

building. This brought the matter of land value taxation openly into public discussion.

The war brought all reform work to a halt, but in spite of this the year 1915 saw the experiment of a valuation of the land of the entire country, in connection with the general property valuation.

The principles and working rules utilized in this experiment valuation were put into practice again for the next general valuation in 1920. This last official valuation was made with the definite purpose of finding a basis for taxation.

In spite of the war, the question of tax reform was hotly debated. An Agricultural Commission appointed in 1911 took up the matter from the point of view of the farmer and in 1920 gave in a report with suggestions for a shifting of the property tax in rural communities to a land value tax of  $7\frac{1}{2}$  to  $12\frac{1}{2}$  pro mille, reducing the tax on buildings to  $3\frac{1}{2}$  pro mille. A proposal for a special tax on increase of values was also included in this report.

Even before the valuation of 1920 was completed, the spring of that year saw a government bill for a 5 pro mille land value tax for national purposes, as well as a suggested measure for municipal land value taxation. By the terms of this last proposal the municipalities could replace all at present existing real estate taxes by a land value tax up to 2%. But in case any piece of property should by this measure, have a lower tax than in 1920, the difference should be equalized by a surtax. This of course was a very silly provision, invalidating the purpose of the bill. Furthermore; the municipalities were empowered to raise a tax up to  $1\frac{1}{2}$ % on increase of land value after 1920. Then for good measure, a special tax was to be levied on big buildings.

The last measure got no further than the first hearing, when a change in government occurred. Later it was taken up against, by the Radical Party in the Lower House. But it was lost in committee.

—GRACE ISABEL COLBRON.

[Miss Colbron will continue this recital of what is being done in the progressive country of Denmark in our next issue, taking up the story from this point. No disciple of Georgism, and no writer in the country indeed is better informed on the subjects of Danish literature and politics than our accomplished contributor.—EDITOR LAND AND FREEDOM.]

## The Tax Collector

I asked our parish rector: "What causes sin and crime?" He said: "The tax collector—I'll back him every time; when men are taxed unduly, while wages don't increase, their passions grow unruly, they jump the paths of peace; when some grim malefactor demands my hard earned scud, I pity that bad actor—they've taxed him till he's mad." —*Walt Mason.*

## Single Tax and Protection

IN this article I purpose to treat of the origin and development of the Single Tax principle in Australasia, and the work of the Single Tax press in this part of the world. But before doing so I must give an account of what has taken place in New South Wales since I last wrote.

### THREE SINGLE TAX STAGES

Every country, and in Australia almost every State, is at a different stage in regard to the Single Tax. England, for example, is at a very low stage, the principle not having been even yet initiated in the municipal sphere, but she has this double advantage. A numerically large, ever growing and recently dominant section of the community is pronouncedly in favor of it, and the country as a whole is free trade. America is at a much lower stage. She not only has not yet initiated the principle in the the municipal or any other sphere, except on a very limited scale in isolated spots, but she is enchained by Protection, which in addition to doing immense injury to all classes concerned, and especially to the farmers and workers generally, promotes lobbying and continually diverts attention from matters which are of far greater importance to the welfare of the nation as a whole. Australia is between these two stages. She is intimately acquainted with the Single Tax principle as far as the municipal sphere is concerned, at any rate in three of the leading States, and with a travesty of it in the State and Federal spheres, but, like the United States, she is still fettered by the tariff, which the manufacturers have even succeeded in persuading the workers was specially imposed for their benefit! It has long been recognized by Single Taxers that this belief in Protection is the greatest obstacle to reform, and we seldom lose an opportunity, therefore, of attacking it whenever we get the chance.

### HOW ARE EXPORTS PAID FOR

One of the fixed articles of truth in the protectionist's creed is—or at any rate was up to a very recent date—that exports were paid for by gold, the same as ordinary goods would be if sold over the counter, and that it is better business to export and increase our supplies of gold than to import and have to send our gold away. It is only very recently that any admittedly authoritative advocates of protection—such as the Minister for Customs (Mr. Pratzen) and the *Manufacturers' Journal*—have told a different story, apparently promoted hereto by the now extremely acute problem of exchange. Then came an admirable article by "Observer" in the *Sydney Daily Telegraph*, which was widely read and created quite a stir. It gave a remarkably clear and lucid explanation of the very much misunderstood facts involved in international trade. The pith of it was that goods are paid for by goods, and that the more we export the more we must import in order that

our foreign customers may repay us for the wool, the wheat and the wine they are so willing to take. Trade, in short, is merely another term for international barter, and, if we erect artificial barriers to prevent our neighbors supplying us with the things we want from abroad, our neighbors will be unable to take from us the things they want, and which, if there were no obstacles, they would take in ever increasing abundance. This is so elementary and so self-evident a statement that it would be almost childish to make it were it not for the fact that almost every protectionist argument involves a denial or distortion of its truth.

