

CORRESPONDENCE.

NATIONALISATION OF THE LAND.

SIR,—The interesting letters of Mr. A. R. Wallace upon "Nationalisation of the Land" have not been followed by such criticisms as might have been looked for. It would be premature for his supporters to infer that silence implies acceptance. I do not propose to waste your space by denouncing the scheme from a conservative standpoint, but to inquire whether the suggested changes would be followed by desirable consequences.

In passing, I may be allowed to take a general exception to the alleged magnitude of evil arising from the fact that this is a manufacturing rather than an agricultural country. It may be questioned, too, whether the working classes are so entirely deprived of the opportunity of purchasing land through rise of price, consequent upon accumulation, seeing that in some of the countries of peasant proprietorship, land fetches a higher price per acre than it does here. I cordially agree with all land-reformers, as distinguished from land-revolutionists, that accumulation should not derive artificial encouragement from law, and I believe that a tendency to diminish the size of holdings is likely to follow on concessions to farmers such as those sought for in the Farmers' Alliance Land Bill.

However this may be, it is certain that facilitation of land transfer and encouragement to concentration of capital in small holdings will not effect the end aimed at by Mr. Wallace, the giving "every working man an acre or two of land attached to his cottage with a perpetual tenure." Accepting, for the sake of argument, this object as desirable, let us inquire into the means of arriving at it and the incidents they entail. And first of the question of justice to the landowner.

Some 200 years ago a statute recognised a state of things which had grown up for a hundred or more years previously, and landowners were relieved by Parliament, that is, by the State, from burdens upon the land which the State had originally imposed. On this is founded a plea for the spoliation, not of the original landowners, but of purchasers from them, for the most part, of the core of their possessions. If the action of the State, confirmed by time, is worth nothing as a title, on what principle is their retention of tenant-right permitted? If B be indebted to A (the State) for a capital sum, and A release him by way of a free deed of gift (which is what in effect took place), with what face can A presently approach the Law Courts and demand repayment, and with what consistency, while demanding repayment, can he declare B just owner of the interest? But the principles of justice and consistency, as generally conceived and as reduced to system in our Law Courts, are not to be observed. They are sagaciously repudiated in advance. It is "just as well as wise to deal with the landlord's claims by methods in nowise guided by the precepts of the Law Courts." The cry of confiscation the supporters of land nationalisation ostentatiously proclaim it as their principle. The appeal of the landlords "must be to our mercy."

It is said, however, that no confiscation is proposed, and that a Government annuity for three generations would be sufficient compensation for the landowner. Mr. Wallace might ask any land valuer whether the fine paid upon a beneficial lease for three lives, taking it as substantially representing the whole value of the lease, equals the fee-simple of the land. The difference between the two—a sum of many millions, even with the deductions to be made on the score of tenant-right in Mr. Wallace's sense—would gauge the amount of Mr. Wallace's confiscations of ownership in fee as distinguished from ownership of improvements.

This preliminary injustice having been perpetrated, we now pass to a second. The land is to be valued by public officers, and its value divided into two components, one the productiveness of the land itself, the other "the additional value given to the land by the community at large," and which is defined as consisting "in providing public roads, railroads or canals, in supplying labour as well as social, religious and educational advantages, and in furnishing good markets and a surrounding population."

Nothing is more symmetrical than this paper division of the valuation. "None of this value," we are told, "has been created either by the owner or occupier of the land." A single example is enough to illustrate this general proposition and to show the impracticability of justly distinguishing between the contributions in this respect of the community and of the landowner. A is a wealthy manufacturer in a moderate country town. He employs a large proportion of the labouring class of the town, to which his works have attracted artisans numbering 1-20th of the whole population. The town therefore owes him, besides these workmen, all those whose livelihood is in any way derived from them. He furnishes "good markets and a surrounding population." With the returns upon his manufacturing capital and enterprise he has purchased a large and valuable estate upon the outskirts of the town. Being a philanthropist as well as a manufacturer, he has applied his energies to improve the social economy of the district. He has built schools, founded working men's clubs, and assisted gratuitous education, not only in the towns where his works are situated, but in the immediate vicinity of his residence. In short, a large proportion of the "social, religious, and educational advantages" which the

town and neighbourhood enjoy is due to him. His presence and his example have raised the value of residential estates. The industry of the town is well employed, and there are no burglars; the country side has been weaned from the alehouse, and there are no poachers. But in Mr. Wallace's statement of his scheme these advantages, which everyone must admit are incapable of exact calculation, are to be credited to the community at large. I have drawn no fancy picture, but one which I have myself seen. The author of these works of beneficence is not unknown to your columns. Similar instances might, no doubt, be cited from many large towns.

