

If we are to secure the Blessings of Liberty to
ourselves and our Posterity . . .

Comments on Rose Wilder Lane's letters (re: Henry George
and socialism)
to Jaspar Crane on December 5, 1946,
February 4, 1954 and May 12, 1963.

by Richard Noyes

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September 24, 1977

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"I have never been able to understand Henry George's followers, nor to get from one of them a straight answer to a straight question," says Rose Wilder Lane in the letter she wrote to Jaspar Crane near the end of 1946.¹

And four lines down she adds: "'The State should be the universal landlord' (to quote Henry George)."

There is no reference in the letter to show where she finds such a quotation in George's works, and I am inclined to believe no such quotation can be found.

Mrs. Lane several times charged George with being a socialist. She went further in her letter of February 4, 1954, speaking of, "all Marxists, from Karl to Henry George to Lenin."²

Are you a socialist, Henry George? The question was, in effect, put to him in a letter written by the philosopher Herbert Spencer to the St. James Gazette in the year 1883. Here's his own straight answer.³

"For in nothing I have ever written or spoken is there any justification for such a characterization.

I am not even a land nationalist, as the English and the German and Australian land nationalizationists well know. I have never advocated the taking of land by the state or the holding of land by the state, further than needed for public use; still less the working of land by the state. From my first word on the subject I have advocated what has come to be widely known as 'the single tax;' i.e., the raising of public revenues by taxation on the value of land irrespective of the improvements on it -- taxation which, as fast as possible and as far as practicable, should be made to absorb economic rent and take the place of all other taxes. And among the reasons I have always urged for this has been the simplification of government and the doing away of the injustice of which governments are guilty in taking from individuals property that rightfully belongs to the individual. I have not gone so far as Mr. Spencer in limiting the functions of government, for I believe that whatever becomes a necessary monopoly becomes a function of the state; and that the sphere of government begins where the freedom of competition ends, since in no other way can equal liberty be assured. But within this line I have always opposed governmental interference. I have been an active, consistent and absolute free trader, and an opponent of all schemes that would limit the freedom of the individual. I have been a stancher denier of the

assumption of the right of society to the possessions of each member, and a clearer and more resolute upholder of the rights of property than has Mr. Spencer. I have opposed every proposition to help the poor at the expense of the rich. I have always insisted that no man should be taxed because of his wealth, and that no matter how many millions a man might rightfully get, society should leave to him every penny of them."

There is internal evidence in the Spencer letter to suggest the confusion may have stemmed from Henry George's acquaintance and brief association with Henry M. Hyndman, an English Marxist whom George thought for awhile he could win over to the side of liberty.

The relationship is dealt with carefully by Dr. Bernard Newton, professor and chairman of the Department of Economics at Long Island University, the Brooklyn Center. A study of Dr. Newton's two papers will help further to establish George's credentials as a devotee of liberty.⁴

I

"For forty years I have tried," adds Mrs. Lane in the 1946 letter, "to get such intelligent leaders of the Georgists as Albert Jay Nock and Frank Chodorov to explain their theory to me; simply to explain it . . . If you can't understand it, they can only tell you to read Henry George."

Let me try again to explain it.

George's simple idea is best understood as a recent development in the long, patient effort by man to work out the idea of the free individual. I have no quarrel with the definitions of liberty and freedom restated by Bob LeFevre in the Fall issue of his Journal⁵, except that they are three dimensional.

We must see the invention of the free individual as an episode in time, so I offer Spinoza's concept, too:⁶

"I say that a thing is free, which exists and acts solely by the necessity of its own nature."

When man emerged to a stage of development in which he was identifiable as man, he was one of the lesser animals which then shared the earth. Man was bound to a tribal, or social state, acting defensively by the necessity of other, more powerful creatures. Man's survival depended upon social behavior. It was not until man had "subdued" the earth, emerging as the dominant species, that the individual (of which man may earlier have conceived) became possible. It was not until then that there could be liberty or freedom, because they are conditions of the individual.

