

CHAPTER I

"THE MOTHER OF ALL THINGS"

"The land question means hunger, thirst, nakedness, notice to quit, labour spent in vain, the toil of years seized upon, the breaking up of homes; the misery, sickness, deaths of parent, children, wives; the despair and wildness which springs up in the hearts of the poor, when legal force, like a sharp harrow, goes over the most sensitive and vital rights of mankind. All this is contained in the land question."—CARDINAL MANNING.

"You take my life, when you do take the means whereby I live."—SHAKESPEARE, *Merchant of Venice*, Act IV, sc. 1.

"Scarcity may be at times to the relative interest of the few: but abundance is always to the general interest."—HENRY GEORGE, *Science of Political Economy*, Book II, ch. XIV.

PROBABLY writing somewhere about the beginning of the second century B.C., a learned Hebrew teacher, Ben Sira, embodied in an arresting poem, in one of the Wisdom Books, a fundamental truth about the Land Question:—

Great travail is created for every man,
And a heavy yoke is upon the sons of Adam,
From the day of their coming forth from their mother's womb
Until the day for their burial in the mother of all things.¹

Sir William Petty (1623-87), who founded English Political Economy at a time when the Hebrew Apocryphal books were more generally read than they are now, was possibly remembering and paraphrasing this passage when he wrote that "Land is the Mother and Labour is the Father of all Wealth."

Man is a land animal, and everything that he requires for the satisfaction of his material needs must be won by "great travail," *i.e.*, constant labour, from the land on which he lives—from Mother Earth. Land, in the widest sense of the term, is the dwelling place, the workshop, the storehouse and the final resting-place of the human animal. To him, as an individual and as a member of a community, throughout all generations, there can be no more fundamental economic question—even in what we call this "industrial" age—than that of his relation to the land on

¹ *Ecclesiasticus* xl, 1 (R.V.)

which and from which he lives.

The subject of the present book is the Taxation of Land Values, with the concurrent untaxing of the processes, products and earnings of industry and the unrating of buildings and other improvements on or in the land. Before we enter upon it, it is worth while to consider what is meant by the three significant words—Land ; Values ; Taxation.

In our schooldays we were apt to say that the surface of the earth is composed of "land and water." Stated more accurately, the earth's surface is composed of land, a large proportion of which is covered with water, the Pacific Ocean alone covering more than one-half of the total. This distinction, founded upon common sense, would be endorsed by scientist, lawyer and economist alike. The chalk hills of southern England bear witness to the fact that what is now elevated dry land was, aeons ago, an ocean bottom. The Haseborough Sands, now under water, were within historical times, part of the County of Norfolk, while, a little farther north, two thousand acres of land were added to one parish in the Lincolnshire Marsh by a sea-wall of low sand dunes, in the time of James I. The Dutch are adding a new and fertile province to their country by the reclamation of land from the Zuyder Zee, and, on the opposite side of the North Sea, a similar operation on the Wash may some day increase the area of Norfolk and perhaps of Lincolnshire.

Such land is often, rather absurdly, spoken of as "made land." One can just as truly say of it, as of all other land, that no man made it, except in the sense of "made it available for a different use."

But, in spite of these, and many vastly greater changes of level, the total land area of the globe has remained unchanged throughout the ages. No lawyer would "convey" an estate consisting of (say) "90 acres of land and 10 acres of water." The true description would be in some such sense as "100 acres of land, of which 10 acres are presently covered with water." A long drought might dry up the lake, or the holder of the estate might drain it, or a flood of rain increase its area; but the 100 acres of land have always been there, and always will be, so long as the earth exists.

The great drought of 1933-34 brought home to Parliament and to thousands of our villages, whose streams and springs

and wells had run dry, the enormous importance, to the health, comfort and prosperity of the community, of access to the waters on and under the soil. Water had to be carted at great expense in order that the countryfolk and their stock might even have water to drink.

Again, the loose habit of talk which treats the word "land" as referring only to the broad fields which one sees when one "goes into the country"—the usual meaning of the "slogan" "Back to the Land" in the minds of those who use it—can find no echo in these pages. When agricultural land is meant, the word land will be so qualified. Even such an accomplished speaker as the late Arthur (afterwards Lord) Balfour, later to be Prime Minister, found himself able to say at a famous Conference in the Prince's Hall, Piccadilly, that "land now-a-days has no value." He was standing on one of the most valuable plots of land in the West End of London, but was thinking only in terms of agricultural land; and, even in respect of that, his statement was not true.