It is a main object with land-reformers that the tenant should be protected against a rise of rent upon his own improvements. The provisions which are intended to prevent this form a marked feature of the Farmers' Alliance Land Bill. Even as things stand now, the unhappy tenant is permitted to appropriate any difference there may be between his enhanced rent and the returns upon the outlay in reference to which that rent was raised. By Mr. Wallace's scheme the landlord takes the place of the tenant, and this meagre margin is absolutely confiscated; for such improvements as have been described are beyond the capacity of any Government official to estimate. A valuer coming down from any central office would be compelled to take things as he found them, and in conformity with Mr. Wallace's inflexible schedules, the liberal benefactor would receive with the acquisitive Harpagon the value of "the quality or productiveness of the land itself," whatever that abstraction may be, and no more.

At the end of "ten years (more or less) after the passing of the Act the whole land of the country will become the property of the State." The hardships entailed upon its unfortunate possessors would be mitigated, if no margin of grace whatever were allowed. Not one acre of land would be sold during that time except at ruinous loss. The owners of great properties, who are advertised that they have only the "mercy" of their confiscators to trust to, would throw their land into a glutted market. The more beneficent had been their dealings with their possessions the greater would be the prospect of their loss, as has been shown by the example already taken. At the end of the ten years would come the fresh division. "No doubt an extensive re-arrangement of holdings would then take place." The same "birth-right" would attract an infinity of claimants, while no one would be willing to settle on barren acres. The continued struggle for the spoil would beget every sort of demoralisation, discontent, litigation and probably violence, since every malcontent would be justified in resenting extrusion from his "right." To this may be added the practical difficulties of the genuine agriculturist. How is the needful capital to be embarked in agriculture if at any time and in any place one of the "millions" may claim his "birth-right" out of part of the farmer's holding? There is, indeed, one way in which existing landowners might escape. It is possible on paper, but in practice it would involve civil war. As land was approaching change of tenure, tenant-right—to which perpetuity is to be attached—would rapidly rise in value; for unless the official valuers were to be followed by an army of secret police, it would be impossible to prevent competition for advantageous holdings. The official valuation would, in short, be to the real value of tenant-right as in the days of army-purchase the regulation price of commissions was to the price actually paid. But in order to secure this competition with its fruits it would be necessary for the landowner to be in complete command of the land and tenant-right at the end of the ten years, and this could only be done by wholesale and unsparing evictions immediately before the close of the period. The occupiers would be, for a while, driven from the soil.

Similar ill consequences would be begotten in towns. There, no doubt, evictions would be more difficult; but the uncertainty of the values and natural doubts of the "mercy" of the official valuers would preclude the expenditure of one penny during the ten years' interval upon the dwellings of the poor. The artisan looking forward to his miraculous transformation into the small farmer—a transformation, be it observed, which none of the statesmen who have created a peasant proprietary have ever yet attempted—will in the meantime sicken in his dilapidated tenement. In his paper in the *Contemporary Review* Mr. Wallace was obliged to admit the impossibility of a consistent working of his scheme in towns. I have offered some reasons for the conclusion that it is no more practicable in the country. I have omitted much that might be said of the lamentable demoralisation which ensues from vast formularisations of doctrines of abstract right, such as, in the present instance, would lead, first, to the repudiation by the state of its engagements, a precedent *pessimi exempli* to every citizen, and next to a fierce competition of the artisan with the agriculturist which, with the present tendencies of those classes, would speedily overstock the soil of Great Britain with restless and shiftless pauperism.—I. S. LEADAM, 3, Hare Court, Temple, Oct. 27.