What is man's own nature? We need to touch on three aspects of it if we are to arrive at Henry George's idea, and we need to see man's nature over the course of time.

1) Man is bound -- because life is possible only there

— to a thin layer of atmosphere lying on the surface of the earth. Individuals may venture out of it briefly, as they have, but must return unless and until our powers of reason have given us capabilities we don't yet have.

In simpler terms, we are bound to, and must share, the face of the earth for necessities that lie within our nature: Air and water, food, and more elementally, space to exist, a place to "be." That necessity is unchanged, but being a necessity of our nature is not a limitation to freedom.

2) Man is an animal, whose origins we are only beginning to understand. There is reason to believe that, very deep in our nature, we have an appetite for power, and a will to dominate which has made us predatory. It was the drive to "subdue" which brought us to a point where, "the human being exhibits a propensity for violence beyond any other vertebrate species."⁷ We are unique among animals with whom we originally competed not in the urge to rule, but in the capacity to succeed at it.

It is essential to remember that it was not the urge for power which got us where we are today. Other animals felt it, too. We could not have been successful had it not been for the third aspect of man's nature, the ability to reason. The only change in this second aspect over the course of time, beyond a cosmetic masking of it, has been that, having subdued the other species, and being left with the drive for power, we have as objects of that drive others of our own kind.

3) The ~~ascendent~~ aspect of man's nature, the one which stimulates change, is the "big brain" in which we are unique.

Now, the drive for power and the urge to understand are forces that interact. We are caught up in a struggle involving the two forces, although it is not a confrontation. They are not reciprocal. The drive for power habitually makes use of the capacity to think, and is most successful in its efforts to dominate to the extent that it does so; but there is no opposite concept. Reason has no use for power, does not borrow from it, but understands it. The struggle is for reason to make clear the difference between its original function and rationalization prostituted in the service of power.⁸

The purpose of power is to control, a physical act which always diminishes its object, but changes nothing. The purpose of reason is to create or to conceive, an act of consciousness, which takes nothing from its physical object but has the power to bring about change. Reason continually creates what power then appropriates.

We are concerned here with liberty. It was reason which gave rise to liberty, by first conceiving of the individual and then by providing power with the means (the long distance weapon, for one thing) for making self possible. The concept of the individual has been broadened into a trinity: Life, liberty and property, all aspects of self. The challenge is to protect that trinity; but the nature of man brings us to this impasse:

Our natural predatory drive for power, which remains with us and has as its object others of our kind, creates for any particular individual a necessity outside his own nature -- the predatory acts of fellows. Reason, if it is to preserve the individual and protect its trinity, must find the way to modify man's nature; but freedom goes out the window unless that modification can be brought about willingly.

Reason does not control; it creates or conceives and thereby brings about change. The task of reason has been, over a long period of time, to create circumstances whereby the predatory drive for power may willingly be modified.⁹

Government, or social order fashioned according to the natural family or tribal cluster, was long ago proposed as a means of creating the stability in which life, liberty and property would be secure. But government has always been appropriated by power, as is the pattern of human behavior, to serve its own ends. Thus the patriarch became the tyrant, the prophet became the inquisitor, the leader became the landlord; and thus they grew into three coercive ranks, known by the levers they used: king, lords spiritual and lords temporal.

II

One recent invention, in reason's continuing creative effort, has been the compact theory of government. It is government by common consent. Its first full manifestation

has arisen here in America, on a virtually unused continent, in something approaching a "state of nature," under the written constitutions.

The products of reason,¹⁰ they incorporate the concepts of balanced powers, due process of law, broad franchise, limited terms of office and freedom of speech and press -- all of which are devices intended to modify predatory behavior and guard against the use of government for coercion. Newspapers of the past several years carry evidence that these devices are still being successful, at least to some extent.

