

THE SINGLE TAX

“What I propose as the simple yet sovereign remedy which will raise wages, increase the earnings of capital, extirpate pauperism, abolish poverty, give remunerative employment to whoever wishes it, afford free scope to human powers, lessen crime, elevate morals and taste and intelligence, purify government, and carry civilisation to yet nobler heights, is—to appropriate rent by taxation.”—Progress and Poverty, p. 288.

IN the preceding pages frequent reference has been made to the doctrines of the late Mr. Henry George on the subject of taxation. Some of us can remember the sensation which *Progress and Poverty* made on its appearance in 1880. Whether or not it is, as he claimed, “the most successful economic work ever published,” it is certain that very many were for the moment carried off their feet by its earnestness, its plausibility, and its headlong rhetoric, and spoke of it as a new departure—if not a new gospel. A less well-satisfied man than Mr. George, however, might have taken thought over what he called the “contemptuous silence” of the economists towards “a book circulating by thousands in the three great English-speaking countries, and translated into all the important modern languages.” Unfortunately

for himself, he put it down to jealousy, and, worse, to dishonesty; and restated his theories with the same crudity, the same pretentiousness, and growing violence. How right the economists were, anyone may convince himself by a casual glance over his posthumous *Science of Political Economy*, in which he undertook to "reconstruct" the science, tracing its rise and partial development a century ago, "its gradual emasculation, and at last abandonment by its professed teachers."¹ I should, then, have thought that to write on the Single Tax was simply that form of intellectual exercise known as "flogging a dead horse," were it not that its advocates have joined hands with the advocates of the quite distinct Taxation of Land Values, and have, indeed, hailed the Glasgow Bill as a recognition and instalment of

¹ The following passage may suggest what amount of equipment Mr. George had for his "reconstruction": "The science of Political Economy, as founded by Adam Smith, and taught authoritatively in 1880, has now been utterly abandoned, its teachings being referred to as teachings of the 'classical school' of political economy, now obsolete. What has succeeded is usually denominated the Austrian school, for no other reason that I can discover than that 'far kine have long horns.' If it has any principles, I have been utterly unable to find them. The inquirer is usually referred to the incomprehensible works of Professor Alfred Marshall, of Cambridge, England . . . or to a lot of German works written by men he never heard of, and whose names he cannot even pronounce. This pseudo-science gets its name from a foreign language, and uses for its terms words adapted from the German—words which have no place and no meaning in an English work. It is, indeed, admirably calculated to serve the purpose of those powerful interests dominant in the colleges under our organisation, that must fear a simple and understandable political economy, and who vaguely wish to have the poor boys who are subjected to it by their professors rendered incapable of thought on economic subjects."—*The Science of Political Economy*, p. 208.

the revolution proposed by Mr. George. When a majority of the most advanced Corporation in the kingdom draft a public bill on his principles and get it brought into Parliament, it seems time to break silence.

To compare the proposals of the Single Tax with our recognised system, it may be convenient to recapitulate shortly the principles on which our taxation is based.¹

There are certain commodities and services which have been at one time or other purveyed by private industry, but, in the development of civilisation, have fallen to the government; that is, to a committee of ourselves which we instruct to render us these services.² Certain of them are rendered direct to the individual, and, being measurable either in cost or benefit, are paid for exactly as ordinary commodities and services are.³ But the majority are common services whose cost or benefit cannot be allocated to the individual benefited.⁴ Taxation is the payment for these services, and the principle of payment is equality of burden or sacrifice.⁵

To get these common services (which, like all government goods, are part of our National Income of £1,500,000,000) we have to give up a part of our income, just as we give up another part to buy bread and butter. But, whereas we say bluntly that we pay a price for bread and butter, and enter the price among our household expenses, we prefer to say that we have to pay a "contribution" to the government for our protection, justice, etc.; and, in

¹ See *passim*, pp. 1-35.

³ See p. 15.

⁴ See p. 16.

² See p. 6.

⁵ See p. 21.

doing so, it may be that we have given rather a misleading direction to popular ideas on the subject. There are three reasons for using this term in our systems of Public Finance.

