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# Your Money Is YOURS

## Why not collect it?

Why Be Scientific in wealth-**production**  
and Be a Bone-head and a Sucker in  
wealth-**distribution?**

By L. D. BECKWITH

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**The Forum** (a weekly), now in its twenty-eighth year, was the first, and is still the only, periodical devoted to the economic interpretation of the news and to the teaching of the natural laws which are to society what the laws of physics are to an automobile, the laws by resort to which we can have good social conditions (as by resort to the laws of physics, we have good automobiles) with men just as they are.

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## Tax Quiz Scripts 135, 136, 137, Lessons 42, 43, 44

(A Synopsis, covering the entire field of Wealth-Distribution)

**Special Note:** For the high lights of this argument, read the paragraphs marked with the Black Dot—like this: ●

A.: "Mr. Beckwith, what evidence have you that the whole world has been misled in this matter of wealth-distribution, but that you know all the answers!"

B.: "One thing is that my conclusions never conflict. What I propose would never, in any case, help some people at the expense of others. That, I think, is the best evidence. But it is also significant that, since 1943, it has been impossible to find anyone who will take the negative side in a public debate on the validity of my teaching."

A.: "That surprises me!"

B.: "In this case, a debater who wishes to disprove what I teach would first have to disprove truths which are accepted and taught the world over; for what I teach is based either on these truths, or on corollaries of these truths."

A.: "What truths?"

● B.: "For example, no one would attempt to disprove the statement that man is a gregarious creature, or that gregarious creatures are instinctively co-operative, or that man can survive only by adjusting himself to his environment, or that man's social environment is a part of the environment to which man must adjust himself, or that no creature—not even man—can adjust itself to chaos, or that if he is to adjust himself to his social environment, that environment must be assembled, as our physical environment is, according to an understandable plan and be controlled, as our physical environment is, by fixed and dependable natural law."

A.: But, if the public is confused in this matter, how do you account for this confusion?"

B.: "There are two opposing theories regarding social conditions; and, because we have always held to the false theory, we have come to false and conflicting conclusions."

A.: "What is that false theory?"

● B.: "The old (and still dominant) theory is that social conditions are controlled by men and governments and that bad social conditions are caused by the conduct of selfish or inconsiderate men whom we must reform, or restrain."

A.: "That's the old theory! I recognize it! I was taught that."

● B.: "That theory diverts attention from the problem to the faults of men! We are not students; we are fault-finders!"

A.: "But we could have solved these problems, if we had forgotten our minor differences and united on the main task?"

● B.: "No! For, unless social conditions are controlled by dependable natural law, as the tides and seasons are, there would be no dependable relation between social causes and social effects and it would be impossible for us to trace results to their causes, or from causes to predict effects. Under such

conditions, we could never know either the cause or the cure of economic ills and successful planning in this field would be impossible—even if we could agree upon a plan."

A.: "You say there is another theory, a new one?"

B.: "It is that social conditions are controlled, as the tides are, by natural law."

A.: "And, if social conditions are controlled by natural law?"

● B.: "Then there is nothing we can do in this matter, except what we have had to do in physics, chemistry and the other sciences—that is, to find the laws and learn to use them."

A.: "What about the moral law?"

● B.: "The new theory is that the moral law is limited to individuals and that all social matters—such as social justice, democratic government, world peace and harmony between the races—which are vital to all men are controlled by dependable natural law and never left to the management of men, as all matters in the physical world are, which are vital to all men."

A.: "And that means what?"

● B.: "Just this! That it is a rule of nature in every field which we have studied that the freedom of men is limited to their attitude toward the conditions which confront them, and that these conditions are controlled by unchanging and unchangeable natural law with which neither men nor governments can meddle!"

A.: "But, even so, we are denied our rights in this field!"

● B.: "That is true; but this is not because men or governments can meddle with natural law; but because we, in our ignorance, violate a basic law of nature; and, while continuing that violation are trying to set up machinery to protect ourselves from Nature's penalty."

A.: "Then those who would refute your teaching must prove that the social field is an exception to a rule which holds in every other field?"