The American constitutions are the leading edge of social evolution, the best we have done so far on the road toward a willing modification of the predatory drives. They have done away with both the king and the lords spiritual as direct instruments of coercion, but left the lords temporal in modern clothing.¹¹

They are imperfect, as could be expected. As originally written they endorsed and gave civil sanction to three old instruments whereby some have long used the powers of government to control others: marriage and property laws that gave men power over women; the institution of slavery; and unlimited private property in land.

The history of America has included agonizing chapters in which the first two of these indirect instruments have been altered (though neither has been fully resolved), and in which the third has begun to be understood.

Property in land as an instrument of coercion -- the

chapter in which Henry George has made his contribution -- has most persistently eluded resolution because it is doubly indirect. Masters and slaveowners, though their powers came indirectly through civil sanction, were left in direct control of women and slaves, a visible domination which aroused compassion. Landlords held their indirect power indirectly, through control over the earth which, in turn, is a necessity of man's own nature, and thereby control over man. The confrontation was less evident.¹²

The very word, "property" adds to the confusion because it has several meanings, only one of which is the extension of the free individual. Slaves, for instance, were until quite recently considered property.

Equal rights to the use of the earth are inherent in our realization that liberty is indivisible. None of us is free until all are free, and therefore the earth and its fullness are our common heritage. There is nothing very new in these linked concepts. They were already ancient when George arrived at them. Thinking people have seen them and written of them for 4,000 years or more. The difficulty has been how to administer those equal rights.

The best we have known how to do was to make government the arbiter of those rights and to leave government with this choice: administer them directly (land nationalization) or transfer those rights to individuals of government's choice (unlimited private ownership). The trouble in either case has been that government was, as always, subject to abuse as an instrument of power.

The Roman latifundia were handed over to a few, and the result was a landless proletariat with their demands for bread and circuses. The feudal system was a form of slavery, based on territorial control;¹³ the slaves were not deprived of their lives, or of access to land, but of their liberty. How much worse off were they than their descendants in England when, by the enclosure acts, government once again handed over the land to a few and gave rise to yet another landless proletariat? They had lives and might have had liberty except they had no property.

Karl Kautsky put the transition this way:¹⁴

"The feudal epoch, too, knew land hunger as keen as that of the Renaissance; but its nature was entirely dissimilar. The old feudal lords were greedy for land with the peasants, the new lords wanted the land of the peasants."

A few thinkers (John Locke¹⁵, Henry George¹⁶ and Rose Wilder Lane¹⁷ among them) have seen that man has a natural right to use land. It is no more than the natural right to survive. They saw, too, that man has the right to do so without the prior authority of anyone else, but only to the extent that "there is enough, and as good left in common for others." It is a critical dividing line. The lords of England held life or death power over the peasants, and the Irish potato famine was possible only because title to the land was held by so few, and there was none left in common. The problem comes not with title to land but with

the exclusion from it of one individual by another through the civil authority, as George has clarified:¹⁸

"It is only where two or more men want to use the same land at the same time that equal rights to the use of land come into conflict, and the adjustment of society becomes necessary."

The need has narrowed down, as we have seen, not for a control, but for a reasoned device whereby even a predatory individual can be persuaded to give up his claims to land he does not intend to use except as an instrument of coercion.

One reason the land question was not of concern when the American constitutions were written, and why it remains as the most pressing unresolved threat to freedom, is that there was "enough and as good left in common for others" on this wide open continent at that time.

Some of the constitutional authors saw that it would eventually become a problem, when America's land was used up,¹⁹ but that circumstance was remote and there were more pressing challenges to liberty immediately at hand. Others, starting with George Washington who presided over the convention at Philadelphia, were so deeply involved in land speculation as to make it their way of life.²⁰

Now, of course, America's land has been taken up. Mrs. Lane was well aware of the struggle between homesteaders and the railroad corporations to get control of the last of it. The public domain was closed to private settlers in 1936. It is no coincidence that the sharp upturn in

government efforts to "promote the general welfare" at the expense of that more appropriate phrase in the preamble -- "secure the Blessings of Liberty to ourselves and our Posterity" -- came just at that time.

