

The SINGLE TAX

A JOURNAL DEVOTED TO THE CAUSE OF TAXING LAND VALUES.

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Notes and Comments.

John Morley says "The House of Commons is at this moment a very dull place." So. A prominent Glasgow Liberal says they should pass a bill for the "New Tax," and take a holiday for seventeen years.

Mr. Augustine Birrell, M.P., told the Liberal Federation at Leicester last month that—"Another principle to which the Liberal Party was devoted was honest finance, and in this respect they desired to bring about taxation of ground values."

The London *Daily Chronicle* warns the Liberal leaders against reforming the Lords. So does John Morley.

Dr. Spence Watson, the president of the National Liberal Federation, at the Leicester meeting referred with pleasure to the recent Liberal victories, and the London *Chronicle* replies:—

"The most remarkable fact about the manifest Liberal reaction in the country is that it has been sparsely aided by the leaders. The Front Bench has given no guidance, and the Federation itself has, with more modesty than sincerity, disclaimed altogether the notion that its business is to provide any lead for the Liberal aspirations of the electors. If these things are done in the green tree, what might not be done in the dry?"

Mr. Michael Swan, president of the Glasgow Liberal Club, hopes to see a conference of the Liberal leaders soon.

Ex-Bailie Chisholm has examined Betterment and found it wanting. The Taxation of Land Values, says the Bailie, is the safest ground.

Mr. Fletcher Moulton, Q.C., author of the well-known pamphlet, "The Taxation of Ground Values," does not love the Single Tax, though he told the Town Holdings Committee that a tax on land values of six shillings in the pound might be adopted to begin with.

Mr. Moulton is one of these extreme men that the moderates will require to watch. Fancy a 6s. in the £ man throwing stones at the Single Taxers to the delight of the "bad sleepers" in the Liberal Party, when these same Single Taxers will take anything from a penny in the £ as a commencement.

This little comedy at the Edinburgh Reform Club is all the more amusing to the Single Taxers, as it has been whispered to them that Mr. Moulton was briefed to come down to the capital to dam the flowing tide of Land Value Taxation. It is a capital joke.

We earnestly trust that these Mrs. Partington's will publish Mr. Moulton's address, and that they will read it, and, if possible, study it. It will do them good. Those of them who are logicians will come out all right; and those who lack the logical faculty won't learn anything in particular except that much of this feast of economic analysis, argument and sophistry is too much for their digestion.

All the same we are obliged to these good people for bringing Mr. Moulton to the front. Every time he speaks on the question it is so much the better for the faith of the Single Taxer, and so much the worse for the hopes of the "croakers."

As we go to press we learn with pain and sorrow of the death of the Rev. J. M. Cruickshank. He died suddenly at his residence in Springburn, Glasgow, on the afternoon of Thursday, 31st March.

We have just published a new leaflet on "The Scottish Liberal Party and the Taxation of Land Values." It gives the resolution carried at the Dundee conference of Scottish Liberals, and the resolution adopted by the executive of the Scottish Liberal Association, and quotes Lord Rosebery, Sir William Harcourt, and John Morley. Price 6d. per 100; 3/6 per 1000.

The Portsmouth Single Taxers have formed themselves into a Single Tax Union. A report of the meeting is given in another column.

The Glasgow Corporation have reduced the water rate. This will duly work out so much less for water and so much more for rent.

Following the Bradford lead, the Battersea Vestry called a conference of all the metropolitan rating authorities. Result—Taxation of Land Values carried. See report specially sent to the *Single Tax*.

The London County Council has been won for the Taxation of Land Values. The Earl of Carrington nailed this to the counter at an immense meeting held on February 16th by stating boldly "that they placed this in the foreground and they were prepared to stand or fall by it."

The Duke of Devonshire also drove it home by stating: "The County Council delayed much improvements because it could not induce Parliament to accept the Taxation of Land Values."

It was a clear issue, and in spite of the full weight of the Government's leading men who came to the platform of the Moderates, the Progressives won hands down.

The London *Echo* cannot be praised too highly for the splendid service it rendered the question during the election campaign. It issued a Contents Bill the night before the election, as follows:—

ECHO.

LAND VALUES
OF LONDON.

£15,000,000 A YEAR.
EVERY ELECTOR
SHOULD READ THIS.

The article to which this referred was a clear statement of the case with an irresistible argument in favour of the taxation of ground values. We hope to publish the article in another issue.

At the Battersea Conference (writes our correspondent) George Bernard Shaw was specially good. Said just the right things in the best way. We are glad to have Mr. Bernard Shaw so ably for the Taxation of Land Values. May he see the "cat" soon.

Still another. The London School Board last month resolved, by 29 to 14 votes, that the rate should be so levied as to include some direct charge on site values.

Cumnock Town Council

Carried the resolution for the Taxation of Land Values, moved by Councillor Crawford on Monday, 14th March, *unm. con.*

In a leading article on New Zealand the *North British Daily Mail* says:—

It has taxed its land values; has broken up large estates into holdings of moderate size.

The Edinburgh *Evening News* says:—

What the Liberal Party needs as much as anything is a school of young Liberals who will not be content with the party claptrap of official hacks, but will root their creed in a rational conception of men and society.

Paisley Town Council.

Bailie Smith's motion at the Paisley Town Council on the 15th March, "That this Council is of opinion that the value of land, apart from improvements, should be rated, as such, for local purposes, and resolves to petition Parliament for the necessary powers to give effect to this principle," has been delayed on the motion of ex-Treasurer Paton. There was a full dress debate on the subject. Excellent speeches were made by Bailie Smith, ex-Bailie Loudon, Councillors Galbraith and Brown, and on the following day the Paisley *Express* ably reviewed the question in a leading article in which the hope was expressed that the Paisley Town Council would exert all its influence to have the reform passed by Act of Parliament.

Liberalism and Socialism.

Sir Thomas Glen Coats drew the line at the Socialists at the College Division Bazaar held the beginning of last month.

At the end of the same month Lady Mary Murray, Vice-president of the Women's Liberal Federation, at their annual meeting deprecated the antagonism some Liberals thought it desirable to offer to Socialism.

She also claimed that many Liberals sympathised with the ends and with many of the means adopted by the Socialists.

Will this statement make Sir Thomas Glen-Coats shiver as to the future of Liberalism? It should not.

The Liberal Party is brimful of Socialists. That is its great weakness, and often the Liberals who decry Socialism are themselves Socialists. That they do not join the Socialist Party, nor go as far by the card as the organised Socialists, is true: but that shows nothing but a want of thoroughness which time will ripen, if they do not meantime realise the difference between Liberalism and Socialism.

Liberalism was always healthiest and strongest when it stood boldly out for freedom and attacked monopoly and privilege. But to-day some of its best men and women have gone Socialist in thought. They have forgotten the first principles of Liberalism. They are the new generation that know not Cobden.

Freedom of trade they discard; and the cry for protection and the paternal care of the Government for every abuse that springs from monopoly, finds a ready response from too many of the members of the Liberal Party of to-day.

Having departed from the faith, it is not to be wondered that these "practical" and philosophic Socialist-Liberals should put up the

OFFICE—56 GEORGE SQUARE, GLASGOW.

signal in favour of the men who would organise industry by the State, and we are just afraid that Sir Thomas Glen Coats is not the man to stay their onward march.

The Liberals have only one answer to give the Socialists, and that is that they stand, as Liberals, for the destruction of privilege. When they realise what this means they will take up the work where Cobden left off, and remove the remaining shackles from industry and commerce.

This is true Liberalism, and it is not Socialism. It is for salvation through equality of opportunity, and not by the coercive power of the State. It is Bailie Chisholm's advice to the women Liberals. Destroy the monopoly of land, and the Taxation of Land Values is the remedy.

Until this is done, the demand for Socialism, green and ripe, will grow both within and without the Liberal Party. It is either the overthrow of land monopoly and industrial freedom, or restrictions on industry in a vain attempt to combat the evils that exist because of land monopoly.

A Compliment to the Faddists.

"The demons of our sires become
The saints that we adore."

Speaking at the twenty-first annual dinner of the Commercial Travellers' Association, held in Glasgow on the 25th February, the Lord Provost of Glasgow said, in reply to the toast of the Town Council:

"It was said that some of the members were faddists. Perhaps he was one of them himself. But it was very often found that a man who went into a public body with a fad was generally a person who was strongly imbued with the desire of seeing something new brought about which years afterwards was adopted."

Nobody will take Lord Provost Richmond for a "faddist." He is one of those hard-headed plodding citizens whose privilege it is to set the faddists of our day aside, and realise in the concrete form the dreams of the "faddists" of former years. No doubt some Lord Provost in the future will preside at a meeting of the Glasgow Single Taxers, and compliment the "faddists" on the realisation of their dreams. But we are afraid Mr. Richmond will not be included in the number.

John Morley on the Programme.