First. Modern taxation is the historical survival of times when the monarch asked his people for a "contribution" towards expenses which were insufficiently provided by his own income or by that of the Crown Lands, and very often levied the contribution on principles of his own for purposes on which their approval was not asked. And it may be noticed, in passing, that the fact of our taxation being an evolution from times when the "force" which imposed taxation was not the general will but a power claiming divine right, sanction, and privilege, is to blame for many anomalies which still disfigure our system, and are emphasised by some as proof of the cynical saying of Colbert, that the art of taxation consists in so plucking the goose as to procure the greatest quantity of feathers with the least possible amount of hissing.

Second. The "idea" of "contribution" is in harmony with that philosophical conception of the State which looks on it as the larger family within which men find their liberty and the possibility of "being themselves": men should contribute to the larger household as they do to their own smaller ones. It may, however, be confessed that the ordinary Englishman, not being a metaphysician by birth like my countrymen, is quite insensible to the claim of the State as his "larger self," and is, indeed, very ready to cheat his larger self out of its due contribution.

Third, and chiefly, the element of compulsion, and the method in which the total sum wanted is distributed and assessed among the taxpayers, seem to conflict with the very idea of price. In direct taxation, we have to pay for government commodities, not according to our estimate of what they are worth to us, but according to the government's estimate of what we are worth.

This difficulty did not come into prominence so long as economists held by the Benefit theory. According to this theory, the payment which we call taxation was just what the various classes of citizens would pay without compulsion if they were conscientious, if they realised that government services were goods, and if they recognised that the benefits conferred by these goods were differential. Taxes, in short, were supposed to be modelled on the type of a water-rate, where a rich man pays much because he uses much water, and a poor man little because he uses little—"to whom much is given, of them much shall be required." This theory broke down, however, at three points—(1) that it was impossible to assess, even in the roughest way, the benefit of much of our taxation to the individual benefited—the pauper, for instance, benefiting most and paying nothing; (2) that a great many of those who benefited were not able to pay in the measure of the benefit conferred; and (3) that, in modern communities, it is the rich who set the standard of government and municipal service, and demand many things, such as clean and well-lit streets, rapid letter transit,

and the like, which the poor would neither of themselves demand nor be willing to pay for.¹

This theory, I may say, had its origin in times when the privileged classes had managed to roll the bulk of the taxes on to the more helpless classes; when, accordingly, the insistence that those should pay who benefited was used to compel attention to the fact that those who benefited most were paying little or nothing. It was applicable, again, in later times when the duty of a government was supposed to be limited to the protection of life and property, and taxation could be regarded as a kind of insurance premium. As to its still appropriate place in respect of many government services such as fees and municipal industries, and its subsidiary position in local taxation, I have said enough in a previous chapter.² But as regards the largest departments of imperial taxation, this theory has long been abandoned.

In the Equal Burden theory which took its place, the political idea of taxes as contributions levied by a government has very much put into the background the economic idea of taxes as prices paid for goods. Certainly in this theory, especially when stated in blunt terms as payment according to the subject's "ability to pay," we have the entire abandonment of any suggestion that the payment for government goods which we call taxation is determined like a competitive price. It is considered that, in these common benefits, the citizens benefit equally, and therefore should pay equally. Yet the price demanded of the citizens is not an equal

¹See p. 91.

²Pp. 15-28.

money price. I submit that we are too much under the influence of modern phenomena when we limit our idea of price to competitive money price—the figure at which a free demand and a free supply come into equilibrium. The root idea of price is surely that of a *quid pro quo* in exchange, and covers such things as monopoly price, customary price, the mediaeval fair price, the price paid by us to our medical man, the price charged an Englishman in a Continental shop or in an Eastern bazaar, and, perhaps I might add, the collective bargaining price. In short, the theory of our taxation is that we pay a price for government services, that we all pay a price, and that we all pay the same price; only it is not a competitive price, but an equal sacrifice price. How this equal sacrifice may be represented by the rich man paying pounds and the poor man paying pence, I have already shown.¹

The fundamental principle of our taxation, then, is

¹P. 23. Of course, it is the easiest thing in the world to bring forward individual cases which seem to conflict with this theory. Political and practical exigencies occasionally play wild work with it. All the same, there is, and for a long time has been, an economic theory of taxation. If we are still far from completely adapting our practice to that theory, we are at least far ahead of all the world in this respect. The fundamental truth, then, that taxation is a price for value received by every citizen should not be concealed by the expression "compulsory contribution." In matters of taxation, it seems to me, we cannot be too careful to keep it clearly before the citizens that taxation is not a tribute, not even a burden any more than is the paying for other forms of bread and butter, not something to be dodged, not something to be shifted on to other people's shoulders, but something charged on a clear principle of *quid pro quo*, something to be honourably paid to the government in exchange for necessities of life. We are not penalised because we are rich; we do not escape because we are poor. We all pay an equal price in sacrifice.

that it is an equal sacrifice payment by every citizen for general services rendered him. What, now, is the Single Tax?

