

WHY POVERTY INCREASES WITH MATERIAL PROGRESS

BY GRAHAM HART

THE ORIGIN OF LANDLORDISM
IN ENGLAND
MAN'S DEPENDENCE ON
ACCESS TO LAND
EQUALITY OF OPPORTUNITY
OF ACCESS TO NATURAL RESOURCES
THE KEY TO
PROSPERITY FOR ALL
with
FULL EMPLOYMENT
and
FULL REWARDS TO LABOUR

Published by:

The Georgist Education Association
10 Broome Street
South Perth
Western Australia 6151

Phone: (09) 367 5386

4513

DATE: 1992

ISBN 1 - 875 283 - 06 - 4

.....

WHY POVERTY INCREASES
WITH MATERIAL PROGRESS

by

GRAHAM HART

THE ORIGIN OF LANDLORDISM
IN ENGLAND

MAN'S DEPENDENCE ON
ACCESS TO LAND

EQUALITY OF OPPORTUNITY
OF ACCESS TO NATURAL RESOURCES

THE KEY TO
PROSPERITY FOR ALL

with

FULL EMPLOYMENT

and

FULL REWARDS TO LABOUR

Published by:

The Georgist Education Association
10 Broome Street,
South Perth
Western Australia 6151

Phone: (09) 367 5386

ACKNOWLEDGEMENTS

James Edwin Thorald Rogers, who from 1862 to 1890, held the position of Professor of Political Economy at Oxford University, devoted his life to historical researches into the living conditions of the British People.

Thorald Rogers greatest work was entitled "Six Centuries of Work and Wages." This book has been researched and summarized by numerous students including an unknown author who produced a 16 page manuscript with a graphic illustration entitled "Origin and Results of Landlordism in England".

Roger's work, showing the startling contrasts of living conditions before and after the reign of Henry VIII sharply endorses by practical examples the propositions of Henry George, who, in 1879 wrote "Progress and Poverty".

The writer of this examination is indebted to all those who have contributed to the store of knowledge gained from these two immortal books.

SUMMARY OF CAUSES AND REMEDIES

WHY POVERTY INCREASES
WITH MATERIAL PROGRESS

by

GRAHAM HART

THE BASIC CAUSE

Denial of the Basic Human Right:

Equality of Opportunity for Access to Land - The
Resources of Nature

THE EFFECTIVE ANSWER TO SOCIALIST POVERTY

Land Rights for all People Supported by:

Abolition of Taxes and Monopolies - that is, to

DECRIMINALISE Production - Consumption - Exchange and
Ownership of Wealth

PROVIDE Security of Possession for Land Holders and
Full Employment Opportunities for Labour

COLLECT NATURAL PUBLIC REVENUE from MARKET ASSESSED
LOCATIONAL ADVANTAGES OF LAND HOLDINGS GENERATED BY
THE COMMUNITY

INDEX

| | <u>Page</u> |
|---|-------------|
| 1. Statement of Self Evident Principles | 1 |
| 2. The Basis and Effects of Unearned Income | 1 |
| 3. Why Justice is Denied | 3 |
| 4. The Futility of Violence | 6 |
| 5. The Days of "Merrie England" | 7 |
| 6. How Land Rights were Lost | 9 |
| 7. The Snowballing Effect of Injustice | 10 |
| 8. Change and Responsibility | 11 |
| 9. The Costless Remedy | 12 |
| 10. Summary of Georgist Proposals | 14 |

Appendix - Chart prepared from:
"Six Centuries of Work & Wages"

Author's Note:

The subject matter relating to a free and prosperous society is so interrelated that concise indexing is not possible. It is necessary, therefore, to read the whole examination.

1. STATEMENT OF SELF EVIDENT PRINCIPLES

Henry George in the United States of America in the year 1879 wrote "Progress and Poverty" which electrified concerned people throughout the world by explaining why material progress is always accompanied by increasing poverty and proposed a remedy.

"Progress and Poverty" has since been translated into twenty-three languages and has achieved sales believed to be second only to the Bible.

George declared it to be self evident that there are two basic elements in the natural order:

- 1/ PEOPLE with desires and ambitions, limited only by the necessity to exert labour and the right of access to the earth from which all material desires are satisfied and which is the field of all human endeavour.
- 2/ LAND which is designed for gratification of human needs and desires and therefore should be freely and equally accessible to all people.