"When some future historian of the politics of party in this country comes to write the record, he will say that at any rate Sir William Harcourt and his colleagues stuck to the ship in foul weather as in fair; that they were not frightened either by storms or by what in the old days of sailing ships was even worse, dead calms, but with dogged pluck, which some day or other justice will be done to them for, adhered to the principles and the programme, which I see everyone of you is anxious to see furthered. . . . Well, now, I am not to-night going to go through the items of the Newcastle Programme, but I am not going to turn my back upon a single one of these items either."

A Reactionary Proposal.

It has been left to the Right Hon. Shaw-Lefevre—a prominent English Liberal—to attempt the "side tracking" of the Taxation of Land Values at the London Council. He has brought forward a motion to the effect "that the Council should use the money of the sinking fund for the purchase of well secured ground rents in the metropolis." There is no principle in this. It is a mean shuffling, banking after the flesh pots. It is an attempt, unconsciously it may be, to save as many ground landlords as possible from the just demand of the London ratepayers to have the full benefit of the "new tax."

In an interview with the London *Echo*, on the proposal, Mr. Shaw-Lefevre suggests that £100,000 a year should be invested in the purchase of ground rents, not only for financial reasons? but that for the sake of making improvements. He ignores altogether what Mr. Fred Verinder, who has been also interviewed on the proposal by the *Echo*, points out:—

That when public money is put into the market for the buying up of landlords' interests, the result is always a hardening of prices in favour of landlords. If, and when, land values are taxed, the net value of the land to those who now monopolise it, will be—some of us hope largely—reduced. Meanwhile, until land values are taxed, the price of reversions

necessarily includes the capitalised value of the landlords' present unjust exemption from local taxation. It is surely inconsistent for Progressive Councillors to advocate the presentation to the landlords, out of London's rates, of a capital sum which represents the unpaid rents, which the same councillors are pledged to make them pay at the earliest possible opportunity. The suggested saving in the cost of making street improvements is probably quite illusory. Even if some saving is effected in the case of some improvements, this will be more than neutralised to Londoners as a whole by the general stiffening of prices as soon as it is known that the County Council, with its very deep purse, is a customer in the ground-rent market.

Mr. Shaw Lefevre says his proposal is not a substitute nor alternative for the Taxation of Land. That may be so in his mind; but if he would explain the connection between the two, he might be taken seriously. As it is, Land Value Taxation supporters can only look upon his purchase scheme as a *pro* landlord movement, which we trust will be discredited and defeated.

At the monthly Council meeting of the Metropolitan Radical Federation held at the Eleusis Club, Chelsea, on 19th March, Mr. Fred Verinder, E.L.R.L., moved:—

That the Council of the Metropolitan Radical Federation protests against the proposal of Mr. Shaw-Lefevre, L.C.C., now before the London County Council, to invest the sinking fund of the Council in the purchase of freehold ground rents, and regrets that the Finance Committee of the Council did not reject the same on grounds of principle, instead of postponing it on grounds of expediency; and respectfully reminds the Progressive members of the London County Council that they were elected, not to buy ground rents, but to demand the Taxation of Land Values.

Mr. James Jeffrey, L.C.C., heartily supported the resolution, and pledged himself to use his best endeavours to get Mr. Shaw-Lefevre's proposal rejected. The resolution was carried unanimously, and ordered to be printed and sent to the members of the London County Council.

Stockton Town Council for the Taxation of Land Values.

COUNCILLOR VICKERSON'S MOTION CARRIED

At a meeting of the Stockton Town Council held on Monday, 28th February, Councillor Vickerson moved:—

"That this Council is of opinion that the values of land, irrespective of improvements, should be made the basis of local taxation, and that we resolve to petition Parliament in favour of this reform."

He said he did so with a certain amount of timidity, because it was a very big question. Stockton would not be the only Corporation that had passed similar resolutions if they decided upon that course that evening. Scotland had taken a decided stand on the question, and in the neighbourhood Middlesbrough, Sunderland, and West Hartlepool, resolutions had been passed on the same lines. If there was one thing to be said about the principles embodied in the resolution it was that they were not those of class legislation, but were principles of taxing land values for the good of the whole community. Anyone would admit that there was an evil in land monopoly. Let them turn to the manufacture of anything, and they would find that it was crippled by land monopoly. They knew that in towns building land was increasing in value from year to year. In fact, they were told that whereas the national debt—or rather, the imperial debt—was reduced from the years 1815 to 1884 by £105,000,000, between the same period their local debts increased by over £164,869,000. In Stockton they had about 700 acres of building land which was lying idle, and that was so because the owners expected that in the course of time they would, with the increase of the population, receive a handsome reward in the shape of a very high price. The community was losing in this way. He believed it would be the means of reducing the rates upon property owners throughout the country were the values of land made a basis of local taxation.

After a lengthy and interesting discussion, Councillor Vickerson replied and the resolution was carried by 12 votes to 1.

The Scottish Women's Liberal Federation on the Liberal Programme and the Land Question.

The annual meeting of the Council of the Scottish Women's Liberal Federation was held in Glasgow on March 29th, at which it was reported that the Federation comprises 85 Associations with a total membership of 10,500.

Lady Helen Munro-Ferguson was elected president by 87 votes as against 62 for Lady Mary Murray.

RESOLUTIONS

were carried in favour of Home Rule all round, Women's Suffrage, Education, amendment of the Truck Act, and for more legislation by government in regard to dangerous trades, laundries, etc.

THE LIBERAL PROGRAMME.

Lady Mary Murray presided at the evening meeting. Speaking in defence of programmes, she pointed out that these were the concrete embodiment of the great interests of all the workers and all the members of the party, and in that sense every party must have a solid programme. In a great party like the Liberal Party there must be divergence of opinion: but the differences were probably not so much of opinion as of feeling.

THE LAND QUESTION.

Ex-Bailie Chisholm, in seconding a resolution by Lady Cecilia Roberts, the English Women's representative, declaring "steadfast adherence to the principles of Liberalism," said:—

He would like the Women's Liberal Association, in addition to directing their attention to other questions, with which he was in most thorough sympathy and accord, not to forget the land question, which was near to the root of the entire social problem, the solution of which was the great aim of the Liberal Party. He placed the land question and the liquor question side by side; and if the women would help the men to settle both, they would contribute more than they dreamed was possible to the happiness and prosperity of the country.

This is a piece of good advice which we trust will be taken to heart by the women Liberals. If they study the land question it is just possible they may discover in land monopoly the bottom cause of the social evils they are so desirous to remedy. If the people are disfranchised from access to land, there is no help for women, and men also, but to compete with each other for a miserable existence in bad workshops. And, as the struggle for existence becomes keener, as it is every day, the worst possible conditions of employment become a perfect god-send to many. Are we to accept this as the natural outcome of progress? If so the women Liberals are right, and we can only plead for mercy to those who are doomed to everlasting poverty and degradation. But the faith of every true Christian, and of every true reformer is that this social misery and humiliation is not necessary and can be removed.

The Liberal Party have it within their power to remove the block in the way. A smart tax on land values would destroy the power of the land monopolist to keep land from use. The land, the natural source of employment, once opened, a demand for labour would set in, and as a result the workers would make their own terms with employers. Under such altered conditions all that the women Liberals would require to do in the nature of women's work, would be to teach, if they felt it necessary, an ideal condition and to work for its realisation.

Ex-Bailie Chisholm on "Betterment."

HE RENOUNCES THIS SCHEME IN FAVOUR OF THE TAXATION OF LAND VALUES.

Summary of a Paper read by ex-Bailie Chisholm, before the Civic Society of Glasgow, in the Students' Room of the University, on the 25th Feb., 1898.

The importance of the subject of tonight's paper lies in the circumstance that it is a branch of the great Land Question. The marvellous growth of the population of this island, the enormous aggregation of population in our industrial centres, the increase of our national wealth, and yet the continuance if not the increase of poverty in our midst; all these circumstances have contributed to attract the attention of many social reformers to the question of the relation of the people to that great natural storehouse of wealth—the Land, and all that is included in that term.

The vast importance of this question—the relation of a community to the site on which its homes are built—of a people or nation to the land, which with pathetic irony it calls *its own*, is seen at a glance. It is quickly discovered that the owner or owners of the soil hold the key of the position. The enlightened enterprise and public spirit of the governing authorities in many communities have brought into prominence the peculiarly favourable position which owners

Ask all Candidates for Municipal and Parliamentary Honours this Question—

of the land occupy as compared with their fellow citizens. Every

NEW EXPENDITURE OF PUBLIC MONEY

for the public advantage, *e.g.*, the paving, lighting, and widening of streets; every step taken to ensure sweeter and purer conditions of life, *e.g.*, the introduction of water, the providing of open spaces and public parks; every measure of health precaution, the enforcing of cleanliness, the erection of hospitals, thus minimising the possibility of epidemic; all these things and every other arrangement by which residence in the city is made more attractive, have the inevitable result of raising, and raising enormously, the value of the land on which the city rests. These improvements are carried out at the public cost, but they have the effect of causing that same public to pay largely increased prices to the comparatively few owners of the land, for the privilege of remaining within the city.

WHAT THE LAND QUESTION MEANS.

