

All-at-Once But Step-by-Step

By T. E. McMILLAN

I have noted with much interest the article on Johannesburg by Sandy Wise in *The Freeman*, and the comments thereon by Mather Smith, editor of the Johannesburg "Free People."

As veterans go, in what I prefer to call the Natural Justice Cause, I am just a newcomer. Not until 1928 had I even read "Progress and Poverty." I was astonished to learn that here in New Zealand there were men in the movement who had been adherents for over half a century. It was a long time before I could bring myself to believe that even such men could still be mistaken in some respects.

However, it fell to my lot to edit

the "Commonweal"—journal of the Cause here. And then I had to take notice of the disturbing fact that there were two schools of thought in the ranks. One of these, the Commonwealth Land Party (now disbanded here) held that the whole of the social value (land rent) must be collected at once, all over the Dominion. The other school, who may be styled the Taxation of Land Values men, held that the right way was to collect a little in the pound on the selling value of land, and gradually to increase the amount until the full rent was publicly collected. This very sharp divergence caused no end of heart-burning, and made the position of an editor most unenviable.

The Reconciliation

Never in my life did I give so much concentrated thought to a problem as I did to this one of reconciling the differences between these two schools of thought. On the one hand, for reasons which I will come to presently, I knew that all attempts in New Zealand to collect only part of the rent had ended in failure; on the other, as a student of history I knew that no great reform had ever been accomplished except by the gradual method. Bloody revolutions had always resulted in the masses of the people being enslaved to new masters. As Max Hirsch, in his "Democracy Versus Socialism," the best work of its class ever published, points out, "whole-

hog" methods are bound to cause a violent reaction and to put a reform back further than ever.

I think my mind worked out the solution in my sleep, for I awoke one morning with the remedy as clear as daylight. Each school was partly right and partly wrong. The remedy is to collect the full annual social value over given local areas, carrying the reform area by area over the whole of the political state. The revolution would come about gradually, on the local area basis, and yet the rent would be collected in each area in full. Thus the two schools of thought were harmonized.

That is the line F. A. W. Lucas should hammer at in South Africa—merely taking his old rating on the unimproved values system to its logical conclusion. Bearing in mind the colossal site values of Johannesburg, how much poverty could there be if all the rent were publicly collected, and all local charges abolished? And, once that victory was achieved in Johannesburg, how long before the people would find out that all the national funds necessary could be obtained by apportioning part of the rent for national services?

Why Partial Measures Fail

Now I will show just why partial measures, collecting only part of the rent in any given area, must inevitably fail. I may interpolate here that a pamphlet by F. T. Hodgkiss of Melbourne, editor of "Progress," showed that it was a mathematical impossibility to succeed by the partial method. But my intention is to prove that, on the first law of economics, that man seeks to satisfy his desires with the least exertion, nothing but the full rent publicly collected can win finally. The following is from a paper prepared for the Henry George Foundation in London by Mr. G. M. Fowlds, son of the late Sir George Fowlds, one of the master minds of the Cause in New Zealand:

"A few years after Mr. Seddon's death in 1906, a Swedish economist, Mr. Johan Hanson, after a visit to New Zealand, published a booklet in which he gave some impressive figures

regarding the incidence of land value rating. He found that the population of the towns which adopted rating on land values had increased by 29 percent, while the population of the towns rating on the old system had increased by only 15.5 percent. The value of the improvements in the former towns had increased by 82.3 percent, as compared with 36 percent in the latter; and last, but not least, the land values in the towns where land value was exclusively rated had increased by 105.2 percent, while land values in the towns on the old system of rating had increased by only 51.9 percent."

Now for driving home the obvious. Partial collection of the rent had the effect of causing large holders of land to give up possession to a considerable extent. The subsequent closer settlement naturally resulted in very much greater increase in the economic value of the social environment, the so-called land value. The breaking up of the large estates increased the number of land holders, each of whom, seeking to satisfy his desires with the least exertion, became intensely desirous of selling the enhanced social value, and thus becoming a landlord parasite like those he had aforesaid helped to dislodge. It was the voting strength of these new small landlords that actually put a Liberal government out of office, the Opposition having bribed them with the promise of freehold titles, at just a trifle over the original valuation (only 1 percent added), thus enabling them to cash in on all the gains of progress. Partial collection is sowing dragon's teeth.

There is No "Land Question"

It is well to take note of this history of New Zealand, for we have

been among the first in the field with partial measures, starting with our legislation a year before "Progress and Poverty" was published, and having fought for such measures many years before that. As soon as the so-called "Land Tax" was imposed large holders fell over one another to unload. It was not land they wanted, but the privilege of collecting the rent, or living by the sweat of other men's faces. It is not a land question, but a rent question, as I prefer to put it, a question of whether the social wage shall be privately or publicly collected.

So the gradualists, the step-by-steppers, were right in respect of "the inevitability of gradualness." Where they were wrong was in that their steps were really backward instead of forward! The whole-hoggers were right in demanding all the rent, but wrong in going for it over the whole of the political state at once.

Come, let us reason together. The two schools are now easily reconcilable. Let us close up the ranks, join forces, and make a grand assault upon the common enemy. United we stand, divided we fall. Profoundly wise is the dictum of Carlyle:

"Men's hearts ought not to be set against one another, but set with one another, and all against evil only."