As its name indicates, the Single Tax is intended to take the place of all other taxes, Imperial and local. There is a fund which God, says Mr. George, has provided for taxation, just as "God has intended the milk of the mother for the nourishment of the babe." It is land rent; for rent, by its very definition, is a surplus, something that remains when capital has got its interest, the employer his profit, and the workman his wage. It is, indeed, something that does not enter into the cost of production of commodities. Therefore its abolition or its appropriation would not affect prices. It is, besides, a fund which steadily increases, and that without labour or credit to anyone, simply by the increase of man and the improvements in the arts. Unfortunately, this fund is now in private hands. Land is by law as much private property as any product of industry. But it never should have been private property, and the law which has made it so can disestablish and disendow the owners, just as it did the Irish Church. Once the modern State has resumed what the historical State had no right to part with, we have a fund large enough to pay all our imperial and local taxation—say £300,000,000 a year—and all capital and labour are relieved.

This, I think, is a perfectly fair statement of the Single Tax doctrine; and, undoubtedly, there is a simplicity about it which compares very delightfully with ours. It conceives of the government having,

or desiring to have, a private estate, the land of the nation, the produce of which goes to defray the expenses of government; whereas our present system makes the government dependent year by year on the taxpayers for the funds which it is to administer.

But, whenever thus stated, it becomes clear that these two are not rival systems of taxation at all. The *impôt unique* of the Physiocrats, which has a superficial likeness to the Single Tax, was a rival system. All taxes, they said, must ultimately rest on land; it is the only thing on which they can rest. Instead, then, of a round-about system of laying them first on this and that, and having them shifted in the end, let us take the more economical way of placing the taxation direct on land. In either case it is the same shoulders which bear it; what we shall save is friction and expense. But Henry George's doctrine was not a theory of taxation, but a deduction from his theory of the cause of poverty. He has, indeed, many hard things and true things to say of American taxation, particularly of taxation by Protection, and in what he condemns we are all on this side, I imagine, agreed with him. But he was not led to his theory by consideration of the evils of the present system of taxation and by the search for a better. His problem was the association of poverty with progress. He asserts—which is untrue—that the rich are growing richer and the poor poorer, "as though an immense wedge were being forced through society, elevating those above and crushing down those below." "The cause which determines which part of the produce will go

to the landowner," he says, "necessarily determines what part of the produce shall be left for labour and capital." Now, there are two things always with us—the increase of population and improvement in the arts. Either of these by itself would, and both of them together do, increase the proportion of the aggregate produce which is taken in rent, and wages and interest fall together. But as land is the one thing which does not increase in amount, and as it is at once the great reservoir, corn-field, building ground, and walking ground of humanity, those who own it command their own terms from those who use it. Thus, as society grows in numbers and wealth, rent takes everything but subsistence wages and subsistence interest.

It may be granted that, when a man once convinces himself of this, the rest is easy. It is right for an outraged community to confiscate the land, and that without any compensation to the holders. It cannot be unjust to do so, for rent is itself the great injustice. "It is not merely a robbery in the past; it is a robbery in the present," and it cannot, of course, be unjust for the State to confiscate stolen property. "Why should we hesitate about making short work of such a system?" "We must make land common property." One way of doing it would be to "formally confiscate all the land and formally let it out to the highest bidders"; but as a "simpler, easier, and quieter way of doing the same thing"—"avoiding a needless shock to present customs and habit of thought" and a "needless extension of governmental machinery"—he proposed to "confiscate rent"; that is, to "appropriate rent

by taxation."¹ If rent was appropriated, then, of course, the State would have funds enough and to spare for all purposes, and would not require a revenue, and so our present taxation would come to an end.

