

relies for his profits upon cheap farming over an extensive area." (p. 39.)

The argument that there would be no agricultural problem to discuss if the indolent farmer would emulate his industrious neighbour; that ploughed land is always more productive than grass land; that even before the war 3,500,000 acres now under grass might have been cultivated, is surely a manifest exposition of the reform that is necessary—not a subsidy to encourage industry but a penalty on idleness by placing taxation everywhere on the market value of the land apart from its improvements. Throughout his book Mr. Hall brings his reader repeatedly to that unflinching conclusion and proves most convincingly that the fundamental cause of waste and depopulation is the power of landowners to hold land out of use; it is clearly not the fall in prices nor the competition of foreign corn that prevents large areas of land being used and men having access to them. Yet he fails to advocate the most obvious remedy.

Instead of that he turns to a policy of devoting public money to the establishment of small holdings and industrial farms and to reclamation, ignoring the fact that such a programme would defeat itself, as similar schemes have been and always will be wrecked, by stiffening the price of land not only against the State itself but against all public and private efforts to gain a foothold on the soil in the district where such experiments are made. In this sense nothing has been more disastrous than the recent activities of county councils in buying or leasing land for small holdings.

Mr. Hall's grand scheme, however, for the salvation of agriculture and for ensuring a greater supply of home-grown food is a bonus of 10s. per acre per annum for each additional acre restored to the plough, and he suggests also a protective tariff. He does not go so far as the Committee on the Settlement of Sailors and Soldiers, which would also have a guaranteed minimum price for wheat but unlike the Committee he points out what would be the effect of such a programme on the rent of land. The Report utterly ignores this self-evident result; Mr. Hall emphasises the fact that the landowners would in time pocket the whole benefit. In fact, it can be calculated his proposals would raise the price of the land laid down to wheat by £75,000,000, not to speak of their effect on the price of all other agricultural land. His way out of the difficulty is that the State should become the universal landowner and so get back any increment in value brought about by its own action. We need not go into all the ramifications of such a scheme, but while we are gratified that Mr. Hall contributes this telling exposure of landlord legislation, we imagine that proposals for Protection and Bounties, with such an anti-toxin as high-priced State land and dear food, are a comical interlude in the discussion of an economic question whose answer lies in the securing of the rights of the people to the land and the removal of all obstacles to production. As to land nationalisation, Mr. Hall should tell us what is wrong with the taxation of land values as a means to intercepting any benefit to landowners due to every cause that maintains and increases the value of land.

A. W. M.

A PLAIN TALK ON TAXATION*

This little pamphlet by the President of the Manhattan Single Tax Club is an excellent example of what a public speech on this question ought to be, and it is well named "A Plain Talk on Taxation." Mr. Brown rivets attention at once by pointing out how our present system of taxation violates every principle on which a sane individual carries

* A PLAIN TALK ON TAXATION. By James R. Brown, President Manhattan Single Tax Club. Published by the Club, 47, West 42nd Street, New York.

on his private affairs. Taxation, he says, is payment for social service, but the tax-payer does not contribute in proportion to the value of the social service he receives. Far from it—he pays in proportion to the size of house he lives in, or the amount of tobacco he consumes, or (delusive phrase) his ability to pay.

Just suppose that a man went into a store with an \$800 sealskin overcoat and asked the girl for a spool of cotton, and the girl put it down on the counter and he asked: "How much?" and she looked him over and said: "Ten dollars, please!" The man would say: "Great heavens, I never paid more than five cents for it." The girl answers: "Well, we have changed our way of doing business; we charge now according to the ability of the people to pay, not according to the value of what they get." Now that is exactly what we do in our tax system.

Not only is the present system unjust in respect of what it does in confiscating privately produced wealth, it is also unjust in preventing wealth from being produced at all. The man that uses his land and improves it is taxed, but the man who holds his land out of use escapes paying taxes though his action causes the greatest injury and suffering to the community. We need not quote Mr. Brown's illustrations; they are such as have hundreds and thousands of parallels in this country.

