

Chapter 23

Landownership: What of the Future?

We have told the story of land acquisition and distribution in the nation—a phase of American history largely neglected. We now come to the point of summation, with a look into the future.

It should be quite evident from the foregoing pages that land policies in America have followed no stable pattern, despite the efforts from colonial times to distribute the land liberally among the inhabitants. Never before in the history of civilized man has land been so abundant and so rapidly and indiscriminately distributed as in these United States! Never before was there a greater opportunity to correct the evils of land acquisition and ownership that have pestered mankind from the days of the early Roman Empire down to the present! Yet little has been accomplished along these lines.

We have seen that the early colonists followed the tenets of the antiquated land systems of Europe. They retained feudalist principles at the very time that feudalism was on the way out. Instead of taking steps toward land reforms in a vast area untrammelled by traditions and antiquated statutes, they even attempted to return to the old systems of tenures which for centuries were the prime causes of political and economic unrest and which still hamper human progress.¹

¹Commenting on the land policy of the United States, Richard Jones, an English economist, writing in 1831, has this to say:

“The United States of North America, though often referred to in support of different views, afford another remarkable instance of the power vested in the hands of the owners of the soil, when its occupation offers the only means of subsistence to the people. The territories of the Union still unoccupied, from the Canadian border to the shores of the Floridas, from the Atlantic to the Pacific, are

Though, as already noted, feudal ideas of landownership and control met with opposition in most of the colonial settlements and did not succeed, the Revolution brought few if any fundamental changes in land tenure. True, primogeniture and entail were abolished by most of the states, and quitrents gradually disappeared, but the British laws and traditions of landlord and tenant, and the inequitable principles followed in land acquisition, land use, and land taxation were continued without significant changes.

Bungling Administration of the Public Domain

No better illustration could be cited as historical proof of a bungling and ineffective land policy than the administration and distribution of the public domain. The history of it is replete with good intentions almost completely nullified by political indifference, fraud, and corruption. Perhaps it was the immensity of the task of administering the distribution of vast areas of unsettled territory that brought about this situation. The newly organized federal government, like several of the individual colonies before it, could not master the task. The impulse toward land engrossment, so widespread throughout our history, outwitted all moves for equitable land distribution.

admitted in law and practice to be the property of the general government. They can be occupied only with its consent, in spots fixed on and allotted by its servants, and on the condition of a previous money payment. That government does not, it is true, convert the successive shoals of fresh applicants into tenants, because its policy rejects such a measure. Its legislators inherited from the other hemisphere at the outset of their career the advantages of an experience accumulated during centuries of progressive civilization: they saw that the power and resources of their young government were likely to be increased more effectually by the rapid formation of a race of proprietors, than by the creation of a class of state tenantry. It has been suggested that they may have acted unwisely in overlooking such a mode of creating a permanent public revenue. Had they perversely entertained the will to do so, unquestionably they had the power. Their rapidly increasing numbers could have been sustained only by the spread of cultivation. As fresh settlements became necessary to the maintenance of the people, the government might have made its own terms when granting the space from which alone the population could obtain subsistence; and this without parting with the property of the soil. Had this been done, the career of the nation, essentially different from what it has been, would more closely have resembled that of the people of the old world." *Peasant Rents*, pp. 6-7.

The first quarter century of the public land policy, despite the congressional acts and reforms in administration recommended by both Jefferson and Hamilton, was wavering and highly unsatisfactory. It was not until 1812 that a definite and unified policy was adopted for public land distribution. In that year the General Land Office was established. Its administration, as we have already shown, has been notably lax and inefficient, and political corruption and collusion have pervaded its history for more than a century. It can be said without much doubt or hesitation that no phase of federal government activities bears greater marks of ineptitude and disgrace than the General Land Office's operations, despite the endeavors of the Congress and the administrators to rectify the shortcomings.