When these two basic conditions are ignored by governments and some people are permitted to own and withhold from use, land which is needed as the "Staff of Life" by other people, the disinherited become in effect, slaves of the land owners and can only exist subject to permission of the land owners and the conditions they impose.

If the reader does not accept the foregoing statements as logical he or she is advised to set aside this booklet and read no further.

2. THE BASIS OF UNEARNED INCOMES

There is no point in owning slaves or having the power to exploit the labour of other people unless there is a profit to be made by exercising this power.

Upon examination it will be found that such powers are enormously profitable to land owners who hold the land needed by others.

There are natural differences in the values of land required to support life, due to fertility of soil and climate. Some land will yield a greater return for the exertion of labour than other land less richly endowed.

It follows that those who use better class land are equally satisfied by paying a market assessed premium for the right of exclusive occupation of land with superior natural advantages.

When population is sparse and land of good quality is freely available people will naturally choose the best land with the greatest advantages for the kind of industry in which they choose to engage.

As population increases people begin to specialise in production and exchange the products of their labour to mutual advantage. A new kind of value develops based on locational advantage.

When there is still an ample acreage of good land available in a nation or economic community, some people specialise in the production of food and clothing material and exchange their produce for manufactured goods - again to mutual advantage because costs are reduced by specialised effort, - the division of labour, is the economist's terminology.

In a nation such as Japan which has a small land mass with inadequate natural resources and a large population, specialised production is almost entirely confined to manufactured goods with the use of high technology.

Mass produced items are exchanged for basic raw materials with other countries which have a large land mass with natural resources which are surplus to requirements and a small population, such as Australia.

As population continues to increase and large cities develop, the locational advantages outstrip natural advantages and some of the richest land nearer to the centres of population is used for greater returns from industry and commerce or for high density residential use.

It is obvious that the locational value of land arises from the pressure of population, that is, of all the people in an economic community. It therefore belongs to the people of that community and is a proper source of public revenue.

The locational value of land also is dependent upon public services to provide the essential amenities which support the closer settlement of people - roads, railways, water, electricity and gas, telecommunications and postal services etc. are required. Even outer regional areas need road and rail services, without which the natural advantages cannot be used effectively.

As societies become more affluent the desires of some people are satisfied by scenic views of oceans, rivers, lakes, mountains and valleys etc. and competition for residential land holdings adjacent to such features, further increases the locational value.

There is an enormous difference in land value under modern conditions. In Australia the locational value of land - called "economic rent" by economists, varies from nil in outer regional areas to an annual value of about \$8,000,000 per acre in the centre of Sydney and proportionately to population density in other capital cities.

When not taken for public revenue the economic rent is capitalised as land price at about twenty times its annual value and becomes the object of unearned speculative income, - the most valuable acre would sell for \$8,000,000 x 20, that is, for \$160m.

The total annual value of socially generated economic rent in Australia is not less than \$50b.

In Japan the peak rental value of land is about fifty times higher and is so expensive that speculation has become a very risky venture because of the law of diminishing returns.

The wealthiest Japanese land speculators have turned their attention to the U.S. and Australia, where there is less risk and they are welcomed by governments to assist in correcting adverse trade figures.

Small Australian home owners or businessmen who have made enormous sacrifices to acquire a small block of highly priced land for use and not for speculation, derive no benefit from the price of their land during the use period and must die or sell their holdings before the family can benefit.

The average working family would be between \$200,000 and \$400,000 better off during a working lifetime, paying site rent instead of taxes.

Land owners with titles to the more valuable centralised holdings would pay more according to the market value of the greater advantages they enjoy.

The foregoing is an explanation in layman's language of the most important features of the science of political economy.

3. WHY JUSTICE IS DENIED

Our critics ask:

If the benefits to ordinary working people have been known to be so great for one hundred and twelve years, why haven't the basic reforms Georgists advocate (financing public services from socially generated economic rent instead of from taxes imposed on privately created wealth) been accepted long ago?

The answer is, because of the enormous power of those who receive billions of dollars of unearned income from exploitation of the people's estate and who make little contribution to public revenue in return.

About 10% of the people in Australia have been able to acquire about 90% of the value of the land. The proportion of land ownership is about the same in every country in the world, whether developed or under-developed, or whether it's rulers are democratically elected or operate as dictatorships.

