

CHAPTER 5 — CAUSE OF CONFUSION AS TO PROPERTY

Let us pause a moment before we go further in our examination of Mill's reasoning. What is it that so perplexes this trained logician and honestly minded man, involving him in such utter contradictions and confusions when he endeavors to trace the basis of property? It is evidently the same thing that has prevented all the scholastic economists, both those who preceded and those who have succeeded him, from giving any clear and consistent statement of the laws of distribution or of the origin of property. This is a pre-assumption that they cannot bring themselves to abandon — a pre-assumption that land must be included in the category of property and a place found in the laws of distribution for the income of landowners. Since natural law can take no cognizance of the ownership of land, they are driven in order to support this pre-assumption to treat distribution and property solely as matters of human institutions,

Mill, who though befogged by his utilitarian philosophy is in many respects the superior of all these writers, starts on his investigation of distribution and property with the same pre-assumption — with the same “string tied to his leg.” He had been, as they have all been — from the really great Adam Smith to the most recent purveyors of economic nonsense in Anglo-German jargon — accustomed to regard property in land as the most certain, most prominent, most tangible, of all property — that which the lawyers call real property, and which in common speech is recognized as the highest expression of ownership. And his logic is not strong enough to permit him even at its call to lay rude hands upon what to Englishmen of his class and time was the most sacred of institutions. He did indeed, come so near questioning it as to excite the dismay of his contemporaries who deemed him a radical of radicals for utterances that squinted toward the truth. But he always

draws back from uttering it.

The real basis of property, the real fundamental law of distribution, is so clear that no one who attempts to reason can utterly and consistently ignore it. It is a natural law which gives the product to the producer. But this cannot be made to cover property in land. Hence the persistent effort to find the origin of property in human law and its base in expediency. It is evident, even where Mill speaks of property generally, as he has done in what I have to this point commented on, that the real cause of his contradictions and confusions is that he has always in mind property in land. But the failure of the attempt to bring this species of property under the only possible justification of property, the right of the producer to the product, is even more painfully clear when he comes specifically to treat of it. He begins this by another admission of the truth utterly inconsistent with the derivation of property from expediency; saying:

Nothing is implied in property but the right of each to his (or her) own faculties....

The essential principle of property being to assure to all persons what they have produced by their labor and accumulated by their abstinence, this principle cannot apply to what is not the produce of labor, the raw material of the earth.

Abstinence is not a doing but a not doing, a refraining from consuming. The essential principle of property being to assure to all persons what they have produced by their labor, this of course includes what having been produced by labor is afterwards accumulated by abstinence. These words "and accumulated by their abstinence" are superfluous, but their introduction is significant of the disposition to assume that capital rather than labor is the active factor in production.

But though a little superfluous in phrase, this statement is true and clear. In the conflict going on in Mill's mind the perception of

the basis of property and natural law seems, in the admission that the principle of property cannot apply to land, to have finally conquered both the notion that its basis is in human law and the pre-assumption from which the notion comes.

But this is hardly for a moment. In the next sentence, the pre-assumption that has confused him asserts its power and Mill proceeds to argue that the principle of property does apply to land. He does this by what is in reality, though doubtless unconsciously to him, a jumble with words. But as his argument is the stock argument of the scholastic economists, I will quote it in full, proceeding from the sentence already given:

If the land derived its productive power wholly from nature, and not at all from industry, or if there were any means of discriminating what is derived from each source, it not only would not be necessary, but it would be the height of injustice, to let the gift of nature be engrossed by individuals. The use of the land in agriculture must indeed, for the time being, be of necessity exclusive; the same person who has plowed and sown must be permitted to reap; but the land might be occupied for one season only, as among the ancient Germans; or might be periodically redivided as population increased; or the State might be the universal landlord, and the cultivators tenant under it, either on lease or at will.

But though the land is not the produce of industry, most of its valuable qualities are so. Labor is not only requisite for using, but almost equally so for fashioning, the instrument. Considerable labor is often required at the commencement, to clear the land for cultivation. In many cases, even where cleared, its productiveness is wholly the effect of labor and art. The Bedford Level produced little or nothing until artificially drained. The bogs of Ireland, until the same thing is done to them, can produce little beside fuel... Cultivation also requires buildings and fences, which are wholly the produce of labor.

The fruits of this industry cannot be reaped in a short period. The labor and outlay are immediate, the benefit is spread over many years, perhaps over all future time. A holder will not incur this labor and outlay when strangers and not himself will be benefited by it. If he undertake such improvements, he must have a sufficient period before him in which to profit by them; and he is in no way so sure of having always a sufficient period as when his tenure is perpetual.

These are the reasons which form the justification in an economical point of view, of property in land.

This argument begins by asserting that the principle of property cannot apply to land; it ends by asserting that it does. The language is loose, for Mill indulges in a practice dangerous where exactness is important, the use of paraphrases for economic terms, such as "raw material of the earth" and "gift of nature" for land; "industry" for labor, and "valuable qualities" for productive powers. But carefully to consider these reasons which are held to justify the unjustifiable, is to see that their plausibility is brought about in the same way that a juggler seems to change a watch into a turnip — the substitution of one thing for another while attention is distracted. In this case the substitution is of one sense of a word for another different sense of the same word.

The word land, as before explained, has two senses. One of these is that of the dry and solid superficies of the globe as distinguished from water or air, or that of the cultivable matter of the earth as distinguished from rock or sand or ice or bog. In this sense we frequently speak of "improved land" or "made land." The other, the economic sense of the word, is that of the natural or passive element in production, including the whole external world, with all its powers, qualities and products, as distinguished from the human or active element, labor, and its sub-element, capital. In this sense we cannot speak of "improved land" or "made land." Such phrases

would involve contradiction in terms.