It should be borne in mind also that during this period land dealing was the principal business in America. In fact, land-grabbing, real estate gambling, and town-jobbing have marked American business annals almost from the time of Columbus to the present day. So great at times have been their force that adequately to forestall or retard them, under our system of land tenure, seemed out of the question.²

²Regarding the contrast between conditions of landownership in Britain and the United States, the English economist, James E. Thorold Rogers, writing in the early 1870s in his book, *Cobden and Modern Political Opinion*, pp. 92-93, states:

"There is no reason to interfere between the parties to the contract for a lease of lands in Broadway or in the neighbourhood of Boston, although the causes which operate to create rent are as dominant in these parts of the American Union as they are in London or Manchester, and are quite as much illustrations of the unearned increase of land as any which could be quoted from our immediate experience. The fact is, the American Union is so wide, that if individuals are unwilling or unable to purchase or rent land in the immediate neighbourhood of great commercial activity, they can, without abandoning the political and social habits of their country, and the numberless associations which such habits bring with them, seek a spot where they can bargain to greater advantage, or obtain virgin soil at a nominal price. Nor, again, is the American Union, or indeed any other civilised country, hampered and restrained by a system which gives an opportunity to the worst faults of a monopoly by fostering every means for accumulating and retaining land. Men do not grumble at the injustice of nature, but they are irritated irreconcilably by the injuries of law. Nay it is one of the misfortunes which are sure to ensue from erroneous legislation, that it always begets a disposition to remedy one wrong by another . . . to cry out that it is too late to reform a process, and that immediate necessity requires fundamental change."

What of the Future?

Though it is not regarded as a function of the historian to look into the future, it is only by reference to the past that significant trends can be traced. And it is the task of statesmen to look to these trends and prepare in advance to foster or impede them, as the case demands. The history of landownership, land distribution, and land use in the United States certainly should offer a background for future decisions and actions.

Sounding a warning along these lines, the English economist, Augustus Mongredier, writing in 1882 in his book, *Wealth Creation*, stated:

It is a fact that there is a limit to the supply of land—it is a fact the world's population is fast increasing and therefore using up that supply—and it is a fact that, as the demand becomes greater while the supply remains the same, a proportionate rise in value must ensue. Reason how we may, and infer what we may, those facts have to be confronted. Is it wise to adjourn the consideration of the pinch till the pinch itself shall come?²⁸

It is frequently stated in many quarters that we have no land question in the United States. By this it is inferred that we are not burdened by the problem of inequitable land distribution such as has oppressed Europe, Asia, and other parts of the civilized world. Land here has been abundant, it has been made available, it is easily transferable, and it is comparatively widely distributed. Contrasted with conditions in the older nations, where land engrossment, serfdom, and tenancy have created economic distrust and political dissatisfaction and upheavals, and still constitute pressing problems requiring solution, this is undoubtedly true. But, on the other hand, as the preceding chapters should show, we have had waves of land engrossment, speculation, inequities, abuses, and depressions, which have led to political discontent. And no change in this tendency is yet in the offing.

Land Reform and International Problems

As already stated, the problem of land reform has existed in most nations throughout the world for centuries. It has led to peasant re-

²⁸P. 253.

volts, to political upheavals, to parliamentary reforms and national constitutional changes. On the European continent and in Great Britain, steps to solve the problem have been and still are being taken. Since World War II, measures for relief and betterment have also been taken in Asian, African, and Latin-American nations. The question has been placed on the agenda of the United Nations.

The United Nations General Assembly, at its fifth session, in 1950, when it considered the problem of land reform, expressed the view that the agrarian conditions which persisted in many underdeveloped countries and territories constituted a barrier to their economic development because such conditions reduced agricultural productivity and were a major cause of low standards of living for the populations of those countries and territories. The General Assembly then stated its conviction that "immediate steps should be taken to study the extent to which existing agrarian conditions hamper the economic development of underdeveloped countries" and adopted certain recommendations for action by governments.

