nothing the Tory Ministers can do to make the Prime Minister swallow his former principles can humiliate him still deeper."⁴⁷

Snowden demonstrated his ideological devotion to the land tax in an address to the Women's National Liberal Federation in London, in November, 1934. Snowden believed that every economic or social question was "at bottom a land question"; that the trans-

fer of rates from improvements to site values would improve housing accommodations, reduce overhead charges in all businesses, and bring about vast public improvements financed out of the increased site values which they created. In fact, the land tax "is a just, reasonable, and practical proposition, and is only waiting for an enlightened public opinion and for a Government which will have the courage to face up to the vested interests and restore to the people their rightful inheritance in the land." 48

On May 9, 1934, the day after the announcement of land-tax repeal, an attack against the Finance Bill and the Prime Minister was made by the United Committee for the Taxation of Land Values. In a manifesto to all Members of Parliament and London newspapers, it denounced the repeal because the National Government was engaging in partisan politics. This protest had no more effect on the decision in the House of Commons than the other outbursts, but it drew a formal reply from MacDonald, printed May 17, 1934, in all London morning newspapers except the *Times* and *News Chronicle*. The letter, dated May 14, is worth quoting in full as showing how the harried Prime Minister was driven to defend his abandonment of the land tax by hiding behind a screen of sophistries and half-truths.

I have received a letter which you are sending to the Press about the repeal of the Land Value Tax. I anticipated that this proposal would give an opportunity of raising the whole question of Land Taxation; although as a matter of fact, it is not raised in the decision itself. The clauses have never been put into operation, and were suspended as one of the first acts following upon a crisis which led to a change of government. It may be argued that the step which has been taken indicates the power of certain interests, but it is not in accordance with truth to describe the effect of what is being done as 'staying a reform that has been repeatedly endorsed by democratic majorities and insistently demanded by hundreds of municipalities.' A Government which was determined 'to take drastic and energetic steps to put into operation the taxation of land values' would have to proceed to legislation, as the clauses which have been in suspense for years, largely owing to amendments which the Chancellor had unwillingly to accept from both Liberals and Conservatives, were not sufficiently full to enable a great deal to be done.

In the House, the tiny Labour-Liberal bloc could not hope to save the land taxes, but they were determined to humiliate the Government. On May 16 a Labour backbencher moved to reject Cham-

berlain's Budget because it lightened the taxation on the rich and made "a further concession to privilege by the repeal of the land value tax with the consequent abandonment of a fruitful source of revenue."⁴⁹ Archibald Sinclair, speaking as an Independent Liberal, made the longest speech in support of the motion. The repeal clause, he said, was the most remarkable feature of the Budget; he chided Chamberlain for failing to refer to it either in his Budget speech or in the debates which followed. This was a "deed in the dark," prompted by "the landed interests in the Tory Party"; it was "an outrageous abuse for party purposes of a majority obtained in a national issue." The entire transaction exposed the cynical Conservative view that "it did not matter whether they [Labour members of the Government] stayed in the Government or went." And where, he asked, was the Prime Minister; was he coming to the House to explain why he had bowed his neck to the Conservative yoke? Chamberlain was not to be drawn on the issue; MacDonald appeared only in time to vote with the Government. The motion to reject the Budget was defeated 290 to 55.

NOTES TO CHAPTER 13

1. In this chapter "Socialist" refers to the attitude and viewpoint of Fabian Socialism.
2. *Fabian Tracts*, No. 132, April, 1907.
3. Fabian Society, *Fabian Essays in Socialism*, Jubilee Edition. London: George Allen and Unwin, Limited, 1950. In the chapter "Economic" G. B. Shaw developed the argument against landlords along lines similar to those in *Progress and Poverty*. See also J. F. Oakeshott, *A Democratic Budget*, *Fabian Tracts*, No. 39.
4. See also *Fabian Tracts*, No. 3.
5. *Fabian Tracts*, No. 19.
6. Fabian Society, *op. cit.*, p. 208.
7. G. E. Rainie, *The New Land Tax*, London: London Municipal Society, 1909, p. 28.
8. Edward R. Pease, *The History of the Fabian Society*. London: A. C. Fifield, 1916, p. 21.
9. Fabian Society, *op. cit.*, p. 98.
10. *Ibid.*, p. 176.
11. *Ibid.*, p. 199.
12. Archibald Henderson, *G. B. Shaw, His Life and Works*. Cincinnati: Stewart and Kidd Company, 1911, p. 107.
13. This is a summary of the "official" Fabian viewpoint as presented by Edward R. Pease.
14. "Hanley," *Land Values*, August, 1912.
15. "The Leader of the Labour Party on the Single Tax," *Land Values*, August, 1912.

16. "The Labour Policy," *London Daily News*, July 10, 1912.
17. *London Daily News*, January 16, 1922.
18. "The Land Values Group in Parliament," *Land and Liberty*, April, 1924.
19. "An Epoch-Making Budget," *Land and Liberty*, May, 1924.
20. "The General Election," *Land and Liberty*, November, 1924.
21. "Parliamentary Debates," *Land and Liberty*, April-May, 1930.
22. *Ibid.*
23. "The Land Valuation Bill," *Land and Liberty*, July-August, 1930.
24. *Land and Liberty*, November, 1930.
25. The provisions of this Bill were summarized in *Land and Liberty*, September, 1930.
26. "The Budget and Land Values Taxation," *Land and Liberty*, May-June, 1931.
27. Philip Snowden, *An Autobiography*. London: Iver Nicholson and Watson, Limited, 1934, II, p. 907.
28. *London Times*, April 30, 1931.
29. "A Political Tax," *London Times*, May 6, 1931.
30. *London Times*, July 4, 1931.
31. "The Land Tax," *London News Chronicle*, April 28, 1931.
32. May 5, 1931.
33. "Land Tax Confession," *London News Chronicle*, May 7, 1931.
34. "Land Tax: How It Would Work," *London News Chronicle*, May 5, 1931.
35. "Lloyd George Hits Out at Sir John Simon," *London News Chronicle*, July 4, 1931.
36. "Peers Declare War," *London News Chronicle*, May 8, 1931.
37. "The Lords and Taxation of Land Values," *London Times*, July 15, 1931.
38. "Cabinet's Land Tax Decision," *London News Chronicle*, December 9, 1931.
39. "Scrapping the Land Value Tax," *Land and Liberty*, November-December, 1931.
40. "Cabinet's Land Tax Decision," *London News Chronicle*, December 9, 1931.
41. Snowden, *op. cit.*, II, p. 917.
42. *Land and Liberty*, May-June, 1932.
43. *London Times*, May 10, 1934.
44. "Mr. Herbert Morrison on the Land Issue," *Land and Liberty*, June, 1934.
45. *London Daily Herald*, May 10, 1934.
46. "Land Tax to be Killed," *London News Chronicle*, May 10, 1934.
47. Snowden, *op. cit.*, II, p. 919.
48. "Lord Snowden on Land Values," *Land and Liberty*, December, 1934.
49. *London Times*, May 17, 1934.