● B.: "Yes! And that cannot be done; for exceptions to the rules of nature are unknown. What may at first appear to be an exception to Nature's rule is always found, later, to be just another rule. In the absence of proof to the contrary, we are therefore compelled to believe that this system of dual control, which limits our freedom to our personal interests and controls the conditions which face us by natural law, also holds in the social field."

A.: "Still, I do not see how we can rule the moral law out of our civics and statecraft?"

B.: "It cannot be ruled out; but, remember that the moral applies to our personal interests, only."

A.: "What of the moral responsibility of officials who get us into a war? Are they not responsible under the moral law?"

B.: "For their own personal conduct and influence, certainly! But the problem of war is a problem in natural law."

A.: "Isn't war a penalty for the violation of the moral law?"

● B.: "If war is a penalty incurred under the moral law, then

**the innocent women and children who suffer because of the war are punished, under the moral law, for the sins of others! That is unthinkable; for that would make the moral law responsible for an immoral punishment."**

A.: "Is there a general principle which will help us here?"

● B.: "Yes; there is! Remember, First, that if the gift of free will is to be worth having, we must be free in our personal relations. Second, that we must be responsible to the moral law for the use of our freedom; Third, that the moral law must make allowances for the differences in men; Fourth, that if our freedom is not to be violated by the excesses of those who abuse of their freedom, man's freedom in the social field must be limited as it is in the physical field to his personal relations; Fifth, if society is to have any stability, all social matters vital to all men must be regulated as such matters are in the physical field by some power over which neither men nor governments have influence."

A.: "Why do you think this matter so important?"

B.: "Because economics is the science of the distribution of wealth. Of what use to us are the productive sciences, physics, chemistry, botany, etc., if we are not to possess the product produced by their aid?"

A.: "You think we are not getting these benefits?"

B.: "That is clear! We are producing wealth easier, more rapidly and in larger volume than ever; yet more of us are dependent in old age upon pensions than ever before?"

A.: "How can this be! What becomes of the wealth?"

B.: "Because we have believed, mistakenly, that our social problems are moral problems and so have not studied these problems as we study other problems, we are pitifully ignorant and superstitious with respect to these matters."

A.: "Superstitious!"

B.: "Yes! We have outgrown the superstition of the Evil Eye. We no longer think that old women (called witches) have the power to cause people to sicken and die by merely looking at them. But we still believe in the superstition of the Evil Heart! We still believe that capitalists, politicians and people to whom we refer as Big Business can corrupt a nation, cause depressions at will and plunge the world into war."

A.: "About what things are we ignorant and superstitious?"

B.: "We are still under the spell of the superstition that rent is paid for the use of land, that land is property, that land has a market value and that high land values are signs of prosperity—that is, we do not know what is property and what is not property. How can people who do not know what is theirs and what is not have a stable economic system!"

● B.: "It would be worthless; but—"

● B.: "What would a bill of sale be worth, which did not describe the article sold?"

A.: "It would be worthless; but—"

B.: "The Bill of Rights guarantees our rights?"

A.: "Yes! And it says our property shall not be taken—"  
● B.: "Yes! I know! **But neither the Bill of Rights, nor the Constitution defines property.**"

A.: "But the Courts and the dictionaries define property!"

B.: "Go to your lawyer and ask to see the definition of property in his law dictionary! **You will find that it takes a hundred pages of that dictionary to define that word!** What more evidence do you need to prove that the Courts do not know what is property and what is not property? Like the Courts' definitions of **property**, the definitions of **property** you will find in the dictionaries boil down to the statement that **anything which can be possessed and bartered is property!** According to that definition, Negroes are still property. How can we have social security, if we do not know what is property and what is not—and cannot find out from dictionaries or the Courts?"

A.: "How should students begin the study of this matter?"

● B.: "The first thing I want the student to understand is **that he has known all his life the facts upon which my teaching is based.**"

A.: "What facts have we had before us all the time which should have helped us to solve our social problems?"

● B.: "One of these is the vital fact that weather conditions affect crops, and crop conditions affect business and business conditions affect wages and interest and working conditions; and these affect all phases of our social life."

A.: "What should we have learned from that?"

● B.: "That should have warned us that social conditions are not problems in morals, but in **natural law**—at least, it should have led us to study the question whether all social conditions are controlled, as these are, by natural law."

A.: "Is there any other fact well known and generally accepted which should have helped us in this matter?"