There is still plenty of land for us all, much of it unused, but no longer any "free" land left on which the beginning individual can work out necessities of his own nature without first paying tribute to another of his own kind. George saw more clearly than it had ever before been seen that this land-based leverage was the root of deepening poverty in the face of burgeoning progress.

One of many thinking people who saw early how much of our history was dependent upon available land is Albert Gallatin:²¹

"If the cause of the happiness of this country was examined into it would be found to arise as much from the great plenty of land in proportion to the inhabitants . . . as from the wisdom of their political institutions."

There is ample evidence to show that a central thread in the history of our country has been the struggle over title to the continent which was virtually unused when we came to it. The struggle was essentially between those who wanted to use it -- to "function," in Mrs. Lane's phrase -- and those who wanted it for the leverage it would afford. Roy M. Robbins summed it up:²²

"The fact is that much of the history of the

national land system centers around the struggle between those two forces of squatterism and speculation, between the poor man and the man of wealth."

America, having been blessed with enough land (though it was a diminishing plenty) for 200 years, has come now to a point where there is no public domain to serve as an alternative to paying tribute. If we are to "secure the Blessings of Liberty," as it was originally hoped we might do, then we must find the way to make that "adjustment of society" which has finally become so necessary.²³

Power has a vested interest in its not being found. So reason is left to find it, not as a control (coercion being inconsistent with reason) but as a device whereby those holding land out of production for predatory reasons may be persuaded to choose willingly to modify their behavior. Such a device has been found. It is George's proposal.

III

The economist David Ricardo opened the way for the concept when he saw that economic rent is the margin of productivity by which any given piece of land exceeds the least productive in use, a difference which sets in only and exactly where there is no longer "as good" left for others to use -- Locke's qualification. It starts at the critical dividing line. It is the point at which, and the

degree to which men begin to quarrel. So:²⁴

"It is not necessary to confiscate land; it is only necessary to confiscate rent."

That's George's proposal. Any man, greedy or not, may hold as much land as he wishes, to use or not to use, so long as he makes available to his fellow men that measure of productivity by which the land exceeds the least productive land in use.

It is a simple device, comparable in structural terms to the balance of powers, the universal franchise or due process of law: An inherent, internal mechanism whereby civil government can function to protect life, liberty and property, without running the risk of being taken over as an instrument of coercion. It is a balance of property rights.

Locke's individual owner who holds only as much land as he "tills, plants, improves, cultivates, and can use the product of" is free to go his way. Mrs. Lane's owner for whom "function" is the right to use land may continue to function. Only the land speculator, large or small, who holds land he does not use, is put to the test.

He is faced, however, with a free choice. It is not a control, and its effect is only to influence him to modify his predatory nature willingly, as the more advantageous alternative.

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NOTES

¹Roger Lea MacBride, ed., The Lady and the Tycoon, 1973, p. 10. Hereafter, Lane Letters

²Lane Letters, p. 100.

³Henry George, A Perplexed Philosopher, 1892, pp. 70-71. As further evidence of George's stand on liberty, I have already indicated the Albert Jay Nock essay, Henry George; and George's Fourth of July speech at San Francisco, reported and quoted at length in Henry George, Jr., The Life of Henry George, 1900, pp. 282-288. See also George's A Perplexed Philosopher, pp. 210-211. For the distinctions between George's ideas and both socialism and Marxism, see Max Hirsch, Democracy Versus Socialism, Australia 1901, republished by Robert Schalkenbach Foundation, New York, 1966. See also George's footnote on socialism in Protection or Free Trade, 1887, p. 324, and all of Chapter 23, "Free Trade and Socialism" in that book. George characterized Marx as "the Prince of Muddleheads," and Marx thought of George's ideas as capitalism's last ditch stand.

⁴Bernard Newton, "Henry George and Henry M. Hyndman, I: The Forging of an Untenable Alliance, 1882-83," The American Journal of Economics and Sociology, July 1976, pp. 311-323; also "Henry George and Henry M. Hyndman, II" in *Ibid.* July 1977, pp. 311-321.