### "UNJUST, UNBRITISH AND UNDEMOCRATIC!"

The article by "Observer" set the ball rolling, and produced a number of replies all more or less confirmatory of the principles which he had laid down. One of these replies, by the way, in which the Tariff Board was denounced, led to an action for £10,000 damages. It resulted in a verdict of one farthing for the plaintiff, which meant that each party had to pay his own costs, but the peculiar part about it was that whereas the original letter, of which the plaintiff complained, only appeared in one paper the effect of bringing the case into court was that it was republished by every other paper every day that the trial lasted, thus concentrating public attention on the charge made by the writer, that the Tariff Board was doing a tremendous amount of harm.

In the article by "Observer" it was stated that "the first thing to be done was to abolish the Tariff Board and to readjust the tariff." It may be well to remark here that the Tariff Board is an irresponsible body which was recently created by the Federal Parliament and entrusted with the task of advising the Minister in the raising or lowering of customs duties, evidently for the purpose of avoiding the criticism which either proceeding invariably entails. A well known local manufacturer—Ald. J. R. Firth—in a letter to the *Daily Telegraph* denounced the Board as "a peculiarly unjust, unBritish, and undemocratic institution," and gave two reasons why it should be abolished forthwith, (1) because it imposed taxation without the consent of our representatives in Parliament, i.e. taxation without representation; and (2) because it conducts practically all its business in star chamber privacy, not even advising its particular victims that they are to be ruined. A Tariff Board bill was subsequently brought before the Federal Parliament providing that *certain* "enquiries by the Board should be held in public and evidence in such enquiries shall be taken in public on oath," but, unless *all* enquiries are to be made in public and witnesses can be cross-examined if required, the objection to the Board will still remain. At present the Board has the most pernicious powers, and can do almost anything it likes so long as the Minister signs its decrees.

The members of the Board are ultra-protectionists in their views, and the Minister is the same, so that the more extreme the recommendations by the Board the more likely the Minister is to carry them out. An industry has only to show the slightest sign of inability to compete with the imported article when the directors rush to the Board and apply for more protection, which both Board and Minister are only too ready to grant. In two recent instances it was shown by protectionists themselves that what was wanted was not more protection, as urged by Mr. Pratten, but more enterprise, better machinery, and greater skill, indispensable factors which protection almost invariably tends to deteriorate if not to kill.

### FARMERS RUINED BY PROTECTION

In the meantime, whether imposed by the Tariff Board or by Parliament, the duties on the implements and machinery used in production are heavily handicapping the farmers and other primary producers, and are driving many of them off the field. In an article entitled "What is wrong with wheat farming?" the president of the Advisory Council of Agriculture (Mr. W. E. Taylor) stated that, out of the £30,000,000 invested in agricultural machinery in Australia, £10,000,000 was swallowed up by the tariff, the whole of which was paid by the farmers alone, who represented a very small proportion of the population, there being no possible way of passing it on to the consumers. "Does it not appear screamingly farcical," he asks, "to see several State Governments doing their utmost to settle men on the land when the Federal Parliament by means of this tariff is starving them off?" This antagonism to the duties on agricultural implements and machinery—which has resulted in their removal to Canada—is gaining strength among the farmers in Australia who are beginning to realize that they are being ruined to swell the profits of the local manufacturers and they are very naturally indignant that such a grossly unjust policy, which favors one section of the community at the expense of the other, should be pursued in a country which claims to be democratic. This much lauded policy of protection is not only against the interests of the farmers and the rest of the community but against the interests of the governments themselves, both Federal and State, which have to pay ever so much more for the already very expensive goods which they sometimes are forced to purchase from Britain or elsewhere. Only the other day the government of Western Australia had to pay several thousand pounds extra for having committed the unpardonable crime of importing some engines for the railway which could not have been made in Australia at anything like the price of the imported article. One of these days the public who have to foot the bills will suddenly wake up to the fact that it has been playing a very foolish part in supporting a policy which not only increases the cost of living all round, to the immense detriment of the working class and es-

pecially of the family man, but discourages and sometimes ruins the primary producers, reduces employment instead of increasing it, and adds considerable to the difficulty of exchange.