It is clear, then, that, to put forward the Single Tax as a tax, is to draw away attention from the real nature of the proposal. The essence of our present system is that, in the division of labour, we set aside a class of ourselves to provide for us certain services which are necessities for our very life. Our problem is how equitably to apportion the payment on a principle which is intelligible and will command the respect of the taxpayers. And our taxation is, I claim, an honest attempt to charge us individually an equal sacrifice price for the services rendered to us collectively. Mr. George proposes that the same services should be rendered, but they are not to be paid for by the people who benefit. One class, the landowners of the country, are arraigned before him, and pronounced guilty of having in their possession something which they should not have; and he proposes to pay for the government services as courts of justice might conceivably pay their judges and officers—by fines. The Single Tax, in short, is a proposal to kill three birds with one stone—to abolish private property in land, to lay violent hands on the revenues of one class without compensation, and to make taxation unnecessary by using these revenues. It is not a system of taxation, but a *method* of confiscation. Once this is seen, all the advantages adduced for

¹ *Progress and Poverty*, Book viii., Chap. 2.

the Single Tax—I do not care how great they are or seem to be—are seen to be nothing more than bribes.¹

Like all professional economists, I should have thought that to show that this scheme is not a rival system of taxation, but undisguised² confiscation, was enough; and this, among other reasons, is the explanation of the “contemptuous silence” on the part of the economists³ which Mr. George so bitterly

¹ It will now be seen more clearly how completely the Single Taxers have misled those who voted for the Glasgow Bill under the impression that they were giving their adhesion merely to “the principle of taxing land values.” On p. 61 I showed that the bill provided for the common taxation of four classes who did not seem to have much in common—owners of vacant ground in congested areas, owners of land built upon, owners of feu-duties, and owners of land and property subject to feu-duties. It is evident now why these classes are to be taxed. It is not that they have been escaping taxation; it is not that they have been getting an extra advantage which makes them better able to pay taxation. This may be the case or it may not; the one reason they are to be taxed is that this bill is a ten per cent. instalment of the complete confiscation of rent, and rent is to be taxed this ten per cent. wherever it is found: whether the source of it has come by lines of inheritance since the Conquest or by purchase yesterday; whether it is held by individuals, or by friendly societies and trade unions; even, indeed, when it is in the hands of municipalities themselves. It is useless to point out that this violates all previous canons of taxation, and hits both those who have sinned and those who have been sinned against under our land system. The one answer is: If you are drawing rent you are in possession of stolen property, and you may be thankful that you are fined only ten per cent.—meantime.

² I say “undisguised,” for, in Glasgow at least, it is now definitely confessed that “it is not a tax.”

“To prevent any misunderstanding, I ought perhaps to state explicitly that I regard the proposal to confiscate the property of landowners without compensation as unworthy of serious discussion.”
—Sidgwick, *The Elements of Politics*, p. 141.

resented. But late discussions with the Single Tax advocates have convinced me that the bribe offered has so far debased public opinion among a large section (who have power to express their opinions through their representatives on local and imperial bodies) that, with them, the word "confiscation" no longer carries its own condemnation. If this idea spreads much further among the masses we shall have to expound the first principles of public morals on political platforms. In short, from various expressions in my own city, I am a little afraid that the land question, in this its most recent form, is likely to be the new battle-ground of poor against rich, the economists in this case being regarded, thanks to Mr. George, as holding briefs for the oppressors. It is for this reason that I think it advisable to treat the Single Tax so far seriously as to put down briefly some of the more evident objections to it.

(i.) Confiscation of any property to which the holder has had an *ex facie* valid title for forty years is, of course, barred by prescription, the principle by which unquestioned possession for that length of time gives a title-in-law to the holder. The *rationale* of the principle is twofold: (*a*) that, after forty years, it is as impossible to prove the honest acquisition of anything as to prove the reverse; so that, without such a provision, no property would be safe from those powerful enough to raise an action. And it should be noted that the disciples of Mr. George who are strongest for this particular confiscation, are quite as strong against the confiscation of capital; (*b*) that, in the course of forty years, all sorts of

calculations, contracts, obligations, plans, etc., have been based on the possession and expectation of property; so that the disturbance consequent on confiscation would spread far beyond the persons primarily concerned, and affect numbers of wholly innocent people. It would, then, be a notable precedent for further aggressions on private property, if the first form of wealth confiscated was one safeguarded, not only by prescriptive right, but by the strongest titles which law could devise. And it would be attended by a disturbance to the whole organic industrial life of the community of which, I venture to say, none of its advocates has formed the very faintest conception.