B.: "Yes! There is a fact which guides all investors in the real estate market and which is widely known throughout the business world which should have warned us that rent (paid, for example,) by the operator of an unimproved parking lot to the holder of the lot title is **not interest on his investment in his land title**, as is generally believed; for, if the rent were interest on that investment, rent would be fixed by finding the amount of the investment and figuring interest on that."

A.: "What is the business practice in this matter?"

● B.: "Instead of beginning with the investment and figuring the interest to fix the rent, experienced investors in land titles **begin with the rent, and then subtract the taxes on the land title to find the amount on which the net rent will pay interest**—that is their way of learning whether the investment will pay them a satisfactory return."

A.: "Then, instead of figuring the rent from the value of the land title, they figure the value of the title from the net rent!"

B.: "Right! That is just the reverse of the general belief."

A.: "If the money the title-holder gets is not interest on his

investment, what is it?"

B.: "First, tell me whether the title-holder, as you think of him, has any other interests, such as those of a doctor or merchant, or farmer, or whether you think of him only as a holder **a title to land?**"

A.: "I am thinking of him as a title-holder and nothing else."

B.: "Good! Now tell me what he has done, **as a title-holder.**"

A.: "He bought that land title."

B.: "That is one of four things—the only things—that title-holders do! Did he, by that act, produce any wealth?"

A.: "No! That is an unproductive act."

B.: "He negotiated a lease. Did that produce any wealth?"

A.: "No! None!"

B.: "He got out of the way, so his tenant could work to earn the rent money; was any wealth produced by that act?"

A.: "No! No wealth was produced by that act!"

B.: "He collects the rent; does that produce any wealth?"

A.: "No! None!"

B.: "**As the holder of that title**, has he done anything, besides buying the land title, negotiating a lease, getting out of the way and collecting the rent?"

● B.: "That is all he does, **as the owner of a land title.**"

B.: "So he gets, **for nothing**, possibly half the tenant's crop!"

A.: "He would not get as much as half of the crop, unless the land were on a good highway, near a good market."

B.: "Do such things as highways and markets affect rent?"

A.: "Yes; indeed!"

B.: "Then investments on **other sites** by persons **other than the rent-collector** may raise rents and so enrich the collector!"

A.: "Yes."

● B.: "That is true; but do you not see that, **if rent increases because people invest labor and capital on other sites, far and near, that proves that rent is not paid for land and is not interest on the investment in the land title; but is due** (as wages and interest) **to those who by their investments of labor and capital on other sites have made the country what it is; and that title-holders who collect rent are (morally) guilty of embezzlement, if they fail to turn it in to the public treasury?**"

A.: "This is getting interesting; I would like to hear more."

B.: "Very well! Suppose you are the first settler to arrive in a new country. Where do you choose to make your home?"

A.: "I pick the best soil and water conditions and look out, of course, for wood and for protection from bleak winds."

B.: "Suppose you were the second settler?"

A.: "Providing I could get what I want in soil, and water, wood and shelter, I would build near the first settler."

B.: "And, if you came in years later, after the towns of the valley had developed, where would you settle?"

A.: "Other things being equal, I would settle in or near the town having the best system of roads, the best schools and the best markets for both labor and farm produce."

B.: "Is it true that men on the frontier must shave themselves, or go unshaved?"

A.: "Yes! That is why frontiersmen are so often bearded."

B.: "Right! Now suppose two houses exactly alike, inside and out and in equally rich valleys,—one out on the frontier and the other in a modern town. Which of the families pays the higher rent?"

A.: "The one living in town would pay the most."

B.: "Why did you make the choice you did, when I asked you where in the valley you would settle?"

A.: "I wanted neighbors."

B.: "Why did you choose, as you did, to live in the best town in the valley?"

A.: "So I could save time and money by having some one fix or wash my car, or fix my radio, or other appliances, instead of taking time from my work to do these things."

B.: "And you feel safer to live where there is a telephone, a doctor and a drug store than to live where there is no doctor, no drug store and not even a telephone?"

A.: "Certainly! I am willing to pay more rent there."

B.: "What do you get for that extra rent?"