The tax problem, the whole social problem, is simply this:—

Will you take private property for social use, restrict trade and commerce, check industries, and deny the poor man all opportunity to employ himself on the land if he is not satisfied with the wages offered him? Or will you take public income for public use, and by that very act open the reservoir of land to the use of labour and capital?

To these questions there can be but one answer, "public value for public uses, private property for private enjoyment." As Mr. Brown says: "No honest man will object to that, if he can understand it."

We heartily congratulate our American co-workers on this valuable and brilliant addition to their armoury of single tax literature.

SECOND THOUGHTS OF AN ECONOMIST

This posthumous work by Professor Smart contains little that is not to be found in his other published writings. There are in it some autobiographical remarks that will interest those who, like the reviewer, were among his pupils; and there is a short biographical sketch by one of his assistants which also will appeal to those who were touched by the lovable nature of the man. But, sad to say, there is nothing in this book that will be of value to those who are striving for a radical solution of the social problem. Professor Smart never seemed to be capable of believing in such a thing. He could only hope that in the course of a long and painful evolution employers would become more considerate of their employees, and that the employed would be more reasonable in their attitude to those who employed them. Like Mr. Hartley Withers, he believed that the consumer is under a duty to expend his money in a direction which will give useful employment to others and which will not weight the scales against those who are poorer than himself and who come into the market place with a few shillings to compete with the rich in the purchase of food and the bare necessities of life. Nowhere in Professor Smart's writings is there a hint of the gross injustice and the terrible hardship which land monopoly causes by stopping production at its source. He states quite distinctly that in earlier times "the main deter-

* SECOND THOUGHTS OF AN ECONOMIST. By William Smart, late Professor of Political Economy in the University of Glasgow. Macmillan & Co. 5s. net.

minants in the distribution of what wealth there was were hereditary power and privilege," but he does not recognise that these factors are still the determining ones. Land-ownership does not fall into the category of hereditary power and privilege.

The landowner gives the use of his land, and has his land returned to him at the end of the lease unimpaired, plus a payment for "the original and indestructible powers of the soil." The workman gives his labour and his time, and gets, in fair exchange, a wage.

There is nothing sordid in all this—nothing of which a man need be ashamed . . .

The incongruity of the landowner giving for a price something that neither he nor his predecessors created, something without which industry cannot be carried on, without which his fellow creatures must starve, while the other partners in production give labour or the produce of their labour never seems to have struck Professor Smart. It will always be a mystery why a man who gave the best part of his life to economic study, who was tender hearted, and not insensible to the sufferings of the poor and wretched, should not have been able to appreciate an elementary fact such as this. As one who has fallen under the spell of his talent for clear and simple exposition, I must always regret that those talents were to such a large extent wasted on secondary matters while fundamental problems are still pressing for solution.

F. C. R. D.

BOOKS RECEIVED.

THE SINGLE TAX MOVEMENT IN THE UNITED STATES. By Arthur Nichols Young, Ph.D. Princeton University Press. \$1.50 net. London; Oxford University Press. 6s. 6d. net.

In this volume the author, who is instructor in economics at Princeton University, has undertaken "to give a complete historical account of the single tax movement in the United States, together with a discussion of the taxation of the single taxers, their programme, the present status of the movement, and its influence upon economic thought and upon fiscal and economic reform." We shall give a full review of this valuable and sympathetic study in our next issue.

THE ETHICS OF INTERNATIONAL TRADE. By Henri Lambert. London; Oxford University Press. 2d.

THE MORALITY OF INTERNATIONAL EXCHANGE. By Henri Lambert. London; George Allen & Unwin, Ltd. 6d.

Two valuable pamphlets by a distinguished Belgian economist which we hope to review in our next issue.

INTERNATIONAL FINANCE. By Hartley Withers. London; Smith, Elder & Co. 3s. 6d. net.

ECONOMIC MORALISM. By James Haldane Smith. London; George Allen & Unwin, Ltd. 5s. net.