At its thirteenth session, in September 1951, the Economic and Social Council had before it a report, *Land Reform: Defects in Agrarian Structure as Obstacles to Economic Development*, prepared by the United Nations in co-operation with the Food and Agriculture Organization. After a detailed discussion, the Council adopted a resolution which recommended that governments institute appropriate land reforms in the interest of landless farmers and those with small and medium-sized holdings, and further recommended that governments should take, from among a wide range of other recommendations, such further measures as were appropriate to the circumstances of their countries.

The prime mover of these actions was the United States of America. In presenting the matter before the General Assembly, Isador Lubin, United States representative in the Economic and Social Council of the United Nations, at Geneva, Switzerland, on September 3, 1954, stated:

We in the United States recognize that the attainment of peace and stability depends to a considerable degree on immediate and

positive steps to correct systems of land tenure which exploit the workers on the land, steps which will remove inequitable taxes on farm lands and agricultural products, eliminate unreasonably high rents and exorbitant interest rates on farm loans. We are of the firm conviction that peace and stability in many parts of the world will require the elimination of those economic and social practices which work extreme hardship on rural people.⁴

Mr. Lubin, in supporting his motion, listed the actions taken by Congress to provide for landownership and to alleviate the conditions of distressed farmers, but he proposed no enduring or positive remedies which actually would mean land reform—reform in landownership as a whole—to cover the entire nation, rural and urban. Yet he added in his remarks: “To be successful a program of land reform requires a conviction not only among people who live on the land but also among the public officials, and national leaders, of the need both to adopt consistent long-range land policies and to undertake programs necessary to sustain such policies year after year.”⁵

Should We Have Land Reform?

There is no tangible evidence that we have a consistent long-range policy of land reform, as advocated by Mr. Lubin, or, if we should have such a policy, that programs would be undertaken “to sustain it year after year.” Most of the farm-support legislation is in the nature of relief measures. They do not go to the basis of the problem. They do not uphold the principle that land is not an economic commodity, despite its economic value. Land cannot be reproduced. Like air, it must be made accessible. Its quantity and its situs are fixed. It thus lends itself readily to monopolization—even when held in limited quantity. Thus genuine land reform requires permanent action to offset the continuous tendency throughout the ages for private or public owners to engross large acreages in both rural and urban areas. “Latifundia,” which the geographer Pliny says destroyed Italy, did not come at once to Italy under the Roman Empire. It developed because conditions

⁴See *Land Reform, A World Challenge*, Department of State, Washington, D.C., p. 31. United Nations, Economic and Social Council, *Official Records*, Sept. 3, 1951, pp. 492-96.

⁵*Ibid*, p. 35.

were favorable to it. It was difficult to uproot these conditions. "It can happen here"—unless farsighted moves are taken to prevent it.

It is evident from historical precedent in both this country and in foreign lands that the present wasteful land system cannot remain unchanged indefinitely. In times of economic distress there will be renewed clamors for land reform. New and radical schemes of land distribution and land use will be put forth. There is a danger, therefore, in delays in dealing with the land question as it exists today or as it may assume some unexpected form in the future. If history teaches us anything, it teaches us that destructive social and political movements can be forestalled or allayed by the timely adoption of reasonable reforms. An ounce of prevention is worth a pound of cure.

On this point the following statement written by the English author, Charles William Stubbs, is interesting. In his book, *The Land and the Laborers*, published in 1884, he states:

A wide extension of proprietorship in the soil is . . . the strongest bulwark of national safety. Those who talk about the danger of Radical and Socialist ideas, appear to forget, that when a social commune was erected in Paris in 1871, there were five million land owners in France ready to take the side of public order, and to enforce the conservative view with regard to the right of property. Have we such conservative view with regard to the right of property? Have we such conservative safeguard in England? I venture to say that the seven hundred and ten land owners who are proved by the new Doomsday Book to hold one-quarter of the whole land of England could not stand for a moment against the breath of revolution. I have no desire to be an alarmist. But I do most solemnly believe that the concentration of land in large estates, and the consequent accentuation of the contrast between the rich and the poor, is full of danger for the future, and is, in fact, a direct provocative of social revolution. *Latifundia perdidere Italiam* was the verdict of the historian Pliny on the ancient empire of Rome. God grant that it may not be the verdict of some future historian on the fall of Imperial England!⁶