Now in the reasoning just quoted Mill slips from one to the other of these two senses of the word land, not merely in the same connection, but in the same sentence, and even as between the noun and its pronoun without notice to the reader and seemingly without consciousness on his own part.

The first suggestion of this substitution comes in the ifs of the second sentence. If, says Mill, land derived its productive power wholly from nature and not at all from labor, or if there were any means of discriminating what is derived from each source, it would be the height of injustice to let land be engrossed by individuals.

Why these ifs? Mill is here writing as a political economist, in a work entitled *Principles of Political Economy*, and for the purpose in this particular place of discovering whether there is any justification from an economic point of view of property in land. Land, as a term of political economy, means that element of productive power derived from nature and not at all from labor. It has and can have no other meaning. The first principle of political economy is the distinction between the productive power derived wholly from nature, for which its term is land, and the productive power derived from human exertion, for which its term is labor. Where the reason can find no "means of discriminating what is derived from each source," political economy becomes impossible, and to confuse this discrimination is to abandon political economy.

This is precisely what Mill does, when he goes on in the first sentence of the next paragraph to tell us that "though land is not the produce of industry, most of its valuable qualities are so." He is abandoning political economy by dropping in the pronoun the sense in which he uses the word land in the noun, and falling with seeming unconsciousness into the vague sense of common speech. When he says that land is not the produce of industry he uses the word in the

economic sense. But when he says the qualities of land are the produce of labor he is using the word in that loose ordinary sense in which we speak of "improved land". For what single quality of land in the economic sense of the word is the produce of labor? Is it gravitation? Is it extension? Is it cohesion? Is it chemical affinities or repulsions? Is it the qualities shown in generation and germination and growth?

The fact is, that abandoning the economic sense of the word land, he resorts to that loose colloquial sense of the word in which we speak of "improving the land." And it is with illustrations of "improved land" and "made land" that he goes on to show how the qualities of land are products of labor.

Let me to do a little illustrating, for the confusions to which Mill succumbed are being crammed into the minds of young people by a thousand "professors of political economy":

I am writing these pages on the shore of Long Island, where the Bay of New York contracts to what is called the Narrows, nearly opposite the point where our legalized robbers, the Custom House officers, board incoming steamers to ask strangers to take their first American swear, and where if these false oaths really colored the atmosphere the air would be bluer than is the sky on this gracious day. I turn from my writing-machine to the window, and drink in, with a pleasure that never seems to pall, the glorious panorama.

"What do you see?" If in ordinary talk I were asked this, I should of course say, "I see land and water and sky, ships and houses and light clouds, and the sun, drawing to its setting, over the low green hills of Staten Island, and illuminating all."

But if the question referred to the terms of political economy, I should say, "I see land and wealth." Land, which is the natural factor of production; and wealth, which is the natural factor so changed by the exertion of the human factor, labor, as to fit it for the

satisfaction of human desires. For water and clouds, sky sun, and the stars that will appear when the sun is sunk, are, in the terminology of political economy, as much land as is the dry surface of the earth to which we narrow the meaning of the word in ordinary talk. And the window through which I look; the flowers in the garden; the planted trees of the orchard; the cow that is browsing beneath them; the Shore Road under the window; those vessels that lie at anchor near the banks, and the little pier that juts out from it; the trans-Atlantic liner steaming through the channel; the crowded pleasure-steamers passing by; the fort and dwellings on the opposite side of the Narrows; the big wooden elephant of Coney Island; and the graceful sweep of the Brooklyn Bridge, that may be discovered from a little higher up; all alike fall into the economic term wealth — land modified by labor so as to afford satisfaction to human desires. All in this panorama that was before man came here, and would remain were he to go, belongs to the economic category land; while all that has been produced by labor belongs to the economic category wealth, so long as it retains its quality of ministering to human desire. But on the other shore, in view from the window, is a little rectangular piece of dry surface, evidently reclaimed from the line of water by filling in with rocks and earth. What is that? In ordinary speech it is land, as distinguished from water, and I should intelligibly indicate its origin by speaking of it as “made land.” But in the categories of political economy there is no place for such a term as “made land.” For the term land refers only and exclusively to productive powers derived wholly from nature and not at all from industry, and whatever is, and insofar as it is, derived from land by the exertion of labor, is wealth. This bit of dry surface raised above the level of the water by filling in stones and soil, is, in the economic category, not land, but wealth. It has land below it and around it, and the material of which it is composed has been drawn from land;

but in itself it is, in the proper speech of political economy, wealth; just as truly as the ships I behold are not land but wealth, though they to have land below them and around them and are composed of materials drawn from land.

Now here is the evident confusion in Mill's thought, which he has perplexed by dropping from the terminology of political economy into the language of ordinary speech. The Bedford Level, which is land that has been drained; the cultivable bogs of Ireland, which is land that has a coating of soil put on it; the improved farms he refers to, which are land cleared or manured by labor, belong all of them to the same economic category as the little piece of "made land" visible from my window. In the qualities that he is considering in them they are all, in the economic meaning, not land at all, but wealth; not the free gift of nature, but the toil-earned produce of labor. In this, and so far as these qualities go, but no further — that is, insofar as they are wealth, not land, they are property; not because human agency can add any qualities to the natural factor, but because of the natural law of property, which gives to the producer the ownership of what his labor has produced.

Mill seems to think that he has shown the justification of property in land, but the reasons he gives only justify property in the produce of labor; thus in his own case adding a single instance of the truth of what he has before stated that "in every defense made of it, property is supposed to mean the guarantee to individuals of the fruits of their own labor."