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LLOYD-GEORGE AND THE LAND CAMPAIGN IN ENGLAND

Mr. Francis Neilson, member of the British House of Commons for the Hyde Division of Cheshire, England, and president of the British "League for the Taxation of Land Values," addressed the noon meeting of the City Club on Monday, September 30, 1912, on "Lloyd-George and the Land Campaign in England." Rev. Dr. R. A. White presided over a large attendance.

Francis Neilson

"Mr. Chairman and Gentlemen: One of the things that has surprised me, more even than the development that has taken place since I left this country as a resident in 1897, has been the tremendous interest that the people, both in Canada and in the United States, take in LloydGeorge. That interest, gentlemen, is not one that comes from the party in this country whose ideals, perhaps, are similar to those of the party which today is behind Lloyd-George. It is a non-party interest. Lloyd-George has appealed to the imagination of the people of the United States in a way very similar to that in which he has appealed to the imagination of the people of England. But there are a good many people who don't know the Lloyd-George of his younger days. He seems to have come before you notably within the past five years, but he has a wonderful previous record.

Early History of Lloyd-George

"When you hear the word 'Wales' I dare say you think of a great

radical section of the British Isles. But there was a time when Wales was as tory as the southern counties of England are to-day. The Carnarvon boroughs, now represented by Lloyd-George, were for years and years represented in the tory interest. Lloyd-George is a native of Carnarvon, the scene of humble folk, where through his earliest years he could see intimately the conditions of the people of the cottage; where he could see all around him the power and tyranny of landlordism. He did not have to wait until his manhood to see the exercise of what to-day we call Penrhynism. He remembered from his boyhood many lockouts of quarrymen in his district, and saw their consequences: Poverty, emaciated women, and weak children. All this burned into the soul of Lloyd-George and whatever fire was started in his heart and mind was fanned almost into a conflagration through the mentorship of an uncle, who was something of an economist and politician. So, when they went to Lloyd-George and asked him if he would fight the Carnarvon boroughs he readily consented. No one thought he had the slightest chance of winning. And yet the eloquent Welshman, fired with the enthusiasm for Welsh ideals, swept the Carnarvon boroughs and Lloyd-George gained the victory by a very narrow majority in a seat that had always been Conservative.

"Now it is not every man who has eloquence on the platform in England and who can move great audiences who proves a success in the House of Commons. Speaking in the House is quite another thing. Knowledge of the rules of procedure and skill almost rapier-like in debate is necessary if one is going to succeed in Parliament. No sooner was Lloyd-George in the House—and, of course, he went in when Liberalism was in opposition—than he very quickly mastered the rules of procedure and flung himself into the debates with tremendous success.

"Shortly afterwards a great backward movement started. It was during those ten years from 1895 to 1905, when so many social questions in the English public life stirred the imagination of the people. George found a spirit of retrogression in that Parliament. He found that it was almost impossible in a Parliament of that kind to speak for the redressing of the wrongs of Wales in such a way that Parliament could

be moved.

Lloyd-George and the Boer War

"In 1899, the war in South Africa started. Lloyd-George opposed the war. In the House of Commons, in debate after debate, step by step he fought this battle. In the country he found ready audience to hear him denounce the war and censure the people who had instigated it.

"You remember we were told that only ten millions of money and something like fifty thousand men would be necessary to carry through that war; that it would be really a picnic party and that by Christmas time the troops would be through and would eat their Christmas dinner at Pretoria. You will remember how all those calculations were confounded, how for an almost intolerable period the war dragged on, how the British troops went from bad to worse disaster, and how the government had to vote continually more and more men, more and more millions, and to charter more and more ships. And as things grew worse in England. Lloyd-George, instead of suppressing himself, as many men did, spoke with greater vigor against the war and all those responsible for it, although he went about with his life in his hands over and over again.

