

LAND & LIBERTY

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POVERTY AND FAMILY ALLOWANCES

THE letter we publish from Miss Margaret Deas on behalf of the Women's Liberal Federation contains the categorical statement that children are the chief single cause of poverty. Our correspondent appears to have missed the earlier comment we made when that view was about to be embodied in a resolution for the Liberal Party Assembly in July. We recommended a reading of Dean Swift's *Modest Proposal*, and said that the expression of such a view was condoning the social injustices, the privileges, and the bad laws that have brought about the monstrous inequality in the distribution of wealth. The resolution was altered when it was moved and it stated instead that "the proportion of dependent children living in poverty is an acknowledged weakness of our social system," which no one can gainsay. Whatever may be proposed by way of amelioration, the words at least put cause and effect in their proper relation. The cause lies in our social system and one effect is the number of children living in poverty. The problem is to be solved only by dealing with the cause, why, in spite of increase in productive power, wages tend to a minimum which will give but a bare living. This is not done through the provision of the so-called social services or any of the bonuses, supplements and allowances in aid of wages so driven down. These are all attempts to mitigate the effects; they in no way remove the initial cause of the mal-distribution of wealth.

After the Liberal Party Assembly had escaped committing itself to the theory of the Rev. Thomas Malthus, so acceptable to the comfortable classes, that (to paraphrase) the chief single cause of poverty was overpopulation, our correspondent is not satisfied. She returns to reiterate the statement and calls in support of it the testimony of trained workers, sociologists and other authorities who maintain that point of view. But this adds no argument and furnishes no proof. It is only the statement of the findings of investigators who began their research by begging the question. They have taken the present general level of wages for granted and the present distribution of wealth, into rent, interest and wages, as something unalterable except by way of wage-subsidies out of public revenue. Given that certain wage and given a minimum "human needs standard" of existence, all their massing of statistics amount to no more than an obvious and simple arithmetical sum. Given the wage, subtract from it the cost of sustenance of a given number of people, and if the remainder is not enough for maintaining an additional child, either the child should not be born, or the family must seek public assistance, for a family allowance, a dole voted to that household out of public funds. The researches but

establish the fact that if the fodder in the stable is only enough for one horse, the mare and her foals cannot be fed and the horse-breeder must go out of business. But great are the reputations of the men who mass their statistics and make all their painstaking researches to prove it.

In the pigeon-holes of the trained experts and sociologists upon whom we are asked to rely there must be other facts and considerations bearing on their investigations—as for example, how much of the stated expenditure out of a stated wage consists in indirect taxation raising the prices of the goods bought? By how much are prices raised by other taxation bearing on costs of production? How much is taken from the wage by rates upon the house, forbidding the occupation of a larger house when more children are born? What would happen to the effective purchasing power even of the present money wage if these imposts were abolished? And if the weekly 5s. per child were received as bonus, how much would be absorbed at once to pay rent, how much of the cost of maintenance would be taxation hidden in higher prices? These are questions the trained experts and sociologists could answer if they took the trouble; but somehow the answers never come out of their pigeon-holes. Taking existing wages for granted, they see no hope other than in a bonus for children if children are to live. So also the existing system of land tenure and taxation is taken for granted as having no connection with their particular problem. The amount of money to be collected and shared out seems to be the whole concern, it being of no importance how the money is collected; and disregarded are the possible economic effects of the taxation it is necessary to levy for the schemes which, save the mark, are called social reforms.

Unfortunately too many give the blind eye to the resultant of the "money-for-social-reform" idea, bound up with taxation as it is levied to-day, in producing and aggravating the very evils it is sought to remove. That has become abundantly clear in the breakdown of the present rating system by which local authorities have had to finance the many schemes designed to supplement low wages or mitigate poverty in their midst. With every increase of rates, as they are levied to-day, new burdens are laid on business, trade, houses, building and all employment-giving productive undertakings; the great revenues that lie in the rent of land have been safeguarded for private interest, the people's revenue which the people create and thereby the mere monopoly in land has been protected and endowed. Instead of taking that value and so providing new opportunities on every hand; instead of lifting the tariff on houses and making them cheaper and easier to build, subsidies are resorted to out of revenue derived by the taxation of houses. The burden of rates becoming intolerable, the local authorities in their turn apply to the Treasury for more and more subventions to finance their social services. They wanted and got the money unconcerned as to the methods Parliament was employing to collect it. The biggest increase in the subventions was accompanied by the imposition of the petrol tax, making everything transported by road so much dearer; and the pool for supporting the local authorities comes now from the proceeds of protective tariffs, indirect taxation, purchase tax, and all the rest of the imposts charged upon production and exchange to the injury of the people, the diminution of wages, the creation of unemployment and hard times—rendering more so-called "social services" necessary the more they are so financed.

