

f4c Proclamation
Line, etc. (Land
map)

Sectionalism
5103

p26: J.A. Krug, when head of WPB, if E keeps blocking
s&w, "they will ruin not only themselves but the nat.
ec as well."

Attitudes toward western expansion:

p. 364

Land mnp
"Many influential Easterners had land of their own, purchased from the states or from the Confederation, which they wished to dispose of before throwing open the West. Others regarded pioneers as a public nuisance. Hamilton's ideas on the subject were determined by his zeal for a division of American labor. He wished to populate more thickly and exploit more fully the Eastern states, and to retard migration of any sort. With labor running off to the backwoods, how could you build up manufactures? Washington, however, owned western land and was Western-minded. In 1784 he proposed that the public domain be sold at a sufficient price to deter speculators, but to accommodate the more solid sort of settler." (Debates in Congress in 1796)

p. 479

"Older communities, both North and South, were opposed to any measure likely to encourage emigration! The northeastern manufacturing states had a somewhat special attitude. Emigration tended to keep up the price of factory labor; but if the tariff schedules were to be maintained, some way must be found to get rid of the surplus revenue coming in from the public lands. In order to catch Western votes for protection, Henry Clay proposed a clever scheme of 'distribution.' The proceeds from lands sales would be distributed among the states, for use in public works and education, giving a special bonus to those wherein the lands lay." (Jackson's first adm.)

p. 479

"It was all a game of balance between North, South, and West, each section offering to compromise a secondary interest, in order to get votes for a primary interest. The South would permit the west to plunder the public domain, in return for a reduction of the tariff. The North offered the tempting bait of distribution, in order to maintain protection. On the outcome of this sectional balance depended the alignment of parties in the future: even of the Civil War itself. Was it to be North and West against South, or South and West against North?

On 29 December 1829 Senator Foote of Connecticut offered a resolution to inquire into the expediency of restricting the sale of public lands to those already in the market. Senator Benton of Missouri denounced this proposal as a barefaced attempt of the manufacturers to keep their laborers from 'the blooming regions of the West.'"

*Land
Copy*

Today's policy reverses Am. tradition of opening public lands to those who would use them. Today our Benton's are strangely silent, & our Foote's are walking all over us.

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ECONOMIC PLANNERS RE-THINK OUR FUTURE

Half a century ago Britain was a proud, free and independent nation, the workshop, banker and marketplace of the world, the centre of a great overseas Empire, at peace with her neighbours and confident of her future. Her gold sovereign was respected and trusted at home and throughout the world; her liberal trade policy exercised its pacific and humanising effects on the arts and sciences and on the day-to-day behaviour of her citizens. It was a golden era of expansion and of radical reform. Land monopoly yet blemished her, dividing society into the undeservedly poor and the undeservedly rich, but progress towards the goal of equal rights for all to life, land and liberty was relentless and held rich promise of final victory.

To-day Britain is weak and ailing. Millions of her people are without homes. New houses are built scarcely fast enough to replace those falling into desuetude. Thousands of men and women in Lancashire and the port towns are unemployed. Workers are constantly exhorted to produce more and are punished by taxation if they do. Enterprise and initiative are frustrated and driven abroad in search of opportunity. The tentacles of monopoly sprawl across the country's economy. Large sections of industry are obsolescent and inefficient. Controlled and cossetted by government, endowed with subsidies and privileges, industry and agriculture are directed into uneconomic production. Living standards constantly fall as production figures slowly rise. Ceremonial sacrifices are offered upon the altar of the export market, the dollar is deified and imports are cut to the bone. Land monopoly is more firmly entrenched than ever. Crisis follows crisis. Conscription and rearmament take their further toll. Thus Britain reaps the harvest of more than thirty years of protection; thus she reels from the successive blows dealt her by two world wars, by punitive taxation, inflation, exchange control, planning, welfare statism and post-war adventures into the crazy jungle of Socialism.

Anxious about the present state of the nation's economy, and alarmed by the prospect of its further decline, the British Sunday newspaper, *The Observer*, has recently published a series of articles now available as a pamphlet under the title "Re-thinking Our Future."

The seven post-war years of hard work and austerity which have been designed to put Britain's economy on firm ground are described in these words: "The nation is now sliding into a sullen and semi-mutinuous mood; it no longer responds to repeated exhortations and alarms and it no longer believes in promises of final victory." Elsewhere it maintains that "Britain's present economy, like a hot-house plant, seems able to keep alive only in a thermostatically controlled temperature, and even in such a temperature it is slowly wilting." Therefore, says *The Observer*, if a breakdown of national morale is to be averted, the leaders of the nation need to make an effort of thought which, one and all, Government and Opposition, politicians and economists, Parliament and Press, they have so far avoided. They have to face the true basic facts which determine our situation and draw the inescapable conclusions from them ruthlessly and fearlessly.

All this is excellently stated. It will be endorsed by all who cherish the concept of economic freedom. Liberally scattered throughout the text are similar truths which may be profitably quoted. For instance: "It is not enough to work harder and to consume less"; "a radical change in our economic and industrial structure is required"; "as a nation we are largely working at a wrong and obsolescent job, and this means that many of us are in the wrong jobs as individuals" and hence "a general redeployment of the national effort, a new and different distribution of capital, talent and manpower is necessary."

A number of fallacies are exploded. Of large-scale emigration the writer says: "it is an illusion to think that, because there would be fewer people here there would be always more jobs than workers to fill them." The optimistic notion which many entertain that "intensified Commonwealth development can save us from a structural change in our home economy" is shown to be without warrant. Neither can Britons hope that "other countries, however friendly to us and whether members of the Commonwealth or not, will give us their products for nothing or take our exports when they have no need of them."

Of particular interest in view of *The Observer's* subsequent prescription for Britain's economic survival is the sage observation about the passing old industries that it is "always hard to deny a call for protection and 'temporary' subsidy or special aid of one kind or another, particularly so when, as with textiles, the appeal is backed by powerful forces in industry, by strong trade unions and a sizeable group of M.P.s." Bureaucracy is condemned as being seemingly "deliberately designed to hinder and prevent the growth of young industries and enterprises."

So much for the criticism of Britain's economy. Protection in practice has proved disastrous beyond the fears of its strongest opponents. State planning, State control and State ownership have failed dismally to undo the harm caused by State favouritism. The solution stares the reformer in the face. His task is clear. He must denounce all forms of bureaucratic interference and restriction and campaign for the completely free economy.

The Observer rejects this logical and obvious course. It condemns planning—"bad" planning, that is—and

to survive. An account of the Conference was given to the group by Mr. Robert Clancy.

Flying home from the Conference after a stay of several weeks in London, Mr. W. A. Dowe, Director of the Australian School of Social Science, stopped to address a meeting in San Francisco arranged by Mr. Rupert Mason. Arrived in Sydney he gave a brief account of the purpose of the Conference and the work of the schools in a radio interview with Station 2GB. A full report was given to a public meeting in Sydney, November 5. Mr. Dowe informs us that echoes of the Conference will be heard at a Christmas Gathering to be held December 12, and at the Annual Conference of the Australian School next January-February which is to be based substantially on the programme and papers delivered at Odense. He adds: "The splendid spirit of hospitality shown by the Danes was a tremendous pleasure and uplift to me. It was also a great pleasure to meet so many people in London and to see how strong and enthusiastic the organisation is there. I was delighted with the success of the new Classes."

On his return home from Odense, Dr. Martin Pfannschmidt, the only member to attend from Germany, prepared a twelve-page duplicated typescript report of the Conference in which he draws attention to Germany's crying need for a valuation which would show separately the value of land apart from improvements. Dr. Pfannschmidt has sent his report to a number of members of the Federal German Government and other prominent Germans, as well as to his associates in the German land values movement.

Mr. George Hellick, of Easton, Pennsylvania, a Vice-President of the International Union who was unfortunately unable to go to Denmark, writes that he intends sending a copy of the Conference Paper, by Mr. Noah D. Alper, "The Great American Tax Shift," to every legislator in the State of Pennsylvania. We have already suggested that this paper might well be sent to every Senator and Assembly man in the United States and now that Mr. Hellick is to set the ball rolling we hope that American adherents in other States will follow his example.

At the request of a group of twenty Liberals who wrote from Odense to the Editor of the *Liberal News*, that paper published in its issue August 22 the full text of the main Conference Resolution. Among the signatories to the request were Ashley Mitchell and Stephen Martin and prospective parliamentary candidates Harry Pollard and Roy Douglas.

A number of Georgeist journals have been received from various parts of the world, each giving their own reports of the Conference. The September issue of the *Henry George News*, U.S.A., devotes four pages to a report of the proceedings by Robert Clancy, Director of the Henry George School in New York, and prints in full Mr. J. Rupert Mason's presidential address, "Human Rights and State Duties," and the public address by Dr. Viggo Starcke, M.P., entitled "Henry George's Ideas in World Politics." It gives also an article describing places visited in Denmark and some Danish customs and conditions by Miss V. G. Peterson, Secretary of the Robert Schalkenbach Foundation. *Ons Erfdeel*, the journal of the Dutch Georgeist Union, *Recht en Vrijheid*, publishes a long report covering seven pages of its August-September number, written by Mr. P. Prins, who attended the Conference as delegate from the Dutch Union. Mr. Prins was so impressed by the progress of the Henry George Schools in Britain and the United States that he plans to start classes in Holland on similar lines. Class material and advice has been given by the School in London. The September issue of *Progress*, published in Melbourne, Victoria, gives a brief account of the first days of the Conference; no doubt a fuller report will appear in the next issue.

As we mentioned in our previous issue, the Conference received excellent notice in the Danish press and from the Danish State Radio. But the fullest reports coming from Denmark are naturally to be found in *Grundskyld*, the monthly journal of the Henry George Union, and in *Vejen Frem*, the weekly newspaper of the Justice Party. *Grundskyld* devotes

seventeen pages to Conference matters. In addition to a commentary on the week's proceedings, the text of the resolution, etc., it gives in full the texts of the Presidential address and of the paper by Dr. Sven Rydenfelt, entitled "The Way out of the Dollar Shortage," and a letter from Agnes George de Mille, grand-daughter of Henry George, sending greetings and pledging her support. For three weeks *Vejen Frem* gave detailed reports and reprinted several of the papers delivered at Odense.

At the request of Mr. Noah D. Alper a parcel of Henry George's books was sent to the Headmaster of a North of England Grammar School whom he met on the boat en route to the Danish Conference. In a letter to the International Union the Headmaster writes: "I am interested in the works of Henry George and when the new abridgement of *Progress and Poverty* becomes available in the New Year I will certainly purchase a copy for the library. Thank you also for offering to send LAND & LIBERTY for one year... We have an excellent library so that I will certainly see the books and the publications you send are placed at the disposal of the boys."

Electronic tape recordings of addresses delivered at the Conference and the discussion which followed each session have been played to a group of Young Liberals at Ilford, Essex, by Mr. Keith Baynes, and to the Chislehurst Liberal Association, by Mr. Stephen Martin, as well as to various visitors to our offices. It is hoped thus to take the Conference to a number of other groups in the months ahead.

VARIOUS MESSAGES

Greetings to the Conference and good wishes for its success were received from many parts. Among the telegrams were those from Fernando Nobre, Sao Paulo, Brazil, on behalf of the Demophilocratic Institute with its branches in New York, Paris, Rome and Rio de Janeiro; from Johannes Hallbaek on behalf of the Swedish Union of Justice and Right (Rättsförbund); Miss Frances Verinder in Cape Town; Louis Hirschfeld in Tangier; Magne Lie in Norway; J. L. and Signe Bjørner, Jørgen Jørgensen, M.P. (Chairman of the Radical Liberal Parliamentary Group), and Thyra Folke, Denmark; Eustace Davies, Wales; and Mrs. E. G. Sumner and Mr. and Mrs. Dirom Young, England. The numerous letters, many of them mentioning matters for consideration, included those from Rudolf Schwarz in Berlin; Heinrich Richard in Bonn with whom was associated Dr. Mersmann of the Finance Ministry; E. J. Craigie, A. G. Huie, R. N. Collison and F. Halkyard, Australia; R. N. Robles, Mexico; Romulo S. Cobanera, La Plata; Ch. M. Garnier, Paris, former Inspector-General of National Education; J. Anglada-Prior, Barcelona, with valuable memorandum supported by 32 signatories; Herbert T. Owens, Ontario, with the latest news from the Canadian scene; H. H. Collins, British Columbia; and from many more including Mrs. Joan O'Leary, Pat O'Keeffe, H. T. Boothby, Dr. A. R. Lee and Oscar Daver, England.

THE INTERNATIONAL UNION

Membership is open to all persons, irrespective of sex, race, or nationality, who in good faith sign a written declaration of adherence to the objects of the Union, and pay an annual subscription (minimum) of ten shillings sterling or \$2 U.S.A. and Canada. Write with membership fee to the Hon. Treasurer, Ashley Mitchell, 4 Great Smith Street, London, S.W.1.

ASHLEY MITCHELL AT THE N.L.C.

Readers will be interested to hear of the talk to be given by Mr. Ashley Mitchell at the National Liberal Club, on Wednesday, December 10, 7.45 p.m. His subject is "The Meaning and Purpose of Land Value Taxation." The meeting is one of a series arranged under the auspices of the Political Committee of the London Liberal Party and Home Counties Federation. Admission is free and readers are urged to attend and lend their support.

CHURCHILL RECALLS HIS PAST

The new session of Parliament began on November 4. In the Queen's speech it was declared that: *Further measures will be promoted relating to the Town and Country Planning Acts.*

Speaking on that subject, the PRIME MINISTER, RT. HON. WINSTON S. CHURCHILL, said: "I remember the old days, which were my young or younger days, when the taxation of land values and of unearned increments in land was a foremost principle and a lively element in the programme of the Radical Party to which I then belonged. But what is the situation which presents itself to us to-day? In those days we had the spectacle of valuable land being kept out of the market until the exact moment for its sale was reached, regardless of the fact that its increased value was due to the exertions of the surrounding community. Then we had the idea that, if those obstructions could be cleared out of the way, free enterprise would bound forward and small people would have a chance to get a home, or to improve their existing homes, and many other things besides. But here at the moment we have the exact opposite.

"The problem which now confronts us directly and urgently is that of the £300 million, established by the 1947 Act, and also the development charge.

"The result of the development charge or betterment charge is that it has become a direct deterrent upon enterprise and production and has brought a lot of it to a standstill. We may ask ourselves, Is that what we want now? If ever there was a subject which might be considered calmly and coolly without partisanship by both parties, it is here in this Measure that will come before us this Session.

"To pay out £300 million next year, would put money into the pocket of many who have no intention of ever exercising development rights and who suffered no loss. The ordinary small landowner also does not understand the theory that he must buy back potential development rights. The process is unenforceable except by the drastic use of compulsory powers. Before the end of the month the Government's full proposals on this subject will be presented to the House of Commons."

Comments on this statement were made by Mr. James Hudson (Labour, Ealing N.) and by Mr. Hugh Dalton (Labour, Bishop Auckland, and a former Chancellor of the Exchequer), the latter speaking on November 5.

MR. JAMES HUDSON: "The Prime Minister spoke I thought, with a little nostalgia, remembering his earlier days in the Liberal Party and the taxation of land values. I am fairly certain that if he had stopped to consider all that he was saying to-day he would have been more careful. I say that because if the Government are to scrap legislation now in being dealing with this question of land, however unsatisfactory that legislation may be in certain details, all that is left, at all events for the Prime Minister, is what he remembers of his old ideas, the taxation of land values.

"I have always regretted that the end which both Lloyd George and, at a later date, Philip Snowden contemplated did not materialise. I told him (Snowden)—for I was for a time his Parliamentary

Secretary—that if ever he went with the Tory Party into a Coalition Government they would destroy every hope that he had of dealing with this fundamental question of the land and the attaining of the values of the land for the community that created those values. Before he had been a year in the Tory Party it was proved that my reckoning of the matter was correct. For he said himself in the House of Lords that he had been completely betrayed on that question. I am hoping that in the discussions now foreshadowed we shall be able to bring out again into public light the importance of further efforts to bring into the possession of the community great masses of value still left so far as the land is concerned."

MR. HUGH DALTON: "There was a retrospective passage in the Prime Minister's speech about his old days. I have looked up one of my favourite bed books, *Liberalism and the Social Problem*. I looked up what the Prime Minister was saying on this subject in his speeches in 1900. At Edinburgh he dealt with the way in which land values are built up almost out of nothing and he speaks of

'the enrichment which comes to the landlord who happens to own a plot of land on the outskirts or at the centre of one of our great cities, who watches the busy population around him making the city larger, richer, more convenient, more famous every day, and all the while sits still and does nothing! Roads are made, streets are made, railway services are improved, electric light turns night into day, electric trams glide swiftly to and fro, water is brought from reservoirs a hundred miles off in the mountains—and all the while the landlord sits still and does nothing!'

'Every one of these improvements is effected by the labour and at the cost of other people. Many of the most important are effected at the cost of the municipality and of the rate-payers. To not one of those improvements does the land monopolist, as a land monopolist, contribute, and yet by every one of them the value of his land is sensibly enhanced. He renders no service to the community, he contributes nothing to the general welfare, he contributes nothing even to the process from which his enrichment is derived.'

"That is a noble prose. It is also clear economic thinking, is it not? We ask now: are the Government considering the substitution for this development charge, which, they say, has worked not too well, of some old-fashioned tax such as is suggested in the speech which I have just quoted? We would like to know." [The italics are ours. Ed. L. & L.]