"You will also remember, I dare say, when I bring it back to your minds, the time when he was advertised to go down to Birmingham to give an address, Birmingham being the very center of Mr. Chamberlain's influence, Mr. Chamberlain being the very head and front of the war. You will remember how the Liberals of Birmingham went to him and pleaded with him not to go and how he turned them all aside. He said: 'I am advertised to speak at Birmingham Town Hall on the war, and I shall go to Birmingham Town Hall and speak on the war.' How he got into the hall is almost a mystery now. Not only was the building taxed to its utmost capacity inside, but thousands and thousands of people were crowded about it. While he was speaking, the mob broke loose and stormed the building. Many people got in and it would seem that if they had found him they would have torn him limb from limb. Only through the strategy of a policeman, who

exchanged clothes with him, did Lloyd-George get outside the building and escape with his life.

"But Lloyd-George is not the one to change his principles because of such experiences as that. He still went on denouncing the war wherever he could find an audience in England. I don't think that young men of the British democracy had ever a greater lesson in courage taught to them than Lloyd George taught on that occasion. They saw within a very few months after the war was over the whole of public opinion turn round and rally to the standard of Lloyd-George and of Sir Henry Campbell-Bannernian, the men who had stood for right against might all through that terrible time.

The General Election

"Well, gentlemen, during the war we had a general election. At that general election the Conservatives went to the country and said: 'All we want is a mandate from you to return to Parliament and finish the war. We began it; let us finish it. It is dangerous to swap horses crossing the stream.' The Conservatives were heckled on the platforms as to whether they intended, if they were returned, to deal with domestic legislation. They promised not to touch domestic legislation. Mr. Chamberlain went down to the center of a great mining district and he was heckled there as to why he had not carried out his pledges. He was asked: 'Will you deal with education?' 'Will you touch licensing?' He said: 'No, we will be returned to settle the war and we will do nothing else.' Mr. Balfour in Manchester, heckled in a similar way, gave similar replies. They were returned with a majority in the House of Commons of about 130. But that majority did not reflect the majority of the votes polled in the country. The election gave the Conservatives, even with all the advantages of plural voting, only a small majority of the votes polled. But no sooner were they in office than they utterly ignored their pledges to the people and began to touch domestic legislation.

The Education Bill

"One of the things that brought Lloyd George to the front in recent times was the Conservative government tampering with the educational system of England. The education bill of 1902, which Lloyd George fought so bitterly, was brought about by the action of the Established Church in declaring that it could no longer bear the intolerable strain of voluntary contributions for its church schools. Well, there is always the taxpayer for any privileged body to go to when it finds itself bearing an intolerable strain. So Mr. Balfour introduced an education bill in 1902, which made the people find the money to keep up the privileged schools of the Established Church. The bill imposed religious tests upon the teachers. That roused Lloyd George to the utmost indignation. Wales had really almost as good a school system as Scotland.

The Licensing Bill

"The education bill was no sooner passed than the brewing interests in England thought: 'If the Established Church of England can throw off an intolerable strain and put it onto the taxpayer, cannot the brewing interests do something of that kind?' As a great banquet, in the city of London, attended by representatives of the brewing interests, one of the representatives of those interests said: 'If the government won't listen to our demands, the next time they go to the country we will chuck them out.' Something quaint was the expression, more suited to the taproom than the Mansion House. The government trembled to its foundation at the idea of having to go to the country without the brewing interest at its back and very quickly a Licensing Bill was drawn up by the Tories and introduced to Parliament. It had been regarded in England that a license was granted for only one year, that the licensing magistrates could take a license away at will and that the power vested in the licensing magistrates to grant a license came from the people and that they who gave could take away. That didn't suit the brewing interests and the Tory party. They must have a freehold in licenses. The brewing trade for years and years had been buying up licensed houses all over the country, the inflated values had been over-capitalized and things were going bad for them. If it came to be held generally all over the country that a

license was granted for only one year and could then be taken away, many of the brewing institutions of the country would go crash. So it was fought tooth and nail in the most radical manner, but the licensing bill was passed by a big majority and presented a monopoly worth three hundred millions to the brewing interests.