● B.: "I get the chance to use the telephone company's line and equipment, to profit by the skill of its employees, the training of the doctor and the druggist and to profit from the fact that the druggist carries a stock of medicines and supplies. In the course of the year, I save that extra rent by having opportunities I would not have out on the frontier."

B.: "What opportunities?"

A.: "It might be that I would want a screw or a bolt, or my wife would want some thread. In town, I take advantage of the merchant's stock. In the country, I would have to stock such things myself, or drive to town to get them."

B.: "Let us play Suppose, again. I want you to suppose that you have two friends and that one is your doctor and the other is a member of the city fire department. I want you to suppose that there is a big baseball game in town and that your two friends are enthusiastic ball fans; but that the fireman is on duty and cannot be spared and the doctor is expecting a call which means life or death to the patient and so the doctor does not dare leave his office."

A.: "All right! What do I do next?"

B.: "Both men missed the game, but the fireman was on duty and got paid. The doctor was on duty; was he paid?"

A.: "Did his call come in? Did he go out on that case?"

B.: "No! He had nothing to do, all afternoon."

A.: "He was on duty! He should be paid; but I cannot see how this could be done. If you have the answer to that question, the doctors should all help you circulate your books!"

B.: "Do you remember what you said you get for the extra rent you pay to live in town?"

A.: "Not now—not clearly!"



B.: "You were clear on that point, then; and you worded your reply accurately. You said that, for the payment of that rent, you had the opportunity to use the telephone line and to take advantage of the training and experience of the doctor and to profit from the fact that the druggist keeps a stock of medicines and supplies. Now, I am wondering if you can translate that answer into the terms of economics."

A.: "I do not know how to do that!"

B.: "You understand that there are only three ways known to the economist whereby men may obtain wealth? And that these three ways of getting wealth are to get it as **wages**, as **interest** and as **rent**—meaning what many call ground-rent?"

A.: "Yes; I understand that."

B.: "And you understand that, while a doctor has an investment in surgical instruments, etc. (which are capital), his principal return is **wages**; and that while the druggist gets **wages**, his principal return is **interest**." .....

A.: "Yes."

B.: "Now, what about the telephone company?"

A.: "It would be classed with the drug store, would it not?"

B.: "There is one difference! The drug store is run by the owner who has a claim for wages and interest; but the telephone company is run by employees. It gets interest, only."

A.: "Then I had the service of the doctor and the druggist and the telephone company and profited from their capital."

B.: "Yes."

● B.: "But did I not pay all that in my monthly bills?"

B.: "Good! That helps me to see what bothers you. Let us meet that difficulty this way: Suppose that a deaf mute wants to rent the apartment adjoining yours—the twin to yours—which rents for the same amount your apartment does. Will he want a telephone?"

A.: "No! He could not use it!"

B.: "In that case, the telephone company would make nothing by reason of the deaf-mute's moving into that apartment?"

A.: "No! It could make nothing from him."

B.: "But he would pay the same rent you do?"

A.: "Yes; he would pay the same rent."

● B.: "And, like yours, the deaf mute's rent (even though he had no telephone) would be higher because of the telephone company provides and maintains expensive equipment there, to which the deaf mute has the privilege of access."

A.: "Oh, now, I think I see what you mean! You are telling me, aren't you, that part of the rent I pay belongs to my doctor; part to the druggist and part to the telephone company; but my landlord gets their shares! Is that it?"

B.: "Yes! Landlords all over town are collecting wages and interest due the doctor and the druggist and interest due the telephone company. Your landlord gets some of this money."

A.: "And, if I am in business here and employ fifty men, the title-holders are enriched because my men bid rents up!"



● B.: "Yes! You maintain a factory and a payroll. You pay watchmen and pay insurance and pay repair bills. You have to paint your factory. The lots of these title-holders will not burn. They need not be insured. They cannot be stolen. They do not have to be painted. But, because of the presence of your factory and because of your payroll, these title-holders get more rent than they did before you put up your factory."

A.: "And this is true of the others who are in business in the town?"

B.: "Yes! Every citizen who helps the town to grow or who helps to make it a good town helps, in that way, to furnish some of the things for access to which rent is paid. This is why title-holders want a chamber of commerce (maintained, of course, by business men) **to advertise the town abroad and to send out delegations** (at the expense of the business men) **to get employers to move their payrolls here.**"

A.: "Are the holders of titles to land the beneficiaries of our chamber of commerce activities?"