⁵Bob LeFevre, LeFevre's Journal, Fall 1977, p. 2.

⁶Benedict de Spinoza, Letter LXII to G.H.Schaller written at The Hague in October, 1674; letter appears in the R.H.M.

Elwes translation published by George Bell in 1883 and republished by Dover, 1955, Vol. II, pp. 389-92.

⁷Robert Ardrey, The Social Contract, 1970, p. 259.

⁸Does reason ever exist as a primary function? There are two positions which may be taken. Spinoza, in the first 10 paragraphs of "On the Improvement of Understanding" which appear in the Dover publication cited above, Vol. II, pp. 3-7, distinguishes the pursuit of truth from the pursuit of riches, fame, or the pleasures of sense, which he believes ordinary men see as the "highest good." He believes man "conceives a human character much more stable than his own," and defines that character as "the knowledge of the union existing between the mind and the whole of nature." Another view consistent with my claim that reason is not coercive, but seeing it as motivated by one of the human appetites, is set forth by Douglass Adair in his essay, "Fame and the Founding Fathers," in Trevor Colbourn, Ed., Fame and the Founding Fathers, 1974, pp. 4-26. One might find it hard to decide which of those positions best explains Henry George's comment in a lecture to students of the University of California at Berkeley on March 9, 1877: "I trust you have felt the promptings of that highest of ambitions -- the desire to be useful in your day and generation; the hope that in something, even though little, those that come after may be wiser, better, happier than you have lived." Henry George, Jr., op cit., pp. 278-79. How can one explain Rose Wilder Lane's restless sense of

curiosity, and unceasing efforts to understand, unless there is a primary urge that results in reason?

⁹The impasse, whereby reason must find the way to modify without controlling, if freedom is to remain intact, does not exist for the collectivists, since their unit of being is not the individual but society. There being no individual to "exist or act" freely, the necessity of its nature is for them of no consequence. The only necessity of concern to them is that of society. Thus there is no inconsistency in their willingness to use force or violence to achieve their ends -- indeed, their need to do so. One possible test of whether or not a philosophy is truly libertarian might be whether or not it condones the use of force. Henry George remains a libertarian by that measure.

¹⁰The American constitutions are the first instance of governments created in a process of deliberation, reasoned out and written down, proposed to the body of people who were to be governed by that written agreement, and made effective only by vote of the majority. The concept of human rights -- the basis for our Bill of Rights -- was thrashed out principally in England, but it was a violent process, including the murder of a king. For insight into that reasoning process, see Homer Carey Hockett, The Constitutional History of the United States, 1776-1826: The Blessings of Liberty, 1939; and Irving Brant, The Bill of Rights, 1965. It is worth note that the period of constitutional authorship as a creative rather than an eclectic

process extended over a period of at least 14 years, and that there is a "shape" to the period. The first efforts were, understandably, faltering as reason was just coming to bear and as the Revolutionary effort was beginning to dilate individual time horizons. The first permanent state constitutions, notably those of Virginia, Massachusetts and New Hampshire, in the middle of the period, contain the best statements of human rights. The federal constitution, which comes near the close of the period, on the downside of reason's role and as time horizons had begun to narrow again to the usual day-by-day standard for man, is less concerned with the individual and liberty. It focuses on the machinery of government which denies itself immediate instruments of coercion, but provides for certain of them to be granted to a certain few in a manner which was consolidated in the first three administrations. The few were a "pseudo-aristocracy" as that term is used in letters between John Adams and Thomas Jefferson in 1813. When it came time for our forefathers to work what has been called the "miracle at Philadelphia," as a matter of fact, the need for a Bill of Rights -- the true starting point for a social contract, without which it is meaningless -- had slipped their minds. They wrote no Bill of Rights. For a better understanding of that early triumph of power over reason, see Charles A. Beard, An Economic Interpretation of the Constitution of the United States, 1913.