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FORM OF BEQUEST

I bequeath, free of duty, to the United Committee for the Taxation of Land Values, Limited, the sum of £.....

of account amounted to £6,250,000. This corresponds, when capitalised, to an unrequited gift of no less than £125,000,000 to the landowners who had been subject to the tax. In other words, the monopoly price of their lands will be increased to that extent. The Government failed to offer anything but the most unconvincing excuses for its action, one being that the tax had not succeeded in its avowed object of breaking up big estates, the other being that the Federal Ministry felt it was right to "vacate the land tax field," leaving it for the several States to occupy if they wished to do so.

The Federal Land Tax, although it was a charge upon the value of land apart from improvements, had many blemishes. It discriminated among landowners in quite arbitrary manner. The assessment was the total amount of land value possessed by any landowner over the whole of Australia and it was only if that total exceeded £5,000 that he became subject to the tax. Lately, the exemption limit was raised to £8,750. Above that limit, the rate of tax started at 1d. in the £ (of the capital value) and was scaled upwards to the 6d. in the £, or more, by reference to the total land value possessed (anywhere in Australia) by the respective taxpayer. For absentee landowners, that is, landowners not resident in Australia, there was no exemption, the absentee being surcharged 1d. in the £ throughout the scale. It was anything but "an equal tax on equal land," and was, in fact, a travesty of Land Value Taxation. The amount of the Federal Land Tax falling on any single plot of land depended entirely upon the personal circumstances of the owner in question, so that of two pieces of land of equal value, but in separate ownership, one could have a high charge on it and the other a low charge or none at all. The exemption of the £5,000 and the grading of the rate of tax, led to evasion by estates being nominally subdivided among members of a family, each member securing the exemption or a lowered rate of tax and thus defrauding the revenue.

In other respects, the tax, by the grading of its rate, had the effect of holding up desirable development where aggregation and not sub-division should have taken place. One can envisage, on a busy main street in a city, a string of, let us say, 20 small age-shops (their sites under-developed) each with a value of £5,000 and each in sole and individual ownership, so that the whole of this £100,000 frontage was exempt from the selective Federal Land Tax. These shops could and should have given way to the building of some large modern commercial premises occupying the whole of the frontage and necessarily under one ownership, merging the numerous small lots. This valuable frontage which by the exemption provisions in the Act had been completely exempt from Tax was then suddenly made subject to it, simply by the fact of development and at a rate governed by the totality of land value in single ownership. The result was to postpone or discourage improvement in a manner similar to the operation of the ill-famed development charge of British Town and Country Planning Act. But if the right, proper and practical course were followed of a land value tax levied at a uniform rate on all land, irrespective of the use to which it was being put, the opposite result would obtain. Since the value of land is the property of the community, it belongs to neither "big" nor

"small" landholders and no one should have either preferential or invidious treatment. With every landholder paying contribution, measured uniformly pound for pound by the land value of his holding, it would profit none to withhold land from its best use. Development would proceed freely, without jar or shock. No one could long continue in the position of engrossing more of the common heritage than he, by his own industry, could utilise to advantage. Thus the problem of the "big estates," which has played and still plays a great part in this Australian scene, would be resolved.

The Federal Land Tax, with all its drawbacks that have never been remedied, was instituted in 1910 by the then Labour Government. Not repeal but amendment as above indicated was the right line to take. To sacrifice all that revenue which after all did come out of land values (placing no burden on buildings and improvements) was to make a Roman holiday for land speculators; it was to cause the lost revenue to be made up by taxes repressive of trade and industry; and, offering the blemishes in the Act as pretext for abandonment, it was to throw out the baby with the bathwater. Further than that, the Government has played into the hands of the protectionists and of all the interests concerned in maintaining indirect taxation for the "common people" to pay, and it has confirmed the equally savage and unjust income tax on the earnings of the individual. Federal taxation, as it is devised to-day, is the greatest obstacle to Australia adopting Free Trade, whereas land value taxation is the means to that consummation.

As for the States—Queensland, Victoria, South Australia, West Australia and Tasmania (not New South Wales)—they already have their State "Land Taxes" of sorts, but all suffer from the same faults as did the Federal Land Tax, through exemptions and the grading of the rate of tax. Well may it be that they occupy the vacuum left, meanwhile, by the Federal Land Tax, but let them amend those taxes so that they cease to be a mere travesty of Land Value Taxation. (It is to be observed that the local rating of land values, as it obtains in municipalities and shires to more or less extent in each of the States excepting Tasmania, is a field in itself; there the principle is rightly applied, the rate being uniform within each local governing area without exemption of any part of the land value).

The debate on the Budget, with its many other provisions, was prolonged. It was noticeable that spokesmen on Ministerial benches fought shy of discussing the Land Tax or, if they referred to it, their remarks were perfunctory as their defence of the Government's action was lame. On the Opposition (the Labour) benches vigorous protests against the repeal were made, the speakers including Messrs. Clark (of Darling), Muleshy (of Lang), Morgan (of Reid), Mullens (of Gellibrand), Costa (of Banks), Ward (of East Sydney), Bird (of Batman) and Clyde Cameron (of Hindmarsh). It was insisted that when a Labour government again took office the Land Tax would be re-introduced, but there was lacking in the speeches a proper appreciation of the defects of the Act as it was and an understanding of the sound principles on which such legislation must be based.

A. W. M.

"Tangier, within the last five years, has more than doubled the size of its modern town. There is an incessant, noisy day and night building—not only new construction. Old buildings have been torn down and replaced by modern structures . . .

"Trade is the main factor that has caused this swift development. Apart from a 12½ per cent. import duty, levied for revenue on all goods entering Tangier, there are no restrictions. This lack of restrictions applies not only to goods, but to money. Currencies are freely inter-changeable and are bought and sold at their true market values . . .

"There is no 'black' market in Tangier. It is a 'free' market. Traders buy and sell where they can; there is no governmental interference; goods can be brought to the port of Tangier, stored and routed to somewhere else, paying only port dues . . .

"Needless to say the price of land rapidly accelerated, until it would have been cheaper to buy land in, say, Central London, than in central Tangier. The increased demand for supplies and buildings of all kinds was quickly met by increased imports and large private building schemes. These have now levelled off the prices, although Tangier, like anywhere else, is affected by world prices because it deals in world markets.

"The only post-war increase in local taxation has been on businesses, as such, and on buildings, including private houses. They always paid an annual tax and the increase was made to bring taxation to correspond with post-war values. There is no income tax in Tangier. A petrol tax meets the charges for road traffic circulation. The transport tax was recently abolished. There are also taxes—barely noticeable—on entertainments, visitors and residents leaving the Zone . . ."

Mr. Loy concludes by admitting that Tangier has difficulties in matters which are properly the business of good government, consideration of which was outside the scope of his brief article, but he stresses that the International Zone shows how people of diverse nationalities *will* busy themselves living and trading quite happily if they are left relatively free by government to do so.

The remarkable post-war expansion of Tangier under conditions of partial freedom from governmental restriction gives a hint of the prosperity which the Zone could enjoy were the high revenue duty on all imports removed. Similar prosperity awaits Britain and all trading nations if their governments will but cut through the web of trade-strangling restrictions which they have woven around their ports and frontiers. But unless they first, or at the same time, smash land monopoly, restoring the equal rights of all their citizens to use land and to share its community-created value, those who hold the land will "sleep, but thrive." Collectively the nation will be made prosperous, but the increased wealth will go, not to those who create it, but to those who hold the legal right to demand from their fellows payment for the right to live and to work. Unless the land and production also are set free some future visitor to these shores may write of Britain: "Needless to say the price of land rapidly accelerated until it would have been cheaper to buy land in, say, central Tangier, than in Central London."

THE LAND-VALUE TAXATION LEAGUE

FORMATION OF A NATIONAL BODY

There has been formed, with the English League for the Taxation of Land Values as the nucleus, a new body taking over and consolidating the work of the English League itself and of the following Leagues: The Yorkshire and Northern Land Values League; the Manchester Land Values League; the Midland Land Values League; the Liverpool, Derbyshire and Portsmouth Leagues for the Taxation of Land Values (In the case of the Liverpool League, its members at their annual meeting, on 26th September, resolved to maintain the League in nominal existence, but to carry on its work as the Merseyside Branch of the new national body). The amalgamation or merging to form the national body was agreed upon by joint decision and was confirmed at a meeting in London held on July 2. Collaterally, the Liberal Liberty League, having so far succeeded in strengthening the sentiment for land value taxation and free trade (and the free economy) within the Liberal Party—which had been its specific object—resolved to coalesce with the new body so as to direct its propaganda to a wider public; and its members, like those of the organisations mentioned above, now constitute the membership of the new body. Subsequently, at a meeting held in London on November 1, the new body was given the style and title of *The Land-Value Taxation League*, membership (at an annual fee of 5s. minimum) being open to all who approve of its objects which are: "To promote economic freedom and social justice by the advocacy of the policy of the Taxation of Land Values and Free Trade as propounded by Henry George." The Officers are: President, Mr. W. E. Bland; Secretary and Treasurer, Mr. C. H. Batty; Propaganda Secretary, Mr. S. Martin; and an Executive Committee of fifteen members. Headquarters are at 4 Great Smith Street, S.W.1. The branches now established—with undoubtedly more to come—are as follows, the name of the acting secretary in each case being given in brackets: Yorkshire (Howard Binns, 3 Westfield Road, Riddlesden, Keighley); Merseyside (Miss K. Hand, 14 Bentley Road, Liverpool, 8); Manchester (Mrs. P. Hill, 13 Orthes Grove, Heaton Chapel); Midland (*Pro tem*—Dirom Young, 15 Boulton Road, Wyld Green, Sutton Coldfield); Portsmouth (H. R. Lee, 13 Lawrence Road, Southsea); Derbyshire (G. Musson, 29 Denby Lane, Codnor).

The amalgamation having been effected with its closer association of those who are actively engaged in the movement, the League can now take a big forward step. It therefore appeals for the ready support particularly of those whose subscriptions are renewable to the Leagues now merged in one, the arrangements having been made whereby financial support can be allocated (at the desire of the subscriber) to organised activity at this or that centre. Contributions may be made either to Headquarters or to any of the branch secretaries.

Meetings in Liverpool.

We are pleased to report the following series of meetings that have been organised right away by the Merseyside Branch.

AT THE FREE CHURCH COUNCIL ROOMS,
56 LORD STREET, LIVERPOOL.

Alternate Wednesdays from 7.30 to 10 p.m.

Date	Subject	Speaker
Nov. 19.	The Prime Aim of Georgeism.	F. R. Jones.
Dec. 3.	Trade—Free or Shackled?	H. T. Boothby.
Dec. 17.	The Crazy Wage-Fund Theory.	Mrs. S. M. Willott
Jan. 14.	Is this a Free Country?	C. W. Watkinson.
Jan. 28.	Can You Stump the Speaker?	F. R. Jones.

Bring your own questions.

Miss K. Hand, Secretary of the Merseyside Branch, writes: "Those who wish to remain in town before the meeting can obtain a really excellent and varied meal at exceptionally cheap prices up to 7 p.m. in the canteen below our meeting room."

the value for those purposes no account should be taken of the value of improvements made or done on the land. The underlying principle is right, but its practical application requires much shorter intervals in the matter of re-valuation. Nor should the principle be confined to any particular lands. On the other hand, consider what has happened and the pretext offered for not carrying out the provisions of the Ordinance as they are. In reply to inquiry by our correspondent, Rev. Mervyn Stewart, the following statement was communicated by the Colonial Office under date July 15, 1949:

"The first revision of agricultural rents was originally laid down by section 35 of the Crown Lands Ordinance (Chap. 140 of the Laws of Kenya) and scheduled to be carried out in 1945. The shortage of qualified staff and other considerations made it quite impracticable to undertake this task at that time, and it was accordingly postponed until 1950 by Ordinance No. 37 of 1945. Subject to the consent of Mr. Secretary Creech Jones, it is proposed by the Kenya Government further to postpone the revision until 1960 when it is hoped that qualified government staff will be available to undertake the valuation."

In reply to enquiry from the United Committee as to the actual position, the Colonial Office wrote under date November 15, 1952: "The Kenya Government has postponed the revision of agricultural rents until 1960. Under present circumstances the Secretary of State is not in a position to give any detailed information about preparations for action to be taken at that time."

DEVELOPMENT CHARGE TO GO

On November 18 the Government introduced the Town and Country Planning Bill as the first stage in its intended legislation for amending the financial provisions of the Town and Country Planning Act, 1947. The Bill abolishes the Development Charge for developments commenced on and after November 18, 1952. It repeals the provisions of the 1947 Act relating to the distribution of the £300,000,000 fund out of which landowners were to receive compensation for having been deprived of the development value—that is, the potential or speculative value—of their land.

The Bill is an interim measure. It accomplishes these two immediate purposes: the abolition of the Development Charge and the annulment of the obligation upon Parliament to expend the sum of £300,000,000 on landlord compensation as an all at once payment (which was to have been done by creation of Government bonds).

Next autumn further legislation will adjust matters for the interests that are affected, providing for a different scheme of compensation to landowners where land is said to be depreciated in value because of restrictions on its use. That scheme of things is fully explained in the White Paper (H.M. Stationery Office, Cmd. 8699—6d.) which was issued with the presentation of the new Town and Country Planning Bill. It must serve for later examination with all that it embodies by way of ensuring to this, that, or the other private interest his "admitted claim," given him so falsely by the 1947 Act, to value of land that rightfully belongs to the community.

The attractive feature of what is happening is that the land question and the radical approach to it

through land value taxation with remission of taxes on trade and industry is launched into the forefront of British politics. This White Paper provides most excellent ammunition, not only in its exposure of the operation of the Development Charge—which was foretold by ourselves at the outset—but in the unconsciously given answer to its own defence of the private appropriation of the rent of land. Meanwhile we can take credit to ourselves for the part we have played in denouncing these provisions in the Town and Country Planning Act, repeatedly calling, as we have done, for such repeal as would sweep away the Development Charge and clear the way to a policy that will encourage and fully reward every man's effort as a producer of wealth. We hail the abolition of the Development Charge, whatever else the Government has in contemplation, as a good send-off for the campaign that now ensues.

THE DE-RATING ACT ALSO?

During recent months there have been repeated calls within municipal circles for the repeal of the "de-rating" (under the Acts of 1928/29) by which all agricultural land, however valuable, is completely exempt from local taxation and industrial hereditaments are charged with only one-quarter of the rates otherwise leviable. At the annual conference of the Association of Municipal Corporations in September, for instance, it was the recurrent theme during the discussion of a paper submitted by Dr. Eric Fletcher, Labour M.P. for Islington, E., and heartily endorsed by him. The *Manchester Guardian* reported that speaker after speaker, from Hampstead, Berwick-on-Tweed, Hereford and Bootle contended that the original reasons for relieving agriculture and industry no longer applied. The repeal, it was stated, would restore £60 million to the local valuation rolls throughout the country.

Foremost among those agitating for the repeal of this de-rating is the Erith Borough Council, whose Treasurer, Mr. G. P. Barton, urged the A.M.C. to wage a "positive crusade." He sent a circular letter to members attending the October Council Meeting of the Association in which he wrote: "My Council hold very strong views on the subject, which it has reason to believe are shared by most local authorities." Many replies expressing support have been received. A resolution calling for a campaign and echoing the suggestion made in the editorial columns of the previous week's edition of the *Municipal Journal* was moved by the Town Clerk of Camberwell, Mr. S. J. Harvey, he saying that even if the repeal of de-rating proved not to be practical politics they might well secure some other form of revenue "not subject to the charity of Government departments" (incidentally giving the cue to the real alternative—the rating of land values?). Mr. Harvey's motion was defeated, Sir Miles Mitchell, the Chairman of the A.M.C., declaring that they had not the money nor the time for such a campaign, but adding he would be glad of suggestions enabling the A.M.C. to make further and stronger representations to the Government.

The Birmingham City Council is making independent representations to the Government. Copies of the memorandum it has submitted are being sent also to the

Association of Municipal Corporations and to local M.P.s, thus ensuring wide circulation among municipalities. It is based on the comprehensive report on de-rating recently presented by the City's finance committee after consultation with the City Treasurer, Mr. J. P. Eames. The memorandum gives a clear account of the effects of de-rating and the probable effects on local authorities, Government and industry if it is repealed. It shows that if this de-rating did not obtain, the rates in Birmingham this year would be less by 2s. 2d. in the £ (*Municipal Journal* reports, October 17 and 24).

But, as the United Committee pointed out in its evidence to the Site Value Rating Enquiry Committee, the bare repeal of this de-rating will not answer the case; for that would be merely to patch the existing rating system and throw the weight of local taxation back upon buildings and improvements. The remedy within the field of local government is to assess the value of land for local taxation and to de-rate all buildings and improvements. Thereby local authorities will be vested with their rightful revenue. A load of taxation will be taken off the shoulders of the general taxpayers who to-day—and quite unnecessarily—are forced to provide those subventions from the Treasury which make beggars of the local authorities and which, through the control of the purse at the Whitehall end, are a standing menace to the very existence of local self-government.