"No sooner than that was done than the mine owners of South Africa came to the front. They had used Kaffir labor out there, given them half the wages they got before the war, and food that consisted of the debris from the commissariat. They stated they could get no labor, and therefore the only way the mine owners could prosper was by the Conservative government giving to them an ordinance for indentured Chinese labor. They asked the Conservative government to give to them that which Kruger before the war had twice refused. The Tory government gave it to them, although the Archbishop of Canterbury said that, after all, it was a regrettable necessity.

"Those three things came to pass in the Parliaments of 1900 and 1905. You can, I suppose, imagine what Lloyd-George did in the House of Commons in opposition. He made a name for himself that will never die in England by the manner in which he fought those measures.

Commission on Conduct of the War

"A commission was set up to inquire into the conduct of the war in South Africa. Lord Elgin sat at the head of the Commission and Mr. Chamberlain, perhaps, saw a good deal of the report of that commission before its publication. He was a clever strategist. He knew quite well that toryism was doomed for England if people ever had the leisure to read that report. I have read it. It is one of the most terrible reports that I have ever looked at, apart from the history of the land question in England. Mr. Chamberlain realized that the people's attention must be taken away from that report. Things were going ill for toryism. Chamberlain was an ambitious man. He wanted someday to be Prime Minister of England. He had changed from the Liberal party to the Tory party and he knew that if he were ever to be Prime Minister his fortunes would have to remain with the Tory party. So he

started a new movement, which he called 'Tariff Reform'; we called it 'Protection.' So successfully did he start the new movement that the people did not read the Elgin report. He switched them on to the preferential tariff. He wanted to bind the empire together. He started to bind it together in 1903 and now, whenever a man goes on the platform in England and talks about the empire, an audience of workers generally closes its pockets.

"So we had to consider the whole fiscal question in England, and this threw us back upon the land question. We had been dull and apathetic on this question for years, and at that time a great many people in the country did not know how they were taxed nationally and locally. We were, as I say, enabled to open up the whole question. As an alternative to protection we preached the land question. In opposition to the taxation of commodities we preached the relief of commodities and the taxation of land values. It was slow progress that we made. Lloyd-George did very little in that big fight toward putting the radical alternative to protection, but when the general election came, in 1906, Sir Henry Campbell-Bannerman was returned to "power with the greatest majority that a Prime Minister had had since 1832. Now was our opportunity to undo the wrongs of the past and change our fiscal system in an economic manner.

Scottish Land Valuation Bill

"In the first session of Sir Henry Campbell-Bannerman's administration, the King's Speech contained a pledge to give to Scotland a Land Valuation Bill. We began with Scotland. Scotland had had a better education on this question than had England. The government went to great trouble in collecting information about it before they drafted their bill. The present Lord Advocate of Scotland sat at the head of a small commission, which heard evidence pro and con on the land values question, and it was while hearing that evidence that Mr. Alexander Ure became converted to the taxation of land values. A bill was drafted and thoroughly debated through long committee stages. I am not going into the question of how it was whittled down. I am just giving you the salient points in this matter of

Lloyd-George and the Land Campaign. It was passed by a large majority and sent up to the House of Lords. The House of Lords gave it two hours' shrift and threw it out. The Scottish members went back to their constituencies in the autumn and found them furious about it, with the result that the bill had to be reintroduced at the next session.

"In England we were looking forward to the time when the government would introduce a valuation bill for England and Wales. Now, land in England has not been valued for nearly two hundred years, perhaps more than two hundred years. Land as land there contributed to the revenue of the United Kingdom out of the total revenue of one hundred and twenty-five million pounds, only seven hundred thousand pounds.

Opposition of the House of Lords

"When we saw how the lords had treated the Scottish Land Values Bill we realized that we could not advance along that line; that there was an obstacle that blocked all progress. You will remember that, when we wanted to give the Jew equal rights with other people in England, it was the House of Lords which blocked the way. When we wanted to give the Catholics equal rights with the Protestants in England, the House of Lords blocked the way. All through the movement for granting the franchise the House of Lords was the stumbling block, and for every bit of reform that has ever been brought forward in England the House of Lords has blocked the way. We knew what its attitude would be on this question of land values—the foundation on which their power was based—and we began to think how on earth we were going to bring about remedial legislation in England if we did not take from the House of Lords its absolute veto over legislation.