¹¹ John Taylor of Caroline was one of those who saw

early that our constitutions had left the lords temporal intact. He argued in An Inquiry into the Principles and Policy of the Government of the United States, 1814, that the division of societies into rich and poor were not, over the long pull of history, "the product of the industry of the few and the sloth of the many," (as Charles A. Beard summarizes it) but of exploitation. Prohibit primogeniture and introduce the division and subdivision of great landed estates, he argued, and the landed aristocracy will go to pieces. It is interesting that Thomas Jefferson, in his famous letter on natural and artificial aristocracy (Jefferson to Adams, October 28, 1813, in Lester J. Cappon, ed., The Adams-Jefferson Letters, Vol. II, pp. 389-390) takes credit for having done exactly that. He listed Virginia laws abolishing entails and primogeniture as one of his major accomplishments, saying, "These laws, drawn by myself, laid the axe to the roots of pseudo-aristocracy." Taylor, though, was more concerned with a capitalistic aristocracy of "paper and patronage . . . for the sake of pillaging the people." Taylor's comments are relevant because they support the belief there are several threats to liberty inherent in our form of government as originally conceived. Jefferson's awareness of the land problem as a "root cause" serves to support the major thesis of this paper: that the coercive use of land title is the major, though not the only, present threat to liberty.

¹²The early American traffic in land was insulated from

its fundamentally coercive nature, because the speculators were far removed from the individuals who finally had to pay tribute, often multiplied several times, for the land's eventual productive use. James Greenleaf, an associate of constitutional author Robert Morris, helped engineer an immediate resale of 4,000,000 acres of Yazoo land in Georgia and Mississippi, the price of which had been \$215,000 at first purchase, to a Boston group for \$1,375,000. (Shaw Livermore, Early American Land Companies, 1939, p. 152 and passim) The Boston people were not hurt, though, since they wanted the land, in turn, for further speculation. The whole thing seemed a chance for everyone to get rich quick -- an early glimpse of the ephemeral "free lunch." Julius Goegel, Jr., in the editor's introduction to the Livermore work above, explained that land "was the great commodity, bait for the greenhorns abroad, a spur to the restless at home, for its possession was the criterion of political rights, the assurance of social status. Inevitably, it was the first of the great American roads to affluence or ruin." It was not until the land auctions of 1836, when 12 million acres of land changed hands, that the coercive impact of land speculation really came clear. Rep. Balie Peyton of Tennessee described those auctions: "That poor man who had blazed the trees and planted the potatoes had chosen that spot as the home of his children. He had toiled in hope. He had given it value, and he loved the spot. It was his all. When the public sales

were proclaimed, if that poor man attended it, he might bid to the last cent he had in the world, and mortgage the bed he slept on to enable him to do it. He might have his wife and children around him to see him bid; and when he had bid his very last cent, one of the speculators would stand by his side, and bid two dollars more, and thus he would see his little home, on which he had toiled for years, where he had hoped to rear his children and to find a peaceful grave, pass into the hands of a rich, moneyed company . . . such a policy would but teach the republic to alienate her children." Edmund Flagg, a traveller who witnessed a land sale at Edwardsville, Illinois, declared that "during that public land-sale, indeed, I beheld so much of the selfishness, the petty meanness, the detestable heartlessness, of man's nature that I turned away disgusted, sick at heart for a race of which I was a member." The Peyton and Flagg quotes are to be found in Roy Robbins, Our Landed Heritage, 1942, p. 66, where he attributes the Peyton quote to 23 Cong. I Sess., Congressional Debates, p. 4, 480, and the Flagg quote to Edmund Flagg, The Far West, Vol. I, p. 76.

¹³ Territorial control as a fundamental drive, described first in 1920 by English ornithologist Eliot Howard, and found since by anthropologists and zoologists in other species, is undoubtedly a factor in the hunger for land among humans. An excellent popular treatment of it is to be found in Robert Ardrey, The Territorial Imperative, 1966.