AN IMPORTANT CONFERENCE

LORD DOUGLAS OF BARLOCH ON
THE RATING OF SITE VALUES

Among the papers presented at the Annual Conference of the Association of Rating and Valuation Officers, September 12 and 13, was that by Lord Douglas of Barloch, in which he stated the case for the Rating of Site Values. The Conference, held in the Central Hall, Westminster, was attended by over 1,300 persons including, in addition to Association Members, representatives of Government departments, local authorities, local valuation panels, professional organisations, national boards and firms concerned with valuation for rating. The full text of the paper together with report of the ensuing discussion occupies 15 pages in the official report of the Conference. The paper also appeared in full in the *Estates Gazette*, of September 27, and it was favourably mentioned in the *Municipal Journal*, September 19, not only for its excellent statement of the case, but also for the ready answers Lord Douglas gave to all the criticisms although some of them were fairly penetrating. But the critics were not unfriendly; far from it. They showed a serious desire for information on special aspects of the question and they were satisfied in most cases to the point at least of nearly entire agreement. One speaker (Rev. G. White, of Gipping, Suffolk) declared complete conversion. Others who took part in the instructive exchanges were Messrs. Bean and Lockwood, of Westminster, Councillor Bishop Stephens, of Truro, Noel Willshire, from the Society of Clerks of Valuation Panels, J. C. Bassett, of the National Playing Fields Association, Kenneth Crook, the Borough Treasurer of Warrington, and Councillor Gill, of Bebington Borough Council. The President, Mr. J. Thomas Jones, paid tribute to

Lord Douglas for the content and manner of his presentation and said that the importance of the subject had been one of the major points of the Conference.

The paper revealed the faults and findings of the existing rating system. The basic principles of Site Value Rating were thus stated: 1. Site Value is a measure of the economic advantages possessed by each piece of land; 2. These advantages comprise both natural advantages arising from the quality and situation of the land, such, for example, as dry soil and southern aspect for the site of a house and also artificial or communal advantages such as proximity to roads and railways, to markets, to schools and hospitals, and the other benefits which may arise from living in a community; 3. Site value is, therefore, pre-eminently an individually unearned and a community created revenue; 4. A rate on site values is not shifted and diffused over the whole community, but is borne by the owner or receiver of the site value; 5. Conversely, a rate on site value does not add to the price of commodities or the rent of houses and does not discourage the use and improvement of land; 6. Indeed, in so far as it falls on unused or poorly improved land, it will stimulate the owners either to use it himself to the best advantage or to seek a tenant or purchaser who will do so. There followed explanation of how the burden of local taxation would be re-distributed and how the incidence would be shared between lessor and lessee. The procedure for assessing land values was illustrated by the practice in other countries, so that to all land, and, as a matter of course, including agricultural land, the rating of site values would apply. On the combined basis of theory and experience, the author claimed, there was an unassailable case for empowering local authorities in this country to do what most local authorities in the British Dominions and Denmark are able to do.

One passage in the paper, however, calls for comment although circumstances have wholly changed since it was written. It sought to make light of the financial provisions of the Town and Country Planning Act and suggested there was nothing therein substantially affecting the case for the rating of site values. We do not agree. The Site Value Rating Enquiry Committee, forbidden to interfere with that Act, wrestled with the task of grafting a site value rate on the development charge. The Majority failed and the best the Minority could offer was a make-shift scheme, strange substitute for what should be. The alternative to compromising with the Act or to merely declaring it were better that its obstructive provisions did not exist was to condemn the thing out of hand. But it is not necessary to labour the matter. The development charge is abolished and the coast is now clear. Lord Douglas will be as glad as anyone. And now, with that passage necessarily cut out, the paper is deserving of widespread circulation, especially within municipal circles and among ratepayers.

AUSTRALIAN FEDERAL LAND TAX

The Australian Federal Treasurer, Sir Arthur Fadden, submitting his Budget on August 6, has taken the drastic and most reactionary step of completely repealing the Federal Land Tax. Thereby he sacrifices an annual revenue which in the latest year

HE BOUGHT JOHANNESBURG FOR £350—AND NOW?

We are indebted to a Yorkshire reader for a copy of the *Black and White Budget* of date June 2, 1900, an illustrated weekly periodical then published in London. The striking article is that concerning

THE MAN WHO BOUGHT

JOHANNESBURG SITE FOR £350.

It was Mr. James Pratt and the story was told by himself from the seclusion of the infirmary attached to Guildford, Surrey, Workhouse. To that condition he had been reduced in his advanced age of 69 years. Born in 1831, Mr. Pratt at the age of sixteen was sent as a cadet in the East India Company's navy. Later he fought in the Crimean War and returning to the East India Company's service he was through the thick of the Indian Mutiny. After that he went to South Africa and proceeded to the Transvaal where, as he said, he met a geologist who had been engaged by the Boers to prospect the country for them. That geologist gave some good advice saying, "You might do worse than buy land near the source of the Crocodile," which is now known as the Limpopo. Mr. Pratt acted on the advice, made enquiry and was able to buy sixteen or seventeen thousand acres for the sum of £350. The time was in the late seventies, as far as we can judge from the general statement made; and the land was described as "like a triangle; on the two sides was the Limpopo and on the third was the Witwatersrand"—that is to say it was within the site on which the City of Johannesburg now stands. The surprising thing is that a man who made such a purchase and of such a site should have ended his days as a pauper. But Mr. Pratt was a restless man and the country was in a state of great disturbance. He took part in the Zulu War and as soon as that was over, he joined the forces against the Boers, heading a band of about 500 volunteers which marched into Pretoria. In 1880, on Dingaan's Day, December 16, the Transvaal flag was raised at Witwatersrand—"Then you know what followed; sacrifices were made to the Boers; when the Republic was declared I was the Member; my land was confiscated; I was declared an outlaw and I was possessed only of what I stood upright in." Unfortunately the story, which as told is pertinent only to Mr. Pratt and his fate, ends there. It is not stated what the Boer government did with the land, or how it allowed immense fortunes to pass into private hands instead of insuring that the rent of that site was collected for all time as public revenue for the good of the community.

Johannesburg is now a city of 60,000 acres. Its population is now 864,900 including 349,900 Europeans, 470,700 natives and 44,300 others. The site of the City—that is the land on which it stands and apart from the buildings and improvements—is assessed at a capital value of £188,640,940, according to the latest valuation. From these figures one can make a fair computation that Mr. Pratt's 16,000 or 17,000 acres which were within the present area of Johannesburg have now a value—site value—of no less than £50,000,000. That fortune he and his successors would have enjoyed without any work or sacrifice on their part. That it has been engrossed by others makes no difference to the moral involved—the £350

that grew to £50,000,000 by virtue of the growth and activity of the community, while landowners "slept, but thrived" under the most unjust institution of the private appropriation of the rent of land. There is at least this partial satisfaction, that under Transvaal law, the wrong has been recognised to the extent that municipalities are empowered to levy their local rates on the value of land (whether used or not) with partial or total exemption of improvements. By that means, and fully exempting improvements, Johannesburg is deriving an annual revenue of approximately £3,200,000. Nevertheless, seeing that the selling value of the land, namely the amount that is left in the hands of private ownership, is still £188,640,940, which is the value after the local taxation has been paid, and seeing that the rent of land can be computed at 4 per cent, at least, of the selling values, this is the picture that presents itself: Out of the total annual land rent of Johannesburg ground, the community is collecting £3,200,000, whereas the private landowners are appropriating (the use of that word is justified) no less than £6,683,000. Incidentally, this is striking evidence of the "sufficiency" of land values to meet the public requirements in the way of revenue, abundantly answering the contentions to the contrary of a number of influentially placed opponents in South Africa, of land value rating, who are trying to undermine or halt the progress of that reform.

TWO VIEWS OF TANGIER

Mr. William Bird, a member of the Legislative Assembly of Tangier and a Vice-President of the International Union, and who has played a prominent part in urging Tangier's need to untax buildings and to levy rates on the unimproved value of land, writes that the Zone is facing serious financial difficulties. The Committee of Control, composed of the Consuls General of the eight statutory powers (Great Britain, the United States, France, Spain, Belgium, Italy, Holland and Portugal) is at present engaged in revising the administrative machinery, creating new posts to be filled by French, Spanish and Italian place-holders. Already it has been decided to increase the number of magistrates from six to thirteen. These changes will throw an extra heavy burden on the budget, and will necessitate new taxes.

At the same time, writes Mr. Bird, Tangier is suffering from the effects of a business slump. The building boom which began immediately after the war and which reached its climax last year has provided hundreds of flats, offices and shops which are standing empty because tenants willing to pay the exorbitant rents asked for them cannot be found. Thus the 8 per cent. "Urban" tax on building rentals, the only tax which is levied upon real estate, will yield considerably less than the amount which had been estimated. Meanwhile, in the centre of the city vacant land is plentiful. Much of its value is directly attributable to municipal expenditure on paving, drainage, sewers, etc., but it is not taxed at all.

A rather different picture is sketched by James Loy in his article, "Tangier: Free Port in Action," published in the October issue of *The Free Trader* from which we quote the following passages:—

THE GEORGEISTS (LONDON BRANCH)

The recent disturbances in Kenya have provided the opportunity of bringing the land question to the fore. Every Tuesday, at Finsbury Square, Mr. V. G. Saldji holds lunch-time meetings and deals specially with this subject. Leaflets entitled "Kenya—Your Problem" have been specially produced and have been circulated at various public meetings held in the London area.

Mr. Charles Aitken received excellent publicity in the local press when he spoke at the monthly meeting of the Supper Club organised by the Ilford Association at the "Golden Pheasant," Ilford, on Friday, November 14. Mr. Aitken spoke on the Town and Country Planning Act and on the situation in Kenya, and contrasted governments' methods of dealing with the land question with that proposed by Henry George.

Mr. P. R. Stubbings addressed a public meeting arranged by the Georgeists (Ilford) on Saturday, November 15. His subject was the "Welfare State." Many of the audience were students of the School's classes at Ilford, and showed much understanding of basic principles.

Almost 1,000 notices advertising the One-Day School, to be held in the Caxton Hall, on December 6, have been circulated through the post with the assistance of the United Committee. A big meeting is anticipated. The London Liberal Party and Home Counties Liberal Federation included notices of this One-Day School with their general circulation of material.

The Editor, LAND & LIBERTY,
Sir,

I have read *Tributo al Nobla Geniulo*, which I enjoyed very much. It is written in very good style, and the speeches at his funeral are excellently translated. The introduction gives one an outline of the ideas and opinions of George, and the chapter dealing with his ideas in practice shows the success of his reforms where applied in various countries throughout the world. *Tributo al Nobla Geniulo* would be a valuable addition to the library of any Esperantist, and I look forward to the publication in Esperanto of any other works which tell of this remarkable man and his philosophy.

Salisbury. JOHN CATLEY.

The Editor, LAND & LIBERTY,
Sir,

The leasehold property, King Edwards Buildings, Brewery Road, Islington, London, N., is reverting to the freeholder, The City of London Corporation, very shortly. I estimate that there are between 70/100 flats all empty under a Council closing order.

The Corporation has been approached to ask if they will consider either selling or leasing the property on a full repairing lease, on a condition that the lessee restores the whole block to a habitable condition. They stated that this would not be practical, and on being assured that from a building point of view it would be practical, they admitted they are unwilling to allow these premises to be used for residential purposes as they want to demolish them and at some future date use the site for a factory, which would be of greater value.

This incident is not past history, as an attempt to negotiate with the Corporation was made within the last two weeks. I consider that it is disgraceful with the present housing shortage, that such a situation is possible. It is a flagrant example of land speculation.

LONDON, N.W.1. R. JACOBS.

In a letter to *The Yorkshire Observer*, published September 22, Mr. Ashley Mitchell made this comment on the report that Britain had offered Egypt technical aid in implementing land reform: "The idea that our foreign office should have the audacity to offer technical aid on land reform, coming

from a country which within recent years has enacted the Socialist infamous Town and Country Planning Act, and where a few years before the war the land value duties enacted in the Snowden Budget of 1931 had been repealed by the Tories and which the recent Socialist Government had not the brains to re-enact—if it were not so tragic it would be farcical."

On November 17, Mr. H. R. Lee addressed the local Toc H, in Portsmouth, on the subject of "Over-Population," treating it as it is treated in *Progress and Poverty*. This is a repeat invitation from Toc H encouraged by the talk given last winter on the Henry George philosophy.

"The 1,300 employees of John Lewis, the Oxford Street, London, W., store, have been told they must pay to look at the Coronation procession next year from the store's windows. "Said the company in its *Gazette* yesterday: 'We cannot miss such a chance of making money out of a very costly frontage.'—*Sunday Graphic*, August 10.

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Friends in the U.S.A. and Canada can contribute through the Robert Schalkenbach Foundation, 48-50, East 69th Street, New York, in which case they should name LAND & LIBERTY and make cheques, etc., payable to the Foundation.

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Scottish League for Land-Value Taxation, R. J. Rennie (Hon. Secretary and Treasurer), 220, Mill Street, Rutherglen, Glasgow. *Edinburgh League*, W. N. Alexander (Hon. Secretary), 23, Baberton Crescent, Edinburgh. *Welsh League*, Eustace A. Davis (Hon. Secretary), 206, Newport Road, Cardiff. *Crosby Henry George Fellowship*, C. C. Paton (Hon. Secretary), 11, Tudor Road, Liverpool, 23.

Office of the President of the International Union:
Mr. J. Rupert Mason, 1920 Lake Street, San Francisco, 21.

LAND & LIBERTY

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MAU MAU—THE HARVEST OF LAND MONOPOLY

The British public have been disturbed by the murders in Kenya. Many have been just as disturbed by the readiness, not to say eagerness, with which the Kenya Government turns to such measures as "shows of force," wholesale "round-ups" and arrests on suspicion. Possibly the emergency necessitates these arrests, but the molestation of African leaders who speak to unofficial British investigators and the expulsion, without reason given, of an Englishman with African sympathies indicates a dangerous tendency to use the occasion to hinder too close an enquiry into official action. Members of Parliament have been too tolerant of such things. It is to be hoped that the British public, who are ultimately responsible, will insist on the closest scrutiny of how the emergency powers have been used and at the same time demand fuller information than has hitherto been generally available upon the events that led to the present situation.

Although it is not pretended that the trouble started only from the activities of a few terrorist leaders, public attention might easily be diverted into other unprofitable directions. On October 16 the Colonial Secretary mentioned as a contributory cause the alleged suppression by missionaries of some tribal dances, thus depriving Africans of the opportunity, he said, of "letting off steam." As this remark was as false as it was flippant—missionaries, of course, having no such power—it should stimulate M.P.'s to ensure that the Royal Commission Mr. Lyttleton promised to set up will pursue its investigations untrammelled by tenderness towards any special interest that may be implicated. Mr. Lyttleton's very fleeting reference on the same occasion to the land question was not calculated to remind the House of important matters they should know before the Commission is appointed; that the history of Kenya has been an almost unbroken succession of African protests against alienation of their land, alternating with Royal Commissions all concerned in some degree with the land question. Only this year the Kenya African Union sent delegates to England with a petition, signed by many Europeans as well as Africans, against further alienation of Kenya land in favour of Europeans, alleging that 16,700 square miles of land had already been taken during the

present century. This petition secured neither redress from the Government nor adequate publicity in the British press. Its sponsors can reflect that the trouble and money expended in this peaceful and constitutional way would have been more effectively spent in murdering a few isolated settlers. That fills the headlines and secures the appointment of a Royal Commission. If its findings are as barren as those of previous Commissions the Africans might conclude that henceforth murder is the only argument the British Government will consider.

A leading article in *The Observer*, October 26, reflects the desire among some sections of British opinion to give more serious consideration to the Kenya land question than it has received hitherto. "Land hunger is to the African what unemployment is to the European," states this article. "Six years ago an official report on conditions in the Kiambu district of the Kikuyu Reserve said that 40 per cent of its population was landless and gave warning that some 90,000 persons 'might become without means of support within a short time' and the 1951 annual report of the Kenya African Affairs Department said, 'It is necessary to protect the loyal majority of the Kikuyu tribe from being exploited through their genuinely felt grievances over land.' These warnings, from unimpeachable official sources," continues the article, "were not acted upon. Nothing has been done to remedy the most bitterly felt land grievance—the reservation of the White Highlands for white occupation... Landlessness has the further effect of driving Africans into the towns. But there they cannot find proper houses or work... and many receive wages on which they cannot live."

The article rightly points out that force is no remedy and such measures as suppressing the Kikuyu Central Association in 1940 will merely drive grievances underground to emerge in violence. Unfortunately, however, although the writer says that settling African peasants in the unoccupied parts of the White Highlands "would be an invaluable first gesture" he makes no attempt towards a general analysis of the land problems. He assumes, without giving any evidence, that "In Kenya there is not enough land to go round" and thinks the East African High Commission might discover how to solve the land question

by "far-reaching measures" such as moving Kenya natives to "less crowded" territories, especially Tanganyika. If mere density of population was the cause of social distress this enforced migration policy would only transfer the trouble from Kenya to Tanganyika. But the diagnosis is obviously at fault. The average standard of life in great cities is at least as high as where population is sparse, and urban as well as rural communities live on land and produce wealth only from materials derived ultimately from land. The emigration solution, however, would have one "practical" advantage; it would avoid directly challenging the Kenya landowners whose influence has dominated that colony since it was constituted. This applies also to the development schemes announced by the Governor on October 28, requiring a loan of £6,750,000 for make-work projects, most of which, if economically successful, will enhance the value of privately owned land; if unsuccessful they will, of course, add to the burden of taxes required to pay money lenders. Neither of these proposed remedies touch the root of the land problem; to find the true remedy we must dig deeper.