We can take an example from Britain, where land reform for three or more centuries has been a permanent, not an intermittent, problem,

⁶P. 33-34.

as in the United States. In addition to various parliamentary acts, such as the Small Holdings and Allotment Act of 1908 and similar subsequent measures, the government has adopted and modified plans for the use of the land under which a right is retained to share in the increment to land value regardless of the causes. These acts are now known as the "Town and Country Planning Acts." The aim and purpose of these Acts are to ensure that the limited land resources of the nation are used in such a manner as to maximize welfare and give to the people as a whole a part of the unearned increment accruing from rising land values. This legislation is far from perfect but this, at least can be said of it, it is an indication that land and the uses thereof are recognized as a public responsibility to be administered in behalf of public welfare.[†]

The Dangers That Confront Us

As already stated, it is the function of true statesmanship to foresee political, social, and economic problems long before they become acute and intolerable and to take steps to forestall them. This has not always been done in America. It required a devastating civil war to settle the slavery question. It may in time require a social conflict of a similar nature to solve the oncoming land question. Such conflicts have occurred and are still occurring in other civilized countries. Witness the revolutions in Mexico and other Latin-American countries, where the slogan, *Tierra y Libertad* (Land and Liberty) has been the favorite outcry of insurrectionists. In very few cases in ancient or modern times have there been political uprisings that have not had their roots in the demand for land reforms.

Until now we have escaped serious episodes of this nature, largely because of the relative abundance of land. But this situation is changing. For almost a half century, free land, capable of private profitable use and occupation, has practically disappeared. Moreover, the nation has been thrown back on its frontiers. It cannot advance its limits through new territorial acquisitions. At the same time, population is

[†]For a recent account of the British Town and Country Planning Acts, see Ben W. Lewis, *British Planning and Nationalization*, Chap. 7.

rapidly increasing, and despite technical progress in agriculture, the pressure of population on the food supply—already experienced by older nations—is merely a matter of time. Moreover, industrialization, combined with the growth of vast urban areas, is decreasing the already occupied arable land. Urban growth and development create a land-tenancy problem, notwithstanding the remarkable improvement in transportation facilities and construction progress. The housing problem, which is already upon us, is merely a forerunner of the land question. The billions of taxpayers' dollars now being expended in slum clearance and in providing decent living quarters at reasonable rents are an indication that land is a natural monopoly, and, unless social and political action is taken to offset its engrossment in the hands of a few, similar measures of relief will be required for land employed in agricultural and industrial uses.⁸

What Are the Remedies?

For several centuries statesmen, philosophers, reformers, as well as economists and sociologists, have proposed reforms in the system of landownership and distribution. We have already seen in a previous chapter proposals comprising measures ranging from a mere change in the methods of land distribution, use, and taxation of land to the extreme demand for complete land nationalization. It is not the intention here to cover the whole field on this inquiry again. However, by way of summary, the following proposals will be briefly reviewed: (1) absorption of the economic rent of land and simultaneously untaxing im-

⁸Writing on the general indifference to the land problem, Geiger, in his book, *The Theory of the Land Question*, remarks on page 5: "This chronic refusal to see the land problem in anything but a restricted and archaic perspective may well be one of the contributing factors to our modern economic incoherencies. Surely it is an indication of myopia to cast about for social patterns and to plan political structures without so much as a glance at the very obvious basis of economic life. There are programs and programs, all of them seemingly founded on the proposition that industry and capital and finance are ethereal essences floating about balloon-like and deigning no commerce with the ground. There are books and books on economics, every week a new batch. In how many of them will you find the word 'land' mentioned in the indexes? Perhaps Chesterton complained correctly when he found that the man in Bedford is not conscious of Bedfordshire. Our urban populations have virtually forgotten that we all live on the land."

provements (i.e., primarily buildings) on land as advocated so earnestly by Henry George as a matter of justice; (2) progressive taxes on land; (3) limitation of private landownership; (4) social control of land use; and, finally, (5) land nationalization. Each of these will be considered in turn.