### IT INJURES THE GRAZIERS

The graziers also are up against the tariff. If said Dr. Kater, M. L. C., in his presidential address to the annual conference of the Graziers' Association, "by lowering the tariff, we enable the producer to get his goods at, say, two-thirds of the price he now pays it would be equivalent to giving him 50 per cent. more for his produce. We are penalizing the producer, who is the creator of all wealth, to assist the manufacturer, whose industries cannot exist without the producer, and if we are not careful we shall kill the goose that lays the golden egg, and both will go down together." He, too, denounced the Tariff Board, declaring that its most outrageous action had been the imposition of a dumping duty on British wire netting, which, combined with digging, was the only effective means of dealing with the rabbit pest, and which the land holder should be allowed to buy as cheaply as possible. "That all the landowners of the Commonwealth should be penalized to bolster up our wire netting manufacturers," declared the President, "is not only most unjust but is a very bad policy." And then he made the extremely sensible and significant remark that the Prime Minister would be helping the primary producer much more by reducing the tariff on all goods essential to his industry than by using the surplus revenue, as he spoke of doing, to assist the producer in some other way. Finally he declared that the tariff should be fixed by the representatives of the people and not by a small body of men who were not responsible to them.

### BARRACKERS FOR PROTECTION

I have dealt with our protective policy rather fully as the principle at issue affects the American farmer quite as much as it does the Australian and because moreover it goes to the very root of the Single Tax question, for when the protection bogey has been got rid of, the fight with the allied bogey of land monopoly will be much easier to win. Notwithstanding occasional vigorous attacks on protection from recognized leaders of thought it is bound to be a tremendously up hill-fight. All the vested interests, and a large section of the press which is controlled by them, are opposed to us. In Sydney alone the *Labor Daily*, representing the workers, *The Daily Guardian*, *Smith's Weekly*, *The Sunday Times* and *The Bulletin*, together with a large number of country papers, are all barrackers\* for protection, while *The Herald* and *Telegraph* are more or less faint-hearted in support of free trade, sometimes articles in favor of it and then again supporting preference, which is only protection under another name, while *The*

*Herald* rarely admits anything into its columns savoring of the Single Tax unless perhaps in the holiday season when a straight-out Single Tax letter may slip in, as happened by chance to one of mine the other day to the great surprise not only of the writer but of everyone else. Letters in support of free trade, unless they have a Single Tax sting, stand a much better chance of insertion, at any rate in *The Herald*, so we send these in as often as we can, knowing that every blow aimed at protection is a blow struck at land monopoly, for these are twin monsters, each preying like a cancer on the body politic, and each giving the other mutual support.

This extremely important point has also to be borne in mind—that you cannot in justice ask a landowner to hand over the annual value of his land to the State unless you at the same time undertake to abolish the taxes which weigh so heavily on him as a producer, primarily or otherwise, in other ways. It is this indeed, which adds tremendously to the difficulty of the task, since in both Australia and the United States the taxing power is in different hands, the Federal\* authorities having the sole power of levying taxes through the customs, while both the Federal Parliament and the States can impose taxation on the value of the land.

### PROTECTION NOT NECESSARY FOR MANUFACTURERS

While there are at least half a dozen papers in Sydney which advocate protection, in the rival city of Melbourne there are two exceptionally prominent ones, *The Age* and its weekly colleague, *The Leader*. The latter recently published an article containing a mass of misrepresentation about the benefits which protection was alleged to confer on the primary producers. As *The Leader* has a paid circulation among that class in New South Wales I was asked to answer it, and my reply was published in several papers in both States. I showed that everyone of the statements was contrary to fact, and that so far from protection being necessary for the establishment of manufacturers, the latter would be better off without it. On the strength of figures supplied by Mr. Huie, the very able secretary of our league, I wound up by stating that "after five years of a 'freetrade tariff' in the time of Sir George Reid there were practically as many hands employed in the New South Wales factories as they had in Victoria after 30 years of protection, with a lower cost of living and better conditions all round."