"It was rather a crestfallen and despondent group of men which met at 20 Tothill street in the early part of the autumn of that year. The whole of one morning was spent with Mr. Joseph Fels, urging him to come out stronger than before; but he was discouraged over the attitude of the Liberal party and he would have nothing more to do with it. He

damned us as a lot of politicians, not economists, and said that the single tax was further off than ever before. At that juncture I thought of a way that our forefathers had used, long ago—the Budget; what you would call in this country the Appropriation Bill.

The Budget

"You see we have laid it down from time immemorial in England that the Budget no king can touch. Although it has to go before the House of Lords, that is merely a matter of form. You know that King John tried to take from the people the power to say when and how they should be taxed and John had to sign the Magna Charta at Kunnymede, one of the first provisions contained in it being that in the future the king would have no power in this matter. Many Englishmen have forgotten the history of John, of Charles the First, who lost his head for similar reasons, and of King James, who had to leave England.

"We concluded at this meeting to go .through the country asking audiences to pass resolutions urging the government to tax land values. Mr. Fels gave us one thousand pounds toward the movement. I think he was quite under the impression it was money thrown away and shortly after that he went away to America.

"Now I would like to say just a word as to Missouri and Oregon. I notice that in those states the people who are working for tax amendment are trying to reach the people through literature. In our country, for years and years, we tried to reach the country in that way. My friends, if you want to reach the people, let them hear your voice and stand prepared to answer questions. In that way you can reach nearly all of them with half the money you are spending today on literature. We found that out in our campaign that began in 1908. We had not been at it long before nearly all the meetings in industrial centers had overflow crowds. The sensation was simply enormous and resolutions were passed enthusiastically. The chairman would state the resolution, it would be proposed, second and supported. We found the subject taken up in different places as a non-party matter. I remember

that on many occasions a Tory manufacturer took the chair. At the end of four months I ran into one of the secretaries of the Treasury, and he said: "Neilson, I don't wish you any harm, you nor your friends, but I wish to heaven for about three months that you had lockjaw; we cannot stand it. For heaven's sake, let down on these resolutions that are being sent up." I said: "If you will tell me whether land values will be taxed in the next budget, I will tell you about the resolutions." He said: "I don't know." So we went on with the work and, until the budget appeared, the taxation of land values had become the foremost question in the country.

Land Valuation in England

"Now, gentlemen, to be perfectly fair. I must say that Mr. Lloyd-George took little or no part in that campaign, but I doubt very much indeed whether we should have had our land values budget if any other man, had been at the Treasury but Lloyd-George. We found there a sympathetic Chancellor of the Exchequer. The beginning was small, very, very small indeed. The great thing was that we started to value the land. For the half-penny undeveloped land tax. that was not much; the twenty per cent increment duty, we didn't think anything of that at all, or of the ten per cent reversion duty and the five per cent mineral rights duty. Valuing the land is now progressing. But the valuation at the end of five years will be the value of 1909. Mr. Masterman, who is Lendersecretary for the Treasury, told us this spring that he was assured by the Department that once they have that basis of values the Department will, in twelve months, be able to bring it up to date.

"Now we come to the land campaign proper. Our concern is: What is the government going to do with the valuation when they get it? We have taken time by the forelock. Our political battles are not at an end. We are at work all the time, all days of the week, and will always be at it, as far as this cause is concerned, till we gain our purpose. We drew up a manifesto nearly two years ago. in which we asked that all land values should be made available for public needs; that the valuations should be made public; that a flat tax should be levied on all land

values, without exception, to produce a fund from which could be defrayed the cost of education, administration of the poor law, main roads, police, asylums, all national services, the cost of which is now defrayed by the local taxpayer, entailing a crushing burden on industry. In some of our districts the local taxation upon industry amounts to something like eight and three-pence and eight and four-pence in the pound. Land not used contributes not a brass farthing to the taxes, national or local; land ill-used in England has a system of taxation that places it in such a condition that it favors the land being kept ill-used. We have surplus labor in England. Surplus labor in England is the cause of low wages and low wages mean poverty, slums, destitution, the degradation of men and women. We are beginning to see that the present system in England to-day, if it is to be altered, can be altered on only one basis, and that is on the basis of the single tax.