When Europeans first came to East Africa they found a sparsely populated country with villagers cultivating watered spots in the forest and able to move on when the fertility diminished without encroaching on others' territory. It was easy for Europeans to bribe a chief and his elders to grant them concessions of vacant land, although, as absolute ownership of land is entirely alien to African tradition and custom, it will always be matter of conjecture whether the chiefs really conferred the grant in the way Europeans interpreted it. This interpretation, however, was confirmed by the Protectorate government set up in 1894. When the Uganda Railway was built, with the object of developing land along the line, vast estates, some up to 350,000 acres, were granted to European owners. Such opportunities for land speculation attracted large scale speculators, those likely to be able to exert political pressure. When the Government started to "safeguard" African interests by demarcating Native Reserves, the landed interests got to work. In 1912, on the suggestion of the Landholders Association the Protectorate government appointed a Commission to investigate the "labour shortage." A typical witness was Lord Delamere, owner of 150,000 acres and afterwards Chairman of the Kenya Land Board. "If the policy was to be continued," he said, "that every native was to be a landholder of a sufficient area on which to establish himself, then the question of obtaining a satisfactory labour supply would never be settled. The soundest policy would be to curtail the Reserves, and although it might take a few years before the effect on the labour supply was apparent, the results would be permanent." This evidence of landlord attitude can be usefully supplemented by the *East African Standard's* comment, made years afterwards, on raising poll taxes: "We consider that taxation is the only possible method of compelling the native to leave his Reserve for the purpose of seeking work. Only in this way can the cost of living be increased for the native, and it is on this that a supply of labour and the cost of labour depends."*

* Quoted in Dr. Norman Leys's book *A Last Chance in Kenya*.

Here, in brutal simplicity, is the essence of the land and labour question in all countries. This is the policy which the Kenya Government, pressed by the landed interests in Britain and Kenya, has consistently applied. Progressive reduction of African-held land, together with progressive increase of taxation has been supplemented by humiliating Pass Regulations and, on occasion, wholesale eviction. Furthermore, peasant cultivation of export crops has been deliberately discouraged. It is time for the British people to refuse to tolerate any longer a Crown Colony government serving the selfish designs of the Kenya land barons who constitute, after all, only a small proportion of the European population.

But indignation is not enough. Neither is it sufficient to assert that "all the land should belong to the natives," or "every African should be given what land he needs." Such question-begging phrases are no more effective than the British Government's fulsome declaration in 1923 of the principle of "Trusteeship" towards subject peoples.

Every person in Kenya, of whatever race, has an equal right to use land; none to monopolise it. All the inhabitants collectively have an equal right to the value of land because this value is produced by the inhabitants collectively. By obliging every landholder to pay in taxation annually the value of his site, whether or not he puts it to fullest use, both these objects can be attained. Every owner of vacant or under-used land would be induced to find tenants as quickly as possible—in other words to accommodate the landless. Taxation so raised could be used to abolish poll taxes. Land hunger would be satisfied although Africans as well as Europeans and Asiatics would pay land value tax (or rent, in the economic sense) according to the communally-produced advantages of their holdings. Each adult African now pays about 24s. annually in hut and poll taxes; the annual rent on a family holding of 3 or 4 acres would not equal this sum although a skilled African cultivator of fertile and well situated land would find it to his advantage to pay more than 24s. European holders of idle or under-used land would be at a disadvantage until the land was in average production, but on land adequately used the tax would be an equitable exchange for the advantages offered by the site. The transition would be towards smaller estates and peasant proprietors, but any superior skill or equipment the European possessed would have full opportunity. A community of prosperous and advancing African peasants would offer to European enterprise more opportunities, and infinitely happier opportunities, than the present artificial conditions depending upon holding down sullen helots liable to retaliate by murder.

F. D. P.

KENYA CROWN LANDS

The principles set forth in the foregoing article were embodied in a general way in the Crown Lands Ordinance of 1915 applying to Kenya. The Crown Lands were to be held in trust for the people and the Ordinance authorised the Government to let considerable amounts of them on leases for 999 years at rents which are public revenue, based on percentage increasing to a maximum of 3 per cent of the capital unimproved value, subject to revision every thirty years, with the proviso that in the ascertainment of

HENRY GEORGE SCHOOL OF SOCIAL SCIENCE

Since our last report a new class has been opened at the Southall Community Centre with Mr. L. A. Stevenson as tutor (Thursdays, 7.30 p.m.) and another at the Classic Restaurant, Baker Street, Marylebone, tutor Mr. Ron. R. Blundell (Wednesdays, 8 p.m.). This latter class consists mainly of members of the local Young Liberal Association.

The winter term will open on January 20, 1953, and classes will be held on Tuesdays, Wednesdays and Thursdays. Courses are: Basic Course, International Trade and The Science of Political Economy. Total enrolment for the autumn session (Westminster and London suburbs) was 150 and attendance has been well maintained.

MODERN APPROACH TO ECONOMICS

On Wednesday, October 15, at Church House, Westminster, Mr. Walter Neale, M.A., addressed students and guests on "The Modern Approach to Economics." Mr. L. J. Hubbard was in the Chair.

Mr. Neale, who was from the London School of Economics, said that modern economists with the exception of Keynes had added nothing to political theory during the last fifty years. Keynes had developed special techniques in the study of savings and investment. The test of any economist was his ability to use these techniques of "Marginal analysis." Mr. Neale went on to explain more fully the Keynesian Theory of unemployment and its relation to savings and investment. During the discussion many questions were put which indicated that Mr. Neale's audience was far from accepting the ideas of Keynes. The speaker stated that he did not fully endorse Keynes's theories himself and that Keynes did not say that his ideas would work—they were offered as a suggestion!

It was evident from all Mr. Neale had to say that modern economists presumed the economy of a country had to be planned; they had to decide upon the best way to "divide the pattern of expenditure so as to increase general welfare."

Among other statements, Mr. Neale said that the modern economist had nothing to say about the theories of Henry George. He thought taxation of land values would not yield enough to cover present day expenditure and was therefore

ONE-DAY SCHOOL

"The Challenge of the Planned Economy"

CAXTON HALL, WESTMINSTER, DECEMBER 6

A CONFERENCE ON THE ECONOMICS
AND ETHICS OF THE JUST SOCIETY

First Session, 10.15 a.m.: *The Challenge—Planning To-day.*

Second Session, 2.0 p.m.: *The Challenge Accepted—Fallacies and First Principles.*

Third Session, 5.30 p.m.: *The Challenge Answered—Practical Policy.*

The Subjects and Speakers are as follows: "Planning at Home", LEONARD STEVENSON; "International Planning", CHARLES AITKEN; "Penalties of Planning", HARRY POLLARD; "Population and Subsistence", L. J. HUBBARD; "Principles of Ownership", P. R. STUBBINGS; "Principles of Government", DAVID K. MILLS; "The Single Tax", V. G. SALDJI; "Free Trade", ASHLEY MITCHELL; "The End of Privilege", V. H. BLUNDELL.

Conference President: A. W. MADSEN, B.Sc.

Chairmen of Sessions: W. E. FOX, CHARLES H. BATTY and W. E. BLAND.

TICKETS 2s. 6d. FROM THE ORGANISERS:
THE GEORGEISTS, 4 GREAT SMITH STREET, S.W.1.

unimportant. If one-pound notes were dropped from aeroplanes during a depression it would be better than nothing, and if unemployed men picked them up no inflation would result, but if employed men picked them up inflation would result! The meeting supplied excellent education for students of the Henry George School—though perhaps not of the kind intended by the speaker.

THE SPEAKERS PANEL

From time to time the School receives requests from local Liberal Associations for speakers to address their members and economic study classes have often started as a result. The newly formed Young Liberal Association of Hornsey was addressed by Mr. L. A. Stevenson, on October 16, and by Mr. W. E. Bland, on October 30. Arrangements are in hand for a class to start there in January.

On September 26, Mr. V. H. Blundell addressed the Harrow Young Liberals on "The Economics and Ethics of the Land Question," using the film "Millions of Jobs." Enquiries were made regarding the starting of a class and it is hoped to organise one in the New Year.

On Tuesday, November 25, Mr. W. Brebner will address the Holborn and St. Pancras (South) Young Liberal Association on "Land Value Taxation."

FORTHCOMING SCHOOL EVENTS

The School's annual Christmas Party will be held at the Community Centre, 9 Monck Street, S.W.1, on Saturday, December 13, from 5.30 p.m. All friends of the School are welcome. Tickets 3s. 6d. from 4 Great Smith Street, S.W.1.

Week-End School. Accommodation for 90 persons has been booked at the Beatrice Webb House, Dorking, Surrey, for the week-end March 28 and 29 for a Week-End School on *Henry George versus the Modern Economists*. Among the subjects for discussion will be: The Keynesian Theory of Unemployment, Colonial Problems (Kenya and Schemes to aid Underdeveloped Countries), the Town and Country Planning Acts, Local Rating and the Local Government Act. It is estimated that the charge will be 27s. 6d. per head, full board from Saturday lunch time.

Many will remember the success of the previous Conference held at the Beatrice Webb House and the excellent facilities available. Bookings are invited now. Write to the Conference Secretary (Dorking), 4 Great Smith Street, S.W.1.

Another Week-End School being planned will be held at Burton Manor, Wirral, Cheshire, in early October, 1953. The location of this Conference will enable more people from the North to attend.

FROM THE SCHOOL'S POSTBOX

The Director of Studies has received the following letter:

Dear Sir,

I am pleased to inform you that it has been decided to run a Basic Class in Beckenham. This class, which is commencing this month, is following upon the very successful class recently completed in Bromley.

Several of our members who attended the Bromley classes are so enthusiastic that it has been difficult to decide whether or not to proceed to your more advanced course. However, as a number of our members were fired by the enthusiasm of the previous students, we have decided that it is necessary to run a Basic Class at this stage.

The previous course has had a most stimulating effect upon the students who took part; they now show an awareness of political events and trends that reflects great credit on your course and tutors.

Yours sincerely,

K. J. NASH,

Chairman, Beckenham Young Liberals,
Hon. Sec. Beckenham Constituency Liberal Organisation.

Economic nationalism abroad of the kind that is advocated for Britain is closing many of her traditional markets. *The Observer's* answer to the challenge is typical. Bring in the State planners. Modernise and develop the engineering industry, plan to have too many engineers rather than too few. Exploit to the utmost the technical skill, the inventive genius and the experience this country enjoys as an old established manufacturing nation. Make capital more easily available to the industry; favour it in taxation. Concentrate on supplying the overseas producer with heavy capital equipment; foster aeronautical engineering, the building of farm tractors and the chemical industry. Plan, plan, plan, control, manage, patronise and protect.

Society must assume one of two forms. Either it is free or it is unfree. The free society secures the equal rights of all its members to share in the bounties of nature. Every citizen enjoys untrammelled opportunity to develop to the full his inherent abilities,

personal responsibility and enterprise are given full rein, and through the machinery of the free market men unknown to one another, at home and abroad, co-operate harmoniously to their mutual advantage and the good of all, achieving the greatest production of wealth with the least effort. In the unfree society the desires and labours of its members are directed and repressed; some men are made poor and dependent that others may be endowed with privilege and power. Whatever may be the alleged reasons for such despotic economic planning, and no matter what form or degree it may assume, its inevitable consequence is to arrest progress, diminish production, engender discontent and sap the moral fibre of the nation. The final destiny of the collectivist society is to disintegrate and dissolve as has everywhere been the fate of slave societies. *The Observer's* recommendations, if adopted, would hasten that calamity; only a return to freedom can avert it.

P. R. S.

LOCAL TAXATION IN WESTERN CANADA

The principle of Land Value Taxation (though with only partial relief to buildings while the land is taxed on full value) is in operation within various local government areas in the provinces of Manitoba, Saskatchewan, Alberta and British Columbia. Landed property ("real estate") is assessed for local taxation at its selling value, and the valuation is so made as to ascertain and show in separate columns (a) the value of land and (b) the value of any buildings and improvements thereon. The tax burden is caused to rest relatively more on land values and relatively less on buildings by exempting a percentage of the assessed value of the latter. That is the Canadian practice, whereas in other countries the method adopted for the same purpose is to have two different rates of tax (on the full assessment) reducing the rate on the buildings and increasing the rate on land values. By either plan, of course, buildings can be wholly relieved to make land values the sole source of revenue. The present position in Canada is as follows:

Manitoba. There are 186 municipalities, two of them (the cities of Winnipeg and St. Bonifax) operating under special charters and the rest operating under the General Municipal Act. In all these municipalities, the land is taxable on full value while one-third of building value is exempted.

Saskatchewan. In Villages (399) and Rural Municipalities (303) the general rule is to exempt 40 per cent of building value. The same is true of the Towns (85) and Cities (8), although they have power to relieve buildings still further. One exception is Regina, the capital, which exempts 70 per cent of building value, taxing buildings at only 30 per cent, which Regina has done since 1914.

Alberta. Here there has been retrogression. Until the passing of the new law in January, 1951, Towns (65) and Villages (134) had the option to reduce as they pleased (or altogether abolish—as some did) the taxation of buildings; and Municipal (57) and Improvement Districts (54) could exempt one-third of building value. The new law has compelled all those bodies to tax land and buildings uniformly on 100 per cent of value. As for the Cities (8) they were deprived of their former optional powers by the City Act of

January, 1952, when the rule was set for taxing land on 100 per cent and buildings on 60 per cent of assessed value, with no variation anywhere.

British Columbia. According to the 1950 (the latest available) returns the position with regard to the Cities (35) the Districts (27) and the Villages (29) was:

Of the Cities, Vancouver and 18 others exempted buildings 50 per cent; New Westminster and Prince George 85 per cent and Nanaimo 75 per cent. The remaining 14 exempted less than 50 per cent of building value.

Of the Districts, 17 exempted buildings 50 per cent or more while 10 exempted them less than 50 per cent. One (Spalumcheen) exempted buildings entirely and one (West Vancouver) exempted two-thirds of building value.

Of the Villages, 29 exempted buildings 50 per cent or more, one (Kinnaid) gave complete exemption and 9 exempted buildings less than 50 per cent.

The position is not so happy as it appears on first sight. One has to compare it with that of former years when very many of the local authorities—Vancouver and New Westminster were notable examples—had used their optional powers to sweep away all taxation of buildings. Latterly there has been a move in the opposite direction. The Councils have been swayed by the reactionary forces whose most plausible contention has been the alleged insufficiency of land values to bear the whole cost of municipal government—a contention at once destroyed by a bare look at the vast amount still left in private hands as expressed in the 1950 assessed taxable selling value of land apart from improvements thus, Vancouver: \$135,218,240. Victoria: \$22,141,180. New Westminster: \$9,910,882, and so on; the 35 cities taken together, \$199,768,320; and all the Municipalities in British Columbia, \$274,570,250.

In recent years the whole matter of local taxation in these Western Provinces has been under review by specially appointed Commissions; for Saskatchewan, a three-man body; for Alberta, the Deputy Minister of Municipal Affairs as sole Commissioner; for British Columbia, Mr. H. Carl Goldenberg, as sole Commis-

sioner. One of the recommendations in Saskatchewan was that in all urban units land and buildings be assessed uniformly at 100 per cent and that separation of land and improvement values be discontinued. Fortunately, the Saskatchewan Assessors, an important body, at their Conference in June, 1951, resisted these recommendations as did the Urban Municipal Association in 1952, declaring that "the present method of assessment is the most satisfactory method for the public appraisal of urban properties and should be continued; that assessing improvements in urban municipalities at not more than 60 per cent of their value is justified and should be continued." The recommendations have thus far been rendered innocuous. When it was proposed to Regina that it should raise the taxable value of buildings from 30 per cent to 60 per cent of the assessment, the City Council refused, a study having shown that

vacant land and high-priced land carrying cheap buildings would get a considerable reduction, whereas practically all house owners would pay an increased taxation. In Alberta, the Commissioner unfortunately had his way—as an opponent of Land Value Taxation—in the Act of January, 1951, which took from the towns, villages and districts their optional powers and compelled the taxation of buildings at their full value. But in British Columbia the Commissioner, Mr. Carl Goldenberg, was rebuffed. He had recommended that all local option powers should be rescinded and that all municipalities should tax buildings at 75 per cent of value. The legislature acted otherwise. It debarred the municipalities from taxing buildings at more than 75 per cent of value and left it open to the municipalities to exempt as much building value as they chose.

INTERNATIONAL NOTES AND NEWS

New Action in Argentina

From Mr. E. Lemos Ortega, in Seville, we have learned with great pleasure that a group of forty-seven Georgeists in the Argentine have established the "Institute For Economic Education" with a centre at Calle Bartolome Mitre, 950, Buenos Aires.

The Institute in its prospectus asserts the principle that all men have equal rights to the gifts of nature with advantages and privileges to none, that the liberty to produce freely is the fundamental basis of social order without which all other liberty must perish. It will be the function of the Institute to provide for those whose mother tongue is Spanish the same opportunities to study the principles of an economic science based on natural law as are enjoyed in North America, England, Denmark and elsewhere, and to which tribute is paid. Books and pamphlets are to be published including translations which the Institute will itself undertake. Already three books have been written, namely *The World of the Future—American Capitalism or Russian Communism?* by Dr. Carlos P. Carranza; *Why Liberty Dies*, by Antonio Manuel Molinari; and *The Land Problem in Spain and the World*, by Jose Balbontin and Dr. Carranza. Mr. Balbontin, a lawyer of great intellectual calibre, was formerly a Communist Deputy in the days of the Spanish Popular Front. Dr. Carranza is also a Spanish emigré lawyer, a one-time officer of the Single Tax movement in Spain, colleague of Baldomero Argente and of Lemos Ortega himself.

Plans are laid for conducting study classes, the first course, already held, being under the tutorship of Dr. Carranza. Students were reported to be much interested in the lectures as was shown by the part they took in the ensuing discussions. A second course on "The Development of Economic Ideas" was due to start early in September, the tutor being Dr. Antonio Manuel Molinari, translator of *Progress and Poverty* and the Peronist leader in the Chamber of Deputies. For those unable to attend the Institute a correspondence course is under the care of Mr. Hugo Fua-Lamessine, lately a tutor at the Henry George School of Social Science in New York.