No country in the world has an ideal democratic electoral system.

The Swiss system is believed to be the best. The worst feature which applies generally is the selection of candidates by political parties instead of by the people.

The recipients of economic rent, which rightly belongs to all the people, cannot possibly spend such colossal unearned tribute on their own personal enjoyment. Their incomes are reinvested largely as follows, - to the further detriment of the wealth producers of the nation:

I HOW UNEARNED INCOMES ARE INVESTED

A substantial part is used to buy more land for speculative gain. This results in more land being withheld from use, or under-developed. This, in turn, increases the scarcity of land available for use and forces labour and capital to use land of inferior natural and locational advantages, - depresses wages, increases rent as a proportion of production and consequently land prices also increase - poverty and unemployment worsen.

II When penalising taxes are substituted for the collection of natural public revenue, which has an inbuilt incentive to promote the best use of land, counter monopolies develop. For example, tariffs restrict imports and confer short term advantages, selectively, on local producers who are enabled to increase their prices to the detriment of consumers. Taxes on labour bear more heavily on labour - intensive industries and highly capitalised industries, employing fewer people, benefit.

The whole taxation system is one maze of temptation which creates opportunities for robbery and corruption. The dishonest benefit while the honest suffer.

Shares in monopoly industries increase in price and those in receipt of unearned incomes are better placed to invest.

III A proportion of reinvestment of unearned income is in control of "The Establishment" to ensure perpetuation of an unjust system of extracting tribute from the working populace.

The institutions of learning have developed as semi-monopolies of government. This commenced about the time of the dissolution of monasteries in England when the church lands were stolen by Henry VIII. This was consolidated when the common lands were stolen from the people by the Acts of Enclosure during the industrial revolution. Poverty and unemployment became so severe that people could not afford to educate their children and public education financed by taxation filled the breach.

Indoctrination in support of the policies of the government in power was inevitable. As higher education developed with advancing technology economics became an important feature of tuition in colleges and universities. What is taught today is not inconsistent with the ideology of Karl Marx, which affirms that the government has a prior right to the product of every person's labour (since repudiated by Marx in volume III of Das Kapital), which was not published until eleven years after his death. This justifies the iniquitous taxation system.

The planned inflationary policies of Maynard Keynes also are featured as the means of distributing wealth other than by market forces as rent, wages and interest i.e. as monopoly tribute.

University trained empirical economists do not, in general, refute the teachings of Henry George, but agree with him in isolated paragraphs and then write hundreds of pages of incorrect or irrelevant material.

When there is an occasional criticism of George it is invariably based on misrepresentation.

The teachings of Henry George are, in effect, banned from Australian and most other universities throughout the world, instead of being recognised as the only scientific analysis of political economy.

Politicians are thus left without any scientific or moral guidance. Even the Christian churches are silent on scriptural injunction which is concise and clear on the conditions of land tenure, - see "The Christian Church Land and Politics."

Under such circumstances, political parties are easy to manipulate. Honest, concerned people lack the finance required to support the parties which should represent them and the only available source is from funds subscribed by land speculative interests - for the price of non-interference with the conditions of land tenure or the taxation system, as the basis of public revenue.

The influence of the 60% monopoly media is perhaps the greatest obstacle to a free and prosperous economy. Here again finance is provided by land speculative interests, not only for buying media shares but also in maintaining the monopoly. The total silence of the media on any matter which would improve the condition of honest working people is ample evidence. The media regards crime, murder, fraud and vandalism etc. which increase in an unjust economy, as sensational news upon which to boost its fortunes.

4. THE FUTILITY OF VIOLENCE

Because of all the Machiavellian intrigue which has corrupted politics and destroyed the art of government, one would have expected revolt by the common people, including the poor and the unemployed, the hopeless and destitute - but this is not so.

History teaches us that justice and right doing has been advanced by the sages and philosophers, rather than by the oppressed. When there has been revolt it has always been a blind reaction to the intolerable conditions of poverty and injustice, as history records. New masters and methods of oppression replacing the old have afforded no lasting relief.

The Christian church tolerated chattel slavery for about 1,800 years, despite the teachings of Christ and His message of freedom through justice.

The institution of chattel slavery could not compete with enslavement of the people through ownership of the means whereby they live - the land, and would, in time, have died a natural death.

