

THE HOLD-UP IN THE WEST

MR S. J. LEE VINCENT of Newquay wrote in the *Cornish Guardian* of 20th February: Parliament has just appointed a committee to act as guardians of public money by preventing groups of financial speculators (commonly known as "syndicates"!) from "cornering" land rendered vacant by the recent bombings and holding it until reconstruction commences, when they hope to make enormous profits out of the deal. But are these operations confined to London and big towns? And is there not a parallel to such speculations here in Cornwall?

Farm land, which has been sold within the past twelve years for £30 an acre, and which is in the market still at £40 an acre, is being bought up by similar syndicates for precisely the same object, i.e., to re-sell to those whose pressing need is a healthy home, at from twelve to twenty times its actual value, thus making a profit of 1,200 to 2,000 per cent on the deal.

To quote only one instance, for confirmation it is only necessary to ask the former tenant of land which was part of his farm, less than 15 years ago, what rent he paid and what the farm was valued at by the Land Valuation Department. This land was worth only £36 an acre, but owing to the growing popularity of our lovely coastline and perfect climate, it was found possible to lay it out in lots, with roads and sewers, and sell it at £1,250 an acre.

Now, all around Porth and district this is being copied, and no one can buy a plot of land at less than £1,200 to £1,400 an acre. What has the original owner done to gain this greatly increased value and make such a monstrous profit? He may say "I have laid sewers and made roads ready for the prospective builders and buyers of houses." These roads and sewers have cost the speculators only £250 to £300 an acre, so that the net profit on these building sites is between £1,000 and £1,100 per acre.

A very serious aspect of this matter is that no houses for the working classes can be built on any site in the grasp of these speculators: the local Council must find cheap "back-land" for them: the Ministry of Health, which does nothing to prevent land profiteering, would shriek with horror if the Council put forward a scheme for 100 houses on land for which £1,250 an acre were demanded.

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Mr Vincent's facts are borne out by the editorial writer, "The Idler," in the *Herald and Express* (Torquay) of 4th March, saying in a leading article: "I implore you to take a walk in any direction you like in any of the towns where this paper is circulated. On the outskirts go through the new streets and right and left you will find acres and acres of land which a few years ago was producing food of one sort or another now described as 'Desirable Building Sites.' Why does the Government, which has no hesitation in taking over property where people were earning livings, not step in and tell the owner that if he does not cultivate that land he will be prosecuted? Why should we weep tears for these people? Much of that land was bought at low agricultural land values. It is being held to sell at exorbitant prices as building sites. Nobody will be able to build till the war is over, so why should the land be permitted to remain idle while brave men risk their lives to bring from abroad vegetables which this vacant land could produce? Is there nobody who will raise a voice in the proper place to put this terrible blunder right? There is still time—but precious little—to do something now. Meanwhile, the appropriate Ministry is telling us to reduce the number of hens, to kill off the

pigs and the cattle and to anticipate a milk shortage because there is not enough fodder to feed the existing hen, pig and cattle population. What a scandal it all is."

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It is not the unearned fortunes made by the first-sellers during a land speculation that bodes ill for society so much as this buying of land "for investment." People with money are willing and eager to spend it on land purchase in the hope or with the intention of selling or renting it to others at higher prices still when the peaceful business of production and trade is resumed. They foresee the return of millions from the military and auxiliary services, from munitions making and all that pertains to war's destructive effort, the rush of young people to find employment or to enter a chosen career with some hope of success, the demand for new houses, for retail shops, for office premises, for land to cultivate and make a homestead. It will be like a new population entering upon a new territory. But if this new territory can be forestalled; if some one holds the key to these opportunities and has turned it fast in the lock against a price to be paid before the gates can be opened, what then? What chance is there for gainful employment or for any industry, manufacturing or agricultural? The land speculation is building the walls ever higher above the gates, so that the country is being "invested" in quite a different sense, beleaguered and blockaded, in fact, by the monopoly interests with their claim that production must first make terms with them before production can start. They never in these circumstances measure their victims' ability to pay; they never can, because the crash comes before there is any opportunity of their realizing their hopes. That by which they expected to make a gambling gain has stopped production causing widespread unemployment and distress; and if they too are involved in ruin there is little food for satisfaction, since society cannot thereby be avenged.

The power that the monopoly and speculation in land has to hurt society is conferred by society itself in its own stupid laws which treat the price or rent of land as private property. Why do we enable any one to withhold land from use against a price some one else must pay to him? Why do we permit any one to hold land without paying the rest of society for that privilege? Why exempt valuable land from taxation if it is not used and protect the monopolist by all manner of taxation levied upon the worker and the producer, upon their habitations and the goods they consume? Consider how this speculation, in farm land for example, has been so greatly aided by the Derating Act giving a tax-paying relief which has simply been capitalized into a higher price for land so that the incoming farmer has a higher barrier to surmount before he can put a seed in the ground. These stupid laws will have to be reversed if the way is to be paved for recovery after the war. Land monopoly must go and there must be freedom to produce. The just and effective and sufficient way to achieve that is to reverse the engine of taxation so as to take the burden off buildings and improvements and industry and all its processes and make it rest instead upon the value of land whether the land is used or not.

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