This general aspect of the Land Question as it exists in the city, is frequently emphasised by some special illustrative case which seems to bring the hardship and injustice of the present position into clear relief. A specific well-defined, structural, sanitary social improvement is carried out in a given district of the city. Light and sweetness are let in where dirt and darkness used to prevail. Or it may be that an open space or children's playground take the place of a smoke-emitting public work. This is not accomplished without the expenditure of a very large amount of public money. But that expenditure of public money to which every ratepayer of the city contributes, is speedily followed by an additional charge in the shape of an advance of rent on the occupiers in the immediately surrounding district. This additional rent charge represents roughly the profit which the private owners make out of this expenditure of public money. This is what is known by the somewhat quaint term of betterment—the increased value given to the property of private individuals by the expenditure of public money. Now

THE FIRST QUESTION

which the consideration of the subject naturally suggests is—To whom does this increased value, this betterment, rightfully belong. To the present proprietors of the subjects in question, who, according to all custom and precedent have treated it as their lawful possession? or to the community who have carried out the enterprise which created this betterment, and who have paid at least the legitimate price of it already in the purchase of the requisite property and in the execution of the requisite works. If it belongs to the private proprietors, then the question is settled, further discussion is useless, there is no other point at issue. But if it is admitted that there is some measure of fairness in claiming it for the community—the application of whose enterprise and the expenditure of whose money have been the chief factors in creating it—then the further question emerges. How can this betterment be secured for the community with the least expense, and with a minimum of inconvenience and hardship to those who have hitherto enjoyed it as their own.

1. To whom then does this betterment belong?

To the fortunate owner of the property, of course, answers use and want. He has to be congratulated on his luck, but it would be a clear injustice to deprive him of it. He is as obviously entitled to it as would be the happy holder of Consols or Iron Warrants, when, by the wise expenditure of public funds, a feeling of national expenditure has been developed which has had its reflection in a marked advance on the Stock Exchange.

CONSOLS AND LAND VALUES.

Is that really so? interrupts the advocate of the new idea. Is the owner of Consols or Iron Warrants, and the owner, as you call him, of land, in precisely the same position? Are their rights of absolute proprietorship equally clear and unassailable? Granted that at the date of original purchase each was in possession of say £10,000. One of them invested in Consols, and the other in land. Is the title of each to his respective purchase equally absolute and inalienable? The holder of Consols may be regarded as a personal creditor. He has

advanced money on loan to the Government. But the purchaser of land has become, you may call it the owner, but really only the user of that which in the very nature of things never can be the absolute property of any individual. That this is so will be obvious if you take with you these two considerations.

First, that the only ultimate title to any thing is, and must be, manufacture or production. It may pass thereafter from hand to hand by gift or purchase, but the claim of the original holder must be that he produced it, that it is there because of his toil. From whom then could come the title to ownership in land? Then take this second consideration. If the idea of

ABSOLUTE PROPRIETORSHIP IN LAND

is admitted, then, inasmuch as land to live on is as imperious a necessity for mere existence as air to breathe, or light to see, it is obvious that the individual right to live, the fundamental conception of our position in this world is destroyed. In such a little island as ours the owner of the soil has only to extend his purchase, or a few owners have only to combine for a common purpose, in order to make themselves not only "the little tyrants of the fields," but the unchallenged arbiters of the lives and destinies of the unhappy inhabitants. This is surely so inconsistent with any ideas of the universe we may choose to entertain, that we may regard it as a veritable *reductio ad absurdum*.

So much is this the case, continues the exponent of the betterment rate, that even in this landlord-ridden country, and under this landlord-ridden legislature of ours, the absolute personal proprietorship in land is unknown to the British law. All this being so, he goes on to say it is plain that the so-called owner of land is in a totally different position from the owner of that which is the product of human industry, or the fruit of human skill. And, therefore, he argues, when a public enterprise, undertaken for the public weal, and carried out at the public expense, adds to the value of that which can only be held in the public interest, it is only reasonable that that added value should belong to that public whose enterprise and expenditure have created it.

ALL THAT SOUNDS VERY WELL,

the advocate of use and want replies. But you forget in how many cases the owner of the property in question, which you propose to subject to this betterment rate, may have purchased it many years ago, during, perhaps, one of these periods of unnatural inflation with which we are so familiar. He has been almost ruined in the effort to hold it on during the long dreary years of depression. Perhaps even he was led to do so because he foresaw the possibility of this coming improvement. And now, when his long deferred hopes are about to be realised, is he in his old age to be deprived of the reward of his faith and patience? Making a profit, indeed! Unearned increment! The probability is that even if the owner should live to realise the improved value which has accrued, he will find that the long transaction from beginning to end has resulted in a loss; and yet you propose to inflict on him a heavy exaction, on the ground that he has made a profit.

Nay, but, exclaims the advocate of the betterment rate, all that is beside the mark. What has the question of a foolish or unfortunate bargain which a man may have made long years ago to do with the point at issue. If it were a compulsory purchase, for say a Railway Company, the valuator would quickly brush aside all *ad misericordiam* appeals based on historical transactions. The law which will not allow a railway company to go into your house, or open your strong boxes, and on any pretext, or for any compensation, appropriate your consols, your bank shares, your art treasures, will permit that railway company in a given case, public interest being proved, to take possession of your land, and the basis on which compensation is to be fixed is that of present value.

You may have paid originally ten times more, or ten times less, but the only grounds on which a present settlement can be arrived at, is that of present value. And if that is a legitimate and reasonable basis of valuation in the case of a compulsory purchase, it is at least equally so in the case we are considering.

But again it is argued that the imposition of a betterment rate on any principle of justice is a practical impossibility. This impossibility, it is said, is seen in two ways. First of all, how can the area over which the so-called betterment rate extends be defined? Can any arbitrary line of demarcation be drawn, up to which it can be confidently alleged betterment has accrued, but beyond which no trace of betterment exists? May there not, will there not, be many cases in which, beyond your arbitrary line, a great improvement in value has taken place, and which, notwithstanding all your efforts, you wholly fail to reach? And by failing to reach, and consequently failing to assess these properties, do you not inflict a very real and practical injustice on those who being within the line are liable to the rate you propose to levy? And in the second place it is asked, How can you separate that portion of the growth in value which may have been occasioned by circumstances wholly independent of the improvement, from that which may be regarded as the fruit of the improvement alone?

To which queries the advocate of the rate replies—The betterment rate does not pretend to conform to an ideal standard of perfection any more than every other system of taxation that has ever existed. Neither the income tax, nor the spirit duty, nor the tobacco duty, satisfy any standard of perfection. No more do the police rates, costing a millionaire with a small office less than a struggling shopkeeper with a rack rent. They are at best attempts to approximate equity. And in regard to the difficulty or alleged impossibility of differentiating that portion of increased value which is due to a specific public improvement, from that which is due to independent causes, that difficulty, he says, may fairly be left to experts, who by life-long study and observation have facilities for dealing with it, to which the non-professional man can lay no claim.

But once more it is said—Even if you were to succeed in levying this rate, it would only fall, in the long run, on the already overburdened tenant. The landlord would seize the earliest opportunity of recouping himself by raising the rent. And where would Equity be now? To which objection there comes the speedy reply: Nay, for it is an axiom admitted by all economic authorities, that whatever rates or charges may be shifted from one shoulder to another, there is a rate which cannot thus be got rid of, and that is a charge upon land. Owners—so their authorities tell us, and appeal to our experience if it is not so—exact and obtain already the highest possible rent. If an additional burden is laid on the owners of the ground, they cannot pass it on to the tenant, for they have already laid on his back all he can carry. The lessening of the tenant's rates means an increase to his rent; he is able to pay more, and will be compelled to do it, since he has fewer rates to pay; but a diminution of the landlord's rates never means a diminution of rent to the tenant, it is always at the highest attainable. It is therefore a spurious pity for the tenant, which would object to the betterment rate on the landlord.

Such is the case alike for the advocates and for the opponents of the betterment rate, and it seems to me that the truth and justice of the position occupied by its advocates have not been and cannot be disproved.

The lecturer thereafter sketched rapidly the history of the efforts that have been made in America, in England, and in Glasgow, to levy a betterment rate, and concluded by saying:—The great principle referred to at the beginning—no absolute proprietorship in land—demands a broader and grander recognition than the principle of betterment affords. If land values are the inalienable rights of the community, as a whole, why should social reformers trouble themselves about patches here and there, as difficult to obtain as the full recognition of their rights, while the supreme question itself invites them to its consideration?

The charge of setting class against class has always been made by those who wish to disguise their own indefensible advantages by calumniating the efforts of those who discover abuses and strive to rectify them.—*Thorold Rogers*.

"Are you in favour of Taxing Land Values?"

The Single Tax.

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payable in advance.
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Will Correspondents who send us Newspapers please
pencil-mark the matter they wish us to notice.

Mr. Fletcher Moulton on Taxation.

It was a happy inspiration which induced the Scottish Reform Club to obtain the services of such an eminent authority on finance as Mr. FLETCHER MOULTON to address it on the Principles of Taxation, and we gladly give our readers as much as possible of the speech delivered by him on 12th March to the members of that Club.