● B.: "Not all title-holders, of course; for most title-holders have more in their improvements and personal property than in their land titles; and so lose more in taxes than they gain in rent. **Many business concerns own no land titles at all; yet they have to pay taxes shifted from land titles to the cost of living!** But speculators in industrial sites, who have no buildings to maintain and insure, who hire no watchmen and do not paint their acreage, expect the public to pay the bill for advertising what they have to sell and even expect the public to maintain a chamber of commerce to help them sell it!"

A.: "Are other organizations exploited that way?"

B.: "Yes! All of them; but the luncheon clubs are most systematically exploited; because these clubs engage in a spirited competition to see which of them can do the most to build up the town by sponsoring scout troops, financing swimming pools for the kiddies and doing all sorts of good things **which enable title-holders to raise our rent!**"

A.: "It is strange these men can be tricked that way!"

B.: "Yes! Their faces will be red, some day! They forget that title-holders keep what is left of their rent after the taxes on their land titles are paid and that they are, naturally, interested in getting the rent as high as possible and in keeping the title taxes as low as possible."

A.: "But the rent is fixed for them by the market! They cannot raise that, can they—certainly not at will!"

B.: "But they get more rent, if they get us to put up money to improve conditions, so people will pay more rent."

B.: "But you said title-holders want taxes down!"

B.: "They do not want all taxes down! That would reduce the revenue upon which they depend for improvements which enable them to collect more rent."

A.: "How do they meet this difficulty?"

B.: "By shifting taxes from land titles to our cost of living."

A.: "Do you mean that that is done in this country?"

● B.: "In 1932, when the City of Stockton raised a dollar by taxation, it taxed 60¢ against land titles and 40¢ against Business. In 1948, only sixteen years later, it raised only 11¢ by taxing land titles and 89¢ by taxing Business. **In sixteen years it cut the levies on land titles more than 80% and more than doubled the levies on improvements and personal property—that is, on our cost of living.**"

A.: "Are the people of Stockton unusually stupid?"

● B.: "Oh, no! This ignorance is wide-spread! People all over the country are being fleeced this way."

A.: "What about the leaders in the chambers of commerce, the Merchants' Associations, the Farm Bureau, etc.? Do they not see that this is impoverishing us?"

B.: "Believe it or not! They are helping to put this over!"

A.: "Is this the work of deliberate plotters?"

B.: "No! These leaders are not fools; they are innocently ignorant. And they come honestly by their ignorance; for the schools have taught these fallacies for centuries!"

A.: "Why do you say they are not fools?"

B.: "We would call men fools who knowingly impoverished themselves and their families this way. Not one of these men, so far as I know, profits by this shift of taxes. Without exception, so far as I know, every one of them loses more in taxes than he gains in rent. Their course is plainly the result of their not knowing what rent is, and whose it is."

A.: "Then you do not believe this is the result of a plot?"

B.: "It could be called a conspiracy of silence; not a plot!"

A.: "Why a conspiracy of silence?"

● B.: "Because, if this were left to accident, some of these men, somewhere, some day, would face the questions I am discussing in these pages and study them. But, instead, they habitually evade the subject. This cannot be an accident."

A.: "How do you explain this?"

B.: "They are confused and cannot think this matter out. Sensing their ignorance and helplessness, they drift with the herd, not daring to voice a protest."

A.: "That looks like a spineless surrender!"

● B.: "The problem is new to them. They do not trust their own judgment. **They are waiting for some one in whom they have confidence to take the lead. Once such a leader steps out, this thing will be set right in short order!**"

A.: "But why? Of what are they afraid?"

B.: "Sensing their own ignorance and helplessness, they are afraid of being caught out of step with the crowd."

A.: "By what tricks is all this put over on us?"

● B.: "These tax tricks are of three types. The first is a simple switch of expense to the Federal Government, or to the State of California, **neither of which taxes land titles.**"

A.: "For example?"

● B.: "By getting state or federal money for highways, Cali-

California title-holders have got their land titles exempted from highway taxes. These land titles are being rapidly exempted from school taxes, in the same way."

A.: "What other form do these tax tricks take?"