¹⁴Karl Kautsky, Thomas More and his Utopia, the H.J. Stenning translation.

¹⁵John Locke, "Of Property," Chapter V, An Essay Concerning the True Original Extent and End of Civil Government, or the Second Treatise, 1690. The work is acknowledged to have had more influence upon our constitutions than any other single document, and the chapter on property provides a moral basis for European settlers to inhabit and put to use a continent already the home of a sparse Indian population, but little used by them.

¹⁶Henry George, A Perplexed Philosopher, p. 29. George is exact about it, correcting Herbert Spencer's confusion between "equal rights" and "joint rights" to the earth. He agrees categorically with Locke: "Each man has a right to use the world because he is here and wants to use the world. The equality of this right is merely a limitation arising from the presence of others with like rights. Society, in other words, does not grant, and cannot equitably withhold from any individual, the right to the use of land. That right exists before society and independently of society, belonging at birth to each individual, and ceasing only with his death." George thus anticipated by at least 50 years Rose Wilder Lane's realization that property, even property in land which differs substantially from property in personal effects, is not originally a civil right. George was not so clear on the point, however, in

his major work, Progress and Poverty, published 13 years before, in which he stresses the differences between real and personal property. The heavy emphasis he places on the coercive abuse of civilly-authorized property in land, including the transitional sentence, "We must make land common property," has undoubtedly led many readers to the incorrect belief that his reasoning stops there.

¹⁷Rose Wilder Lane to Jasper Crane, May 12, 1963, to be found in Lane Letters, pp. 318-323. Having "long been worrying at property-ownership as a puppy with a big bone," Mrs. Lane stresses "function" as the basis for natural property in land, but is saying only what Locke said 273 years before, when he spells out the several functions: "As much land as a man tills, plants, improves, cultivates, and can use the product of, so much is his property." She does not, however, recognize the limitation inherent in the equal rights of others, which George sees, "arising from the presence of others with like rights." Locke sets a limit on natural goods which can be taken from the earth, or two limits to be exact: "Where there is enough, and as good left in common for others," and "As much as any one can make use of to any advantage of life before it spoils." Locke fails to foresee the condition America faces now, almost three centuries later, when there is no longer "as good left as that already possessed," and so does not provide for that circumstance. Nowhere does he recognize anything except function, industriousness or actual use,

however, as the origin of property. Nor does Mrs. Lane. And that fact becomes critical with her realization that, "Ownership is the first essential to trading; you can't exchange what you don't possess and control the disposition of." It is clear that neither use nor function could have given William Duer, for example, the right to trade or sell the 3,500,000 acres he picked up in the Scioto purchase of Ohio land in 1787.

¹⁸George, A Perplexed Philosopher, p. 28.

¹⁹James Madison was one who saw what Locke was not yet ready to see 100 years before, as Charles A. Beard points out in his An Economic Interpretation of the Constitution of the United States, 1913. He lays the groundwork by quoting Madison's Tenth Federalist paper (p. 4): "The most common and durable source of factions has been the various and unequal distribution of property. Those who hold and those who are without property have ever formed distinct interests in society." Beard then goes back to the subject (pp. 156-157) to summarize Madison's position: "Unequal distribution of property is inevitable, and from it contending factions will rise in the state. The government will reflect them, for they will have their separate principles and 'sentiments;' but the supreme danger will arise from the fusion of certain interests into an overbearing majority, which Madison, in another place, prophesied would be the landless proletariat, -- an overbearing

majority which will make its 'rights' paramount and sacrifice the 'rights' of the minority." Douglass Adair is even more exact about it in his essay, "Experience Must Be Our Only Guide" in Colbourn, op. cit. He refers to a "curious statistical study" which Madison did in 1829, predicting that "the end of republicanism in the United States would come approximately 142 years after 1787 -- about the decade of the 1930s." Isn't it interesting that the public domain was closed in 1936, and the New Deal begun? Adair offers a footnote that helps: "Letters of Madison, IV, 21, 29-30. The statistical estimate was of probable American population growth which Madison thought, in 1829, would by 1929 be 192,000,000. This would end the nation's 'precious advantage' both of wide distribution of landed property and 'universal hope of acquiring property.' At that time, being 'nearly as crowded' as England or France, with a society increasingly polarized between 'wealthy capitalists and indigent laborers,' Madison feared an amended Constitution more like England's would be required."

