

Common Vs. Private

By PROF. SANDOR BALOGH (Hudson Valley Community College)

In the Spring issue (GJ No. 51) Robert Clancy in his "Comment" raised the issue of common land. The suggestion that the common land system "did work" is misleading. It did accomplish its limited goal of providing basic maintenance of essential food supply, but it was a static, no growth economy. Further, it worked in a cultural milieu where good work habits were internalized and people were much more collectively oriented.

In the past it worked about as well as it works today in the communist countries; with periodic famines, people starved. In communist countries like Hungary the private household property produces disproportionately more than the much larger, publicly owned areas. In Hungary, if it was not for these lands, they would starve, or would have to import food like the Soviet Union does. I do not think that moving in that direction could be called progress, even if it's clothed into a nostalgic dress as "going back to the good days."

Our experience as an industrial society, in addition to the experience of socialist economies, proves that real progress can be fueled only by a real incentive that only private ownership can provide. This has become an essential part of our culture, so that the idea of common ownership would also have to go against our own internalized value structure and economic culture.

The real tragedy was not the enclosure of the best lands. The real tragedy was that the landowners did not have to pay adequate rent, so they could keep their land out of production. If they had to pay high rent for their "hunting preserves" I am sure they would have turned it into some more productive enterprise.

The article only proves that Georgism is a valid suggestion and it should be supported. It not only would be impractical to return to the common land system, but since there would be no separate community to collect land rent (tax), the whole idea behind Georgist reform would be made irrelevant. A small community with great land resources could keep the land quite unproductive, as long as it satisfied their own limited needs.

Contrary to Mr. Clancy's suggestion, I would keep as a matter of principle land in private hands so it can be taxed up to its value.

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REPLY BY R.C. No question about land value taxation on privately held land! This is certainly the main thrust of the Georgist movement today. But it is not quite a "principle" - the principle is equal rights of all to land. LVT is George's suggested method for applying this principle to modern conditions in a practical way.

But the possibility of some land held in common is not thereby dismissed. In referring to "property", let us be careful to distinguish between land and the products of labor. And let us distinguish between "common land" and "state land." The former simply infers equal access, whereas the latter infers control and regulation. One of the flaws in communism is that producers are not paid according to their production and so there is no incentive to increase production. This has even been the case with voluntary communities where idealists banded together to share and share alike. They all failed for the same reason. But land trusts and single tax colonies hold the land in common, collect a rent and let the residents enjoy the fruits of their labor. Speaking of Hungary, they have introduced the "profit motive" on collective farms, with a dramatic increase in production. The Russians are now studying the Hungarian system!

One common land community has miraculously survived into modern times in England - Laxton in Nottinghamshire. It is notable that wherever common land with private earnings has been practiced, it is never abandoned voluntarily but is rather ended by force and fraud.