People become slaves of custom. Perpetuate an injustice, no matter how obscene and inimicable to common wellbeing, for a few generations and the opposition to change will be supported by those who have most to gain. The clamour will be for charity and diversion, "Bread and circus" as the Romans expressed it - the dole and the welfare state of the 20th century, with whatever is destructive of character development thrown in for good measure.

One looks in vain for any uplifting leadership from the media which invades our homes with programmes featuring violence and fantasy. The effect on young children is too terrible to contemplate.

Governments, effectively, have declared war on the family, which was once the central unit in society. The greatest causes of marriage failure are poverty and enforced idleness. We even have passed legislation which supports children acting in defiance of their parents. Marriage has been made a risky venture and the "shaking up" of young people is encouraged by laws which confer rights incompatible with basic human rights and justice.

5. THE DAYS OF "MERRIE ENGLAND"

To discover how the present state of affairs has developed it is necessary to study conditions which applied in England during the 15th and early 16th centuries and note the deterioration of living standards of the people consequent upon changes in the conditions of land tenure imposed thereafter.

England has been assumed to have led the world in cultural standards and the art of government for centuries. To some extent this is true; her poets and writers have never been surpassed and many famous people who have gained recognition in other countries trace their ancestry to British origin.

Relations between the people and their rulers are quite different today and the British economy is fighting for survival, in common with that of other countries.

Except for brief periods England has had a series of governments dominated by the landed aristocracy for many centuries.

In the 15th and early 16th centuries the people of Britain were so prosperous that the period has been referred to as "The Golden Age" and "The Days of Merrie England".

Goldsmith wrote:

"A time there was 'ere England's griefs began,
 When every rood of ground maintained its man:
 To him light labour spread her wholesome store:
 Just gave what life required but gave no more."

During that period there was no unemployment or poverty. A family could live in "rude plenty" from three, eight-hour working days from the land allotted to them and from the common lands.

Children were educated by the Church - in return for an affordable rental paid by its tenants. There was an obligation for military service to the Crown by the menfolk, in defence of the realm when necessary.

The significant feature was that there was no taxation and more than 90% of public revenue was derived from land rentals in return for small farm holdings, home sites and the use of common land for the grazing of flocks and herds, free of charge.

If further evidence of the prosperous living of the people is needed one has but to look at the magnificence of the buildings financed and erected during this period. Many still remain and are valuable tourist attractions. The standards of architecture and craftsmanship have never been surpassed.

The common law was drafted during this period. The judges went on circuit to discover what were the customs of the people in observing the Ten Commandments and other accepted customs, which ensured that people were treated alike in their relationship with the land and with each other. This is still preserved to some extent but its interpretation is adversely affected by a maze of 'statute' laws which are so complex and conflicting as to be incapable of consistent interpretation. Legal justice is now so costly that it is virtually available only to the wealthy. Ignorance, however, is no excuse for breaking the law.

In theory, the ruling monarch of the time had absolute power, but it was customary that this be exercised justly, on behalf of and for the benefit of all the people. It was fully recognised that land rights were essential for the sustenance and wellbeing of the people.

Administration was through the feudal system, with the delegation of power and obligations to larger landholders.

6. HOW LAND RIGHTS WERE LOST

The whole basis of British government changed dramatically with the advent of Henry VIII as the ruling monarch in the early 16th century. The Church was then responsible for religious and secular education, the cost of which was paid from land rents to the mutual advantage of all concerned.

The insatiable greed of Henry VIII knew no bounds. He stole the Church lands, estimated at about one third of the land of the realm, much of which was sold and paid the cost of building about fifty palaces, the staffing and upkeep of which was a heavy burden on the King's finances.

Henry then debased the coinage to provide himself with additional revenue. Coins were 'rumbled' and the dust retained by the King. The edges of coins also were clipped. To prevent this practice goldsmiths produced coins with serrated edges.

Henry VIII thereby introduced the earliest form of inflation to England.

The large landholders naturally took their cue from the King, selling the land which had cost them nothing and was held in trust and repudiated their conditional obligations to their tenants. There were vast unearned fortunes to be made in the newly created land market.

It is noteworthy that it was not voluntary change in custom, but the application of force which destroyed the people's land rights and reduced them to a new kind of slavery.

With the loss of land rights, massive unemployment became a problem, which even the evil monarch could not ignore.