(ii.) The confiscation of rent is defended on the ground that it is, at worst, the taking of "unearned increment"—something due, either to growing hardship as increasing numbers demand increasing food and building ground, or to improvements made by public money.¹

¹ Mill is responsible for the expression "unearned increment." But, as he is often credited with the confiscatory doctrines which he expressly called "unjust," it may be well to call attention to the fact that his base line, above which the State might, he thought, "without any violation of the principles on which private property is grounded," tax any increment, was the *present market price* of land. His words are these: "The only admissible mode of proceeding would be by a general measure. The first step should be a valuation of all the land in the country. The present value of all land should be exempt from the tax; but after an interval had elapsed, during which society had increased in population and capital, a rough estimate might be made of the spontaneous increase which had accrued to rent since the valuation was made. Of this the average price of produce would be some criterion if that had risen, it would be certain that rent had increased, and (as already shown) even in a greater ratio than the rise in price. On

Objection may be taken *in limine* to begging of the question by the unhesitating condemnation of "unearned" without any definition of "earned," and without any consideration of "unearned decrement"; and to the fining of land increment while passing by other notorious forms of increment, quite as "unearned," such as money, monopolies, etc. It may be questioned whether the mere increase of wealth does not give an increment to all participants in the increasing National Income, irrespective of any "deserving" such as might be supposed to accrue to increased work or sacrifice.¹ And, again, it may be asked whether the "public money," which made the improvements, was subscribed by those who are to get it in reduction of rent and in "relief of taxation."

But, independently of this, the serious objection is that the measure would not reach great numbers of those who have enjoyed the increment, but would fall on those who have *bought* from them at prices which included the increment. The class aimed at is the "aristocracy," the assertion being that, in

this and other data, an approximate estimate might be made, how much value had been added to the land of the country by natural causes; and in laying on a general land-tax, which for fear of miscalculation should be considerably within the amount thus indicated, there would be an assurance of not touching any increase of income which might be the result of capital expended or industry exerted by the proprietor. . . . From the present date or any subsequent time at which the legislature may think fit to assert the principle, I see no objection to declaring that the future increment of rent should be liable to special taxation; in doing which all injustice to the landlords would be obviated, if the present market price of their land were secured to them; since that includes the present value of all future expectations."—*Principles*, v. ii. 5.

¹Cf. p. 96.

hereditary succession, they have been robbing the people for eight centuries; the class hit would be very largely not only the comfortable but the poorer classes, whether directly, or through the great corporations in which they are deeply interested, such as churches, charities, insurance offices, friendly societies, trade unions, co-operative societies, etc. If it be impossible to gain a hearing on grounds of "justice" from people who have persuaded themselves that justice always works against the rich, it may be possible by showing that the punishment would fall very largely—perhaps chiefly—not on the presumed evil-doers, but on themselves.

(iii.) Suppose the Single Tax established, it would end that connection between taxation and parliamentary institutions which began at Runnymede, and has made us the freest people in the world. It would put an income into the hands of the government, while removing the constant check of coming to the people for supply. And as the present vote is based on taxation, it would, I suppose, bring in manhood suffrage: that is, it would give this Fortunatus Purse into the control of the masses, while removing from them the salutary necessity of first filling it. It would, in short, be an overturn of the present British constitution.

It is generally assumed that the new income from the confiscated rents would be much greater than what we at present require. If Bailie Ferguson's figure of £300,000,000 is correct, this would be so; and one may guess what would be the temptation to corruption and pauperising expenditure. If, however, it should turn out to be smaller, it would

be necessary, as rent is a "natural" surplus, to have recourse to the old system to make up the balance, after we had abandoned or disorganised the machinery for collecting it—or find another class of income to confiscate.