Some of the land, land often of very high value, none of us have ever seen, because it has long been covered with buildings; but it nevertheless has a great economic importance. "Building land" must be in our minds when we talk about the Land Question.

So also with the lands which sometimes have formerly been agricultural but are now devoted to mining or quarrying uses. Mineral lands, the source of all building material, of the coal which gives us heat, light and power, and of the iron ore and other useful minerals which feed our iron, steel, building, engineering and hardware, pottery and chemical industries, must be covered by our definition of LAND.

From the land, then, man, the land animal, must draw by his labour all that he needs for his bodily sustenance and comfort and all the material aids to his higher mental and spiritual needs.

The water-covered areas afford him what appear to be almost inexhaustible supplies of food from their ocean fishing-grounds, and their lakes and rivers. Unlike the ancients we no longer regard the sea as "the estranging ocean."¹ It is now a great highway of international

¹ *Oceanus dissociabilis*.—HORACE, Odes I, 3.

commerce and holiday journeys, and its shores, with their healthful breezes, are the holiday resorts of millions in search of rest and change for mind and body. Even now, when aeroplanes and airships are taking us to distant places at a speed that neither ships nor trains can attain, the commerce of the air is only possible because the planes can be constructed from land-drawn materials and can find accommodation on land, dry or water-covered, for the beginning and end of their journeys.¹

From the "Mother of all Things" man satisfies the elementary and essential needs of human existence—food, clothing, shelter and warmth; everything that sustains his life and ministers to his comfort and luxury. Prepared foods may reach him in a carton or tin, but they owe their origin to a cornfield or orchard, a fishing-ground or a cattle ranch or sheep run, possibly thousands of miles away. Flax or cotton, grown in the fields of Ulster or Carolina, wool from the backs of sheep bred on Australian sheep-runs, silk from worms fed on Italian mulberry leaves, leather from the hides of Argentine cattle, and so on, provide us with clothing: they are all products of labour upon foreign lands, and come to us in exchange for our own land-products. From the land we draw the materials—brick, stone, cement, timber, metals, glass, tiles, slate—wherewith to construct our houses.

Man's tenancy of the earth makes available for his use the air, the sunshine and the rain, the reproductive processes which multiply the seed and bring forth the harvest. It enables him to draw upon the earth's rich stores of mineral oils and natural gas and the apparently limitless stores of electricity, and to harness the powers of the water-

¹ "At the harvest festival at St. Peter's, Battersea, on Sunday there were placed in the chancel not only the conventional gifts of fruit and vegetables, but also emblems of the fruits of industry—models of trains, ships, aeroplanes, wireless sets, telephones and motor-engine parts. The vicar, in his sermon, said it was his belief that the fruits of industry were just as much the fruits of the earth as the fruits of the field, since all came from the ground, and that, therefore, the former should have their place in harvest festival services equally with the latter. . . . In this country we were largely dependent for our daily bread—the fruits of the field—upon ships, railways, motor-vehicles—the fruits of industry."—*Times*, October 16th, 1933.

fall¹ or the ebb and flow of the tides for the use of industry: in short, it brings within his reach all Natural Resources. If, with all these advantages, we are still afflicted with the social disease of undeserved poverty, this must be due, not to the niggardliness of Nature, but to the maladjustments of man.

Mother Earth is humanity's Universal Provider, for we have no other source from which to satisfy our physical needs. When her stores are closed against us, we are poor indeed.

Many millions of men, women and children in our "civilised" countries are deteriorating in physique and morale because they do not get sufficient food and clothing and are often festering in houses unfit for human habitation. Yet their rulers have been talking of "overproduction" as the cause, or a principal cause, of the "depression." Many of us must go short, forsooth, because Mother Earth has too abundantly yielded her increase at the call of labour! So the furnaces of railway engines have been stoked with "surplus" wheat, while the bread-lines were bearing witness to hunger in American cities. Shivering men on the Thames Embankment are grateful to the benevolent folk who bring them a cup of hot coffee, while Brazil is burning its "surplus" coffee beans. Millions of fish have been returned to the sea or used as manure, and cargoes of oranges thrown into the Mersey. Everywhere, even in erstwhile "Free Trade" Britain, governments are checking the importation of good things by tariff duties and quotas, or stopping them by embargoes, under the delusion that poverty can be cured by limiting the supply and so raising the price of everything that the poor need. Are we to hold thanksgiving services only when the harvest fails, and to pray the All-Father not to send us too much daily bread; and to give thanks for the bolt-weevil and the locust, the Colorado beetle and the phylloxera? Or should we not rather unite to sweep away all laws and customs that enable some men to own the Earth and to deny the rest of us

¹ Some countries make much greater use of water-power ("white coal") than we do. Even in Palestine, under the Rutenburg concession, the waters of the Jordan are producing electric current for new industries, as far away as the Mediterranean coast.

access to the bountiful storehouse from which all good and wholesome things may be had?