Sturdy beggars roamed the land in search of food and employment. These became a menace to public safety and Henry made it a legal offence to search for work at a distance of more than thirty miles from home and birthplace.

When apprehended, beggars were whipped and for subsequent offences they were branded, an ear could be cut off or they could be hanged. A system of bond slavery also was introduced to discourage 'vagabonds' creating a nuisance. It is recorded that 72,000 Englishmen were hanged for the crime of being hungry and unemployed and trying to improve their condition.

England has never recovered from the abolition of the people's rights to the use of the land. There were 4,000 Acts of Enclosure during the early 19th century, which legalised earlier thefts of the common land and private holdings. The misery and hopelessness of the common man and his family was then complete.

7. THE SNOWBALLING EFFECT OF INJUSTICE

The Industrial Revolution and advancing technology did increase the production of wealth, but this did not flow to the average man or even to the capitalists unless they enjoyed some kind of monopoly.

The land owners, who controlled the means of subsistence, had superior bargaining power to labour and capital.

The enormous growth in taxes which have replaced land rent as public revenue, is now history. Taxes can never suffice to provide adequate revenue, because of the disincentive effect on production, thus destroying the base upon which taxes are raised. Resort to inflation, together with public borrowing becomes necessary, competing with private enterprise in the loan market and forcing up interest rates.

The secondary problems which are the consequences of the failure of governments to collect their natural revenue and substitute taxes, inflation and debt for public finance, are limitless.

Enduring prosperity for all people is not possible without full employment opportunities at full earning capacity, with all privileges and unearned tribute to monopolists abolished.

Unemployment means loss of markets for the products of industry. New territories are needed to export the surplus products and the unemployed.

All the wars during the past century have been fought for territorial expansion - termed 'living space' by German propagandists.

The German conditions of land tenure and taxation appear to have been copied from the British system.

Tariff taxes imposed on imports make matters worse, are acts of economic aggression against countries which have inadequate natural resources and inevitably lead to military warfare.

Because of the poverty and unemployment in Germany caused by special privileges to the Prussian landed aristocracy, Hitler was appointed Chancellor by the wily von Papen and the aging Marshall von Hindenburg, in return for a promise to reduce their obligations for debt and taxes (which he later repudiated).

The millions who have suffered and died in warfare are nevertheless fewer than the numbers of innocent people who have perished from poverty induced diseases and from the crime and violence caused by injustice throughout the world.

8. CHANGE AND RESPONSIBILITY

In accepting the new conditions fo land tenure imposed by Henry Tudor in the 16th century, we are perpetrating the misery and loss of life which he instigated.

Henry is remembered historically for divorcing and beheading his wives, rather than for the infamy of abolishing land rights, the cost of which is beyond calculation.

The corrupt and unjust British conditions of land tenure have been foisted on its colonial empire and copied by the United States of America, together with most developed nations.

In the early settlement of Australia the aristocratic migrants, (Wakefield, Peel and others), complained that servants prepared to work for a pittance were becoming hard to find because of the opportunities of self employment on the land.

This was 'corrected' by confining land releases to large estates that working people could not afford.

George II gave the whole state of Pennsylvania, which he did not own and could not defend, to William Penn, which title the Americans foolishly approved.

Napoleon sold the whole State of Louisiana, which he did not own and could not defend, to the American government, for \$25,000,000 - said to be at the rate of three cents an acre.

Napoleon used his illgotten gains to finance war against England.

All rackets and wars commence with unjust conditions of land ownership.

With introspection, can we claim to be any better than the villainous rogue who once sat upon the throne of England, if we are made aware of what has happened and remain passive and inactive?

It is not proposed by Georgists that the feudal conditions of land tenure have to be reintroduced. This is not practicable. The requirements of land users have changed with advancing technology which has forged ahead, as the art of government has declined, since the Industrial Revolution.

The exclusive occupation of land is now vastly more important and access to common land of lesser importance, although submarginal land which has no rental value must still be available to nomadic tribes and prospectors etc.

Land nationalisation has been tried by Communists, with bureaucratic allocation among the people. This has been a ghastly failure accompanied by an enormous loss of life in Russia and China.

The value of land varies so greatly, as we have seen, together with the requirements of land users to suit different occupations and the types of industry are so diverse that land nationalisation and bureaucratic allocation is not a practicable proposition.