(iv.) It would relieve from taxation those whom we have considered most obviously bound to pay taxes, and who paid them with least murmur, the comfortable and capitalist classes. Socialists, in fact, when they are not kept quiet by the consideration that it is a long step in their direction, may well denounce the Single Tax as a measure which relieves their favourite enemies. It is a measure strongly advocated as a relief of industry,¹ the "relief" spoken of being the relief of employers—not from rent; for the State steps into the place of the private landowner, but from taxes, with its assumed results of lower prices, increased demand for goods, increased demand for labour, and increased wages. It might as well be added "increased profits." Thus it is a confiscation of the income of one set of capitalists—the landed class—in aid of the incomes of another set of capitalists. The question might very well be put: "Where, in all this shower of blessing, does the working man come in?"

I have heard it argued, indeed, that the working man is taxed, not only in his tea, tobacco, and liquor, but in every commodity he buys, inasmuch as no one

¹It would be a pity if so great a confiscation did not have some good effects, but it may be as well to remember that this is not £300,000,000 added to the National Income, but £300,000,000 transferred from a class of the community to the whole body of tax and ratepayers. More than one nation, in historical times, has found that the confiscation of the church lands did not mean the abolition of poverty.

can manufacture anything without first paying for the privilege in the shape of rent. But, of course, this is to deny the Ricardian proposition that rent does not enter into price, while the whole doctrine of the Single Tax is founded on the Ricardian law from which this is the direct and unquestioned deduction.¹

The same answer applies to the contention that industry in towns is restricted by high rents. As rent does not enter into price, it is evident that high rents must be the equivalent of some differential advantage: otherwise town manufacturers could not compete with rivals on the outskirts. The assertion, indeed, is commonly made, about certain London industries, that the reason why they contrive to remain in congested districts and yet pay high rents, is because of cheap women's labour—too often subsidised. If so, perhaps this is the differential advantage, and it is not one that should be further encouraged.

(v.) It would, as the Single Tax, put an end to the taxation of commodities, and it is, indeed, buttressed up by the contention that indirect taxation is a means of putting burdens on the poor without their being aware of it. As usual, it is ignored that the rich, in addition to their income taxes and death duties, also pay indirect taxes,² and that there is a

¹To suggest, as is sometimes done, that manufacturers include their taxes in the price of their goods, and thus make the consumer pay them, is as worthy of serious argument as would be the contention that manufacturers contrive to charge up their butcher's bill to the consumer. See p. 10.

²Cf. page 26, note.

good deal to be said for it as tending to Professor Sidgwick's ideal of making taxation proportional to superfluous consumption, and so equalising sacrifices more nearly than by the rule of proportioning taxation to total income.¹ But, apart from this, as the great bulk of our indirect taxation is raised from liquors, this would put an end to at least one moral purpose served by our system, the raising the price of liquors. There are those, no doubt, who think that "free trade in drink" would tend to promote temperance. Perhaps it is enough to recall the chapter in Mr. Lecky's *History of England in the Eighteenth Century*, where he narrates what happened in the early part of that century when the Excise taxes were removed, and the expression, "drunk for a penny, dead drunk for twopence, and straw into the bargain," was not a joke, but a common wording of the signboards above the gin shops.²

All these objections, I am aware, fall on deaf ears once people have embraced the faith that private owning of land is an "injustice." Ever since the world began men have responded to the appeal for justice, and ever since the world began has justice been found the last and most disputed question of all philosophies. The same objections, they say, were urged against the abolition of slavery, and, although slavery was an institution sanctioned by the State, it was swept away once the

¹ *The Principles of Political Economy*, 2nd edit., p. 567; also *Memoranda presented to the Royal Commission on Local Taxation*, p. 101.

² Vol. i., 479.

national conscience recognised the rights of man. And this, we are told by their leader, is a far more serious question than slavery.

To put landowning in the same category with slave-owning, is, of course, to prejudge the case; to say that the arguments were wrong in the one case is not in the least to prove that they are wrong in the other. I quite admit that there are peculiarities in land which make the private possession of it peculiarly open to abuse, and would justify a State in attaching to it peculiar responsibilities. But I submit that a fierce light beats upon the owners of land. Their gains are blazoned by every reformer: their losses are hidden and frankly disbelieved. The iron of their "trespassers beware" has entered our soul: we expect them to be arrogant and supercilious, and it would be a wonder if we did not find them so: if they show the old virtues of English landlordism, we call them at best benevolent despots. In short, I seem to see that the indignation generated by the action of a few selfish autocrats straining their rights, is out of all proportion to the injury done to the people by it. And that the evils complained of are such as to justify anything like confiscation, or even fine, I entirely deny.