Subjects chosen for the monthly dinners being held at the Institute's centre for the months August to December are "The Foundation of the New Political

Economy" (Dr. Carranza), "Land in the New Political Economy" (Engineer Mauricio Birabent), "Capital and Monopoly in the New Political Economy" (Eduardo S. Azzereto), "The Place of Labour in the New Political Economy" (Enrique de Bie) and "Money and its Character in the New Political Economy" (Dr. Juan J. Tuercke). A special end-of-the-year dinner, to be held December 20, will be addressed by an architect, Mr. Jorje Salnay, under the title "Planning and the Free Economy." At each dinner a short talk on the theme "Natural Law in Economics" will be given, with discussion to follow. The texts of the addresses will be published for sale by the Institute.

The news of this fine enterprise will rejoice all our readers and it will especially enhearten our colleagues in Spain whose sustained vigilance in their home land, despite many present handicaps, has done so much to inspire it.

Arnold Poulsen

The Danish Henry George movement has suffered a severe blow by the sudden death of one of its foremost personalities, Arnold Poulsen, who on November 6 succumbed to a severe heart attack. For some time past there had been warnings of the sort, but he did not allow them to interfere with his arduous duties which were many in both his professional and his public life. He was in his 64th year. This loss will be felt in circles also far beyond Denmark's boundaries. Very much of the success of the recent International Conference was due to work he put into it as Chairman of the Danish organising committee; and all who were present at the Conference will remember as one of its happiest features the part he took as President for the Danish section, particularly his brilliant chairmanship at the great public meeting which was broadcast over the State Radio. In business he was engaged in the film industry and as an inventor he made his mark as a pioneer of the sound track. His interest in the social question was unbounded—a most wise counsellor whose intellectual and moral co-operation as well as his financial assistance was never sought in vain. In this field he made an outstanding contribution, preoccupied as he was with his business affairs. The journal *Vejen*

Frem pays tribute to him as one of the noblest spirits in Denmark. He was a leader and one of the founders of Retsforbundet, the Justice Party, and was this year's President of the Danish Henry George Union. With all his friends in the Henry George movement we join in the mourning, and to his widow and their family we convey our sincere sympathy in their bereavement.

New Zealand

We have received from Dr. R. O'Regan, President, the annual report of the New Zealand League for the Taxation of Land Values for the period ending June, 1952. During the year under review four polls to place local rates on the unimproved value of land were held. Of these three were successful, namely those for the Boroughs of Eltham, Te Aroha and Shannon. The poll in Mackenzie County was defeated. Local authorities in New Zealand have the choice of three methods by which to raise revenue. It will be seen from the table below that the incentive "Unimproved Value" method of levying rates on the capital value of land apart from improvements predominates. The other two systems, both of which arrest and penalise development, are "Capital Value"—rates levied on the capital value of land and buildings taken together and "Annual Value"—rates levied on the annual value of land and improvements taken together. The "annual value" assessment has been progressively abandoned and is now in force in only a small minority of places.

	Rates assessed upon		
	Unimproved Value	Capital Value	Annual Value
Boroughs ...	103	14	20
Towns ...	13	10	3
Counties ...	61	63	—
	177	87	23

Since 1944 when the League was revived, 23 local body areas have adopted Unimproved Value Rating; attempts to rescind R.U.V. have been successful in two of the three places where polls have been held, namely at Ellerslie Borough (1946) and Hutt City (1945), and seven polls to adopt R.U.V. have been defeated.

Prospects in Chile

Dr. Martin Pfannschmidt, of Germany, attending member of the International Conference in Odense, has written of his having made the acquaintance, at a recent meeting of architects in Göttingen, of Mr. Munos Maluschka, leader of the Department for urban building and land planning in the Public Works Ministry of the Government of Chile. Mr. Maluschka expressed his interest in the question of Land Value Taxation and he informed Dr. Pfannschmidt that already in Chile a "zonal" tax on increased land values had been introduced and with success, but Mr. Maluschka was at the same time convinced of the necessity of a straightforward and uniform tax on land values with corresponding remission of taxes on buildings and improvements. Dr. Pfannschmidt advised Mr. Maluschka, during his visit to Europe, to visit Denmark and from the authorities there to obtain first-hand particulars about the principles and practice of land valuation; and also to gain at the offices of the United Committee in London relevant facts relating to the operation of the land value policy in other parts of the world.

ODENSE CONFERENCE ECHOES

The Eighth International Conference to Promote Land Value Taxation and Free Trade is over. But its work continues and its influence grows. Members have returned to their homes throughout the world and are now engaged in the all-important task of making public the conclusions reached and the resolutions passed at Odense. Through the correspondence columns of newspapers, at meetings, and in other ways, they are broadcasting the message that, given conditions of equal freedom, men and nations will prosper and live together in peace and harmony; that the community-created value of land belongs of right to the whole people who create it by their presence and activities, and is peculiarly the proper source of public revenue; and that the removal of tariff barriers, quotas, licences, managed currencies and other obstacles to trade will do more to achieve peace and prosperity than any amount of armaments and vast international free gift schemes. We give here a first selection of propaganda activity so far undertaken.

Obedient to the instruction given by Conference, the Secretary of the International Union has sent the text of the main Conference Resolution (and a copy of the August-September LAND & LIBERTY) through their diplomatic representatives in this country to all those governments which have embassies, consulates or offices in London. Among the many acknowledgments so far received are those from the embassies of the Belgian, Danish, Irish, Japanese, Mexican, Netherlands, Swiss, United States, Western Germany, India and Pakistan governments, the U.S.A. Ambassador remarking that he greatly appreciated the Resolution being brought to his attention.

Mr. Ashley Mitchell's scathing denunciation of tariffs and tariff-bargaining conferences, quotas, licences, state trading, Customs Unions and Exchange controls is assured an influential and much larger audience than that for which it was written. It has been published in New York in the *News Bulletin* of the British Commonwealth Chamber of Commerce in the U.S.A., an organisation which includes the leading American importers and the leading British exporters. Mr. Mitchell writes that he had sent copies of his address to various business associates in New York and that one of them cabled asking for permission for it to appear in the *News Bulletin*. He gave his consent gladly and adds that the free trade message will reach quarters where it is sadly needed. It has appeared also in the October issue of the *Danish Merchants' News*, which has already published in its September issue Dr. Sven Rydenfelt's talk, "The Way out of the Dollar Shortage," and a brief review by Dan Bjørner of the Conference. "International Trade—Without Statistics" also occupies the front page of the October edition of the *Henry George News*, U.S.A.

Mr. Rupert Mason, President of the International Union, on his way home from the Conference to San Francisco, addressed an important meeting of the Easton (Pennsylvania) Rotary Club, attended by members of the City Council and other local dignitaries. The *Easton Express*, August 22, reports that he spoke strongly in favour of a tax system based on benefits received, which he said was the traditional American method and the principle of Thomas Jefferson. The sixteenth amendment to the United States Constitution in providing for income taxes had abandoned that principle and had replaced it with the contrary principle of ability to pay, which Mr. Mason condemned. He praised, as an important first step, the permissive legislation introduced last year in Pennsylvania which enables 47 cities to exempt from taxation buildings by levying local taxes on land values.

The following day Mr. Rupert Mason was the guest speaker at a banquet given at the second annual conference of the Ohio Henry George School of Social Science, held on the shores of Lake Erie. He gave a summary of the progress of land reform around the world, stressing the need for increased application of the principles of Henry George if civilisation is

calls for better planning. It denounces the protectionist parrot cry of "Export or Die" and coins a new one, "Import Less and Live." It lists some of the "wasteful anomalies" which result from price-fixing in agriculture and then argues for "realistic imagination in the use of price-fixing." It prattles of freedom for those who wish to emigrate and condemns to the most stringent control those who remain.

"Re-thinking Our Future" claims to be radical and revolutionary. It is, in fact, the very worst kind of reaction. The Authoritarian State is its apparent goal and certain consequence if adopted. Compounded of Malthusianism, Keynesianism, Protectionism and State planning, blended skilfully with self-evident truths, its scholarly detachment and the prestige of its sponsors offer a challenge to the very foundations and fabric of our civilisation.

The underlying purpose of *The Observer's* policy is apparently to enable Britain both to solve the balance of payments problem, so that she may earn her own living, and to insulate her from the effects of booms and slumps in the world markets. The method advocated is not original, but it lacks nothing in audacity—it is simply to reduce imports by one half. Since we have repeatedly failed to balance our trade at roughly £4,000 million and have no prospect of meeting so gigantic an import bill let us strive to make it balance at £2,000.

The first stage would be to endeavour to knock off £1,000 million in the next five years. This should be accompanied by a great campaign to wrest more food from Britain's land, to economise in the use of coal and to produce more, to develop new materials and to foster industrial products which *The Observer* believes the overseas buyer may require. One is surprised that no suggestion is made to fill in the ports and rivers and cover them with wheat and cabbages, to break up the mercantile marine and beat it into ploughshares!

Increased home farming is recommended on the grounds that the days of cheap food from abroad are gone for ever and population is said to be increasing faster than the means of subsistence. Notwithstanding this, one of the duties of the "strong" Minister of Agriculture of Cabinet rank, which *The Observer's* policy requires, should be to resist "any attempt by his colleagues to play ducks and drakes with his long-term development policy for the sake of pleasing foreign buyers and sellers who may have a temporary surplus of this or that product which they are all too pleased to get rid of over here." The great new plan for Britain's farms differs little from present protectionist practice, except in degree. Land monopoly and agricultural de-rating are quietly ignored. It is admitted that Britain cannot be entirely self-sufficient in food and at the same time remain an industrial nation, but nonetheless much more food could be grown. High farming, "although not good farming in terms of strict accountancy" is justified by the "horrible prospect" of starvation which confronts Britain. Incentives and deterrents, imaginative price-fixing, a practical scheme to settle young men on the land and a central fund able to grant interest-free loans for capital development are the main instruments to be used within the framework of a long-term plan for a flourishing agriculture.

A graduated land tax which would be in part set off against income tax is also suggested.

Coal stands but one step behind food in the grand design to "import less and live." More is needed to provide power for home industry, for export, and for use as a raw material, a base from which other raw materials, now imported, can be produced. *The Observer's* plan is simple and two-fold: increase production and economise in use. Improved planning, "programming" and management at the pit will attend to the former; authoritarian control to limit the inefficient use of coal in the form of thermal electricity, and subsidies and tax remissions to encourage the installation of efficient solid fuel stoves will secure economies. Courage, says the pamphlet, is needed to operate a practical fuel-saving policy, to set up a single authority which will dictate to the consumer the fuel he may use. Yet to ensure that the nation's ablest and best-trained men give their services to the production of coal, ways and means must be found which will not sacrifice personal liberties!

Self-sufficiency in raw materials, it is said, would cut Britain's import bill by nearly one half. World competition for a dwindling supply is forcing up prices and threatens the day when Britain may resemble a blockaded factory-island. National survival dictates the need for emergency measures—a heyday for the planners. *The Observer* does not wish to dogmatise as to how the great campaign should be conducted, but suggests four distinct approaches to the problem—increased prospecting for raw materials at home; their substitution in industry for those at present imported; development of the synthetics industry, and economy.

A new Government Department is needed which, through an annual Materials Budget and a central policy for imports, prospecting, research, substitution and specification, would control the allocation of raw materials and act as the patron and stimulator of prospecting and research. It would back enterprising firms and promising projects, and by its control of allocations it could see that raw materials were not wastefully used.

Since manufacturers cannot be expected to use home-produced materials which are more expensive than imported materials, *The Observer's* own admission, imports must be cut to compel them to do so. "Of course," says *The Observer*, "in so far as the change meant more expensive end-products, it might amount to a temporary reduction in our overall standard of living," but this is better than national bankruptcy. Manufacturers who waste raw materials by deliberately shortening the life-time of their products should be punished; on the other hand materials are often wasted through goods being made too durable.

No doubt every single industrialist will need to consult some central authority as to the exact degree of durability with which he should endow each of his products, a matter which for so long has been determined with a simple and nice exactitude by the consumer in the free market. But the wishes of the consumer, and the readiness of the producer, in a free economy constantly to reduce his costs and to improve his product are ignored in a pamphlet written solely from the standpoint of saving imports.

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Housing costs hit at conference

You take an architect, a contractor, laborers and regulations—add them all together and you have a dwelling whose price is often too exorbitant for the average man, or sometimes one that is not substantially built.

These problems and their possible solutions were discussed by 23 housing experts at a Bay area Economy Housing conference held in San Francisco yesterday.

The conference, which dealt with every phase of building from the ground up, brought forth many facts which may best be seen by observing the history of a single home.

First, the dwelling must be planned and the site chosen. Here, in many superfluous regulations by the municipality, the first preconditions to low-cost housing are met.

In the opinion of one builder, a lot 40 feet in length would be

ample but some communities specify 60 feet. This leads to additional street work which adds about \$300 to the building cost.

In a community adjacent to San Francisco, it was stated, a project that would have provided 100 low cost homes at about \$8,000 each was planned. Because, however, of a regulation establishing each lot at 1,000 square feet or more, the homes could not have been built for \$10,000 each.

Still another obstacle to inexpensive homes is presented by many landowners who feel that low cost homes nearby would in turn lower the value of their own property.

After the house has been designed and the lot selected according to specifications, the actual construction must ensue quickly and at fair prices.

The question of modern machinery to facilitate building was dis-

cussed briefly. A building and construction labor leader declared that the workers have no objection to devices that speed construction—provided they do not present a safety hazard or impair the health of the laborer.

Rather than reduce costs by using hazardous machines, he suggested the elimination of the middle men and direct dealing with the manufacturer. (middle men in the field of plumbing, for example would include the dealer and the plumbing contractor.)

At this juncture the prospective buyer enters the scene. In the majority of cases in the United States home financing is entered into with banks, insurance companies, mortgage loan companies and individuals.

Several representatives of the banking world agreed that most

(Continued on page 2)

Daily Cal
2-12-49

men's or women's, natural repellent poplin. **7.95**
 or scarlet
SKI CAPS
 Gabardine, green, blue, navy **1.10**
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Daily Bible discus
 groups planned

*We are not as
 Christ for it is
 salvation.—B*

*Ind
mmpy*

221 - falls for mmpy motive "The 100-story office bldg" etc "
"concentrate so many of the activities of the community in a small area
that they, for many years, hold in abeyance the use of other land which,
except for this overdevelopment, is rotten ripe for improvement.
Indeed, the continued financial success of such structures is often 533
dependent on the unimprovement or underimprovement of neighboring
properties." - refers to physical cmpttn for light & air, as well as
ec. cpmttn. *Shows mmpy attitudes invaded everyone, permeated philosophy of those intending to
be public spirited.*

Postwar Market Safe

Col. John J. O'Brien, head of the Army real estate division, has assured realtors that "there'll be no dumping of the War Department's vast holding of real estate on the market after the war."

CORRESPONDENCE

LAND GAMBLING IN THE U.S.A.

The Editor, LAND & LIBERTY.

Sir,—We are in the midst of much the same programme here now as Mr. Heilig related with regard to land speculation in your published book *Why the German Republic Fell*. There is a scramble to unload land on the Government for army and navy purposes of every description. As of last December over 30 million acres had been sold to the nation since Pearl Harbour (7th December, 1941), being 64,368 separate tracts of land in all parts of the country. This about equals the area of all the New England States. It won't be long until "Uncle Sam" owns all the land, at this rate, but the prices he is paying are seldom cheap. The Government is also buying hotels, galore, and buildings of all sorts. The local papers recently told of a jury in San Jose, California, fixing a price of \$500,000 for three miles of abandoned railway right of way, far from any city, which was wanted for highway purposes. The Government officer in charge is quoted by the papers as saying the figure is an outrage, and that \$5,000 would be too much to pay! Every speculator with a big tract of arid flat land is working to unload it on the Government for an airfield or some such scheme.

I am trying once more to get the Supreme Court of the U.S. to say whether or not Congress has the power to control the ground rent due to a state from private landholders. The landlords deny that the Congress has power to control rent they think belongs to them, and a test case on that question is also now before the Supreme Court of U.S.

The United States District Court of Indiana ruled that Congress exceeded its constitutional power when it passed the law under which rent that is payable to private interests could be "frozen."

The outcome of these two cases might easily result in the rule of law, under which the Congress will have no power to regulate or control rent due to private interests, but it will have power to regulate and control the same rent if it is claimed *both* by a State and private interests. This could only mean that the right of a State to collect rent, through its sovereign power of taxation is inferior in rank and dignity to the right of private interests to pocket the same rent.

Needless to say, this would be diametrically opposite to the rule of law, and our Constitution, as construed by the Supreme Court for over 150 years steadfastly and without the slightest deviation. If you have not recently read *The Federalist Essays*, I urge you to read Nos. 30 to 36 and 80 and 81 by Hamilton, who was the leading advocate of centralised power. Note his clear agreement that the power of the States to tax land would be "independent and uncontrollable" by the Congress, in the "most absolute and

unqualified sense." (Essay 32.) In short, the power of the *States* to tax the value of land, was to be retained by the States, and that power could no more be interfered with in any way by the Federal Government than it could be by your Government. The rule is also well settled that no consent by a State can enlarge the powers vested in Congress, and this was inserted in the law just to prevent what is now being attempted.

The pity is that so few have grasped the bottom point, which is the authority of Congress to control direct taxes payable by private holders of land to a State Government, contrary to the laws of the State. Congress has not taxed the value of land since 1861, and there is no prospect at all that it will do so. Hence the only hope to prevent an unbearable tax burden on earned incomes, is to thwart the attempt of the landlords to escape the payment of taxes they lawfully must pay to a State, under State law, with the help of the Courts of the Federal Congress. Given any power in that regard, it is easy to foresee the pressure that will be put on the Congress by private rent appropriators for more and more "relief" from their duty to contribute rent, under the State's taxing powers. This may well grow to be our most serious domestic problem if not nipped in the bud, which I have been trying very hard to do.