Such an out-and-out pronouncement of the justice and necessity of laying the burden of local expenditure on the land value which it creates and maintains, gives the principle of the Single Tax a lift such as it has not had for some time. Mr. Moulton explained that lack of time would prevent his dealing at any length with the Principles of Taxation, as he should first have to consider the Incidence of Taxation—Who bears the taxes? an essential preliminary to the more important question, Who ought to bear them? Yet the incidental glimpses he gives us of these Principles leads us to hope that at some early date he may complete the task thus commenced. "When you know that a tax ultimately falls on a particular class, you never can get safe or honest taxation unless you put it directly on that class." The denunciation of all indirect taxation. The principle of Cobden and the Free Traders. They advocated it on the more commercial ground that an indirect tax unnecessarily increased the burden, the consumer not only paying the tax but also a profit on the tax. Trade was thus unnecessarily restricted; the cost of labour unnecessarily increased. Mr. Moulton looks at the principle from the political side. It is safest for a self-governing people to know what burdens they bear. Indirect Taxation is the device of tyranny to disguise the burden. Neglect of this principle is at the root of most of the economic problems of to-day.

The Income Tax is a Direct Tax. It is an *ad valorem* Tax levied on the receiver of the value taxed. The consumer of the income is the person taxed, and therefore cannot shift it.

With all deference we submit the same applies to the Death Duties, they are levied on the receiver of the dead man's estate, and they cannot shift the tax. Yet we heartily endorse Mr. Moulton's otherwise able vindication of the Finance Act, 1894. That Act was indeed a protest by the Earners against the Owners of the Kingdom—a mile-stone on the road towards the emancipation of Industry from the thralldom of the Landowner. By Sir William Harcourt's Budget the land is forced to bear at least an equal share of the Death Duties with the products of Industry—the greatest step Democracy has taken since it obtained the Franchise.

We are not much concerned with whether or not the Alcohol Duties are defensible as Ethical Taxes, or as taxes on a monopoly created by statute, but we agree with Mr. Moulton's denunciation of the Breakfast Table Duties—male, tobacco; female, tea.

This brings us to Local Taxation, and here Mr. Moulton shows the master-hand. He brushes aside controversy as to whether owner or tenant pays the rate. He will believe the members of the present Government may be so ignorant as unwittingly to have plundered the

Exchequer in their Agricultural Rates Act. But undoubtedly land is a monopoly, and the landowner getting a monopoly price must get so much less if there are rates to pay. Ultimately he pays the rates, and, conform to the principle laid down above, the rates should therefore be put direct on the value of the land. This is just, since where is land value if the public expenditure be stopped.

Then even four shillings in the £ ceases to be a tax when it has been periodically imposed on the land over a series of years. We demur, however, to the term, "Co-ownership," suggested by Mr. Moulton. In Scotland we have a term which much more nearly hits the mark. Ownership is the right to regulate the use of land. Mere taxation, however long extant, gives no rights as long as the tax is paid. This we call the right of a "Superior," and the man who can regulate the use is the "Vassal"; the feu-duty is fixed at one-fifth the annual value, and as long as that is paid the State is satisfied. Thus we are back to the Feudal System, but its militarism is extinct. We gladly see it revived in a garb more suited to these commercial days. Under it the land is held under burden of upkeeping the functions of the State. The old rents in kind are now to be paid in cash.

But we must hasten slowly. Under Mr. Moulton's inspiring eloquence we have rushed far beyond the modest ha'penny in the £ on the capital value of the land apart from improvement suggested at Dundee to replace the Breakfast Table Duties, and have seen visions of 50 millions pouring into the Exchequer as the proceeds of co-owning a fifth of the land value. So he briskly calls a halt. Thus far and no farther! His Liberal Chairman owns land—we wonder whether it is agricultural land—and we must consider his feelings. Undoubtedly, but is anyone advocating the immediate imposition of 20s. in the £? We thought Henry George, our Leader, would have been content with the merest fraction of that to begin with.

But we have really more compassion for the Conservative Chairman and his blind belief that because six per cent. of taxation has been removed from the income of his debentures that *therefore* they will go up in price. Debentures are usually "secured" on something, and that something is mostly "land." What price for Debentures with the land "co-owned" to 20s. in the £ by Government? These working-men owners of their own dwelling-houses would not lose them by millennial Single Tax. They would get £12 to £15 remission of taxation and their house free from rates, on condition of paying annually, say 5s., 10s., or a £, the annual value of the site the house stands on.

But he would do well to ask whether the money borrowed on these Conservative Debentures is not at present lying in the machinery of the factory in which he is employed, and consider gently whether it would not be best to give a little time for the calling up of such liabilities.

Yes. Single Taxers believe in Evolution, not Revolution. They believe that the principle of the Single Tax is a just principle; so just that it only requires a trial, as in New Zealand and New South Wales, to prove that it is just to all classes, and then it will make its own way in the world. At present it wants to be a little better known, and we therefore welcome every attempt at discussion. We even invite it at the hands of the Mrs. Partingtons of the Liberal Party who would keep back the rising tide with their futile official brooms. Might we make bold to ask even them to read Mr. Fletcher Moulton's speech?

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Another Conference.

LONDON RATING AUTHORITIES DECIDE ON
THE TAXATION OF LAND VALUES.

[Specially Reported for the "Single Tax."]]

If we remember rightly, the vestry of St. Mary, Battersea, was the only London rating authority which sent a delegate to the Bradford Conference last January. On receiving the report of its delegate (Mr. W. Lethbridge, who is secretary of the Battersea Labour League), the vestry resolved to call a similar conference on its own account. This conference, confined entirely to delegates from rating authorities within the Metropolitan area, met on Thursday, 10th March, in the Council Chamber of Battersea Municipal Buildings. The following bodies (57 in number) appointed delegates:—

Vestries (28)—Battersea, Bethnal Green, Bow, Bromley, Camberwell, Christ Church (Surrey), Fulham, Hackney, Hammersmith, Hampstead, Islington, Lambeth, Lee, Limehouse, Mile End Old Town, Newington, Plumstead, Ratcliff, St. Ann (Soho), St. Olave and St. Thomas, St. Luke, St. Pancras, St. George-the-Martyr, St. George (Hanover Square), St. Martins-in-the-Fields, Shoreditch, Streatham and Wandsworth.

Boards of Guardians (11)—Camberwell, Hackney, Lambeth, Lewisham, Newington, Poplar, St. Olave's, St. Saviour's, Stepney, Strand, and Wandsworth and Clapham.

Board of Health (1)—Woolwich.

District Boards of Works (5)—Limehouse, St. Olave's, St. Saviour's, Strand, Whitechapel.

Overseers (5)—Battersea, Bromley, Camberwell, Christ Church (Middlesex), St. George-the-Martyr.

And seven other authorities.

Mr. W. Davies, L.C.C., Chairman of the Battersea Vestry, presided over the conference, which elected Mr. W. Marcus Wilkins, Vestry Clerk of Battersea, as its Honorary Secretary.

The chairman, having extended a hearty welcome to the delegates on behalf of his vestry, said that they had met to discuss a very important question, and one that was probably

SERVE THE CAUSE BY HANDING THE PAPER TO A FRIEND.

least understood by the general public of all the important questions now under discussion. London stood in great need of further improvements, and some new sources of revenue must be found. Our thoughts naturally turned towards the land, which is not bearing its proper proportion of local taxation. Hence this conference had been called with a view to bring the pressure of public opinion to bear upon London's representatives in Parliament. The question they had met to discuss was not the "taxation of land," but the Taxation of Land Values.

Mr. Lethbridge (Battersea) moved the first resolution—

That this conference is of the opinion that land should be taxed whether occupied or not.

He said that he had been asked to move this on behalf of his vestry, because as one of the workmen's representatives he had brought this important question before that vestry. The subject had been so well thrashed out during the London County Council Election that it did not seem necessary to go into details. The workmen of Battersea had made up their minds that it was time for them to try to "get a bit of their own back." The land value of London had been estimated at fifteen millions a year—a sum equal to an average of 6s. a week for every family in London. Seeing that the citizens are rated and taxed on their industry, while the landlords were fattening on the industry of the people, he thought that the Taxation of Land Values should be the first direction in which to look for new sources of municipal revenue. The resolution merely affirmed a principle on which he hoped they would all be agreed.

Mr. Roche (Lee Vestry) seconded, but, after a short discussion, the "next business" was moved and carried by Mr. H. E. Ramsey (Camberwell) on the ground that the whole question could be more conveniently discussed in connection with the second resolution on the paper.

This was moved by Mr. H. W. Hill (Vestry of St. John, Horseleydown), and after a slight amendment to the preamble, was submitted for discussion in the following form:—

That this conference is of opinion that legislation should at once be undertaken providing:—

(a) For the separate valuation and assessment of land and improvements;

(b) for the assessment of the tax on the full true value of the land, whether used or let or held idle by the owner, and not upon the income which the land may be yielding;

(c) For the collection of the tax from the occupier, with a statutory right of deduction, as is the case in Income-tax Schedule A; and

(d) For the assessment for land values for local as well as for Imperial purposes.