Among people who amuse themselves with "natural theology," it is easy to point out that land is eternally limited while population is not, and to deduce the conclusion that, as the Creator is responsible for both facts, He could never have meant the possession of land to be entailed on one set of owners. Mr. George tells us that the Almighty has forbidden private property in land "by a decree written upon

the constitution of things," just in the same way as Aristotle said that slavery was written "in the constitution of the universe"; just in the same way as devout Socialists tell us that nothing satisfies the Christian idea but equality of possessions. One gets a little tired of home-made theology; but it may be granted at once that, if landowners were free to exercise their powers, and liked to exercise them, they could make things exceedingly uncomfortable for the rest of us. But, happily, landowners are not men who are removed from ordinary economic considerations. They are, as a rule, just as anxious to draw an income from their land as we are to make an income by the use of it. Although they are few compared with the whole population, they do compete with each other to hire or sell their land, and, in times when our little island is so closely connected with millions of acres of virgin soil in other countries, it is absurd to say that the monopoly is an "iron" one.

The Royal Commission on Agricultural Depression (1897), on calculations made by Sir Alfred Milner and Sir Robert Giffen, reported that the capital value of rural land, as compared with other forms of property, had enormously altered within the previous twenty or thirty years, and put down the fall at no less than £1,000,000,000, or 50 per cent.; adding that "over a very considerable part of this country, true rent has entirely vanished, since the owners are not receiving the ordinary interest upon the sum which it would cost to erect buildings, fences, etc., as good as those now existing." One may well doubt the value of Royal Commissions, to

the citizens at least, if a few striking figures of land increment are held to contradict all the calculations of our most careful statisticians.

As regards urban land, it probably, on the whole, tends to rise, although even here there are long periods when it falls back. When the City Improvement Trust in Glasgow took compulsory powers and bought up large tracts in the most congested districts, it was found a very bad investment, from a pecuniary point of view, for many a year afterwards, and the citizens were not sparing in their criticism. Even to-day there are great districts now being feued at the same price as was offered the owners twenty years ago. How is it possible to reconcile the catch phrase, that "all improvements register themselves in land," with such a fact as this? Does anyone deny that wealth, steadily and greatly increasing year by year, "registers itself" in cheap goods, improved environment, and, generally, in higher wages? Does anyone believe that the petty £35,000 annual increase in the ground rent of Glasgow "registers" the growth of wealth in that city?

It is, of course, regrettable that Glasgow, like other cities, once parted with lands of its own for a small sum, and had to buy them back for public purposes at a very high figure. But on the general question of municipalities owning land, I would call attention to Professor Marshall's suggestive calculation. "The discounted value of a very distant rise in the value of land is much less than is commonly supposed. For instance, if we take interest only at five per cent. (and, of course, a much higher rate pre-

vailed during the Middle Ages), £1 invested at compound interest would amount to about £130 in 100 years, £17,000 in 200 years, and £40,000,000,000 in 500 years. Therefore an expenditure by the State of £1 in securing to itself the reversion of a rise in the value of land which came into operation now for the first time, would have been a bad investment unless the value of that rise now exceeded £130, if the payment was made 100 years ago: if 200 years ago, the gain ought now to amount to £17,000; if 500 years ago, to £40,000,000,000.¹

In any case, I should deny that this is a fit subject on which to assert the last right of revolution. I should disbelieve in a millennium brought about by the violent confiscation of that which law and order have pronounced peculiarly sacred. I should say that, in the interests of a people rising so rapidly into the possession of wealth and capital, it is expedient rather to confirm the traditions of property than to overthrow them.

As things are, the land of the nation has for eight centuries been regarded as private property, and has passed from hand to hand in sale, gift, and bequest, under the weightiest sanctions and safeguards which legislation can give. For the State, then, to confiscate this land without compensation, is to go back on its history for all these centuries; to declare that there is a power above the State which made this legal right a moral wrong; and this is to appeal from the highest court we know to a philosophical conception.

I should be the last to say that there is not, in

¹ *Principles of Economics*, 4th edit., p. 718, note.

the ultimate resort, such an appeal—an appeal from the will of the majority to the General Will; but we must be very sure that it is the General Will, and not the will of a majority which may turn into a minority at the next turn of the political wheel.