Absorption of the Economic Rent of Land and Untaxing Improvements

This, in brief, is the proposal of Henry George. The principle is based on the Ricardian theory of rent, a theory which, despite the attacks made upon it, has survived and is widely acknowledged by most modern economists as well as those of the old-time classical school. And it has had its practical application also. We have seen that several European cities have adopted the principle in one form or another. It has been applied also tentatively in modified form in Australia, New Zealand, and South Africa, and to a slight extent in this country. Moreover, it is an integral concept in the several British Town and Country Planning Acts, which have been from time to time enacted as measures of land reform. In the United States, despite the widespread popularity of Henry George's doctrines since the publication of *Progress and Poverty* in 1879, it has never been wholeheartedly applied, though it is embedded in the federal "capital-gains tax." The separate classification of land value from the value of improvements thereon in the general property tax laws, which has gained headway in states and municipalities, is a partial recognition of the Henry George doctrine, and this gives promise of eventually capturing the unearned increment in realty taxation.⁹

In the course of time the practical difficulties attached to fixing the monetary value of economic rent may be overcome. If we are to have justice in taxation, then any equitable program of taxation should con-

⁹It is interesting to note that the late Professor E. R. A. Seligman, who was not particularly impressed with the Henry George theory, looked with some favor on an unearned-increment tax to absorb the increase in real estate value owing to public improvements. (See Seligman's *Reform of Municipal Taxation*.) Such a tax was also proposed by Edward H. Spengler, a pupil of Professor Seligman, in his monograph, *Land Values in New York in Relation to Transit Facilities*, p. 135.

tain the "windfall" principle; namely, values gained by the taxpayer that are unearned or fortuitous or due to chance or social progress should bear a much higher rate than values arising out of labor or the personal efforts of the individual.

The argument for this form of taxation is expressively stated by Professor George Raymond Geiger in his excellent study entitled *The Theory of the Land Question*, already mentioned in the previous pages.

Land values are social benefits, the privileges that result from the interaction of social forces, and therefore they are peculiarly a basis and a source of taxation. Ground rent represents the degree to which society has co-operated to produce values; it is a measure of social progress. The rent of land is a measure of the unearned privileges that accrue to the owner of land through political and economic organization; and therefore it seems consummately fitting that such rent be applied to defray the expenses of the political organization. Indeed, this benefit criterion seems to be the only ethical basis for the existence of taxation. Taxation, just as everything else, must be justified and not merely accepted, and the one sure justification appears to be that social fiscal requirements be met out of a social product. At least there is a supreme neatness in the application of economic rent to the category of taxation. Here is a fund that no individual has been instrumental in creating, yet now it reverts to individuals. Taxation is intended for social purposes, yet in our present economic arrangements, society depends upon the contributions (rather sacrificial offerings) of individuals out of individual earnings, without attempting significantly or appreciably to tap the fund that society, itself has produced.¹⁰

The Progressive Tax on Land

By a progressive tax on land we mean the taxation of land at a progressive rate, based on the amount or the value of land held in single or pseudo-single ownership. The objective here would be a discouragement of large concentration of landholdings by individuals or small groups of individuals or by corporations. It is interesting to note that even in the early days of the Republic the opposition to land engrossment by individuals led to a proposal of such a progressive tax.

¹⁰*Op. cit.*, pp. 184-85.