Even the *London Times*, in its *Annual Financial and Commercial Review of 1933* (February 6th, 1934) expressed astonishment at the "amazing implications" of the *Farm Relief Act* with which President Roosevelt tried to cure trade depression. In an effort to raise the prices of agricultural produce,

"farmers were paid \$110,000,000 to plough under 10,000,000 acres of cotton, and to agree to make a further acreage reduction in 1934; several million brood sows and little pigs were bought by the Government, and given away in poor relief; and nine to ten million acres of wheatlands were taken out of production. Up to the end of 1933, payments to farmers of cotton, wheat, tobacco and other commodities called 'basic' in the Act, in return for curtailment of production, had run to \$286,000,000, and large additional payments are to be made in 1934. These funds were provided, in accordance with the Act, by processing taxes which, though collected from the first processors of the several commodities, were, of course, actually paid by the ultimate consumers. The second part of the *Farm Relief Act* made possible the increase of farm loan bonds up to an aggregate of \$2,000,000,000 for making loans to farmers or for purchasing mortgages or for exchanging for mortgages."

Comment upon these "amazing" proceedings hardly seems necessary here, and would come with an ill grace from a British citizen living under a "National" Government inspired by much the same delusions, though not showing the same reckless courage, as the American President. In our own country, Parliament has been discussing whether 2s. is a sum sufficient to keep the child of an unemployed worker for a week, while the Cabinet was making its food and milk dearer by schemes which, like the President's, ultimately enure to the benefit of the landlords and mortgage-holders.

"What," asks Captain Arthur McDougal,¹ "is the main principle running through the Government's agricultural policy? Stripped of all camouflage, it is simply that, faced with starvation in the midst of plenty, it proposes to remedy matters by abolishing plenty."

Nature has made its biting comment on the madness of such policies. The great drought of 1933-34, unprecedented

¹ *Daily Herald*, January 25th, 1934.

within living memory, extended over almost the whole of the wheat-growing belt of the Northern hemisphere. It not only limited the production of wheat by parching the crops; by depriving livestock of water, it reduced the production of meat and milk and dairy products. In the United States, it dried the arable farmers' tilth to the semblance of desert sands, and spread the soil of the farms, in the form of great dust-storms, over distant cities. It did more effectively, and over a larger area, what Mr. Elliot was trying to do in Britain by Acts of Parliament and Administrative Orders. Yet no one, even of the politicians to whom this unexpected help was brought, has suggested the desirability of making it the subject of a national thanksgiving service !

Never was it more evident than now that there is something radically wrong in the relations between mankind and Mother Earth and her gifts. What is it ?

" Here," wrote Francis W. Newman, " is the fundamental error; the crude and monstrous assumption that the land is, or can be, the private property of anyone. It is a usurpation exactly similar to that of slavery." Chattel slavery as a social institution is at least as old as, and probably older than, private property in land. Ancient civilizations were founded upon it; it persisted, even in English-speaking countries, well into the nineteenth century, and still persists elsewhere. The case for its abolition was and is that the ownership of one man by another is an outrage on the moral sense, an indefensible robbery of the slave's right to personal liberty and to the products of his own labour. It is a *moral* issue, as well as a problem in social economics.

At the cost of a Civil War, the slaves in the Southern States were set " free." The negro was no longer the legal " property " of his master, who, incidentally, had been bound to maintain him in a certain measure of comfort. But he was not economically free. The cotton-fields, in which he had been working as a slave, afforded his only chance of finding employment as a " free " man working for wages. They belonged to his old " owner," who, now that he was no longer a piece of marketable property, had not the same incentive as before to take care of him. He

was set free from one sort of slavery to do the best he could under another form of serfdom which is based on landlordism. Once again a problem in ethics has to be faced and solved.

We are all born into a world where life can only be sustained by resort to the food and other products which the land yields in great abundance. It is only to labour—one's own or someone else's—that Mother Earth gives "the means by which we live." If our birth gives us equal rights to life—and who can deny that it does?—the inevitable corollary is that it gives us equal rights in the common heritage, the land from which we come, on and from which we live, and to which our bodies will return. The denial of that equal right robs millions of the workers of part of the produce of their labour, deprives millions of the opportunity to work at all, and condemns multitudes of the disinherited to undeserved poverty, avoidable sickness and premature death. Every civilized Government regards it as a duty to suppress robbery and murder. Robbery and murder do not cease to be such because they are the outcome of a long established and legalized system.