The time has clearly come when the war costs have reached such a height that we can no longer afford the luxury of supporting private appropriators of ground rent at the expense of those who work and produce. The alternative can only be inflation and regimentation of those engaged in production, right down the line. The sea ahead will need skilful navigators.—Yours, etc.,

J. RUPERT MASON.

San Francisco.

I think he

matter is discussed in the leaflet "Liberal Assembly and the Uthwatt Report" published by the United Committee.

THE MARCH 1939 "CEILING"

A CORRESPONDENT who inquired from Mr. W. S. Morrison at the Ministry of Town and Country Planning how it was proposed to arrive at the ascertainment of values of property as at the 31st March, 1939, has had the reply: "The Minister is not at present in a position to give any details regarding the precise method by which the recommendation of Mr. Justice Uthwatt's Committee on this subject is likely to be implemented, but on the general question of whether it will be possible, in the early post-war years, to determine values as on the 31st March, 1939, the Minister is advised that with the aid of the records and experience of the Valuation Office of the Board of Inland Revenue, coupled with the general experience and recollection of the valuation profession of the then market conditions, the determination of value at the March, 1939, level is not likely to present serious difficulties."

If it is so easy to make a valuation relating to conditions of as many as five years ago, or more, how much easier it should be to make a valuation relating conditions of the present. This official statement should be borne in mind as a fair answer to that question.

WINNIPEG WATER SUPPLY

THE GREATER Winnipeg Water District was established as a body corporate by an Act passed in 1913. The area of supply covers the city of Winnipeg and eight other municipal authorities, with a total area of 53.80 square miles and a population of 285,000. These authorities elect the administration board. The water is supplied in bulk to the various local authorities, and the annual costs are met partly by a charge for water

also has a department for sale of gravel which makes a profit.

Any debt incurred by the Corporation must be amortized within 50 years and may not bear interest at more than 5 per cent. One per cent. of the debt outstanding at the end of each year must be transferred to sinking fund out of the revenues of the succeeding year.

The expenditure of the Corporation for the year 1942 amounted to \$1,224,000, including a sum placed to contingency reserve. The largest items were \$802,000 for interest on funded debt, \$164,000 for sinking fund, and \$185,000 for operating expenses of water, railway and gravel departments. The revenues from these three departments were \$504,000, and the balance of revenue, viz., \$720,000 was obtained from the levy on Land Values. Thus about 59 per cent. of the revenue was derived from the rate on Land Values.

The capital value of the taxable land in the district was \$82,444,000 in 1938. The figure for 1942 is not available, but it would seem that the levy is at a rate of less than 1 per cent. on the capital land value.

FOR CIRCULATION

Readers of this paper are invited to obtain and help to distribute our leaflets, of which the following are among the most recently produced. They are priced 1d. each, but quantities are available at the rate of 3s. per 100 postage paid:

- L 21. LIBERAL ASSEMBLY AND THE UTHWATT REPORT. Conflict of principles.
- L 22. THE COUNTY OF LONDON PLAN. The cost of reconstruction and how to prevent land speculation.
- L 23. JUST ENOUGH UNEMPLOYMENT? On the "Full Employment" policy as some conceive it.
- L 24. LAND VALUE RATING: CARDIFF STATES THE CASE. With numerous examples of land prices.
- L 25. LABOUR PARTY AND THE UTHWATT REPORT. Is Land Nationalisation the solution?
- EL No. 1. FOUNDATIONS OF SOCIAL RECONSTRUCTION. Housing, unemployment, the first thing to do, freedom of exchange.
- EL No. 2. AFTER THE WAR. More houses, more opportunity, more freedom.
- BBR. THE BACKGROUND OF THE BEVERIDGE REPORT. Must wages stay low?
- Prospectus. EDUCATION FOR CITIZENSHIP. Prospectus of the Henry George School of Social Science. Study classes and correspondence courses.

The complete catalogue of Land and Liberty Books and Pamphlets comprises 84 titles, obtainable on application, price 1d. per copy.

Readers are also invited to send us names and addresses of persons to whom they think that explanatory literature may usefully be sent.

2s. SOCIAL PROBLEMS. By Henry George. Twenty-two chapters, including: The Wrong in Existing Social Conditions, Unemployed Labour and Idle Capital, Effects of Machinery, Overproduction, etc.

2s. 6d. LAND AND FREEDOM. A new, comprehensive and up-to-date treatise on Land Value Taxation. By Frederick Verinder.

2s. 6d. LAND VALUE RATING. Theory and Practice. A handbook for all interested in municipal finance and the rating question. By F. C. R. Douglas, M.A., L.C.C., M.P.

Chap 8, 104-21

L.V. & vesteds

Frt rts. Easterners fighting tooth & nail vs
changing them. Supreme Ct decision, & ICC order to change,
but Easterners fighting delaying action, successful so far.



Mezerik, 5

5103

Whole book documents l.v. as vested int. -- not often by
name. But activities of easterners in sopping west & s
growth are obviously regional, hence for l.v.

Legal

p.247, He describes the legal difficulties of fore-
closure which keep land idle during the foreclosure period.

Buttenheim

Cycles

diverting inv.

Causes unempl.

Idle & unimproved land seems to constitute one of the safest & most profitable investments. &, unfortunately for the unemployed, the inv. in land does not need the assistance of labor or require the payment of wages, nor does it compel owners of wealth to bid vs ea other for labor. Wealth may thus be invested & large gains realized from it by merely wtg.....By this means we foster unemployment, yet it is considered legit bus t o purch lnd for the avowed purpose of preventing cap & labor frm bng employed upon it until enormous sums can be extracted for this privilege."

5104

Lie Lndhldgs
Rept.

Land Value maintenance
responsible for fair trade
laws. To prevent
low rent areas from
underselling.

Does not ^{much} ~~all~~ mnp
follow similar pattern?
Land value maintenance,
preventing lower prices
charged from other land?
With LVT, this motive gone.

Effect on wages, of l.s.

Agenda

Law of dim. returns, (or, as now called, of vble prop.s) is one of oldest & most universally recognized in ec. Cite Taussig, Somers.

& even if we aren't in stage of dim. returns yet, are better off to move ~~the~~ labor & cap to better land, & let the unused land be a submgnl, not a vbl.

Agenda

& well known historically & at where labor has been free to move to frontiers has done so; & landowners, recognizing it, have tried to stop them, with 'Proclamation Line', Australia's Wakefield Plan, Africa's tax on jungle life, etc.

& yet some say we must keep land idle to avoid overproduction!
~~No~~ While others, Hansen, more astute, say we need a new frontier -- but don't see frontier exists in our midst.



Critical Materials

Vast Research, Production Plans For Rubber, Titanium Revealed

WASHINGTON, July 27 (AP)—Multi-million-dollar programs for research and production of two defense necessities—synthetic rubber and the wonder metal titanium—were announced by Government agencies today.

E. I. Du Pont de Nemours & Co. will get a \$14,700,000 loan to quadruple its titanium producing facilities at Newport and Edge Moor, Del., Jess Larson, administrator of the Defense Materials Procurement Agency, announced.

And Administrator Harry A. McDonald of the Reconstruction Finance Corporation announced a \$6,500,000 research program for the discovery of new types of synthetic rubber.

Larson said the loan to Du Pont is to be repaid to the Government with interest as salable titanium sponge is produced by the additional facilities.

MOUNTING NEEDS

The agreement, Larson said, is designed to help meet mounting needs for critical titanium until less costly methods of production can be developed. The present market price for titanium sponge is \$5 a pound and structural forms average about \$15 a pound.

The metal has great potentialities for defense and related purposes, Larson said. He added that titanium

alloys already developed are stronger than many present steels and 40 per cent lighter. The alloys are highly corrosion-resistant.

Before the Korean war broke out, only pilot plant quantities of titanium metal were produced.

RUBBER PROGRAM

The rubber research was authorized by Congress to keep the Government-owned synthetic rubber industry in a technologically advanced state adequate for defense and essential civilian needs.

The program's major aims will be to improve the quality of synthetic rubber for the extensive use in large-size tires, to improve the quality of cold rubber latex, and to aid in the search for improved synthetics for special national defense purposes.

So far, the industry has turned up such products as cold rubber — so named because it is produced at low (41 degrees, Fahrenheit) temperatures—which can be made into tires giving better treadwear than natural rubber, and oil-masterbatched GR-S (general purpose rubber).

The latter, an important recent product, has shown a 10 to 20 per cent improvement in treadwear performance over the cold GR-S, and at a "substantial reduction in tire cost," because relatively inexpensive oils are used to stretch out the hard rubber also used.

Veteran Reporter Tells . . .

Why King Farouk Lost His Throne

(Fred J. Zusy, Associated Press correspondent in the Middle East since 1947 and stationed in Cairo for a considerable part of that time, is thoroughly familiar with the recent Egyptian political scene. He is now stationed in Istanbul.)

By FRED J. ZUSY

Associated Press Staff Writer

ISTANBUL, July 27—The Egyptian army's bloodless coup, which drove Farouk from the throne of Egypt yesterday, demonstrates what happens to a King who loves himself and his pleasure too much and his people too little. It also signals the start of a revolutionary course for Egypt.

The army officers who deposed their fat and balding 32-year-old King represent the hitherto voiceless middle class in the ancient kingdom on the Nile. For the moment they seem to find it expedient to retain 6-month-old Crown Prince Ahmed Fuad as a figurehead monarch.

Probably the chief reason for this is to maintain the Farouk claim of Egyptian sovereignty over the million-square-mile Sudan on the upper Nile. Once Egypt's new governing faction can work out a new approach on the Sudan and erect a facade of civilian gov-

ernment, purchases during the Palestine war in 1948—in which Egyptian troops took a pasting. This trail of scandal, it was whispered in Cairo, led directly to the palace and if not to Farouk himself, at least to persons very close to him.

Farouk was the last of the lavish, self-indulgent Oriental monarchs. A descendant of an Albanian adventurer who established the dynasty under the Ottoman empire in the Nineteenth Century, he had been a wild-living and gambling King.

NIGHT CLUBS

He was not much of a drinker, as hard drinkers go, but he loved night clubs and reportedly owned a share in some of Egypt's plushiest. He was an intimate friend of many entertainers. The latest with whom his name was linked as Annie Berriyer, a vivacious brunette singer. That was before his second marriage.

His heavy plunging at European gaming tables and at the royal automobile tables in Cairo were well known in Egypt, but not too widely approved. There was close censorship on incoming news dispatches about Farouk, but the average Egyptian got the news anyway, one way or another.

His adventures in Egypt also were passed along by word of mouth. One example

Does Congress direct
contracts to 'labor surplus
areas' to help labor, which
could move? Or land,
which can't?

Land'ing
&
socialism

' & subcomm has explored reversion powers that will bring this property
misadvised land under public control.'

540, p.10



Ld tx adm
to discourage
prdtcn

p22 The ass. rolls are not always inductv in th mtr of rl
vlus, snc gd tllbl lnd may be used fr stck rsg & thrfr
ass mrly as grzg ld, or a tret on whch th bst orngs cd
be grn may be gvn up to alfalfa & offcly vlud accrdgly."
(so lnd tx admstrd so as to tx prdtcn, watch that)

5104

p3: "...the prospective purchaser finds land either obtainable only at excessive prices, or withheld altogether from the mkt by those who refuse to sell in the hope that the future will bring them a much higher price. xxxxxx To this ~~future~~ increased value, these latter contribute nothing but mere abstinence. Land withheld from sale is practically nonexistent; thus the available supply is limited, & consequently prices on the land offered for sale are artificially & unnaturally forced up.

Apex & Ed mopy

5104

Deling motive
in other
connection

5105

Men who . . .
never expected to be found caught at this paper of quick &
easy M & pd a deposit on 10 or 20 a.s. If the war came
early rise, they sold out & took a profit. If not, they lost a
first pymnt. Yet Am Soc. of Plng Officials thinks ~~it has~~ a bond is worthless,
when tax lien specs drop it under similar circumstances.

Change in Manpower Policy Asked

Congressman John F. Shelley asked Defense Manpower Administrator John R. Steelman yesterday for a "complete exemption" of the Pacific Coast as far as Defense Manpower Policy No. 4 is concerned.

Defense Manpower Policy No. 4, effective since last February, gives areas suffering from unemployment special consideration in the awarding of Government contracts.

Under the policy, Government procurement officials disclose low bids to firms in areas where there is surplus manpower. If these firms agree to match the low bids, they are awarded the contracts.

In his wire to Steelman, Shelley said:

"My Washington office advises me that consideration is now being given to modification of this policy (No. 4) so that ship and boat building would be exempted.

"I most sincerely and strenuously urge the addition of such an amendment and suggest that further consideration be given to the complete exemption of the Pacific Coast insofar as application of Manpower Policy No. 4 is concerned."

Urban
mmpy

220 More land iswasted in inefficient subdividing practise. elaborates
Moral for me is that ~~such~~ public planning is made impossible by clash 533
of landed interests, lvt would make it much easier. City mmpy may encourage it.

Legal

p.176, Legal difficulties add to the holdout price of land. It takes, in Illinois, 18 months to foreclose, secure title, and wipe out the equity of the mortgagor so that a site can be safely improved.

Hoyt

*Send
mmpy*

221, describes spec. in improved lands.--tainted with his bias vs "overdevelopment", which he fails to identify as result of barriers to development elsewhere, thinks of as causing the underdevelopment elsewhere by competing!

533

Land Monopoly—Australia's Experience

A contribution of outstanding importance to the Conference and one which promises to make a valuable addition to the permanent literature of the Movement was the paper "When Australia was Colonised." Written by Frank Dupuis, Assistant Secretary to the International Union, and incorporating material derived from the researches of Mr. E. J. Craigie, past President of the Union, and former Member of the Legislative Assembly of South Australia, it was presented in their absence to the Conference by Mr. James Sampson, a colleague of Mr. Craigie.

Authentic information is given about the well-known expedition of 1827 to colonise the Swan River where now stands the city of Perth. Finding good land abundantly available at 1s. 6d. an acre the settlers, drawn from the poorest section of English society, promptly abandoned the capitalist, Mr. Peel, leader of the venture, leaving him to fend for himself and his capital to deteriorate for want of attention, while they turned land-owner. Thus is shown clearly that access to land is the pre-requisite of economic freedom, that the possession of capital in itself gives no power to exploit labour, and that those who work create their own wages—wages are not drawn from some pre-existing source.

All this was understood by the Board of Commissioners charged with the administration of the subsequent settlement at St. Vincent Gulf, the forerunner of Adelaide. Their first Report to the Colonial Secretary, dated 1836, bears remarkable testimony to the relation between land tenure and wages. Pointing out that men who were neither slaves nor convicts would work for wages only until they were able to acquire land and work on their own account, the Commissioners declared the principle that the price of public lands should be fixed at a level high enough to prevent labourers from acquiring property in land until they had worked for wages for a sufficient time. At that particular time and place it was stated that to achieve this result it would be necessary to raise the price of land from 12s. to more than £1 an acre. Thus the deliberate aim of colonial economic policy is seen to have been the control of the citizens of an apparently free colony by the exercise of land monopoly.

Significant examples are given of how "the landlord sleeps but thrives" as the colony developed, and how

tion for local rating of land values resumed—the second world war which like the first set back all democratic progress, giving the Authoritarian State an enormous lift—the Labour Government of 1945 rushing their own socialist policy of economic planning and restriction, controls and subsidies, and largesse to landlordism though hoping to create a “welfare state,” all pledges with regard to Land Value Taxation abandoned; and amongst all its Acts producing the worst in the Town and Country Planning Act, which made development itself the prey and the victim of an overruling and most arbitrary State monopoly. But now had come the revulsion against Socialist policies and there was all occasion for optimism, none for despair. Certainly the Henry George movement had to work for the repeal of all the legislation that had done such great harm. They were rich in determination, if not so adequately in the means to give it effect. The closing note was that in such a survey, confined as it was to the parliamentary scene, it had not been possible to mention deservedly the activities of the propagandist movement and all that an intense educational effort implies—the meetings, conferences, publications, correspondence, etc. In Great Britain, the propagation of the teaching of Henry George was centred at 4 Great Smith Street, Westminster, the premises of the United Committee for the Taxation of Land Values and editorial offices of LAND & LIBERTY, the United Committee giving home and also the services of establishment and staff to the International Union for Land Value Taxation and Free Trade and to the Henry George School of Great Britain.

Discussion of the Money Question

The Conference papers had been printed in both English and Danish and had been distributed in advance so that members would have the opportunity to read them; and the authors, taking them as read, could appropriately confine themselves to a brief summary of the contents. Thus all the more time was released for discussion. Nevertheless there were some papers which lent themselves to much more discussion than the allotted time allowed. There were two in particular, namely, those by Dr. Glenn E. Hoover on “Justice and Monetary Policy,” and by Mr. K. J. Kristensen on “Some Problems connected

Land mpy
● &
Land
spec.

They tend to confuse mnpy & legitimate holding for future.
181 "The strong owner, who has bought to profit by the rise in value, is in no haste to sell. His practical withdrawal of large bodies of timber from the market creates an artificial scarcity, & accelerates the rise of prices. (this) leads inevitably to a mode of dealing which has much of the effect of a monopolistic control."

Weak

Too big, by spec.

Unused

Opp. closed.