Mr. Hill said that the importance of the question could not be over-estimated. London land values had grown and were growing enormously, but at whose expense? Every municipal improvement, every new school, every improved train service, enriched the ground landlord. As a matter of common honesty, those who benefitted by these things should pay for them. The present generation of occupiers should not be rated for the benefit of landlords. Various careful estimates—most admirably stated in the *Echo* of 2nd March—placed the amount of London land values at £15,000,000 per annum, without including the vacant land, of which there was still a large amount, constantly increasing in value through public expenditure. What was wanted was to get at the value of land which was created by the presence, the industry, and the expenditure of the community. Houses and other improvements are the results of individual labour and skill, but land values were not created by any one individual, but by the whole community. The Government, by their Agricultural Rating Act, had conclusively shown that land values could be easily separated from building values. If this could be done for the purpose of "relieving" rural landlords, it could also be done for the purpose of taxing urban landlords. It was sometimes said that if this were done, the tenants would be made to pay. But this was provided against by Clause (c) of the resolution.

Mr. G. Bernard Shaw (St. Pancras) seconded. The clauses of the resolution were discussed and voted upon separately.

On clause (a), Mr. Turner (Strand Guardians) wanted to know what was meant by "improvements."

The Chairman—Houses built upon the land, or anything else put on or into the land by the expenditure of the occupier, apart from the value of the land itself.

Mr. Turner—If one of our Battersea friends bought a freehold house out of his savings, would he like to be rated on the whole of the value that he had fully paid for?

Mr. Smith (Lee) hoped the conference would stick to the question of taxation for local purposes. The enormously increased value of land did not pay a farthing towards local expenditure. He pointed out that in his parish, where the local rates were 7s. 4d. in the £, and almost all the land leasehold, two ground landlords took thousands of pounds out of the parish every year, but contributed nothing whatever to the local expenses, of which the occupiers had to bear the burden. Yet these two recipients of ground rent were getting the absolute and final benefit of all improvements. Part of one estate, which as agricultural land would only let at 22s. an acre, could not be got at less than £1,000 an acre if wanted for building purposes.

Mr. F. J. Bacon (Lambeth) and others contended that there would be great difficulty in making a separate valuation of land for every rateable hereditament, and that the attempt would lead to endless litigation.

Mr. Pritchard (Lambeth churchwarden and overseer) instanced as a case in which hardship would result, that of trustees who had invested money in land to produce an income for a charity. But land, as it became available for building, should be taxed at once. Some land he knew of was used as a training ground for horses, at a rental of £50 a year. The local authority put in sewers, and 150 houses were built on the land at a ground rent of £1,500. This increased value should be taxed. When Vauxhall Park was made, the neighbouring landholder confessed that the making of the park had immensely increased the value of his land. The new bridge proposed to be made at Vauxhall, by the expenditure of the occupiers' money, would have the same result. Why not tax the land that will be improved in value all along the approaches to the bridge?

Other delegates urged that it would be most unjust for Parliament to interfere, by new taxation of the sort proposed, in bargains made between landholder and builder.

Mr. Bernard Shaw (St. Pancras) replied that all bargains were necessarily made subject to the possibility that the House of Commons might pass new legislation. The hardship was not all on the side of the landlords. Leaseholders who years ago bargained for long leases could not have foreseen that the establishment of the School Board and the County Council would increase their rates. When improvements are made out of rates, the landowners charged a rent against them. This was a grievance to the occupiers. It was an odd thing that when any change was proposed for the public benefit a thousand "insuperable difficulties" were discovered—difficulties which were got over every day when they arose between private persons. There was no difficulty in estimating the value of land. Suppose the buildings were burnt down, the site would have a value for the purpose of erecting new buildings. This value they proposed to tax. It would be a distinct advantage to have the site values stated separately, both for local and imperial taxation.

After further discussion, the closure was carried by 33 votes to 23. Clause (a) was then adopted with seven dissentients only.

To clause (b) Mr. Turner (Strand Guardians) moved, as an amendment, the omission of the words "or held idle." Several delegates protested against the rating of vacant land which yielded no income. Mr. Lock (Lambeth Vestry) protested with some vehemence that the amendment would let off the very men they were most anxious to reach. Mr. Holland (Hackney) pointed out that the expense of keeping vacant land sanitary and free from nuisances fell heavily upon the ratepayers, who were helping to increase its value. Why should the owner of vacant land escape all the liabilities while enjoying all the benefits. One

of the chief causes of the insanitary condition of the low-lying parts of Hackney was the uncared for and unused vacant land.

Mr. Bacon (Lambeth) stated that, in his parish, when a railway pulled down streets and houses for its extension, the company had to pay the rates on all the demolished property till the new line came into rating. The case for the rating of vacant land was unanswerable.

Mr. Hill replied to the supporters of the amendment by reading, amid loud cheers, the following extract from the Report of the Royal Commission on the Housing of the Working Classes (1885):—

"At present, land available for building in the neighbourhood of our populous centres, though its capital value is very great, is probably producing a small yearly return until it is let for building. The owners of this land are rated, not in relation to the real value, but to the actual annual income. They can thus afford to keep their land out of the market, and to part with only small quantities, so as to raise the price beyond the actual monopoly price which the land would command by its advantages of position. Meantime, the general expenditure of the town on improvements is increasing the value of their property. If this land were rated at, say four per cent. on its selling value, the owners would have a more direct incentive to part with it to those who are desirous of building, and a twofold advantage would result to the community. First, all the valuable property would contribute to the rates, and thus the burden on the occupiers would be diminished by the increase in the rateable property. Secondly, the owners of the building land would be forced to offer their land for sale, and thus their competition with one another would bring down the price of building land, and so diminish the tax in the shape of ground rent, or price paid for land which is now levied on urban enterprise by the adjacent landowners, a tax, be it remembered, which is no recompense for any industry or expenditure on their part, but is the natural result of the industry and activity of the townspeople themselves. Your Majesty's Commissioners would recommend that these matters should be included in legislation when the law of rating comes to be dealt with by Parliament."

The amendment was negatived by a large majority, and clause (b) was carried *unanimously*. Clauses (c) and (d) were carried unanimously without discussion.

Mr. Lethbridge moved, and it was unanimously resolved—

That a copy of this resolution passed by this conference be sent to the London County Council, the London School Board, the fifty-eight members of Parliament for London, and to the members of Her Majesty's Government; and that the chairman be and is hereby authorised to sign, on behalf of this conference, a petition to Parliament embodying the same.

A vote of thanks to the chairman brought the proceedings to a close.

How the "Lords" must be met.

Mr John Morley is of opinion that the House of Lords can best be attacked when it is in opposition to some question upon which the people are resolved to carry, such as the Taxation of Land Values, which would try the Lords very hard. Discussing this, the *London Daily Chronicle*, 23rd March, 1898, says:—

"A thinker sees at once the absurdity of this element in the British Constitution. But the masses are not thinkers. They only want to get their way in practical reforms and to brush aside mere obstruction. Therefore it seems to us, as it seems to Mr. Morley, that the question of the House of Lords must be linked with some other question in which the people are vitally interested. What is the one point in which public interests are manifestly hostile to the economic interests which have their citadel in the House of Lords, and in which public interests have right on their side? It is the point of the Taxation of Land Values, as the recent County Council election showed. That question provides an economic side to the Liberal programme, as the extension and equalisation of the suffrage provides a purely political side. Cannot the party combine these two issues, and appeal in this way to the country in behalf of a great double measure of justice, political and economic? The opposition of the House of Lords to any measure for dealing radically with Land Values is certain. That opposition will provide the opportunity for demanding authority from the people for ending the absolute veto of the Lords."

READ THE APPEAL TO LAND REFORMERS

Mr. Fletcher Moulton, Q.C., at the Scottish Reform Club.

THE members of the Scottish Reform Club, Edinburgh, were favoured with an address by FLETCHER MOULTON on 12th March. We were fortunate in securing a *verbatim* report, but want of space enables us only to deal with that part of the address which deals with the Taxation of Land Values. After an exhaustive review of direct and indirect taxation, in which the old familiar figures of the Income tax and the taxes on Drink, Tobacco, and Tea were given, Mr. MOULTON said:—

"Now let me take the facts, which I take care to impress on all audiences where there are tenants present, and that is this question: Although when it comes to the new lease it is true that the landlord cannot extort the rent he could if there were no rates, how about what has been done during the time of the lease? How about improvements that are going to put up the rates? Who bears these? Why, the tenant bears them, and by the time the lease has run out the improvements have begun to make the value of the property greater. Then the landlord comes in for it. So that the tenant pays for that which enriches the landlord's property, which is a thing I by no means like to see, and what is more, I am not at all sure that the tenant is able to get that diminution in rent that he ought to get because of the rates. The stone sticks on the side of the hill very badly there. But supposing we take care that the landlord bears out of his rent all the rates, there is no question then that he cannot get more than the full economic rent, and there is no question on then that the rates come out of that rent. It is a case of taking care that your taxes shall come on that person on whom they should fall, but on whom they very likely will not fall, unless they fall on him in the first instance. That being so, let us consider what the nature of taxation by rates is. I will suppose there is a uniform tax of four shillings in the pound over the whole of the property in the kingdom, the landed property in the kingdom. Four shillings in the pound. What does that mean? That is one-fifth. Now that is not taxation at all.