"So we presented the petition to the Prime Minister and the Chancellor of the Exchequer. It was signed by over one hundred and seventy members of the House of Commons. Now those are not all of the members of the House of Commons who are in favor of the petition. We didn't ask any members of the government or any of their secretaries to sign it. No Nationalists signed it. No Conservatives signed it. I daresay today there are some men who did sign it who are a little sorry now and are beginning to tremble. We will attend to them later and will screw their courage up before we are done with them. But the great fact is that we have a great number of men in the House of Commons who are pledged that land values shall be made available for public needs, that the valuation shall be made public and a flat tax be put upon the capital value of the land.

Recent Victories

"This year we have been able to arouse the Chancellor of the Exchequer to the importance of this issue. At Whitsuntide there was a seat vacant in Northwest Norfolk. We ran Mr. Hemmerde down there. He preached the taxation of land values to the farmers and agricultural laborers. On this principle he won a great victory. That shook up the

Tory press. It began to think about the single tax. Henry George's name began to be mentioned in "The Times." Correspondents began to ask for information regarding land values. Shortly afterward Hanley became vacant. We sent down to fight that constituency a man who was marked 'dangerous'; a man who was at the bottom of the Liberal party's list of candidates, Mr. Outhwaite, who had done so much for the movement. He made a single tax fight against the Tory, who put up the full Tory platform of their land purchase scheme. Mr. Outhwaite won a great victory. It gave Toryism the most terrible shock it had received. Then our friends in Belfast, as they could not raise much excitement in England against the Home Rule, thought to themselves that they must do something to cloud the issue. They found Tories ready and willing in England to help them and they attempted to cover up the movement, just as Mr. Chamberlain had tried by colonial preference schemes to cover up the scandal of Lord Elgin's report on South Africa. So today you have the provisional government of Londonderry and Carson. It is less Ulster than it is Belfast, and it is less Belfast than it is to cloak and hide the land question and the land campaign that is now being fought in England. They can use all their dexterity as strategists, but I believe the land question in England has come to stay. I place my faith in it on the ground that we at least have realized that it is time for the people of England who want reforms to go to those who have imagination and enthusiasm—the youth of the country. We have gone to them. They are not a power so far as the ballot-box is concerned, for the most of them are disfranchised. We hope that the bill now in Parliament for electoral reform will give the ballot to some of them. In many places they are setting an example to the older men.

"This is a movement of the young men of England. That perhaps is one of the most remarkable things in our politics. I can say of my own constituency in Hyde—and I know that in speaking of them I am speaking of many constituencies in England and Scotland—that during these winter months we have economic classes twice a month. In the leagues of young Liberals we had a course of lectures and debates. They were not sufficient for the radical section; they wanted something deeper, something that they could get their teeth into. So it

was decided in Hyde that a certain number of young Liberals would meet once a fortnight and read 'Progress and Poverty.' They had the good fortune to have Professor Hickie, and he read a couple of pages at a time with explanations. That had not been going on long before it was moved in the class that every man in the class should buy a copy of 'Progress and Poverty' and that one night they would tell what they were going to read a fortnight ahead and give every member a chance to study it so that the class could devote an hour to reading and an hour to discussion. It progressed so that we found that many men were prepared to go out night after night in all the districts around about Hyde and preach economics to the people. Hyde is only one out of hundreds of places in the north of England where that is now going on. And, gentlemen, that is going to enlighten the democracy, and an enlightened democracy nothing can stop. I think it is a power that landlordism has to face in England.

"I shall look forward to the success of the movement with great hope. I know we shall have a setback here and meet a rebuff there. We may not win the next election, but this question is not for one election, it is for all time. It has become the world's question to-day, and nothing else is going to be found to take its place in the great struggle for the emancipation of the people." (Applause.)

