

the soil forms the basis of the capitalistic mode of production". As to expropriation, see the whole of his chapter 33, and also John Strachey's abridgement of Marx's "Capital" (1937) which enlarges on the great expropriations in Scotland, especially in the Sutherland Estates (pp. 38-47). See also "Our Old Nobility" by Howard Evans (London 1909).

Marx, however, is totally confused about labour and capital. He imagines that capital exploits labour. Not grasping that labour produces everything, including capital, and is the only mode of production at all times, in all places and in all circumstances. Capital is idle except when labour is using it to produce, so that capital by itself produces nothing. The "Capitalistic mode of production" is a confusion.

Labour, not capital, must be liberated, not only by political equality but also by free and equal access to land.

Capital is the product and the tool of labour, and never employs or exploits labour. Labour always employs capital. Privilege, injustice, force and fraud, supported and perpetuated by public ignorance and apathy, have reduced labour to wage-slavery. Capital can only benefit everybody, especially labour.

Marx's most fatal error is in departing from the fundamental basic definitions, making him imagine that land can be capital and that capital includes land.

4. See "The Great Australian Myth" (1983) by E. P. Middleton.

## CHAPTER 18

### THEORY OF VALUE

132. A sound theory of value must account for not only the value of wealth, which is produced by labour and sold in the market, but also for the value of everything sold in the market but not produced by labour, such as slaves, land, monopolies and licenses. My theory of value propounded throughout this book does account for them all, but Marx's theory (surplus value) is expressly confined to the 'capitalistic' rigging of wages of the workers. The popular theories that purport to explain the value of land are based on the erroneous idea that land is 'scarce' and 'hard to get' and so bears a value and price which reflect the alleged difficulty of getting to it and to the things contained in it, are if possible even more

illogical. And the 'psychological' theories of the Austrian School, which allege that a buyer in the market makes a psychological assessment of the value or price of the article or land which is clearly and unalterably the same price for everybody, are the last word in the departure from reality.

Access to land is free in nature, and its difficulty and 'cost' is entirely the result of our privilege and unjust laws, especially the privilege granted to some of appropriating to themselves the economic rent.

The hard labour of getting things out of the earth (i.e. producing wealth) is totally different from mere access to the earth which itself involves no labour, and which is positively restricted only by human law, i.e. political law. Also, it can be observed that the labour of getting things out of the earth diminishes daily by the use of capital and trade and labour-saving devices, but the cost, price and value of land rises daily. This is because the price or value of land is not economic but political.

133. The perception of all this and of its implications places on us all an obligation to use our powers (particularly our intellect) and our influence to cause the market value and price of land to disappear, and thus to restore to the people their heritage and true social revenue. Economics and politics are closely related at this point.
134. Even the rich and all whose unearned incomes are basically derived from land-"ownership" will benefit by the great change from taxation to rent, which will restore the market with its incalculable material and ethical benefits.
135. To recapitulate: the most harmful of all modern political values from obligation, which have perverted the natural orderly market into chaos and class-struggle, is land-value, which expresses itself in the market as land-price. Land is provided, free, by nature, not by labour; and has no cost (because labour is the only economic cost), and no value or price. Even the birds and flowers are not subject to land-value, but enjoy the gifts of nature free. See Matthew 6.25-33. But masses of human beings have become disinherited and impoverished by land-price. The bulk of Australians cannot in 1989 afford to buy a home. They are landless, and therefore disinherited and a proletariat.