● B.: "Other tax tricks are born of the fallacy that a government should be self-supporting. The stinger in this is that a dollar raised in any way other than by taxing land titles is a dollar added to the net rent of the title-holders; and, if the government were completely financed this way, title-holders would have for themselves every dollar of rent paid them!"

A.: "Is public ownership one of these tricks?"

B.: "Yes! It is a particularly vicious trick. In cities which raise all their revenue that way, the people pay their land-lords' taxes in their water, gas and electric bills."

A.: "You say there is a third type of tax tricks?"

● B.: "Yes! The tricks of the sympathy racket, by which we are tricked into contributing private money for good things which enable the title-holders to raise our rent."

A.: "For example?"

B.: "The Chamber of Commerce, the Community Chest, the Red Cross, the play-ground movement, flood relief and many other activities are used in this way to exploit us."

A.: "Is there any limit to this exploitation?"

B.: "The limit of our machine production is the only limit."

A.: "Please explain that!"

B.: "The better our machinery and the more we produce, the more they can take from us without stopping the game."

A.: "And we get only a bare living!"

B.: "On the average and in the long run, that is all we will ever get—no matter how much we produce!"

A.: "Why?"

● B.: "Because rent is always all the traffic will bear. When we do so well that we can pay more rent, our rent goes up (either on the initiative of the landlord, or because the public bids it up), and this increase in rent absorbs the increase in our earnings—leaving us, as before, just a bare living."

A.: "But they cannot raise our rent till the leases are out!"

B.: "What they take in direct rent is limited that way; but they have a trick by which they overcome that handicap!"

A.: "What is the trick?"

B.: "The sales tax and the percentage lease! By these, they take not only the rent they sign us up for; but take in addition a percentage of our wages and of our interest. The only limit to that exploitation is the limit beyond which they dare not go lest they bring production to a stop!"

A.: "Under your plan, people would not pay taxes or contribute money to enrich title-holders"

B.: "Right! Instead of taxing useful people, I would pay them for being useful!"

A.: "Even though they were selfishly interested in their own welfare and helped us unintentionally?"

B.: "Yes, certainly! Suppose an employer of a hundred men

is selfishly interested in making a fortune out of his factory! What of it? Is that any reason why title-holders should be permitted to claim the rent paid them by his workmen, or by others who are attracted to the community by his factory, or by the additional trade supported by his payroll?"

A.: "But is it possible to pay men for such usefulness?"

B.: "They could and would be paid, if the people knew what rent is, and whose it is!"

A.: "But would we know how much of the rent belongs to the doctor, to the druggist and to each of the others?"

B.: "No! That is impossible! There is no way to know that!"

A.: "Then how could these accounts be settled?"

B.: "Do we agree that all of the rent belongs to all of the people who help to make the town what it is?"

A.: "Yes!"

B.: "Very well! All we need do, then, is to collect the rent into the city treasury and use it to pay our public bills."

A.: "Then the rent would really be deposited to the credit of all of these people?"

B.: "Yes! And used by our officials in the payment of our public bills! That would be business-like and fair."

A.: "But neither the doctor, the druggist, the fireman, nor the telephone company would actually handle the money?"

● B.: "No! Each would get his community dividend in the form of tax-free public service."

A.: "Would the rent fund be sufficient?"

B.: "Yes! Isn't some of the rent we pay for access to parks, streets, schools, highways, etc., financed by public money?"

A.: "Yes."

B.: "And we pay for that what we think it worth?"

A.: "Yes."

B.: "Isn't the rent paid for access to such things equal to the cost of providing and maintaining them?"

A.: "I might not offer that much; but others would be certain to bid the rent up; because they would see what they could save by having the advantages available at that site."

● B.: "Then that part of the rent fund is enough to provide and maintain the things financed with public money?"

A.: "Yes! But what about new schools, streets, etc.?"

● B.: "After all the rent collected for access to the service financed with public money had been spent on these services, we would still have in the public treasury all the rent paid for access to theaters, churches, stores, factories, etc., which are provided and maintained by private money. This fund would be available for new capital investments, such as new parks, schools, highways, etc."

A.: "Then the rent is much more than enough for the operating expenses of the government!"

● B.: "Yes! It includes rent paid because of private business!"