As already stated, Thomas Jefferson made such a proposal. It is also noteworthy that the first direct tax levied by the federal government in 1798 was a tax, the rate of which on urban land was graduated in accordance with the acreage held by the taxpayer. But as time went on, this system disappeared and, except for "homestead exemptions"—i.e., exemption from tax of a fixed value of land and improvements as an aid to small holders—the writer has been unable to find any tax laws of the states which vary the rate of taxation in accordance with the value or the extent of the acreage taxed. But as stated by Marshall Harris: "Intense interest is found in at least one state and among liberal thinkers as to the advisability of following Jefferson's suggestion by increasing real estate taxes on large landholdings, probably in geometrical progression, as they become larger."¹¹

According to Professor Henry William Spiegel, in a discussion of taxation and land tenure:

In the United States there is ample evidence that small properties are burdened with the property tax to a higher degree than large and higher-priced properties which tend to be underassessed. While this example points to an unintentional effect of taxation, which may facilitate concentration of land, absentee ownership, and tenancy, there are various instances of intentional effects of tax policies upon land tenure. The progressive land tax of New Zealand, in force from 1891 to 1931, provided for differentiation according to size of estate, character of tenure, and residence of owner. It is generally recognized that taxes of this type contributed to the breakup of many large estates and to the decrease in absentee ownership in New Zealand and Australia.¹²

Regarding foreign experience with taxation of land at progressive rates as a measure to impede accumulation of land and to break up large estates, the recent United Nations publication, *Progress of Land Reform*, states:

In countries where agriculture is the leading industry and where taxes levied on farm land or farm produce make an important, though declining, contribution to government revenue, there has been a tendency in recent years to replace flat rates by

¹¹*Origin of the Land Tenure System in the United States*, p. 348.

¹²*Land Tenure Policies*, p. 35.

a progressive system with exemptions and rapidly rising rates. In New Zealand, "since 1936 land tax has been levied at graduated rates . . . The graduation was designed to encourage subdivision of large holdings into smaller and separately owned farms, but owing to the substantial increase in recent years in farming income in proportion to the land tax payable, the effect of land tax graduation in relation to the question of subdivision is now almost negligible." In India, "small landholders are given a favourable treatment under the Agricultural Income Tax which has been introduced in recent years in a number of States, such as Assam, West Bengal, Bihar, Orissa and Uttar Pradesh, as the tax is levied at a progressive rate and complete exemption is allowed in cases of incomes below the prescribed limit." In Brazil, some States levy a progressive tax on land values or areas. The Egyptian land tax was made progressive in 1942. In Portugal, a progressive supplementary tax was introduced in 1946; in Lebanon, a progressive tax on agricultural income was introduced in 1951; and in Pakistan, an agricultural tax is paid, at progressive rates, in the Punjab, East Bengal and the North-West Frontier Province. In Poland, land tax, "the only tax paid by peasants in People's Poland, is progressive."¹³

Thus it appears that a progressive tax on land is not only feasible but has been put into practice in various countries as a means of providing land reform.

Limitations to Landownership

There were suggestions to limit individual ownership of land in colonial times, and proposals along this line were made from time to time as land engrossment became a feature of the nation's economy. Both Thomas Jefferson and John Adams seemed to favor it. It was one of the doctrines of the *Working Man's Advocate* under the editorship of Evans. But largely because of constitutional limitations, no political action toward this end was ever directly taken in the United States. However, in the course of time, the states enacted laws limiting the acquisition of land by corporations to an amount which is necessary or reasonably incidental to carrying out the purposes of their

¹³Pp. 262-63.

creation.¹⁴ Exceptions have been made, largely in the interest of banks and insurance companies, where land is acquired through the collection or liquidation of debts. But even in this case, as regards banks, insurance companies, and similar institutions, a number of states require the disposal of unessential realty within a limited period or under certain conditions, such as the attainment of a sales price covering the cost of acquisition. From time to time, owing to foreclosures, banks, insurance companies, and similar organizations have become heavy owners of real property, and if allowed to continue this ownership they could become the chief landed proprietors of the nation.