IT IS CO-OWNERSHIP.

That fifth belongs to the State, and when the landlord buys a house, or buys a piece of land, he does not pay for five-fifths, he pays for four-fifths. He knows the other fifth is going to the State, and the State and he are in the same position as two brothers who have had an estate left to them as joint owners, in the proportion of four to one. He pays four-fifths. The other fifth is rented to the other partner, and therefore this ceases to be taxation, because there is co-ownership. I know no principle more important to realise in our minds than this, that where you get a tax, *ad valorem*, on landed property, it has long ceased to be a tax when it has increased; that increase may originally be a tax, but in its substance it is simply the State owning, for the services it renders to the landlord, that fraction of the whole property. I tell you more, if that theory had been thoroughly realised by Liberals it would have made a great change in the history of this country. How about that million and a half which was given to agricultural rates, and what were those rates. Those rates were an interest in the land belonging to the State, subject to which, estates had been bought and sold, and which were held on the true basis of co-ownership, and when we gave one and a half millions a year to the landlords in order to free them from that burden we were giving them that share of the land which was not theirs and which they have never had.

IT WAS A PIECE OF PUBLIC PLUNDER,

so disgraceful that the only excuse sufficient to defend the present ministry from the charge of personal dishonesty is that there is not a man amongst them, I believe, who understands the question. I promised you that I would show a use for the Tobacco Tax, iniquitous as it is. It is this: I have ciphered out, the relation between that one and a half millions and the Tobacco Duty. I find that it amounts to something between a half-penny and three farthings, and when they have given £700,000 to the Irish landlords, as they are going to do, it will come well over three-farthings on every two ounces of tobacco that a man buys. It is difficult to get people in the towns to take an interest in agricultural questions, but I flatter myself that if you could impress on an audience of working men that when they buy two ounces of tobacco they have given three farthings to an agricultural landlord, they would understand the subject, and you will carry a vote of want of confidence in the present Government with the greatest ease. As I have said this tax is co-ownership, and if ever there was a justification for co-ownership it exists here.

WHAT IS THE MEANING OF THE VALUE OF TOWN SITES?

What gives them their value? Stop your municipal expenditure and see where the value is. Let your sewers get choked up, your roads get impassable, your police be more absent than they are, often accused of being at present, and I would like to know what value town sites would have. Why the whole value of town sites above the value of land in the country is due to the regular yearly municipal expenditure which keeps them in a condition fit for life, and is not the state entitled—by the state I mean the municipality, which is of course the local representative of the state for these purposes—is not the state entitled to co-ownership for such as these? Indeed I think if you were to consider carefully what the proportion of co-ownership ought to be for services rendered you would think that the state was very moderate indeed in taking about an average of 4s. in England and 3s. in Scotland. But it is not only the maintenance of that which gives to those sites the possibility of being used for the purposes of human life and thus to

bear heavy town rents. You are perpetually adding to the value. Take a case which I know of, I think in Glasgow.

THERE WAS A PIECE OF GROUND

above the level on which they delivered water, and so was useless for building purposes. But the municipality, fired with the feeling that it ought to render itself as useful as it possibly could to the people of Glasgow, had put on a high level service. Immediately this became building land and the value went into the pockets of the owner. It was created into building land by the services of the municipality, and I should like to know whether it was only 3s. in the £ that it went up. It probably went up to four or five times its value. I remember a case in a northern town in England where at great expense they built a splendid road, quite a boulevard, round the town. Each man through whose property they went received his ten per cent. for compulsory purchase, and the whole of the land on both sides of the boulevard became building land and became five times the value of what it originally was, so that the services rendered by the municipality are not only in maintaining but in creating value to a very great extent, which the landlords receive in the way of rents, especially ground rents.

NOW, HERE I ASK YOUR CAREFUL ATTENTION

to the mode in which the rates are levied. They are levied at so much in the £. They are paid by the tenant, and every difficulty is put in the way of his recovering from the landlord. I am speaking now of England; I am quite aware of the difference there is between England and Scotland in this respect. But in the point I am going to touch upon it is not necessary to deal with that. Now, what are you taxing here? You are taxing the union of two properties of totally different types. You are taxing the land; you are taxing the house, which is more or less perishable. In Edinburgh the perishability of the house does not seem to be a question of serious consideration, but they get out of condition and out of position; they have to be repaired. The land lies there and it has got nothing to do but to lie. Now, what sort of return on its capital value does the land give? Why, land gives perhaps—I am talking of England again—3 per cent. What do you want in return? In the way of houses you have got to keep them up, you have got, perhaps through change in the nature of the neighbourhood, to replace them, and you are bound to have a return in order to meet these risks. I do not think I should be wrong in putting 5 per cent on the value of the house, as against 3 per cent. on the value of the land. The house may not gain by municipal improvement; it may become out of fashion, and thereby unsuitable. The land lies while you tax upon the personality according to the yearly return, although as regards the capital value that is a tax something like twice as heavy on the house as it is on the land, and the house is just what we do not want to tax. We do not want to stop good houses being built. As for the land, it can be neither better nor worse, and we do not mind how much it may be taxed. The consequence is, if you are going to do justice in the incidence of the rates, you must distinguish between the tax on houses and the tax on the ground on which they stand, and when you come to the tax on the ground on which they lie and you realise that that has been made to grow from comparatively valueless land to land of enormous value, from the presence and annual expenditure of the community, I think you will agree that for services rendered we are entitled to put a much more substantial tax on the ground value than we could on the rental value of the house which is upon it. I will not go into the question of how this is to be collected—no doubt by the tenant, but with the pleasure and the duty of subtracting it from his rent.

LET ME GIVE ANOTHER PRINCIPLE,

which, in my opinion, ought to rule us whenever we are dealing with taxation, which is really co-ownership. Let us put it down as an inflexible rule that we will allow no divorce between property and its burdens. Do not let us permit any longer that a man can receive the ground rents and covenant with somebody else that he shall pay the burdens upon it. Let each pound that is received in the shape of rent pay its proportion to the public exchequer. Why our rates are burdensome is this—Landlords have carried out the best and the safest part, and, absolutely careless of the interests of the community, they draw that without feeling whether or not any taxes are paid. Let them feel that every pound that comes pays, and we shall not have this existing burden of rates felt, because when a man gets sixteen shillings for every four shillings he pays, he is not quite in that agony of despair that he is in when he has got to pay both the four shillings and the rent as well. I know nothing which will tend to lessen the burden of rates, which is becoming a factor of the greatest moral importance in our municipal politics, than the taking care it is never divorced from the receipts of the rent in respect of which it is paid. If you had canvassed, as I have done, in London, and found that the people are struggling to have some party in, that will lower the rates, because they have heavy rents and heavy rates to pay as well, if you could only change it so that the men who received the heavy rents pay the heavy rates you would find that the whole feeling of the community would change, and instead of this short-sighted terror of municipal expenditure, some part of which would still fall upon them, they would then, like wise men, consider whether the object was worth the money, and if it was they would cheerfully bear their share of the expenditure.

"I have dwelt longer than I intended on the benefits of co-ownership, and I expect there are some people here who say to themselves—'It is a first-rate thing that co-ownership, you cannot have too much of a good thing.' But just let us push that co-ownership a little bit further. Why should not we co-own all the land? Why should not the State have the whole of this property? You have taught us that this one-fifth is no tax. If we got the whole of it there would not be any taxation, and we should be free from taxation.

Our Natural Storehouse, the Land, is Locked

WHAT SILLY PEOPLE THEY ARE THAT TALK ABOUT A "SINGLE TAX."

It would be ownership and no tax, and here is a way of freeing our nation from the frightful incubus of taxation. Very attractive; exceedingly attractive. I know nothing that I should like better. That the State should be a great landlord might lead to troubles about evictions, but never mind that. Why, we should not have any of those abominable taxes. We should not have the Tobacco Tax, which I object to so much, and the Income Tax, which I do not love. Is it not worth while fighting for that? Very nice! If you will spare me a few minutes more, we will set to work and try just to cipher out how to do it. Well, increase the taxes to twenty shillings in the pound. Better to say that than to take property. Oh! stop a minute, one has got constituents. What will they say? There is that man there, the grocer at the corner, who, with the nice site he had, found himself working up a pretty little business. He said to himself—I have worked this up into a really fine connection, and when my lease runs out, my landlord will slip in to the benefit of the whole connection of this lovely corner site. The consequence was he put the whole of his savings and bought the freehold in order to protect himself from this iniquitous landlord.

WHAT SHALL I SAY TO HIM?