THE SOCIAL TRINITY. By Richard Gunn. Glasgow; Fraser, Asher & Co.

RELIGION AS SOCIAL JUSTICE. By the Rev. Malcolm MacCallum. Glasgow; John Smith & Son. 2s. 6d.

CREDIT, INDUSTRY AND THE WAR. Edited by A. W. Kirkcaldy, M.A. London; Sir Isaac Pitman & Sons, Ltd. 2s. 6d. net.

VICIOUS CIRCLES IN SOCIOLOGY AND THEIR TREATMENT. By J. B. Hurry. London; J. & A. Churchill.

A NATIONAL AGRICULTURAL POLICY. By J. H. Clifford Johnston. London; P. S. King & Son, Ltd. 6d. net.

SHIPPING AFTER THE WAR. By J. M. Robertson, M.P. London; The Cobden Club. 2d.

AFTER THE WAR PROBLEMS FREE TRADE MEMORANDUM ON THE PARIS RESOLUTIONS

A number of Liberal Peers and members of Parliament and others have drawn up a memorandum on the Paris resolutions and Free Trade, which was issued to the press on 6th July.

They desire to record emphatically their opinion that no reason exists for changing our fiscal policy, they reject as wholly false and dishonest the plea, that either economic laws, or the rules of arithmetic and common sense, are altered by circumstances, that trade after the war will be something quite different from what it was before, and that henceforth bureaucracy and red tape will become good substitutes for the industrial energy and business ability by which our wealth and commerce have been built up in the past.

This war, they contend, has proved the strength of Free Trade, and the weakness of Protection at home and abroad. After the war Free Trade will be more needful than ever to Great Britain and the British Empire, for it is only by returning to cheap production and unfettered intercourse with all nations that we shall be able to resume our commercial and manufacturing superiority, and to find from our incomes the huge revenue necessary to pay pensions to the victims of war and interest on a deadweight debt of unexampled magnitude. The signatories are:—

Mr. S. Arnold, M.P., Lord Ashton of Hyde, Sir John E. Barlow, M.P., Lord Beauchamp, Sir Hugh Bell, Lord Brassey, Mr. J. F. L. Brunner, M.P., Lord Bryce, Mr. John Burns, M.P., Mr. T. Burt, M.P., Mr. Godfrey Collins, M.P., Lord Courtney of Penwith, Lord Eversley, Lord Farrer, Mr. C. Fenwick, M.P., Mr. A. G. C. Harvey, M.P., Mr. F. W. Hirst, Mr. Richard D. Holt, M.P., Mr. Ed. T. John, M.P., Mr. Loif Jones, M.P., Lord Loreburn, Mr. H. W. Massingham, Mr. P. A. Molteno, M.P., Lord Muir Mackenzie, Sir John Simon, M.P., Sir Swire Smith, M.P., Lord Wear-dale, and Mr. Aneurin Williams, M.P.

TWO FREE TRADE PARTIES

Old School begins Inquiry on War's Effect

For some time there have been differences of opinion between two sections of the Free Trade Union. One section, the "Stand-pat" Free Traders, are for maintaining the fiscal policy of this country as it was before the war. The other says that international politics rather than economics will have to be our future guide in fiscal policy when peace comes.

Members in favour of maintaining Free Trade as it was before the war met in London yesterday. Among those present were Lord Beauchamp, Mr. Gordon Harvey, M.P., Mr. C. E. Mallett, Lord Farrer, and Sir Francis Mowatt.

Sub-committees were appointed to inquire into the various phases of the question, such as the probable amount of taxation that the country will have to raise when the war is over, the effect of the proposals of the Paris Conference on the means of raising this prospective revenue, and the effect of a prohibitive tariff on certain imports. The sub-committees will report to another meeting to be held in a fortnight's time.

THE OTHER SIDE.

The other side of the question has been pointed out by Sir Alfred Mond, M.P.:—

The free exchange of goods presupposes that trade is carried on between individuals without other object than the greatest economic advantage. As soon as there enters on the field a nation whose trade is carried on no