²⁰Beard, having itemized the speculative activities of the members of the constitutional convention in his Economic Interpretation, offers an even better insight into it by referring to a "famous paper of October 31, 1794," in which a French agent named Fauchet reported to his government, "I shall not dwell as much upon the grumbling excited by

the methods pursued in the sale of lands. It is found to be unjust that those vast and fruitful domains should be sold in whole provinces to capitalists who enrich themselves with great profits by parcelling out to the cultivators lands which they never saw themselves . . . Why reserve to be sold or distributed to favorites of the government, to a class of flatterers and courtiers, lands which belong to the state and should be sold to the greatest possible profit of all its members?" Charles H. Haskins, setting the stage for his account of "The Yazoo Land Companies" in Papers of the American Historical Association, Vol. V, 1891, pp. 61-62, said, "The spirit of speculation in land was a prominent characteristic of the United States at the close of the last century . . . So strong did this spirit of speculation become that in 1796 an English traveller (Priest's "Travels," 132) would say: 'Were I to characterize the United States, it should be by the appellation of the land of speculation.' In spite of its exaggeration this assertion contained much truth. 'All that I am now worth was gained by speculation in land,' wrote Timothy Pickering in the same year, and many eminent men could have said the same, often with a later experience quite similar. Land speculation involved Washington, Franklin, Gallatin, Patrick Henry, Robert Morris and James Wilson, as well as many less widely known."

²¹Roy Robbins, op. cit., p. 16.

²²Ibid., p. 9.

²³The immediacy of the deepening land crisis, which entered a new phase with the closing of the public domain in 1936, is reflected in many current phenomena. Typical of them are two references on my desk as I write: Bernard J. Frieden and Arthur P. Solomon, in The Nation's Housing: 1975 to 1985, published by the Joint Center for Urban Studies of MIT and Harvard in April, 1977, argue that if the inflation in house prices continues, "the United States would become less and less a nation of homeowners and, despite decades of federal encouragement and massive tax subsidies, the new single-family house would become a luxury item." (p. 116) Land prices, together with the cost of financing a purchase, were the fastest rising elements between 1970 and 1974. "Land costs, which increased by 62 percent, reflected higher costs for raw land as well as for land development." (p. 138) A study made in Washington, D.C. by Leslie E. Nulty this year confirms land as the major element in the soaring costs of homes. "Labor costs, having actually declined from 17 to 15 percent of new housing construction costs, have little to do with the high cost of houses. By far the biggest factors in housing inflation are land and capital costs," said Tom Wicker in comments on the Nulty report in his column in July. It may not be necessary to point out that any influence tending to change the United States from its traditional nature as a society of homeowners is pushing us toward the landless proletariat Madison saw

arising at about this point in time. A second relevant reference is Ellen F. Harris and Charles Oswald, an article headed "Foreigners gobbling up Missouri, Illinois farmland," in the St. Louis Globe-Democrat, September 2, 1977, warning that, "An invasion by wealthy European and South American investors could gobble up valuable Missouri and Illinois farmland and boost the price of land out of the reach of the small family farmer." Jack Runyan, director of the Missouri Department of Agriculture, is one who fears for the small farmer. He was quoted as having said, "rich bottom land that previously sold for about \$1,000 an acre is now going for more than \$1,600 and farmland in Northern Missouri has steadily risen in price, about 20 percent a year during the last five years." Thus the soaring price of land in this country -- the result of an increasing demand on a fixed supply -- is seen as a threat to both food and shelter, the first named aspect of man's own nature.

²⁴George, Progress and Poverty, p. 405.

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