A.: "You have said nothing about land value! What of it?"

B.: "The idea that land has value is another myth born of

ignorance and superstition!"

A.: "But land is property! It must have a value!"

● B.: "The value of property is fixed by the cost of production. Land is not a product of human labor, therefore, there is no production cost to be reflected in land value! Since there is, in the case of land, no production cost, land has no value."

A.: "But isn't land property?"

● B.: "To own a thing, one must either produce it, or buy the producer's title. No man produced the land. Therefore, no man owns land by the right of production. And, since the Producer of the land has not signed the land, or any of it, over to any man, no man has succeeded to the Creator's title."

A.: "But the government could own the land?"

B.: "**No!** Our government derives its powers from us! It cannot own what we cannot own."

A.: "But, if land has no value, what is this so-called land value?"

B.: "Suppose an unimproved corner under lease at \$1,000 a year, taxes on the land title \$280, net rent \$720, equal to 6% on \$12,000."

A.: "That land title would be worth \$12,000."

B.: "Yes! Because the holder of that title receives from it a net income of \$720. **Suppose, now, that the taxes on that lot title are reduced to \$40.** The net rent would be \$960, which is 6% on \$16,000."

A.: "And the title would be worth \$16,000."

B.: "Yes; and, if the title taxes were raised to \$400, the net rent would be but \$600. The title would be worth but \$10,000. **And, if the people found out what rent is—and whose it is—they would take the entire \$1,000. That would leave the title-holder nothing, which is 6% on nothing; and the lot title would not have any market value.**"

A.: "That proves what?"

● B.: "It proves that what we call land value is not the value of land **and has no relation, whatever, to land;** as these figures plainly show. It proves, too, that this so-called land value is really the value of the **title-holder's privilege of collecting the rent and keeping as much of it as possible; for this value changes with changes in the amount of rent left, after taxes.**"

A.: "But the title-holder invested in good faith! He put his money in that land title; and he will not get it back!"

B.: "We must now decide whether such investments should be permitted—that is, do they help or hurt the public."

A.: "We are taught that investments in land are the rock upon which our security depends!"

B.: "Whose security? The title-holder's or the public's?"

A.: "Both, we are told."

B.: "But does that investment help business in any way?"

A.: "The people are no better off, if that is what you mean."

● B.: "It is worse than that! Not only is no wealth produced by our title-holders; **but the money tied up in the purchase of**

land titles is a total loss to Production—as completely lost as it would be, if the money were sunk in the sea!”

A.: “Why do you say that the money tied up in the purchase of a land title is lost?”

● B.: “You may have raised \$100,000 to be used as working capital in the operation of your business; but, if you have to pay \$25,000 for a business site, your working capital is reduced to \$75,000, for you cannot get that \$25,000 back without giving up your business site! As long as you keep the site, your \$25,000 is buried!”

A.: “I see, now, that I would have but \$75,000 left as working capital. But it seems strange that I had to live till today to have that pointed out to me!”

B.: “Blame that on the conspiracy of silence I mentioned.”

A.: “Do you mean that every dollar of the billions of land value in this country is a loss! That is an appalling thought!”

B.: “That is not the worst of it! We are actually taxed to pay interest on that lost value!”

A.: “How so?”

● B.: “Because of the labor and capital we invest in making the country what it is, rent is collected. That rent is the market value of the many good things we provide and maintain for which this rent is paid. This means that it costs us \$1,000 to provide and maintain the things for access to which the \$1,000 is paid. But, in the case which is mentioned above, only \$280 is collected. That leaves a treasury deficit of \$720. To balance the books, we pay \$720 in taxes. That \$720 which we pay in taxes to balance our books is 6% on the value of the land title; so that we actually pay, in taxes each year, an amount equal to 6% of our total “land value”—even though there is no such value! That is paying taxes on property which does not exist!”

A.: “How are you going to get the votes necessary to put this plan over?”

B.: “No vote need be taken! All that is necessary is that the people know what rent is and whose it is!”

A.: “You think that, when the people know the rent belongs to them, they will vote for your plan.”

B.: “Why vote? What would they vote on? Do people who have money due them hold an election? Or do they collect?”

A.: “But, surely, we would have to change our tax laws!”