187 "The holding of timberland & other land in immense blocks far beyond the amount necessary for economy in the development of its resources has injurious effects that go much deeper than the mere evading of just taxation." It retards the natural development of great timber regions in some of our States till the time when development (not merely lumbering, but other or subsequent industrial growth) may be directed to the greatest profit of the large owners. It is only as a means to this end that they seek to keep taxation at the lowest possible point in order that they may not be forced to put their land into use before the point of greatest profit is reached. Individual initiative and energy are thus checked in many communities, and opportunities that would naturally open on every side are closed to the man of average ~~man's~~ means. When development is allowed to take place, the power afforded by the great landholdings gives their owners advantages that enable them, in effect, to tax the development itself & to still further increase the inequalities of the distribution of wealth."

cutovers, 157 "if it is held idle for a long period under a low \$50
tax rate, the effect will be to make the price of cultivable land in
general more dear than need be."

Land
mnpv

549

Land Myny

37-8 Myny comes thru timber, not mills.

Spec, artificial

ΔP

38 "Strong hands" "If much of the supply is in strong hands, able & willing to wait, each will value his timber according to his opinion of the gain to be got by holding it. The strong hands will hold their timber off the market; & tho there may be no actual commercial monopoly or combination, the course of prices may be much the same as if there were."

549

p. 42 Hi freight costs, & add much to lumber p. (another n.r. motive in spec's

RR. spec to

Δ traffic?

w'd be to force recourse to distant wood, Δ n.r. rev, traffic.)

567

*Car before
horse*

Then he reverses causation, p. 22 "Thruout the Region,
vacant & under-developed areas exist largely because other areas
are over-developed." -- vs. this, cite Hilgerdt on IT, developed
areas stimulate others to develop. 560 A

fund money

31 "The limited extent of areas adaptable for special uses E.g., the limited supply of land with good ocean frontage near to a large population may give such land a very high value compared to adjacent land without ocean frontage. e.g. Sheridan Road -- least used."

(Land Mopy)
Lowering the
'capital barrier'

54 "There is nothing more injurious to land values & more
upsetting to the community than a large oversupply of lots." "The
low price level that is then established attracts purchasers with
little capital." S60

Check Resettlement Adm. work

Land
Mnpyp 52 Rockefeller Center is on leasehold, 87 yrs. ~~Improvement~~

motive

It deflected traffic & h.v. from Hearst's lands, around Columbus Circle.

Land mnp

Why the small fellows support the big holders-idle: X Weyerhaeuser
bought into Washington to hold for future. 208 "It is universally
agreed that the Weyerhaeuser purchase was followed by a marked increase
of timber prices, and that this great holding exerts a continuous stiff-
ening effect upon the market. " etc. 549

Complementarity
of h. bldgs.

p. 36 "The erection of high bldgs on land in central areas in recent years has tended to increase the assessed values of land occupied by lower bldgs in the same neighborhoods." S60

i.e., despite all the noise about their stealing light & air, they actually are very complementary.

Restrictive
attitudes

Study shot thru with attitude that allowing too much bldg is cause of vacant spaces, rather than v.v.; very restrictive. S60

Delano, cited, 37, "...if a city is built with streets & other avenues of communication adequate only, say, to a construction of 4-6-story bldgs, it cannot, w/o widening or double-decking those avenues of communication, take care of twice this burden." S60

Curiously, then he scores high bldgs for requiring complements, adding to demand for other land.

Compl., &
comper.,
city growth

37, citing Ernest Goodrich, he describes opposing forces. First, crowding pushes on commons; 2d, scattering increases expenses. He would have all moderately improved. (which I approve, but not by rigid rules, but by making vacant available for use. Thus, don't argue in favor of skyscrapers; but rather, of building up underbuilt areas, point out how this obviates problem of skyscrapers. S60

Land
mnpv

38 "Bldgs of great bulk also depreciate other bldgs, & therefore values, on adjacent sites, by withdrawing tenants from them" Goes on to imply that therefore this is bad. Implicit theory of social welfare used is that city l.v. should be maximized. Explicit recommendation: to restrict heights, prevent overdevelopment -- assuming this would cause development of underdeveloped areas. S60

Land mnpv

53 Present as criticism of excess subdivision: "Much of the new subdivision has meant the lowering of values in older & partially improved subdivisions." S60

→ No distinction in writers minds between competition for light & air, & competition for mkts. Treat both as equals.
-- & diseconomies. Citex Ellis-Fellner article in rebuttal.

Land mnpy

262 2 obstacles to ~~the~~ cities foreclosing & selling -- 'official
inertia' * & the cost of a foreclosure proceeding! 551 Corn. & But. blind to
mnpy motive.

263 Criticize cities for trying to sell lots -- would have them re-plan
-- maybe right, often. But no vision of mnpy issue. Pro greenbelts
to stop growth of towns. -- artificially. No faith in markets.

Am City, Mch '45 p88. J Rupert Mason urges cities to leave, not
sell, tax delinq. land. Cites NJ decision, vs compromising back taxes

Land mny

p. 85: 1893, council of Chicago passed ordinance forbidding
bldgs over 10 stories, to stop a tendency. Over mayor Washburn's
veto. 571

Land mnpy

34 "Even now, in certain jurisdictions, it has been found necessary to make special provision for the orderly disposal of tax-reverted properties lest sudden sales demoralize the real estate market completely." 535

Land mpy

166 -7 Costs to city of foreclosing on delinquent lands were 56/
"prohibitively high"

Excess

Cities excess subdivide, one reason at least, to increase 56/
their borrowing power, where that limited by some legal top. *Maybe*
corps acquire land for same reason?

Land mpy

193, fears of "oversupply" of lots going on mkt. -- he falls 56/
for it.

End
Mmpy

Buttenheim, like others, fails to distinguish competition for air or space ~~xx~~ from comp for mkts. Cites approvingly: from Regional Survey of NY & Its Environs, ~~xxx~~ V. II, p 158 "...it is questionable if hi bldgs create more l.v. than they destroy, even in their own neighborhood. Over wide districts their effect, in the aggregate, must be to depreciate values in proportion as they retard reconstruction of old bldgs, reduce the demand for land by using air rights, & cast a shadow ~~xx~~ on other bldgs." 270-1, Butt. 533

539

Low m
gets land

● ~~little~~
~~land~~
~~map~~

p. 30 Foreclosures by financial co.s. 'Repts suggest that a larger
mortgage inst.s are evading any policies indicative of 'forcig & mkt' - ...' 539

Land
mry

254 "The recommendations of the Boston Municipal Research Bureau relating to the sale of tax-foreclosed properties include the ff:
.....' 'Dumping' properties at low prices should be avoided. A considerable amount of marginal land should be withdrawn from private use for some time to come.' "

*Land
mnp4*

254 from "Erie Cty, NY, deals in R.E.", in Nat. Munic. Review, Oct '36,
Elwyn a. Mauck: "It is not to be inferred that the county is disposing
of its property at whatever price it can receive. On the contrary, it
is very careful to observe that its activities do not undermine the
real estate mkt."

Spec --
on
down
swing,
too.

They must have
been pretty
big.

135 'Many creditors still held farms in 1932 that were taken over in 1921. These were held because of unwillingness to accept the loss, expectation of profit, or fear of breaking the market." etc, on slow liquidation. 599
Showing spec. continues when P expected to fall (indeed, grew worse, as tenancy, in depression)

urban
mmpy

4.

p.38 "In nearly every state the laws for clearing up claims for back taxes would have to be simplified and strengthened to permit cheap, wholesale proceedings to vest marketable title in the assembly agency: the legal costs of advertising, referee's fees, etc., for clearing these claims lot by lot are often greater than the value of the lot."

5112

was a Canadian to have the rug, diplomatically adding: "I hope, we would have been no less pleased

BIG SHOPPING CENTER MEETS OPPOSITION

Special to THE NEW YORK TIMES.

HAWTHORNE, N. Y., July 19—

Protesting against recent endorsements of a proposed regional shopping center on a seventy-five-acre tract north of the traffic circle here on the Taconic and Saw Mill River Parkways, objectors called the project today an "atom bomb" attack on merchants and taxpayers of established communities.

The center, one of the "markets in the meadow" planned by "national suburban centers" of Boston, would cost \$8,000,000 to \$14,000,000 and has been called the largest project of its kind ever undertaken. Action on a rezoning application is pending.

Edmund H. Cox, Mount Pleasant town attorney, said this afternoon that the town planning board was studying a report from McHugh & McCrosky, New York planning consultants, that said the project would benefit this part of town by increasing assessed valuations from \$3,800,000 to \$6,000,000.

Frederick W. Usher, chairman of the combined civic committees of Hawthorne, Thornwood and Pleasantville, declared that a "mercantile city of such huge proportions" would ruin established business centers throughout Westchester County, throw thousands of store employees out of work and increase residential taxes.

"Such gigantic developments," Mr. Usher declared, "represent the most modern and advanced form of atom bomb attack on merchants and taxpayers by billion-dollar business. These centers have a drawing power comparable to a world's fair."

New Flood Threat in Nebraska

NORFOLK, Neb., July 19 (AP)—

Fooding in the Elkhorn River Valley in northeast Nebraska today shifted interest from the Big Blue River which has harried southeast Nebraska for the last two weeks. Rains ranging up to four inches or more in the upper and middle reaches of the Elkhorn sent the unruly stream to bankful stages from Neligh to Battle Creek, a distance of about 100 miles. Considerable overflow of lowland farm areas in a fifty-mile area was expected in the next twenty-four hours.

the blood and blood-
 organs of mice stricken
 with leukemia, but Dr. Gerlach,
 who works with filtrates, has.
 Whether the fungi of Drs. Diller,
 Mori and Gerlach are the same or
 not is uncertain. Dr. Mori and Dr.
 Gerlach think that the minutest of
 these fungi are either viruses or
 carriers of a virus. Viruses can be
 cultivated in the yolk sac of a
 chick. Dr. Gerlach has succeeded
 in thus culturing his microscopic
 fungi, which makes him think that
 they are viruses.
 Although she does not herself
 subscribe to the virus theory, Dr.
 Diller told her hearers that, since
 the organisms could be cultured
 only from known virus tumors and
 since they could be passed through
 several chicks and still be able to
 make a tumor grow after inocula-
 tion, "practically all tumors must
 have a virus origin." It looks very
 much as if the leukemia fungus
 may be in the body at birth inas-
 much as Dr. Diller gets from
 young, healthy mice the very fungi
 that are found when leukemia is
 fully developed.

for a fine cocktail—but quick

Martinis on the



our a ready-mixed,
 length cocktail right
 the Heublein bottle
 into an Old Fash-
 ioned glass...over ice! Each
 is made of the finest
 by HUGH BLINE,
 the man in a bottle.

HEUBLEIN'S CLUB

G. F. He

Tax Collection Procedure: Land Use Implications & Admin Problems.

USBAE '39

p. 37 'Weaknesses in collection & sale procedures (& the decline in the tax-pays cap. of the land, together w other factors) have created a tax delinquent 'no-mans-land' crisis of sev. m. a.'

'W a few exceptions stts have no record of the value & locn of tax-owned lands, & they usually have no plan for the admin of such prop. In many stts reversion has been added in rent laws by the prepayment or assignment of tax sale, ext of redempt. sold, & provision for the payment of back taxes in instalments.'

p. 38 '... no effort is made in Ill to admin such prop.'

Mosely is bs type about overburdened r.e.

Land Mngy

S 39,

p. 30

'imp. ferr on a depressing sd of vlns has bn a failure & other discussed
fms hagg over embt' esp Midwest.

decline

Why moratoria? Indvns wnt to help other Indvns keep ind off mkt!
For he must sell his land to pay off.

Land mmpy

Millions of acres of tax-del. land are suspended in a 'frozen' state
between public & private ^{ownership,} ~~state~~, protected by neither, & difficult to thaw so that they
may be restored to public use. 540 p 10 (Nat. Res. Board. mgtl fms, p. 10)

~~5106~~ Am Soc of Plng Officials,
1942, Chic.

'A program for the Use of Tax-abandoned Lands'

p. v Summary. Opps getting it back on tax rolls, to keep up other l.v. Here is
clearest stimmt of mrry motive. A city mrry, a mrry of landowners in city esp, vs
labor, vs other land.

City
Landowners
as mrry
~~5106~~
'If $\frac{1}{3}$ of the area of the city is vacant, under, perhaps should & highly tax delinqt,
it does the city no good (& it does other prop no good) to sell a tax del lot ...'
 $\frac{1}{3}$ of sm cities vacant, but is only 5% ass. val. (bes vacant. He neglects thr if
imprvd, wd hv far m val, not only the impr, but effect of genrl imprmnt on
sady land.

'... ld sp-ly held for pt use constitutes a thrt to & val of
oer props w/in & city...' 'It wd thus be to & adv. of & rrry
 $\frac{2}{3}$ of & props in & comm to hv the $\frac{1}{3}$ of & area mrr or ls
primrly removed from prvt ownrshp.'

— Walter Blucher, Ex Dir,
Am Soc. of Plng Off-ls.

He wants it ~~to~~ kept idle.

Criticizes comp. --- wants mrry, really. For he
criticizes attitude 'Let's sell it & get it back on the tax rolls.'

→ p. 13 NYC '40 held 35,000 liens on tax-del. land p. 14 NYC's policy is
not to foreclose more than 250 liens/yr -- choosing those most likely to
be paid. I.e., if you oblige downtown landowners by not cmprg,
you needn't pay taxes for yrs.

They speak as tho cities sold land freely, perfect titles, mkt ps, but
no one wanted it. Fail to say it is shady title, refusal to sell, etc ad inf,
that keeps land idle. e.g. let taxes & penalties go for yrs, then insist that
buyer pay them to buy land -- & then gamble owner may redeem.
Talk as tho communities kept selling it, but it keeps coming back. But
facts seem to be they don't sell it. If it cms back, tax is too hi. Maybe
buyer just uses it for many delinq. yrs, as long as they let him. etc etc

Am Soc Plng Officials, 'Tx abandoned lands', 2

✓

p 1-12 Moratoria of '30s had effect of extending redemption pds -- new buyers couldn't get good titles.

✓ p 12-15 e.g.s showing very hi 90s delinq, various areas.

✓ p 8-10 describe cumbersome procedure for putting del. land to new owner. Why cumbersome? Mps would keep it that way.

p 10 Tax sale buyer may be a spec, usually is. For he doesn't get sure title now, maybe not possession for long time. It's gambling on future. For city is interested in gting M from land, not putting it to use -- thus they kill 2 birds.

deceay

p. 1, 2 They take debacle of ~~previous~~ land system as excuse for state govt control, direct ownership

It is, either the land is absolutely worthless, as they hint, in which case not worth considering; or is worth something & can be leased by govt for a rent.

p. 25. They recognize some del. land is ~~just no good~~ ~~land~~ not bid in at tax sals bcs govt doesn't offer gd title. But think much of it is worthless to privts, might be valuable to govt. But p 26, they don't really know what its potential is.

✓ p 27 Even if cities wanted to, or states, they've tried giving gd titles to new owners. Titles not merchantable, bcs must be 'ct. procedures' to vest new title. (So we must fight vested legal ints too.) Every one w any int in land must be

p 28 notified -- if can't be found, tough. (But, judging from bias of this work, is it not likely they over stress this angle, exonerate munic. govt?)

Big Bibliogr.

Try to imply most delinq. in rural, submarg.

Anti-Am Soc Plng Off.

S 109

p. 19

$1 > \frac{2}{3}$

total delinq is urban.
(Young City, Tex, only)

7 29 Am Soc. of Plngg Officials rept.

Closed Theaters A Civic Problem

WASHINGTON (UP)—Hundreds of movie houses, closed by stiff television competition and high taxes, are depressing real estate values in neighborhoods all over the nation

That was the finding of a special economic committee of the National Assn. of Real Estate Boards

The committee said a closed theater is a "community problem," not merely a personal problem for the theater owner and his employees.

DEPRESSES VALUE

"A vacant building or a deteriorated one depresses neighborhood value," the committee said. "A structure with restrictive transitional use creates an economic void or a long-range problem of land use conversion."

The committee reported that almost 1,000 movie theaters now stand idle in the country. The closed theaters were reported to the committee by 264 real estate boards representing every state except Nevada.

Since, 1946, the group said, more than 5,000 theaters have been closed. In April, there were 18,306 movie houses in operation.

Many of the closed theaters have been transformed into warehouses, churches, bowling alleys, skating rinks, garages, wrestling arenas, union halls, supermarkets, stores and even "drive-in" banks. Others have been torn down.

1,000 CLOSED

Besides the nearly 1,000 theaters now closed, the committee said many other theaters are nearly bankrupt and near closing.

The group emphasized that it does not believe motion pictures as an entertainment medium are dying

"The industry is in distress," it said, "but, as a whole, it will survive."

The committee said the industry itself has taken steps—such as introducing 3-D films—to encourage larger audiences. It also said some cities have cut real estate taxes on theaters in an effort to keep them in operation

The committee said "relief" from the 20 percent federal amusement tax also would help the theaters during their present

economic troubles. Congress repealed the tax on theaters earlier this year, but President Eisenhower vetoed the measure

The committee offered no pat solution to the closed theater problem."

DETERIORATING INFLUENCE

"An answer to the financial problem may be found in a short time," it said, however. "The industry has weathered other storms. With community understanding it will revive and continue its function as a segment of neighborhood life and as an important means of cultural communication."

As more and more theaters close, the committee said, "additional communities are searching for a solution to the problem."

These neighborhoods are finding, it said, that "when a theater closes, a frontage of from 40 to 75 feet is taken out of an otherwise active business community. Instead of contributing its share as a component of the neighborhood shopping area, it becomes a deteriorating influence on the economic whole."

il Bag

a show of patience, knowing it to be right, if not proper. He spoke all words of no one, and when the foibles of vain fellows were ridiculed in his presence he defended. He attacked with the gentle sadness of a Spinoza and the righteous delicacy of a Saint.