As a matter of fact a large proportion of our manufacturing industries get no benefit from the tariff, but are severely handicapped by it. The claims that protection provides employment is falsified by the fact that after 20 years of it there are 11,500 trade unionists in this State alone (not to mention all the other States) officially declared to be unemployed, as well as thousands of others who are outside the trades union pale. In the United

\*A common term in Australia for a noisy partisan.

States, inside of which free trade has always prevailed, manufacturers were successfully established in the Western States notwithstanding the competition from the east. If a manufacturing firm cannot stand on its own bottom without being subsidised by the people, it is high time for it to let some one else with superior business capacity and brains do the work."

#### WHAT A PROTECTIONIST PAPER ADMITTED

But the most remarkable statement in favor of free trade came from *The Age* itself, which, in a leading article dealing with the British housing scheme published on July 30 last, stated that "interference with or restriction of trade by political authorities is apt to react disastrously on any country." It further stated in the same article that "each British party that has been in power since the close of the war has realized that the only hope of fostering trade, industry and employment lies in striking off the taxes by which enterprise is robbed. British labor carried on the tax abolition campaign, knowing that in all ages taxes punish most the man who has to live by his labor." How a paper can write so clearly and forcibly on the unsoundness of protection in one country and support it in another, where the argument against it is no less strong, is beyond comprehension.

#### NO SHORT CUT TO VICTORY

The shortcut to the accomplishment of our views advocated by Mr. Outhwaite in England—by simply passing an Act of Parliament declaring that the whole of the economic rent shall be immediately handed over to the State, sounds plausible enough, and might possibly succeed in England, although over there it would perhaps be obtained quicker, in the long run by demanding less at the start, but in protectionist countries like ours the task would be stupendous. The only way here is by the Napoleonic method of concentrating the attack on the weakest point first.

That is why the Single Taxers of Australia are doing their utmost to show the injury that protection does to all classes of the community, including even the local manufacturers but most of all to the workers themselves. Hand in hand with the abolition of the taxes on industry should go the imposition of taxes on land values without exemptions and without graduations. That would only be fair to the land owners, many of whom are also producers, and who thus, as producers, would be relieved of taxes on the product of their enterprise at the same time that they handed over a proportionate amount of their economic rent. To appropriate the economic rent without at the same time abolishing the taxes on industry and enterprise would simply have the tendency, and in many cases the effect, of driving the primary producers off the land, and of doing harm instead of good. The reason why land value rating (or taxing as you would call it) in

the municipal sphere has been such a marked success wherever it has been tried is simply because this double process has been observed. The imposition of the rate on land values municipally has invariably been accompanied by the abolition of the rate on improvements. There are several other topics on which I wanted to say a word, especially about the Communistically engineered maritime strike which is paralyzing industry in Australia, but I thought it best to concentrate on a subject in which both Australia and the United States are equally concerned.

—PERCY R. MEGGY,  
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Sydney.

#### EDITOR'S NOTE

There may be "no short cut to victory," but then again there may be. Neither Mr. Meggy nor any one else can say. But the plan advocated by our contributor of attacking monopoly in detail and selecting the tariff as the chief point of attack, has been tried here with the result that the Land Question in America has sunk out of sight. Single Taxers became free traders, and Single Tax free traders became mere revenue reformers—to meet the exigencies of the moment—and instead of boldly announcing what they stood for, have listened to the counsels of expediency and "soft pedalled" on the very thing they are after. Mr. Meggy is asked to bear in mind our experience here, which he perhaps does not know. We caution our friends in Australia that they are in danger of repeating the same error.

Analogies drawn from military tactics are unsafe, like all reasoning from analogy. For there are many kinds of military tactics to suit particular situations. There was that of Napoleon in his many campaigns which consisted in attacking in detail and at the enemy's weakest point, but then again there was Grant's method at Vicksburg and other campaigns. It may be good military tactics to attack the enemy at his strongest point with the fullest force at command, thus ensuring his total collapse. General Forrest, that brilliant but illiterate soldier of the Confederacy, said, "the secret of military success was in getting there fustest with the mostest men."

But after all political tactics may bear no likeness at all to military maneuvering. And the talk about "the enemy's weakest point" is altogether beside the question. We are after the economic rent of land, we want to secure the equal right of all men to the use of the earth. To ask us to begin by attacking the tariff in detail and by schedules, into which policy we are inevitably betrayed when we begin our assaults on the tariff, is to divert our forces in futile sorties. And these are often not against the real enemy at all. Granted that the protective tariff is related to land monopoly, the last is the parent monopoly. Its importance so enormously transcends that of the tariff that they are not to be mentioned in the same breath.