The absurdity may be best seen by an imaginative

experiment. If the bulk of the revenues of, let us say, the City of York, Mr. Seebohm Rowntree's laboratory, were derived from the taxation of windows, this would cause the blocking up of windows by those least able to pay, and a call for candles, with which the poor, being unable to buy, would be provided at the cost of the municipality; and the Town Council would purchase the candles out of the proceeds of the window tax. Who for a moment would claim that a poverty problem had been solved or would hesitate a moment in demanding the abolition of the window tax? Yet the provision of the candles would be a social service making good the absence of light just as logical or as nonsensical and unnecessary as the provision of housing accommodation by subsidies obtained from the taxation of houses and the provision of much else "for the poor" by similar fiscal expedients. It depends not on the logic, but on the premises with which you start.

In the Bristol (1937) survey to which our correspondent has referred, Bristol is spoken of as "this prosperous city" where one working-class child in every five is in a home the income of which is inadequate to provide a bare minimum standard of living. Again the investigators have looked at effects, not at causes. Here is a city which, like all our cities, could have offered examples of the workings of the land monopoly as bearing most intimately on their problems, a city virtually held to ransom as shown in what happens when land of little or no rateable value is wanted for housing or other purposes and by the height to which the price of land, privately appropriated, rises in the

centres of population. The people would grow food, but four acres of allotment land cost £650; they would have houses, but one and a quarter acres cost £600; street improvements for easing traffic or preventing accidents require £5,000 as the price of half an acre of land; for 651 acres for three housing schemes the land cost £106,666 and the previous rateable value was £273; seven acres for the site of an incinerator cost £7,000; in the centre of the city a site for business purposes is worth £420,000 per acre in one case and £600,000 per acre in another; for a hospital the land alone cost £11,500, equivalent to £115 for the site of each bed to be installed, the price of landlord permission to begin to provide hospital treatment. A city prosperous for some people but within its gates little children starve.

The truth is that labour is robbed; that no production can start or continue save against a first-charge payable in rent or price for the use of land and access to natural resources; nor may production continue unless it can surmount the barriers of penalising or restrictive taxation. Therein lies the fundamental cause of reduced wages, and men and women thrown out of work, and children suffering as those social surveys have disclosed—all side by side with wealth flaunting itself in the same community of human beings. With all respect to those trained experts and sociologists who have toiled with such diligence we say that no inquiry into social conditions is adequate or complete or even honest which fails to probe the causes of that maldistribution and guide the public towards the remedy.

THE RISE IN LAND PRICES

SAYING THAT "Government subsidies and guaranteed prices have made the land the most attractive proposition of the day, and it is believed that the attraction will last long after the war," (italics ours—L. & L.) the *Northern Dispatch* of 1st September adds that "Since the war started the value of Britain's land has increased by 25 per cent. Many people with money to invest instead of studying the commercial markets, now have their names affixed to the long list of those anxious to buy land. The boom in agricultural land is general throughout the country."

The following are some instances given:—

Lincolnshire, where the black land grows record potatoes, corn, and root crops, the value is twice as much. Eastern England as a whole is worth twice as much again now than before the war.

A 33½ acre small holding at Pinchbeck, South Lincolnshire, was put up at £3,000 at a public auction recently, and in three minutes had been sold for £4,700, more than £140 an acre.

A few minutes later another farm was sold at £152 10s. an acre. A third farm of 213 acres realized more than £80 an acre.

* * *

The *Daily Mirror*, 5th September, strikes the right radical note: "Isn't it odd the way vast tracts of this country can be hawked around by a few landed proprietors. Who owns England?—Certainly not the English people as a whole." And reports "Just another little transaction that will soon be taking place":—A portion of the fine fertile lands of the renowned Sledmere Estate, extending to over 7,000 acres and producing a total, actual and estimated rental of approximately £4,900 per annum, including a large

number of prosperous farms (amongst which Manor Farm, Nixendale, will be offered with considerable portions of the villages of Fimber, Weaverthorpe, Helperthorpe and Wetwang), will be offered for Sale by Auction.

* * *

At the auction at Malton, reported in the *News Chronicle*, 30th September, the Weaverthorpe and Helperthorpe property was withdrawn at £24,000, Thixendale at £15,000 and the Fimber and Wetwang at £39,500. In other blocks several farms were sold at prices ranging to £6,000.

FOR ALL BUSINESSES

IN A letter published in the "Reforms Readers Want" section of the *Drapers Record*, 20th September, Mr E. F. Hobley of Sutton wrote:—

The basic reform needed for all businesses to-day in the British Isles is the taxation of land or site values. Both the small and large business man everywhere is rented and taxed too heavily owing to the powers exercised by the private ownership and monopoly of land.

Where towns grow and shops are in greater demand, especially under the leasehold system, "landlordism" reaps all the benefits given by the growth of population and business enterprise.

Town planning, better labour conditions, wages, holidays, and even superannuation schemes, all depend for success upon the abolition of this evil practice, for the land is the source of all wealth and the necessity for all true labour.

Real reform rests upon the foundations of justice and freedom from unholy privileges, and if the people were half awake they would have insisted upon it long ago.