China has about a billion people and Russia a quarter of that number. People are constantly being born, dying and migrating: the task, therefore, is clearly impossible and corruption is inevitable, as it is in every nation, because Georgist principles of land allocation are not applied.

9. THE COSTLESS REMEDY

There is an entirely practicable and costless method of land allocation as proposed by Henry George, - to use market forces. Land titles would be acquired on a normal basis and public charges corresponding with the relative natural and locational advantages, as assessed by the free market, would be made annually.

Each person or corporate body would select, on a competitive basis, the area and location of land most suited to their occupation, type of industry or residential desires and pay accordingly to the rest of the people, through their government, which thereby would receive the revenue needed for communal services, - nothing could be more simple to administer or more just in its application, with all taxation and monopolies simultaneously abolished.

Direct access to land is not a basic requirement, and it is neither necessary nor desirable, in order to secure land rights, that all people should be farmers.

Provided that marginal land which bears no rent is freely available and the users of more desirable land pay the market value of 'economic rent' as public revenue, no one need work for an employer for less than can be earned directly from the land.

A farmer might require a thousand acres of outer regional land to support his family, an office worker can earn a comparable living from a few square meters of floor space located in a multi-storey, centrally situated building.

An industrial manager employed to organize the labour of others, accepts greater responsibility and will be paid as the market for labour determines, but his net return is based, relatively, on what can be earned from rent-free land or what remains after rent for the use of superior land is paid, plus a margin for experience, energy, skills and responsibility, as competition determines.

The greatest bonus is that there can be no involuntary poverty or unemployment when government receives its natural revenue and the robbery of taxation is abolished together with all monopolies.

One of the greatest fallacies to gain general acceptance is that governments must continually be embarking on new projects in order to create jobs. The truth is that governments cannot create employment, although they can cease denying people the opportunity to work. The diversion of private funds by taxation, borrowing or inflation to public expenditure, simply reduces private spending by a similar amount.

A static community can be just as prosperous as a developing one. The essential feature is that government collects its natural revenue as the return for its services and allows private enterprise to do the same.

The natural order is at present reversed - with socially generated revenue diverted to private monopoly income and private income earners are fined for working to satisfy their desires, - hence we have 900,000 Australians deprived of the opportunity to work including about 30% of our young people. This is criminal.

10. SUMMARY OF GEORGIST PROPOSALS

To summarise the foregoing, - Georgists believe in and support the sanctity of human life and freedom by providing equality of opportunity for all people to apply their labour to the God-given, freely provided resources of the earth.

The necessary conditions are:

- 1/ Collect the socially generated unimproved rental value of land, for public revenue.
- 2/ Abolish all forms of taxation which penalise producers, consumers and those who exchange wealth, together with all legalised monopolies.
- 3/ Confine governments to functions which cannot be performed more effectively by private enterprise.
- 4/ Impose constitutional limitations on the powers of government, the basic functions of which are (a) Preservation of the earth and its environment to serve this and all future generations and, (b) To provide equality of opportunity for all people to apply their labour to natural resources - the land of their country, upon which and from which all must live. That is, to ensure that all who engage in the production of wealth or the rendering of services, do so on equal terms.
- 5/ Provide for the equal and proportionate representation of all people in parliament, in local government and in delegated authorities, to the extent possible, by proportional representation.

Remember the words of Winston Churchill:

"If you will not fight for right when you can easily win without bloodshed; if you will not fight when your victory will be sure and not too costly; you may come to the moment when you will have to fight with all the odds against you and with only precarious chance of survival.

There may be a worse case. You may have to fight when there is no hope of victory, because it is better to perish than live as slaves."