Sometimes he looked about him as though standing on a high mountain and surveying below him the small deeds and figures of Humanity. There was, in the clear smile of his eyes and the boyish wrinkle of his grin, a sort of amusement, as though he was saying, "What fools these mortals be." But he never made the statement. He loved life and the people who lived it too dearly. He spoke of man's eternal march

ed to say no in the Senate with southern senators such as Walter George of Georgia and Harry Byrd of Virginia insisting that with the proper economies the administration could readily get by under the present ceiling. The conviction of the conservatives is that the very fact of lifting the limit encourages wasteful expenditures.

Humphrey has got by but he has been walking nearly bent double, like a coal miner in a narrow vein, in order to do it. While nothing is being said until soundings have been taken on Capitol hill, it is obvious in the treasury that action will have to come quickly in the new session. Since the House passed the bill, the Senate will merely have to follow suit. But that will not be easy.

STERN OPPONENT

One of the stern opponents of raising the limit in July was Senator George who has often been the spokesman for the conservative wing of the Democratic party on fiscal matters. He is the ranking minority member of the Senate committee on finance of which he was long chairman. George told this reporter at his home in Vienna, Georgia, that he would very reluctantly go along if the treasury could in January show that it was necessary. But he added that he would be in favor of a limit of \$285 rather than \$290 billion.

Senator Byrd, another conservative leader, has been traveling in Europe with the Randall commission studying tariff barriers. If he should also be along, then the likelihood is for fairly quick action. In the past he has been even more determined than George to hold down expenditures by restricting the right to borrow.

But even if the increase goes

Hal Boyle

Movies Make To Get Real

NEW YORK (AP)—Hollywood has finally made a bold attempt to give the home front public a three-dimensional picture of war-actual war.

The result is "Cease Fire!" the story of an infantry patrol on its last battle action just before the



'GET GOING'

"We're late getting off," he muttered and barked a command into the inter-com to the air officer, Commander Robert Chase, whose wife Margaret and infant daughter live at 167 Oregon avenue, Palo Alto.

"Get ready to start jets," Chase said, and the loudspeaker bellowed it to all on the flight deck.

Then, a moment later, the command: "Start jets!"

The shiek of the starting jet engines changed to a deep roar. As it mounted, the Boxer veered to port, along with other ships in the task force—an 180-degree turn so the planes could take off up-wind. This is a "must" in any launching.

The Panther on the port catapult seemed to stiffen, like a runner toeing the mark.

Then, with the seeming speed of a bullet leaving a gun, the jet was rocketed along the 90-foot track to the end of the flight deck and shot out over

Soprano Laster's First S. F. Recital Tonight

Soprano Georgia Laster, winner of the Marian Anderson Award, an Atwater Kent Award, and a pupil of Lotte Lehmann, will be heard in her first local recital tonight at 8:30 at the Marines' Memorial Theater.

In addition to the aria, "Ritorna Vincitor," from Verdi's "Aida," Miss Laster's program will include songs by Handel, Purcell, Brahms, Wolf and other composers, and a group of Negro spirituals.

Mondays! Wednesdays!

2 Big Stores

SEARS

Army Camps In California May Close

By **DREW PEARSON**

WASHINGTON, June 3 —

Quite a hassle is going on inside the Army over which Army posts shall be closed to fulfill President Eisenhower's demands for economy. Among the Western posts under consideration are Camp Roberts and Fort Ord, in California, and Camp Chaffee, Ark.

The debate is not dissimilar to that when Herbert Hoover, also bent on economy, proposed closing some of the old Army posts handed down from the Indian wars which he did not consider economical. When he attempted to close Marfa, Tex., however, and Fort Douglas, Neb., neither considered strategic since Mexican and Indian war days, the howl from local citizens was so loud that his economy program was postponed indefinitely.

At present, Army brass is debating whether to close either Camp Roberts, a 44,000-acre training camp between Paso Robles and San Luis Obispo, Calif., or Fort Ord, located near Monterey and the fashionable artists' resort of Carmel.

Both camps have their rooters among the top brass. Some would like to keep Fort Ord open. It's a delightful spot not far from the Pacific. Others claim that in practice mortar fire, the range has to be reduced for fear of firing outside the military reservation.

Meanwhile, Camp Roberts has some 239,000 acres adjacent in the Hunter Liggett Military Reservation; also it has a top rating for turning out efficient armored units. So it's anybody's guess which post will be closed. The Army frankly would prefer to keep both open.

↓
WOMAN PROTESTS CLOSING FORTS

Letter to President Brings Action

PORT TOWNSEND, Wash. (UP)—A broken-hearted mother of two who wrote President Eisenhower to tell him what the closing of two Army posts was doing to their little business received comfort and action from the President Saturday.

Not only did Mrs. Jean Foster get a two-page personal letter from the President—"Oh, it was a wonderful, wonderful letter,"—but a group of government officials arrived in this seaport town on the President's order to resurvey the situation.

Mrs. Foster and her husband, Carl, operate a small general repair business in this Puget Sound town of 6,000 which overlooks Vancouver Island and the beautiful San Juans.

On the edge of town is Fort Worden and a few miles away across the Sound is Fort Flagler. Their combined payroll was approximately \$6,000.00 a year. Much of it was spent in Port Townsend. Then last year the

government, as a part of its economy program, closed the forts.

"It hurt us, probably more than any other town in the country because we have only one other big industry," said the dark-haired, dark-eyed mother of a boy, Bill, 17, and a girl, Carly, 15. "Our business went down about 75 percent. It hurt not only us, but most everyone else, too."

The only other major business in Port Townsend, where early-day sailing ships used to call, is a Crown-Zellerbach kraft paper mill that has a \$3,500,000 annual payroll.

"When we got to the place about all we had left was an insurance policy on our son, one

we had hoped to use to send him to college, I decided to write the President," the 42-year-old woman explained.

"I knew he was a human being and I thought it wouldn't hurt for him to know what happened to this town."

She wrote a five-page letter, single-spaced, of about 3,500 words and told him about her town. She didn't know how to get it to him so she sent it to her congressman and asked him to give it to the President.

Mrs. Foster classifies herself as "neither Republican nor Democrat. I vote for the man, but I did vote for Mr. Eisenhower."

Mrs. Foster is a free-lance writ-

er—"I write fiction in a small way, but I've never been too successful at it"—but never before had she written a president.

She told him they were about to lose their repair shop and everything else they owned.

"And I got a letter back last Saturday. It was marked personal, too. It was a two-page letter and the President was very kind and sympathetic. He said he would order an immediate reinvestigation at Fort Worden—that maybe a mistake had been made.

"He was not optimistic that anything could be done, but he said he had handed my letter over to the best executive and the greatest humanitarian he had ever met and that he had asked him to inquire instantly into the entire history of Fort Worden.

"At the same time, he said this man, whom he did not name, would search through departments of government to see if there is any possible way the fort can be used."

ES ROLL CALL



Daniels



Rehberger

LT. L. CECIL DANIEL, son of Mr. and Mrs. L. C. Daniel, 745 E. 20th Ave., Eugene, is now in Vijongbu, Korea, eight miles north of Seoul. As a member of a truck company he helped transport Chinese POWs from the demilitarized zone to Inchon. Daniel was graduated from Eugene High School in June 1948. In June of '52 he was graduated from the University of Oregon with a B.S. degree in Business Administration, at which time he was commissioned a 2nd Lt.

Cougar Dam OK Is Green Light

By A. ROBERT SMITH

WASHINGTON — The Eisenhower administration spoke clearly to the Pacific Northwest this past week as its officials unwrapped for public inspection a new plan for multi-purpose river project development—Cougar dam in Oregon's Willamette Valley.

The message to the region, conveyed by the President himself, was: This is what we are talking about when we speak of a partnership; this is what we want to see more of.

Cougar dam would be built under a proposal worked out between the Corps of Engineers and the Eugene Water and Electric Board—the federal partner to pay for and own the dam it-

producing generators. The estimated total cost would be split \$24 million for the government, \$10,500,000 for Eugene.

This outline shows the Cougar partnership to be substantially different from those previously announced partnership proposals for Priest Rapids and Rocky Reach dams on the Columbia River, both of which would be greater power producers than Bonneville dam.

Priest Rapids, also endorsed by the administration but without the flourish of a White House announcement, would be built and paid for by the local partner; and the federal partner would add and pay for special flood control gates atop the dam if benefits warranted the cost.

utility, \$95 million for the government.

Rocky Reach, not yet formally approved by the administration, would also cost something like \$300 million. But in it the government would be asked to pay all costs allocated to non-reimbursable features, including flood control, navigation, and fish ladders, while the local utility financed the costs allocated to power. No breakdown of these estimates is available, but it would have to be determined finally by the Federal Power Commission. On the basis of the FPC's most recent action in allocating 92 per cent of the total cost of McNary dam to power, the local utility would be paying a very high percentage of the cost of Rocky Reach.

So cost-wise, the greatest dif-

Robert

Land
unimpy

89. Bldg codes tougher in central cities. (Maybe that's why don't get renewal -- cities enforce tough codes vs new bldgs, old ones exempt.)

146

90. Legal land title problems also tougher, central.

(Then, to class, raise political problem: why do cities thus choke selves; how remedy?)

91 Insurance co.s have peculiar income tax advantages, hence thrive better on 4% than others on 6%. Were expected to go into urban redevelopment, big way. Started to, but stopped, c. 1950. Lost their profit, was so much delay. Legal attacks, harassment, strong opposition (presumably from competing landholders), protracted negotiations with govt agencies, rent control finally, etc. Had to reserve funds, hold sterile for 4-6 years, while land assembled & cleared.

146

big pt. p. 129. Tnts, not investors, got benefit of tax reduction.

94, ftnte: Fed corp inc tax allows too little depreciation allowance, or too rigid, too slow, on r.e. There are limits on sale, liquidation of

r.e. corps;

Present or potential rent control also discourages.

Land
Mony

"One of the main reasons for the lack of intensive cultivation in central Syria is that the State lands have never been systematically settled." p.93. 5176

"As a mandatory Power the French relied on the collaboration of the wealthy upper class, that is, on the landowners, and so could make no fundamental reforms in the land system." p.94 5176

J. Craig Ralston

Georgists knew him as the author of the delightful book, *The Shovelcrats*, a canny little satire which has run through many editions at the Robert Schalkenbach Foundation in New York. But for his newspaper associates and friends in Wisconsin he had, in addition to his writing skill, a personal charm which will long be remembered. He is referred to by the Capital Times of Madison, Wisconsin, as a "philosopher, journalist, humorist and teacher, for whom all who knew him had the deepest respect and affection."

Elsewhere it was noted, "probably no other man in the history of the Wisconsin press worked so long or so faithfully at one news job, or attained the wisdom, the perspective and the skill that Craig Ralston embodied in his work."

His death, on a vacation trip last month, ended a forty-five year career "that was rich by any standards." An editorial in the Milwaukee Journal takes leave of a fellow journalist in these words: "only his close friends truly appreciated the kindness of the man, the breadth of his knowledge and understanding, the devotion to his craft. His lasting legacy will be in the hearts of those who knew him."

social theft begets social charity! Social theft and social charity reduce a nation's wealth!

Social charity solves nothing. All the social legislation by Congress and the legislatures of the forty-eight states since the days of Horace Greeley, have solved—nothing!

And how did ground rent in America become private property? In daily use in real estate transactions are such words as: "escheat, fee, fee simple, seizing, warranty," etc. These words have come down from feudalism, the system of land tenure in England, from Duke William in the Conqueror's time, to King Charles II, in the seventeenth century. Under this system, the lord of the manor, received title to the land from the king and in turn meted it out to tenants—who for part of the week worked for the lord of the manor and the rest of the time worked for themselves.

When Cromwell died and Charles II became king, in order to remain king, he made a deal with his barons; relieved them of their feudal dues. They legally became landlords instead of the king's tenants. The people became competitive tenants of the landlords—on a money-rent basis, and in addition through an excise duty—the cost of government was largely shifted on to them. Thus, from that day on, labor and capital were burdened with a double payment—ground rent to the landlord and taxes to government.

All that is necessary for Americans to do in order to enter the "Promised Land" is to abol-

Sweet Adelaide

LAND AND WAGES. *The Economic Effect of Land Values on Labor and Wages (in Australia)*; a pamphlet, 24 pp., by E. J. Craigie, ex-M. P.

Reviewed by FRANK L. BANG

By examination of ancient government reports, this author has brought to light some very convincing evidence that increases in land values and land rentals has directly resulted in the lowering of wages in the settlements of Western Australia and South Australia, decades before the Henry George site-value land tax methods were introduced elsewhere in the continent.

Among some of the choice bits of evidence, Mr. Craigie quotes from the first report of the South Australian Commissioners, received in England by the Secretary of State for the Colonies on June 24, 1836:

"... In determining the proper price of public lands in the new colony, two points have to be considered: first, the price necessary to convey to the colony the number of laborers required to cultivate the land in the most profitable manner; and, second, the price necessary to prevent the laborers so conveyed from acquiring property in land before they had worked for wages for a sufficient period. In order to accomplish the latter object, it is not improbable that, at an early period after the arrival of the Governor, it may be desirable to raise the price of public lands over one pound per acre."

The inclinations of the Commissioners appear to have been distinctly in favor of the landowners, they may have been landowners themselves though thousands of acres were awarded and sold by the Government to absentee landlords. The apprehensions of the Commissioners are expressed further in a later report from which the author quotes:

"We, therefore, venture to hope that your Lordship will approve of our having authorized the Colonial Commissioner to advance the price of public land, should the laborers conveyed to the colony by the Emigration Fund begin to cultivate small farms on their own account before the arrival of other laborers to work for hire in their stead."

Mr. Craigie states the price received by the Government in 1837 for the whole amount of land comprising the City of Adelaide was £3,856/8/-, and the assessed valuation of the same land in 1950, not including improvements, was £19,434,590., a capital increase of 5,000 percent, all of which inured to the benefit of the landowners through no efforts on their own parts, in addition to which they naturally enjoyed the annually increasing rent yields.

D4

Thing compelling sale at this time was need to keep their sales up.
They! Here is a reason for selling slowly: if you sold all at once, you'd
have to put on tremendous campaigns which would be deep water. Then they
Easier to campaign slowly.

B2
Mead on
land settlement
Settler can only borrow from local banks at high rates. He cannot borrow from Fed. Land Bank because that only lends on "patented", improved land.p. 64.

Mead also stresses cooperation, etc. In general pretty cavalier, didactic approach.

During & following war, Washington, Ore., SD, NC, SC, & Col., also like Cal. set up L.S. Boards, similar purposes. Says nothing of results. Stimulated by desire to help ex-service men often, settle them.

D1
Rothschild & Jewish Nat. Fund bought land in Palestine to xfer to Jews coming in w/o ruining them. He says Fund is to lease, never sell, land -- I don't remember that from Granovsky.

Wakefield in Australia wanted to get capital from sale of public lands, thus finance improvements for closer settlement, as well as keep laborers back, & finance immigration. Interprets Free Selection Act of 1861 as triumph of squatters -- I hardly thought so -- well, he means I think that it resulted to their benefit, since they could now, thru false entries etc, buy permanently what before they could only lease. During 23 years it was on books, squatters came into great landed estates.--he is agin sheep.

Beginning with 1888, "one state after another" abandoned freehold system & allowed only leasing, conditional right of purchase -- conditional upon residence I guess, which means conditional upon a particular form of use, which is not nec. most ec., which is not nec. a good idea. Then, beginning 1894, also passed repurchase acts, to hasten breakup of large estates.

?
B3
Various acts, various states, general trend a long residence requirement before land alienated. 63 yrs. to pay, 4½% interest, some improvements provided first. State also arranged for coop. buying & selling, & provided competent superintendent for each district. This it seems is what Victoria did a little bit, he tries to give impression it was general, without facts to back him. Says nothing of taxation. I'm skeptical of the guy.

Skip rest.

Land set., Austr.

Raws,

Century of L. S.,

M b r n e, 1936

HD 1033

R6

L. S., Austr.

S. Aust, dept of lands, Progress in land dev.

HD 100

B38

Bibliog.

Columbia Basin Joint Investigations, Development Rate of Project
Lands, Problem 17 , 1945

Area to be served divided into East, South, & Quincy
(n.w.) IDs.

Field Coordinator E.N.Torbert praised.

Plan to develop 75,000 acres first year, 50,000 next,
and then see how compactly these areas had been settled before
adding more.

Potential supply of available settlers will colonize lands at
rate for 2-3 years. After that they don't know.

D4 They will restrict settlement if necessary to keep up local
prices of things grown by first settlers. Hay, esp., they will
not allow its production to be expanded until enough livestock are
developed to keep up local price.

Construction costs will exceed the 85\$/acre max. that farmers
will pay, will be met, if greater, from power & "other benefits" --
i.e. fed. subsidy. Justify this on grounds of meeting nat. emergency
need to find employment.

Land mnpy

Fed gov't thru HOLT, etc,
took over land from banks
in '30s. Probly kept large
tracts idle.

U.S. Resettlement Admin, Legisl. Hist., HD5723
A46, 1936

O

296 In e. section, they now tried to colonize, fixed water rental at \$1.25/acre.

A

By 1924, irrig. a proven success, of 400,000 irrigable acres, in e. section
124,000 sold. Area actually irrigated fluctuated immense to rain. 93,000

In 1922, 43,000 '23.

~~Buy for some more a steep in car, and it's not.~~

Hedges, cont. ~~c. p. 2~~ before p. ~~2~~ 237

for these cap-less, co. made some improvements & sold them too on credit - i.e., it improved the cap. mkt.

~~V, D2~~

1912, new pol. cy, sold only to settlers.

~~D4~~

W. bloc nearly sold, they decided to start developing cent. & e. (interesting that they didn't develop all at once). 1909.