We are free traders. We believe that tariffs are a robbery of the people. We would do away with custom houses. Protection is a superstition. But when we succeed in converting a man or woman to the principles of Georgism, he or she, knowing now the source of wages, the natural law of rent, the individual and public rights in land, finds his or her protectionist beliefs slipping away insensibly. The surest way of making a free trader is to make a Single Taxer. Let not our Australian friends begin in the wrong way, for an inevitable dispersion of forces is certain to result with detrimental consequences to the movement, and inevitable minimizing of the real purpose of the crusade, as it has with us in the United States.

Mr. Meggy is doubtful of the success of Mr. Outhwaite's plan. For our part we think it more likely to succeed than that of the United Committee, much as we respect the ability and devotion of Messrs. Paul, Madsen and others. This question of the right of men to the land of their country comes first. It must be solved if civilization is to be saved. It cannot be solved by a tax of "a penny in the pound." It cannot be solved by giving it over to the politicians to be played with. It must be presented as a plan of social salvation, fully, completely and without apology. There can be no compromise. We must advocate the need of doing it at once in order that the whole social iniquity be levelled to the ground. This is good political tactics. To talk about attacking "the enemy in detail" while men are starving and civilization is trembling in the balance, is to palter with words. We are standing on a volcano.

—EDITOR LAND AND FREEDOM.

## Systematic Assessment

WE have received from County Auditor John A. Zangerle a copy of the "Unit Value Land Maps" of Cleveland and suburbs for 1924. This publication issued for public information, shows on outline street maps the value per front foot for the land in each block used for tax assessment, this value being for ordinary inside lots assumed to be 100 feet deep. On each map is a "depth table" showing the percentage used when a lot varies from the 100 foot standard depth; and another table showing the addition made for corner lots. Photographs show various types of buildings and the square or cubic foot units used for assessment.

As a foreword to this unique and valuable publication Mr. Zangerle says:

"We favor the adoption of System and Standards to the end:

- "1. That PROPERTY be assessed—not individuals;
- "2. That uniformity be secured;
- "3. That any citizen may assess any property anywhere;" [i. e., may check up the work of the assessor.—Ed.]

"4. That graft may be prevented;

"5. That the Board of Revision may correct and adjust in harmony with the assessment;

"6. That errors be more easily detected."

Certainly these are desirable ends, and Cleveland is doing more to reach them than any other city within our knowledge. Mr. Zangerle is doing a great service not only to his city, but to the entire country, by his efficient administration, and his writings on this subject.

## H. G. Wells as Land Reformer

IN his quaint and passionate appeal, entitled "The Misery of Boots," H. G. Wells has written a sentence or two which approximates a near-vision of the fundamental cause of the social misery and disorder against which he is protesting. Take the following for instance:

"But this institution of Private Property in land and naturally produced things, these obstructive claims that prevent you using ground, or moving material, and that have to be bought out at exorbitant prices, stand in the way. All these owners hang like parasites upon your enterprise at its every stage."

After pointing out the obstruction placed by private ownership of natural opportunities against production and exchange of boots, he continues:

"I seem to see also a lot of little phantom land owners, cattle owners, house owners, owners of all sorts, swarming over their pinched and weary feet like leeches, taking much and giving nothing, and being the real cause of all such miseries."

"I will not pretend, he said further, to be impartial in this matter and to discuss as though I had an undecided mind, whether the world will be better if we could abolish private property in land and in many things of general utility; because I have no doubt left in the matter. I believe that private property in these things is no more necessary and unavoidable than private property in our fellow creatures, or private property in bridges and roads."

"Cling to the simple essential idea of Socialism, he declares toward the close of his appeal, which is the abolition of private property in any thing but what a man has earned or made. Do not complicate your cause with elaborations. And keep in your mind, if you can, some sort of talisman to bring you back to that essential gospel, out of the confusion and warring suggestions of every-day discussion."

Mr. Wells has undoubtedly sensed the fundamental cause of our economic disorders. He sees it however vaguely and confused, as the blind man, on the miraculous return of his vision, saw "Men as trees walking."

THERE is economic rent whether you are owner or user of the land. If you are owner, the rent would be equal to what you could obtain if the land were rented.

—HENRY GEORGE.