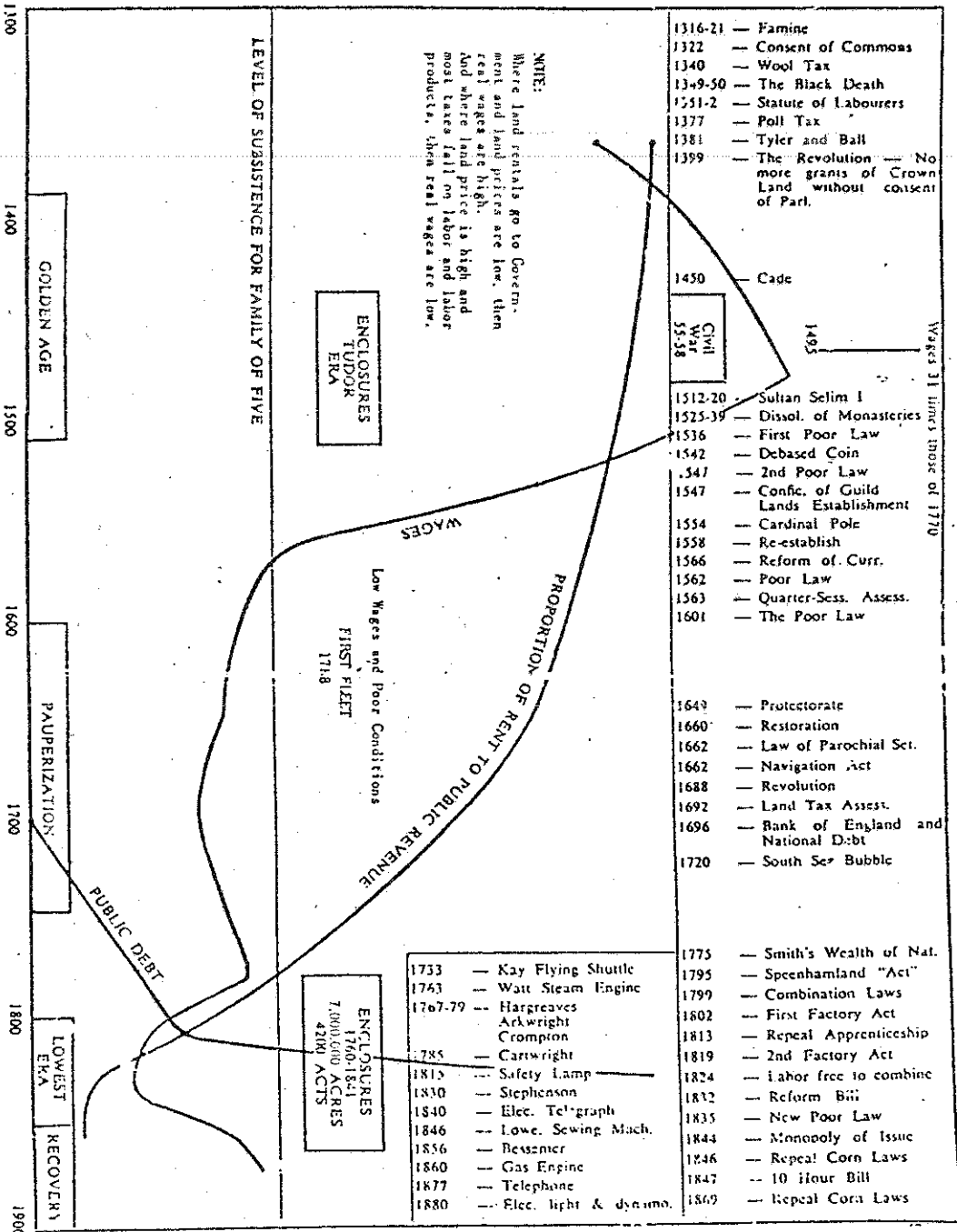
WINSTON CHURCHILL

If you believe that the case herein presented is not fully proven or you can think of improved methods of abolishing the crime of poverty and unemployment, - contact the Georgists and 'let us reason together'.

Remember too, the immortal words of Edmund Burke:

"All that is needed for the triumph of evil is for good men to do nothing."

CHART ILLUSTRATING "THE 600-YEAR PLAN"



FROM 'SIX CENTURIES OF WORK AND WAGES' by Prof. Thorold Rogers (circa. 1880).

Wages 31 times those of 1770

cont'd.

Regarding the PROPORTION OF RENT TO PUBLIC REVENUE curve, the highest point (c. 1350) represents 95% of state revenue being derived from the land and the lowest point (c. 1850) represents 4% approximately (cf. RICHARD COBDEN ON FREE TRADE AND THE TAXATION OF LAND VALUES, Good Government, April 1974).

In 1788, the year the First Fleet arrived and the white settlement of Australia began, conditions in Britain were approaching the bottom of the trough, and the new colony became a receptacle for many of the afflicted both as convicts and as free settlers.

