

INTERNATIONAL NEWS

CALIFORNIA

The agitation that has been taking place in California for a vote on a constitutional amendment for the repeal of the sales tax and for the taxation of land values is well described in the Paper which Judge Jackson Ralston has kindly provided for the International Conference. The latest news however is that the vote will not be taken; the proposed amendment cannot go to the ballot. The matter is explained in a letter dated 8th August, which Mrs Anna George de Mille has received from Mr N. D. Alper, from the offices of the Sales Tax Repeal Association, in which he writes: "Many months ago we learned of a potential suit to be filed against us to try to keep our measure off the ballot. As we heard the rumours via the 'underground' channels, we were not to be treated in this manner unless there was a chance that our measure would succeed. Naturally we can well imagine that the opposition would prefer to have the electorate defeat our measure than to have the Courts remove it from the ballot for any reason whatever. Last week the blow fell and a Mrs B. C. Clark, President of the Parent Teachers' Association, filed suit as a taxpayer to have our measure removed from the ballot. This will be heard before the California State Supreme Court on 17th August. The principal allegations were: insufficient names on the petition, omitting to describe the measure as an 'initiative' in the short title, and failure to give in said short title the fact that increased land value taxation was proposed. The short title is the heading that must be printed in type of specified size at the head of each of the sheets making up a petition. The title is limited to twenty words. In their brief they point out the omissions, and by so doing they demonstrated amply that it would have been impossible to have included all such matter in the scope of twenty words. . . . In view of the urgency of the situation it will be most difficult for men of honour to find against us we are sure; the 'initiative' is one of the 'prides' of California and the spirit of the 'initiative' would be grossly violated by any possible finding that would remove this measure from the ballot. . . . It is felt that if this move on the part of the opposition, which indicates their fears are strong that we might win, fails them, the action will be a great help to us. If we should be so unfortunate as to be without a place on the ballot, the fight will go on, and we will be on the ballot two years later."

On 28th August, Mrs de Mille received cable from California saying: "Supreme Court rules amendment off the ballot; the fight will be renewed." The campaign has been conducted with the greatest intensity and it has aroused the whole State. But on a pure formality, the opposition have succeeded in preventing a vote being taken this year. The campaign will be sustained and it will be surely proved what a magnificent stimulus the opposition itself has given to support achieving ultimate success.

DENMARK

The Annual Henry George Reunion will take place at the Frederiksborg People's High School on 6th to the 8th September. Addresses will be given by Mr Uffe Grosen, Principal of the Vallekilde High School on Distorted and Healthy National Sentiment; Dr Viggo Starcke on Land Values and Free Trade in Ancient Greece; Mrs Signe Björner on Who Owns the Children and What do Children Own?; Mr N. Skriver-Svendsen on the Rhythm of History; Mr P. C. Pedersen on the Economic Crisis and the Money Question; Mr Arne Sörensen on the Basis of Political Morals; and Mr A. Vedel on Grundtvig, Freedom and the Daily Bread. Mr K. J. Kristensen is also announced to speak on Land Values and the Land Valuation, but in view of his very serious illness it is doubtful if he will be able to attend.

On Sunday afternoon, 6th September, there will be free discussion introduced by Mr F. Folke, and on the afternoon of the 7th September, members who have just returned from London will report on the proceedings at the International Conference, where the Danish delegation

includes Mr Abel Brink, Mr and Mrs Bue Björner, Mr F. Folke, Mr Chr. Gandil, the Rev. Chr. Norlev, Mr Erling Norlev, and Mr P. Skadegaard.

The Reunion is a popular course in Political Economy; it is therefore political but non-Party and admission is free for all who are interested.

NEW ZEALAND

Graduated Land Tax Re-established

The New Zealand Budget, presented on 4th August, made provision among other things for reinstitution of the graduated land tax, which it is estimated will provide a revenue of about £800,000 a year. For reasons which we need not elaborate here we think it is a mistake that the tax should be graduated, but it is satisfactory to see that the new government is doing something.

As bearing on conditions in New Zealand we may quote from an article by Prof. B. E. Murphy, which appeared in the *Daily Telegraph* of 13th July:—

"The long upward movement of export prices led speculatively to purchases of rural lands more on the anticipation of future prices than on the immediate situation, and for a long time these anticipations were realized. Buoyant prices for export produce, in conjunction with cheap and abundant credit facilities, raised land values to an inflated level, and this is really our most difficult post-war problem, as distinct from the immediate problems of the depression.

"Farmers took up the land at high prices on the basis of too little in the way of cash deposit and too much in the way of mortgage overhead, and this burden inevitably became insupportable as soon as a serious recession of export prices set in. The trouble undoubtedly exists to a serious degree.

"Some uneasiness was caused when prices fell in 1921 and 1922, but the subsequent improvement postponed the necessity for remedial action. After 1925, however, there were continued manifestations of disquiet, which account for the most characteristic farmer movements of the time, such as the demand for improved rural credit facilities, the cry for free trade or a purely revenue tariff, the attack on the compulsory industrial arbitration system, and the agitation for a central bank. Unwilling to recognize the real trouble, which was inflated land values, the farmers were looking round for a scape-goat.

"Then came the world depression, which operated with especial severity on the economies of primary producing countries. The export price level fell in catastrophic fashion, opening a huge and unbridgeable gap between export prices on the one hand and the internal cost structure on the other, and producing an impossible and unbalanced situation."

The Government proposes to attempt to bridge the gap between low prices and inflated land values by introducing guaranteed prices of agricultural products. The Prime Minister, the Rt. Hon. M. J. Savage, evidently recognizes that there are dangers in this policy. The *Auckland Star* (26th June) prints an interview with him. On being shown a statement that enhanced values were being paid for land, Mr Savage said:—

"The Government will have to consider seriously reimposing the graduated land tax form of taxation. That should never have been removed. If there is going to be a land boom there is also going to be a burst. Our job is to prevent any land boom. I can see what is happening at the present time. On the strength of the Government being prepared to guarantee a fair price to the man on the land for his produce, there are others who see an opportunity of buying land for the sake of selling it at a profit, just as they did immediately before and after the Great War. Our job is to see that that is not going to be a payable proposition. We will see that people do not get rich at other people's expense by selling land."