He will say, this is pretty awkward; I went and put all my savings into it; I bought the shop and freehold because my landlord otherwise would iniquitously have taken away all the increased value I had given to this site because of working up my business. You do not mean to tell me you are going to act that way and make me a pauper? I shall have a bad five minutes with that man. Oh yes, but you know one or two must suffer if you are going to make a great national reform. One or two, but I do not see one or two. Why, I have got a row of workmen's houses on one side of the street, all owned by working men who have saved up money and bought their houses, and the other side is rented by working men who have not been thus saving, and are only tenants. Nice fools the one side will look when you annex their houses. I am afraid my majority would not go up as much as I expected it would, although this is such a magnificent national reform. Yes, probably our good Liberals would feel a little more force in that argument. But there is another class—the man who is chairman of the Liberal party, he owns a bit of land, and he is laughed at by the chairman of the Conservative party for this reason. He says—there you go with your land; what do you get for it? Two and a half per cent. Safe debentures for me, I can get four per cent. easy. Four and a half per cent. is much better than two and a half, and what will these two say. Why the man who owns the debentures will say—what jolly thickheads these Radicals are. I was paying three per cent. income tax on income, and the direct death duties came to about as much as six per cent, and they have improved my debentures six per cent out of that grocer's shop and these workmen's houses. I shall not have a penny now to pay, and my debentures will go up six per cent. because they have relieved me of six per cent. of taxation. I do not think that would make it much more popular, even with the chairman of my party, and I rather fancy that the wise people would say, 'Look here, I think you must be a bit wrong.'

YOU SAY THIS IS A GREAT NATIONAL IMPROVEMENT,

that we shall get rid of taxation and we should have ownership by the State. Now on the fundamental principle when we are making a change which is for the public good—like making a new road—is this, that the cost of it is borne by the people in proportion to their power of bearing burdens, and not borne by the man whose house you happen to knock down. If you are going to make a public improvement, then let the people bear the cost of that in proportion to their power of bearing burdens. That is fair. That puts a very different view on it. Now, if we can only cipher out a plan whereby the

cost of this can be done, not by confiscating the goods, the property, of those who often to protect themselves against their landlords, put their money into land, and put it fairly and openly, and have as much right to protection as anyone owning debentures or any other kind of property. Let us see if we can devise a plan to get the enormous advantages of the land being in the hands of the State, and yet do it fairly by everybody bearing his share. What is the rental value of the landed property of England? Well, I think it is about 161 millions a year. Then Scotland comes in with a good lump. Ireland I will not say anything about, because it appears as if the value of landed property in Ireland is somewhat uncertain. 180 millions. Put it at three per cent., and thus we shall have to raise six thousand millions for the purpose of doing it—something which makes me think we shall have time to titivate our plan before we carry it out. Six thousand millions! Yes. But six thousand millions practically means this: Shall the State buy up at present prices the whole of the landed property of the kingdom? All I can say is, I think that is a somewhat risky speculation. If it buys it up, it will have to buy it up with this trifling sum of money at a fixed rate of interest, and the rate of interest is going down, and the permanent value of the land of England is not quite certain to be the value it is at the present moment. As long as the speculation of holding the land is divided among all the people of England it does not so much matter, but suppose it is taken by the State on its own shoulders at the present value, the hope that it will go up is not so certain a hope and the misery if it goes down and brings national bankruptcy is something no wise politician would dream of doing, even if he could. So I rather fancy that much as I like co-ownership I am not going to advocate that we should indulge in a gigantic land speculation which would fill the hearts of all the landlords with the greatest delight because instead of having the land they would have, if there is enough in the universe to give it, six thousand millions sovereigns to comfort themselves with. That is the real answer to that which you have often heard put in glowing colours and called land nationalisation.

ENGLISHMEN, IF THEY ARE GOING TO CARRY THE NATION

with them, if they are going to get the support of those whose support is an honour must be fair. Anything which chose to confiscate a particular type of property without the whole of the people bearing the cost of it in proportion to their wealth would be so unjust that you would never be able to get even a show of the support of honest men to enable you to do it. I quite agree that there are many people who honestly talk about it and who are as honourable men as any I know, but they have not really thought of what it means. And let me tell you there is one thing which would impoverish England more than any advantage would ever enrich it, and that is to mar that confidence that Englishmen will treat Englishmen fairly, and that whether Englishmen or foreigners come to live under your laws they are safe because they are men. If you once destroy that feeling, and once destroy the credit England has got, because we unflinchingly support that which is just, both in our laws and in our politics, you have settled for ever the deserved poverty of England. That does not mean that you are to be timid, to leave things as they are. The desire to protect property, and make people feel it to be safe, no more justifies you in leaving things in the unsatisfactory state in many respects in which they are, than the desire to preserve the rights of men would have justified the people before the French Revolution in keeping up all the unjust privileges of the clergy and the nobility. If you let evils sleep, if you let things go on unchanged, if you do not bit by bit yield to those stresses which show that there are forces unsatisfied in the nation, that there are things which have not been attended to, you are going headlong to that state in which change will be catastrophe. I exhort you just as earnestly to take care that this doctrine of co-ownership in its clear and unmistakable form is left before the people of this country, as I do exhort you that you should not tarnish it by any taint of injustice towards a fellow creature.

The Liberal "Programme."

There are a great many good Liberals, and a great many who are no good, much exercised just now over what they term "the folly of Programme making." They profess that a Programme is not necessary, and in almost the same breath declare themselves in favour of certain reforms they deem urgent and expedient. They say in effect we do not want a Programme, but here are some reforms which the Liberal Party will carry. It is the word "Programme" these gentlemen evidently object to.

Dr. Spence Watson, at the Liberal Federation meeting at Leicester last month, is a fair sample of such inconsistency. He said, alluding to the Newcastle Programme, that "the remaining items to be carried were Home Rule, Welsh Disestablishment, Registration Reform, Religious Equality in Scotland, Reform of the Land Laws, Taxation of Mining Royalties, a Free Breakfast Table, and Ending or Mending of the House of Lords. What item in that Programme could be abandoned? Not one." Dr. Spence Watson immediately follows this up by saying: "In his opinion a political creed at the present day with a Unionist majority in power was a laughing stock for gods and men."

In the name of common sense what is a Programme but the expression, for the time being,

of one's political creed? If the Liberals mean to stand by their convictions, what does it matter whether these in detail are called the Programme of the Party. As the *Daily Chronicle* aptly puts it:—

We do not care one jot whether the Federation leaders call this a "Programme" or not, for they disclaim the function of programme-makers. It is a declaration in favour of electoral equality and the extension of the rights of citizenship to those who are more familiar at present with its duties, and it will be held to commit the whole Liberal Party. This is good enough for us, whether the declaration in question is dignified by the title of a Programme or not.

These "no Programme" men seem to be the "bad sleepers" of the party. They must object to something, and they have pounced on the unoffending word "Programme" for want of a better cause for grumbling. If it does them good the Liberal Party cannot seriously complain, especially as they never fail to assert that they are in favour of the reforms that constitute the Programme.

Progress in Portsmouth.

A SINGLE TAX UNION FORMED.

On Thursday, March 10th, a meeting of Portsmouth Single Taxers was held at the Rooms of the Portsea Island Mutual Co-operative Society, Garnier Street, Fratton, when it was decided to form a Portsmouth

Single Tax Union, and the following officers were elected:—President, Mr. J. H. McGuigan; Vice-Presidents, Messrs. Arthur Withy and Santillo; Hon. Secretary and Treasurer, Mr. Samuel Cole, 30 Delamere Road, Southsea; Committee, Messrs. Todd, Clarke, and Ronald, and the other officers. It was decided to hold educational public meetings for lectures, debates, economic readings, &c., on the second Thursday in each month, and the Secretary was instructed to call a meeting of the committee once a month. The subscription was fixed at 1d. per week per member—the subscription to entitle each member to a copy of the *Single Tax* monthly.

Collections will be made at the public meetings to pay hire of hall, &c., and the balance of the funds will be devoted to the purchase of books and literature so as to form a Single Tax free lending library. It was resolved also to send copies of the *Glasgow Single Tax* each month to the Town Hall, North End, and Southsea Free Libraries, and occasional sample copies to the various political, social, and other clubs in the district.

On the motion of Mr. McGuigan, seconded by Mr. Cole, the following manifesto and declaration of principles was unanimously adopted:—

The Single Tax is the Key to Open it.

STRIKE AT THE BALLOT-BOX. HOW THE SINGLE TAX WILL RAISE WAGES, AND IMPROVE THE CONDITIONS OF LABOUR.

The keystone of the Single Tax is justice—the law of equal freedom. In the words of the American Declaration of Independence, we believe that “all men have equal rights to life, liberty, and the pursuit of happiness.”

From these fundamental rights we deduce the one true right of property—the right of the producer to the product of his toil. For, if all men have equal rights to life, then, since the use of the earth is essential to the lives of all men, all must have equal rights to the use of the earth. But all men have also equal rights to liberty. Given equal opportunities, therefore, whatever each man produces by the application of his labour to the land is his as against the world, for to force him to yield up to another without return a portion of the product of his labour, would be to make him to that extent a slave of that other. The true right of property is, therefore, the right of the producer to the product of his toil.

