

John C. Lincoln Says

It is a short-sighted concept indeed, to think of the public appropriation of ground rent as merely a device for finding jobs for the unemployed. The truth is that the use of ground rent for the public expense is the only practicable method by which the good earth — whence comes all wealth — can be made available on equal terms to all.

However, there are three factors in the production of wealth—land, labor and capital. And it is the suppliers of these three indispensables to production, together with the millions of persons who are not engaged directly in production but who contribute indirectly by their services, who use the product.

Producers of wealth — growers and manufacturers—do not keep on year after year turning out more goods than they can profitably dispose of. In the first place, they couldn't afford to. In the second place, it's against human nature to expend labor and capital and to employ land in the making of things which can't be sold. Virtually all that is produced from year to year is consumed from year to year. Very largely we live on current production; little is saved. Even capital goods begin to be consumed the minute they are put into use.

If such were not the case, the land would be buried under warehouses stuffed with goods. The truth is that we have shortages in many lines and surpluses in almost none.

Unemployment is due to the fact that access to land is so severely restricted. For that, of course, our stupid system of land tenure is to blame.

With the use of ground rent as public revenue, rent would have to be paid on all land. Thus, no one could afford to hold land out of use. With speculative possibilities gone,

owners would rush to put their idle land to work, thus causing a sharp increase in employment, since there is no way to put land to work without putting men to work.

Land which owners could not themselves use, they would relinquish. Land thus relinquished would become available without purchase price and on the mere payment of rent. The demand for labor would exceed the supply. There would be more jobs to be filled than men to fill them . . . In a free economy — and we would then be much closer to having one — the demand for goods, the *effective* demand, always exceeds the supply. Man's wants are unlimited.

—From the April *Lincoln Letter*