Mr. Neilson was asked to say something about the amount of valuable land in England which is being held and controlled by a comparatively few men and its bearing upon the economic situation in England. He said:

Large Holdings in England

"According to Lord Derby's return in 1873, which gave a report of the landholdings over all the country save London, it was shown that there were 1,200,000 landowners, but that 852,000 of them owned only one acre or less. So according to that return we must draw the inference that less than 400,000 people owned the United Kingdom, London apart, with the exception of about, we will say, one million acres. Now, of course, we have not had a landowners' return from that

time, but I do want to say this: The estates have grown larger since Lord Derby's time.

"Frequently you will find in the counties in England that twenty landowners practically own the county. In Shropshire eighteen landlords own half of the county and the other half is owned by three hundred and eleven people. That is the way in which the whole of Shropshire, one million acres of land—and some of the fairest land that we have in England—is owned.

"From Lord Derby's return no idea can be got of the value of the holdings, but I think from the indications given in the Devonshire estate you will get a pretty good idea of the enormous value of the land. A Duke of Devonshire died some years ago and I waited patiently to see what was the value of the estate returned to probate. It was published that the value of the estate for probate amounted to one and a half millions. A few weeks afterward it was stated in the papers that the land on which Piccadilly House, the Devonshire House in London, is situated, was valued, entirely apart from the improvements, at one million six hundred thousand pounds. That is one hundred thousand pounds more than the whole estate had been valued at for probate. The Devonshire owned one-eighth of Derbyshire. Now you cannot buy one-eighth of Derbyshire, even the surface of the land, for three million pounds. You cannot buy the mineral rights, certainly, for three million pounds in respect to this one-eighth of Derbyshire. They practically own Eastbourne and you cannot get much of the seafront of Eastbourne for one and a half million pounds.

The Passing Act

"In England they have what they call the Passing Act. It is an act of great antiquity. When a landlord's son becomes twenty-one, the landlord calls George or Algernon into the library and says: 'Now, George, when I was twentyone my father called me into the library and he passed the entail of the estates on to me. I have called you into the library and I am going to pass the estates on to you. Now, George,

when you are settled down and have sown your wild oats, and you have a son, when he becomes twenty-one, call him into the library and pass them on to him, because, you see, when I die, George, you have got the estates.' We are going to remedy that. I think that will give you an idea of the situation of entailed estates and their enormous value. The owners of Huddersfield are the Ramsdens; the Duke of Norfolk owns pretty nearly the whole of Sheffield; Lord Stamford owns the whole of Ashton-under-Lyne. Liverpool ground values are held largely by Lord Sefton and Lord Derby and others. And so you may go on through the greater part of England and through the whole of the great industrial centers, they are all in the hands of one or two or three men. Eight landlords own nine-tenths of Greater London. Think of that, and you will realize that the land question is a live one in England. My advice to you in this country is to take time by the forelock and look out before you find yourselves and the generations that follow you in a similar position."

Mr. Neilson was asked as to the taxation of land values in some of the important cities of Germany. He said:

"A number of German cities have an installment of the single tax, but they cannot really receive the benefit of it so long as they are saddled with the Federal Fiscal System. But perhaps under the Canadian system you can see better what is being done.

Land Tax in Canada

"I have just come from Edmonton and Saskatchewan. The farmers in the northwestern provinces of Manitoba, Saskatchewan, Alberta and British Columbia are largely single taxers and they enjoy taxation on land values and are not taxed upon personal property and improvements. You would have great difficulty in getting them to adopt a system so many have left behind in the United States. They are thriving there. Of course, they have the land speculator among them, but they assure me that in Canada there will be no land speculators after five years. They will put on such strict taxation that it will only be worth while to improve the land instead of leaving it idle.

If you want to know what is going on, my advice is to take a little trip up to that country to see its extraordinary development. I don't say the progress is wholly attributable to the single tax, but it is very curious, gentlemen, that this great advance in Canada has been made since so many of the areas have adopted the single tax. It is a very extraordinary coincidence."