By our present system of land tenure, however, a few are allowed to monopolise that to the use of which all have equal rights. Ten-elevenths of England, Ireland, Scotland, and Wales are “owned” by *one two-hundredth part* of the population of these islands, and for the right to live and work in their native land the masses have to pay the classes from £160,000,000 to £200,000,000 a year!

Such a state of things is clearly not in accord with justice.

All wealth is produced by the application of labour and capital to the land, and the wealth so produced belongs of right to the labour and capital that have produced it. There is no wealth spontaneously generated for the benefit of those “who toil not, neither do they spin.” It is obvious, therefore, that to whatever extent the land “owners” receive *that which they have not earned*, those who do the work of the world must to that extent *go short of what they have earned*.

It is surely time that the workers looked into this question.

At present, roughly speaking, the entire public revenues of the United Kingdom, both Local and Imperial, amounting to from £130,000,000 to £140,000,000, are raised by rates and taxes on labour and capital—by rates and taxes that operate as a crushing fine on trade and industry, close to labour numberless avenues of employment, and, therefore, force down wages, and degrade the conditions of labour.

We Single Taxers maintain that this system of raising public revenues is foolish and suicidal; and we propose to gradually abolish all the existing tax burdens on labour and capital, and to substitute for them a tax on land values, increasing step by step till at length it absorbs the whole of the rental value of the land.

This will mean a clear gain to labour and capital of £130,000,000 to £140,000,000 a year, while the land value tax being levied on the full annual value of the land, whether the land be put to use or not, will force into use the 26,000,000 acres of land now held idle. At least half of this land is good, cultivable land, capable of supporting a family to every five to ten acres.

Access to the land thus secured, no man need work for another for longer hours, for lower wages, or under worse conditions than he need work for himself on the land. What the wages would be may be gauged by the fact that the labourers on Lord Carrington's estates, obtaining the land at the same rent as the farmers, can make a clear profit of 26s. to 30s. a week as against an average agricultural wage of 8s. to 15s. per week. Moreover, owing to the abolition of rates and taxes, house rent and prices generally would be considerably reduced.

THE FIRST STEP.—A BUDGET WORTH FIGHTING FOR.

In this country the natural first step towards the Single Tax is to impose upon present values the land tax of 4s. in the £, which is now, thanks to landlord chicanery, levied on the values of 1692, even then under assessed, and brings in £1,020,000 a year only, instead of £32,000,000 to £40,000,000! We urge the workers of this country, therefore, to concentrate their efforts upon the realisation of this reform,

and to put in the forefront of their political programme a good, sound, democratic Budget including:—

- 1.—Payment of Members and Election Expenses;
- 2.—Abolition of the Breakfast Table Duties;
- 3.—Old Age Pensions;
- 4.—Taxation of Land Values.

The first would enable the workers to be represented in Parliament by those of their own class; the second would prove a great relief to every working-class household; the third would relieve the workers from the ever-present fear of being forced, after a lifetime of toil, to end their days in the workhouse; and the fourth—the levying of the existing land tax of 4s. in the £ on present values—would provide the funds for carrying out the other three. As a matter of fact Land Values afford the only source of revenue from which sufficient funds can be derived to carry out these reforms.

Such a Budget is surely worth fighting for, though you may have neither the time nor the opportunity to thoroughly think out the Single Tax theory, you can understand this first step, and by discussing it with your mates you can get them to understand it also. Once the workers grasp the idea, they have only to strike at the ballot box, and the thing is done, for the “*House of Landlords*” cannot block the Budget.

The London County Council Election and the Taxation of Land Values.

We are getting on fairly well in London. The Progressive School Board (elected in November) fell at once to discussing Taxation of Land Values as a “new source of revenue” for educational purposes. The old County Council devoted its last dying speech to a reiteration of its demand for the Taxation of Land Values; the new Council, elected on 3rd March, comes back pledged, by a handsome majority, to the same policy. Within a week of the election a Conference of London Rating Authorities adopted a strong resolution on the subject; and a member of the English Land Restoration League, with Taxation of Land Values well to the front in his speeches, recaptured a Tory stronghold in Stepney. Three times in the first eleven days of March, the *Echo* devoted the whole of its contents bill to the Land Question, and placarded London with propagandist posters.

After Lord Salisbury's speech foreshadowing the destruction of the London County Council and the dismemberment of London, in the event of a “Moderate” and “Unionist” victory, it was inevitable that the *first* place should be given in the Progressive programme to the paramount question of self-preservation. But next to the protest against “tenification,” the question which assumed the greatest prominence, and which had the greatest share in winning the victory, was undoubtedly the Taxation of Land Values.

I have examined *every* Progressive election address, and nearly all of those issued by the other candidates. With hardly an exception, the Progressive candidates not only declared in favour of the Taxation of Land Values—they would hardly have been candidates at all had they not done so, seeing that it was a plank in the party programme*—but devoted to it a paragraph which showed an adequate appreciation of its importance.

The one conspicuous exception was Sir Arthur Hayter (Central Finsbury). Instead of using a “form of sound words,” he betrayed his ignorance of the question by writing in his election address:—

I am strongly in favour of including Ground Rents within the area of Local Taxation. Sir Arthur, who, I am told, improved in knowledge of the question during the campaign, enjoys the almost unique distinction of having lost a seat to the Progressives.

Even the Social Democratic candidates, whose organ is wont to denounce Taxation of Land

* That in view of the persistent opposition of the Moderate party to any scheme for the taxation of site values, this meeting calls upon the electors to vote only for such candidates as have by their past votes, or present pledges, demonstrated their adherence to this equitable sharing of the common burden, and only effective means of relieving the occupying ratepayers.” —Resolution adopted at opening meeting of Progressive campaign, January, 1898.

Values as “mere burden-shifting,” advocated in their election addresses “an adequate tax on land values.” One Independent Labour Party candidate who, a few months ago, denounced the taxation method of dealing with land monopoly, and advocated “compensation” of landlords, assured the electors that

“The burden of the ratepayer should be lightened by a *special Tax upon Land Values* in London, and a municipal death duty on landed property.” The fact is that no candidate dare show his face in a London constituency, except under Moderate, Conservative, and Unionist auspices, unless he declared for the Taxation of Land Values.

Two of the most notable victories were won, the first in St. George's-in-the-East, where Mr. Harry Marks, M.P., used the most strenuous efforts against the Progressives, and in Chelsea, which alone in West London returned two Progressives, and did it in the teeth of the great ground lord, Lord Cadogan.

Mr. Balian, one of the successful candidates in the first named constituency, wrote thus in his address:—

TAXATION OF GROUND VALUES.—I place *first and foremost* in my address the question of the Taxation of Ground Values. I consider it iniquitous that the burden of taxation should fall upon the occupier without some relief in the shape of a charge upon the ground landlord. This question can only be definitely settled by Parliament, but the return of a large Progressive majority to the Council will be an unmistakable expression of the will of the ratepayers in the matter. The large unearned increment in the values of private property arising from the carrying out of public improvements at the ratepayers' expense should, in justice, be made to contribute to those expenses. I am in favour of a principle, the practical effect of which will be not only to reduce in a measure the over-burdened ratepayers, but to give the Council greater freedom to carry out pressing local improvements.

Again, in Chelsea, the two successful Progressive candidates hit the nail on the head, thus:—

The demand that *the Land Values of London* should be made to pay a share of the cost of London's improvements, on which the Progressive Party is pledged to insist, has, perhaps, done more than any other item of their programme to arouse the alarm and angry resistance of those who refuse to place the popular welfare before purely personal considerations.

Public improvements have, during the last 50 years, added enormously to the value of land—in many cases as much as one hundredfold. Yet the whole cost of these improvements has fallen, *not* on the owner of the land values, but on the members of the labouring, business, and professional classes, in their capacity as occupying ratepayers.

I think I have said enough to show the spirit in which the battle has been fought and won. But I have no illusions as to the magnitude of the victory. We have fought an election very largely on the Taxation of Land Values, and we have got a majority. But it is not a majority of “Single Taxers,” nor do all its members understand thoroughly what they are really pledged to; otherwise Mr. Shaw-Lefevre's land purchase motion would have been promptly sent into oblivion by a solid Progressive vote.

But we have got the constituencies keen about our question. We have, after fifteen years hard work, brought the question into the front line of Metropolitan politics. We have well *begun* the education of our municipal representatives on the land question, and we shall carefully watch their actions to see that they do not forget their lessons. And we are looking forward to the opportunity of making the Taxation of Land Values a test question in the next general election.

FREDERICK VERINDER

DO YOU WANT SPEAKERS?

TO SECRETARIES AND OTHERS INTERESTED.

Arrangements are being made here for an open-air campaign, on the Taxation of Land Values, during the coming summer months. If you desire a meeting held in your town or village write the Secretary, 56 George Square, Glasgow. What is wanted is someone to take the matter in hand and arrange for a meeting. We will send speakers and literature.

LONDON AGENT—

W. REEVE, 185 Fleet St., London, E.C.

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