Some evidence of this was presented in the hearings before the Temporary National Economic Company in 1940, when Mr. Glenn Rogers, manager of the Farm Loan Division of the Metropolitan Life Insurance Company, stated that this company "is the largest farmer in the United States, owning approximately 1,430,000 acres of farm land," comprising 7,531 farms, and representing an investment of approximately \$80 millions. In addition to this, the company owned urban property, the value of which reached high proportions. Most of these property holdings have been liquidated in accordance with the requirements of the state insurance laws. In more recent years, life-insurance companies have added substantially to their holdings of industrial and commercial real estate through the technique of "sale and lease back" to responsible corporations.

In addition to the restrictions on ownership of landed property by profit-making corporations, a few states have enacted legislation limiting landownership by religious corporations, and a Kansas statute of recent date provides that no corporation shall be granted a charter and no foreign corporation shall be given permission to engage in agriculture or horticulture, except cattle raising.¹⁵

Beginning in the colonial era, the laws of various states restricted ownership of land to citizens. The "comity clause" of the Constitution (Article IV, Section 2), whereby the citizens of each state shall enjoy all the rights, immunities, and privileges of citizens in the several states,

¹⁴Spiegel, *op. cit.*, p. 11.

¹⁵*Ibid.*, p. 12.

has been interpreted by the United States Supreme Court to cover the right of individuals to acquire and possess property, but the Court does not interpret this clause as extending this right to corporations. A corporation is not considered a citizen under the "comity clause," and states are not required to give corporations chartered by other states rights and privileges that they may grant to their own citizens or corporations.

During the period of rapid land engrossment in the western states, a number of foreign individuals and corporations, organized specifically for this purpose, acquired large tracts of land. This led several of these states to enact legislation prohibiting or restricting foreign landownership. Of course such legislation is hampered by treaty obligations of the federal government, which, together with the Constitution, can override or annul state legislation.

Social Control of Land Use

It is apparent from the preceding pages that land, from time out of mind, has been regarded as a distinct species of property, subject to definite laws and traditions regarding its tenure, its use, and its control. The legal concept of eminent domain is an Anglo-Saxon inheritance that has never been denounced or altered, and the extension of its application under the police power of the state and under changing social conditions seemingly has no bounds. The constitutional fathers adopted the principle *in toto*, despite the high regard they held for property rights and their efforts to afford such rights full protection. Thus there has been a tendency in most civilized nations to restrict the rights of landownership and, through public control, to regulate the utilization of types of land resources such as forest, water, and mines, along with zoning provisions and other use limitations. All these developments have been upheld by court decisions, and there is good ground for holding that restrictions on the ownership and use of real property will expand and be intensified.

There is no better example of the rapid progress of this tendency than in Great Britain. Previous to the first decade of the twentieth century there was practically no outstanding act of Parliament seeking to regulate or control the use of land, though there were cases where

cities and towns adopted planning and layout patterns. Landlords, as a rule, exercised full and untrammelled control over the use of their properties. Vast estates could be converted into sporting parks, and needed agricultural areas could be neglected with impunity. As stated by Dr. George G. Sause, Jr., of Lafayette College, in his doctoral thesis, *Land Development-Value Problems and the Town and Country Planning Act of 1947*, "government intervention was regarded not only as an undesirable encroachment on individual liberty, but also a hindrance to national progress."^{15a} As a result, co-ordinated long-term planning of the use of land was entirely absent, "and the result was uneconomic, unhealthy and inconvenient congestion in certain areas, suburban sprawl, loss of agricultural land and the defacing of the countryside."

But this laissez-faire policy has been abandoned. In 1909 the British Parliament enacted the first of a series of Town and Country Planning Acts. It has been an underlying principle of these laws that individual plots of land are not to be considered as isolated units which are the concern solely of their owners, but as parts of a larger whole in which the neighborhood and community or the entire nation have a legitimate interest. Privately held land could be appropriated by the community, and in the process of compensating owners the unearned increment could be partially, if not wholly, confiscated, while at the same time land benefited by public improvements could be assessed on the value thereof. It is thus conceivable, as time progresses and the land-reform problems of Great Britain develop further, that complete nationalization of land use in that tight little island may be an eventuality.¹⁶

Aside from legal enactments relating to public lands, and the passage of local zoning laws, little has been accomplished in the United States in regulating, controlling, or promoting the use of privately held landed property. Indeed, there has been little if any agitation for it, aside from

^{15a}Doctoral dissertation submitted at Columbia in 1952. Available in the library of Columbia University in typescript or microfilm.