Long ago, Herbert Spencer maintained, with convincing arguments and on purely ethical grounds, that "equity does not permit private property in land"¹; that no title to such property is valid in justice; or can be made valid by sale, bequest, long prescription, cultivation or improvement. The right of private ownership in land exists only by general consent; that being withdrawn, it ceases. "To deprive others of their right to the use of land, is to commit a crime only inferior in wickedness to the crime of taking away their lives or personal liberties."²

Spencer formulated his remedy in clear terms. It is not necessary, he said, in order to implement the doctrine of equal rights in land, to cause a "very serious revolution in existing arrangements. The change involved would simply be a change of landlords. . . . The country would be held by the great corporate body—Society. . . . Instead of paying his rent to the agent of Sir John or his

¹ *Social Statics* (1851), ch. IX; cf. HENRY GEORGE, *Condition of Labour*, ch. II.

² Tolstoy called landlordism "the Great Iniquity" (in-equity, injustice).

Grace, he would pay it to an agent or deputy-agent of the community."¹ Equal rights in land can be established, not by an equal division of the land among the people, but by socializing the rent of land—making it available, through a public rent-fund, for the common needs of all the people.

The "Law of Rent," popularized early in last century by Ricardo, though not discovered by him, is accepted by all economists of repute and lies at the root of all political economy. It may be stated in quite simple terms:—

The rent [annual value] of land is determined by the excess of its product over that which the same application can secure from the least productive land in use.

Land varies extraordinarily in its natural advantages of position, its fertility, its mineral contents, and so on. Rent arises from these differences, which may be increased, with no visible limit, by growth of population, the advancement of science, by public action and public expenditure.

Consider a simple illustration of the working of the Law of Rent. Tom lands on an uninhabited island. He establishes himself on the most fertile spot, where, by his labour, he can produce (say) 50 units of wealth—corn or other means of subsistence. Dick, Harry, Bill and Joe arrive successively and take up portions of the remaining less fertile land, yielding to labour equal to that of Tom only 45, 40, 35 and 30 units respectively. When Sam joins them, the best available land will only yield him, though he works as hard as the others, 25 units, upon which he is barely able to live.

Then comes Sir John or His Grace, produces his title deeds and asserts his claim to "own" the island. The squatters must recognize his ownership by paying him rent. Sam cannot pay him any rent, for he cannot live from his land unless he is rent-free; he is on the "margin of cultivation." But his land affords the natural *datum* line from which the rent of the others can be calculated. Whatever they produce over Sam's 25 units becomes

¹ *Social Statics*, ch. IX, sec. 8. For a very thorough examination of Spencer's views, as expressed in this book, and of his subsequent recantation in *Justice* (1891) and elsewhere, see HENRY GEORGE, *A Perplexed Philosopher* (1891).

"rent," and the former inequalities among these men, due to the superior advantages enjoyed by some of them, are "ironed out."

Henry George visits the island. He sees that the unequal "wages" of men who are equally industrious, and who have an equal right to make a living from the land, are unjust: but he sees also that the landlord's "rake-off" has only created a new and greater injustice. For the landlord is now getting 75 units in return for which he produces nothing whatever. He is simply levying legalized blackmail upon the cultivators on the pretence that he is giving them permission to do something which they have a perfect moral right to do, viz., to win a livelihood from Mother Earth.

The visitor points out that the just remedy would be, in such a simple community, to skim off the "overplus" of produce on the better land, just as the landlord does, and to divide the rent-fund equally among the cultivators. Equal labour would then ensure to each of them an equally good livelihood. The same end could be attained in a larger and more highly organized community, by spending the rent-fund in providing public services and amenities, by which the standard of life for all the citizens would be raised.

Spencer, in *Social Statics*, was dealing with principles only, and not with the political method for embodying principle in practice. Henry George, in *Progress and Poverty* (1879) worked out in detail the method of applying the Law of Rent as a means of social regeneration. His method is known all over the world under the name of Taxation of Land Values.¹ To tax land values and to abolish all other taxes and rates is the political method for bringing about the Socialization of Rent and for securing what Spencer called the Right to the Use of the Earth. It will use, in the interests of all, the equalizing power of the Law of Rent, which, under land monopoly, works only in the interest of a privileged class.

¹ By Land Value is meant exactly what the economists meant by Rent, i.e., Economic Rent, Rent of Land. The "rent" which the householder pays to the "landlord" of the house includes, of course, interest on the cost of the building.