● B.: “We have, now, all the laws and legal machinery necessary for the collection of debts and to punish embezzlement!”

A.: “Could we collect the rent as a debt?”

B.: “Why not! You would testify, would you not, that you paid that rent, in part, for access to the doctor’s service?”

A.: “Will this affect the problem of industrial, justice?”

● B.: “It will solve that problem in a day! For, under this plan, no one can keep any of the rent; all men will be forced to live on wages and interest—that is, they must earn what they get. When no one gets something for nothing; and all have to earn what they get, justice will be done.”

A.: What about the problem of honest politics?"

● B.: "That, too, will be solved over night! At present, those who live on rent are forced in self-defense to meddle in our affairs to protect their rent-collections. When no one can keep any rent, no one will be selfishly interested in controlling conditions affecting rent. Then no one will meddle, selfishly, in our affairs. As no one can profit by controlling the government, no one will be selfishly interested in employing politicians. The politicians would have to work for us.

A.: "What about the problem of democracy?"

● B.: "That question is answered in the answer to your question about crooked politics."

A.: "What about the race problem?"

B.: "That problem will be solved, also; for, under this plan, race prejudice will be enlisted on the side of race harmony."

A.: "Did you say that race prejudice would then be enlisted on the side of race harmony? How could that be?"

● B.: "Since no one could keep any of the rent, no one could make anything by holding more land than he used; title-holders would give up the land they did not use."

A.: "Then anyone could have any unused land?"

B.: "Yes! That would mean that the races could live where they pleased—which means that each race would indulge its race prejudice by living by itself."

A.: "And we would have voluntary segregation? Would we have Negro communities, Chinese communities, etc.?"

B.: "Yes."

A.: "But would the races keep the peace?"

● B.: "Yes! Because each race would want the business of the other races. For that reason, each race would treat the other races with courtesy."

A.: "What about the problem of war?"

B.: "Man is a gregarious creature. War is unnatural. Once make it possible for men to live naturally, and war will stop."

A.: "What about the war of the jungle?"

● B.: "Jungle warfare has no bearing on the problem of war; because it is always between species, never within a species."

A.: "But members of the human species war on each other!"

B.: "That is because we have not known what rent is and whose it is."

A.: "You speak as though all wars were fought over rent!"

● B.: "That is true! All wars are fought over rent."

A.: "Were the Punic Wars, between Rome and Carthage fought over rent?"

B.: "Yes! They were fought over the question whether the trade of the Mediterranean World should center in Carthage where the Carthaginians collected rent, or in Rome where the Romans collected rent."

A.: "What about our French and Indian Wars?"

B.: "They were fought over the question whether the furs taken in America should be worked up where the French col-



lected rent, or where the British collected rent."

A.: "What about the Civil War between our States?"

B.: "That war was fought over the question whether the cotton of the South would be worked up where New Englanders collected rent, or where the British collected rent."

A.: "And World War I?"

B.: "World War I was fought over the question whether the trade of Europe should center in London, where the British collect rent; or in Berlin where the Germans collect rent."

A.: "And World War II?"

B.: "In World War II, the question was whether the trade of the world should center in New York and London, or in Berlin and Tokyo."

A.: "And the war with Russia?"

B.: "This is another contest over rent—this time between the title-holders of New York and London, on our side, and the **leaders of the Communist Party**, which is centered in Russia."

A.: "But has not the private ownership of land and the private collection of rent been abolished in Russia?"

B.: "No matter what the form of government, the occupants of some locations have more advantages than those less favorably situated; nor does it matter what form the rent payment takes, it has to be paid; **and, in Russia, the Communists have the spending of the rent!**"

A.: "Do you mean that, if we come to terms with Russia and she takes her place in the family of nations that the improved conditions throughout the world which would result from our avoidance of another bloody world war would raise rents the world over **and that the Communist treasury would be enriched by an increased flow of rent?**"

B.: "Yes! That is what we face in the East!"

A.: "How can that danger be avoided?"

B.: "By at once adopting Nature's plan, as outlined here! Once started, this plan would spread over the earth. Then real democracy would quickly become dominant everywhere and Communism would wither and die, even in Russia; for Communism is an economic "fool's gold," which appeals to the oppressed, but which loses its luster when contrasted with the real gold of democracy."

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