¹⁶Space does not permit the consideration of similar developments in other European countries under pressure of land reform. Reference, however, may be made to the recent publication of the United Nations, Department of Economic Affairs, *Progress in Land Reform*.

the crop-allotment principle embedded in the agriculture price-support acts. The idea, it is frequently stated, is opposed to the American tradition of individual freedom. Moreover, there appears at present to be no pressing need for such reform. This view is set forth by Professor G. S. Wehrwein, a prolific student of land economics, who wrote in 1939:

In our anxiety to control erosion, prevent the destruction of forests or to curb speculation we seem to accept uncritically the policies of Europe without recognizing fundamental differences. It is one thing to formulate land-use policies for a nation with abundant resources and approaching a stationary population and quite another for a nation with limited resources but which insists on stimulating population increase for reasons which cannot be separated from the social philosophy, ideology and nationalistic ambitions of that nation. . . . There is something admirable about American land tenure, a free system which has permitted landless laborers and penniless immigrants to climb the agricultural ladder.¹⁷

But what of the future? Can we escape history? The experience of every European nation—in fact, all civilized peoples—has been a tendency of pressure of population on subsistence, a relative scarcity of arable land, a tendency to develop slum areas in cities and towns, and a trend toward concentration of landownership. Some of these developments, we have already shown, are upon us. Others are likely to come sooner than many think. We already have overcrowding in cities and towns. The public is paying the landlords dearly to overcome or ameliorate the housing shortage. The federal, state, and city governments have been forced into the business of creating housing facilities and in affording urban and rural mortgage credit. Taking a long-range view, we can have, in the not-too-distant future, either strict social control over the use of land or, as an alternative, land nationalization.

Land Nationalization

We have already shown that land nationalization as a philosophic objective has been advocated for more than two centuries. It was not until the 1870s, however, when it was proposed by the eminent British

¹⁷Quoted from Spiegel, *op. cit.*, p. 4.

philosopher and economist, John Stuart Mill, that it was given a practical significance. It has been seriously advocated in various forms in Great Britain by such prominent writers as Alfred Russel Wallace, Lord Addison, Lord Astor, and B. Seebohm Roundtree. In the United States it has also had supporters—both Socialists and non-Socialists—though they have been less outspoken than the English advocates and have been received generally with almost universal non-acceptance or indifference.

The reason for this indifference lies in the American tradition. This was noted by Alexis de Tocqueville more than a century ago. In his famous work, *Democracy in America*, he wrote:

In no country in the world is the love of property more active and more anxious than in the United States; nowhere does the majority display less inclination for those principles which threaten to alter, in whatever manner, the laws of property.¹⁸

De Tocqueville was undoubtedly impressed by the rage for land speculation and land engrossment which has prevailed throughout this nation's history. It has its basis not so much in human greed or cupidity as in the individualist ideal of self-independence. Property, particularly landed property, is the means of obtaining freedom from individual serfdom and want. Its trend toward enhancement in value as society progresses gives an added impetus to obtaining its possession and profitable use. Accordingly, any suggestion of land nationalization has met with indifferent popular reception on these shores.

Nor is land nationalization a valid and practical remedy in solving the land question. American experience has shown how inept the government can be as a landlord. In no field of political administration have there been more wasteful and inefficient actions. Even the Socialists and other proponents of radical creeds in this country have not forcefully adopted land nationalization as an important plank in their political creeds. Henry George, in his radical land-reform principles, held aloof from any idea of land nationalization. In *Progress and Poverty* he wrote: "I do not propose to purchase or to confiscate private property in land. The first would be unjust, the second needless."

¹⁸Part II, Book 3, Chap. 21.