

What Price Eminent Domain?

* Who is the biggest landowner in the United States? Uncle Sam, of course. Before the war he owned 330,000,000 acres. More than half the land of the western states of Utah, Nevada and Idaho is public domain, and even in New York the Federal government holds 93,000 acres. But this isn't enough for the needs of our rapidly expanding army. Great tracts are required for machine gun and artillery ranges, as well as the huge air training and bombing centers. For Camp Stewart, Ga., alone, 360,000 acres were purchased from private owners. This is only a small part of the 18,000,000 acres recently purchased or contracted for by the War Department. In addition, the Department has obtained 10,864,000 acres of public domain held by the Interior, Agriculture and other departments.

Senator Byrd (D. Va.) and his Committee on Reduction of Nonessential Expenditures regard critically the huge outlays required for the purchase of this 18,000,000 acres, an area equalling the combined acreage of Massachusetts, Connecticut, Rhode Island and New Jersey. The Senator contends these lands should be *leased*, not bought. He foresees a post-war period when putting this property on the market will add to government's problems. Also, he warns, many state tax rolls are dwindling alarmingly as the federal government assumes ownership of large tracts of land. His investigating committee could obtain no satisfactory statements of costs of land from the Justice Department's Land Division. Figures indicated that \$261,000,000 had been deposited for declarations of taking, and approximately \$150,000,000 had been paid already to landowners, but, "nobody can give you the full value of this property," said Mr. Norman Littel of the Justice Department. Urgent need forces acquisition sometimes without time for appraisal. A case cited showed only four days from receipt of requisition to possession. Government land costs, however, have risen sharply in the last three years. In 1939 the average acreage price was \$10.66; in 1941 it was \$24.48; in 1942 it rose to \$99.37; and figures for 1943 so far average \$66.46. Even bearing in mind that the low average in the 1930s was partly due to acquisition of sub-marginal land for soil conservation, and that the purchase of Floyd Bennett Field raised the 1940s average tellingly, we still see land prices, as is

usually the case in inflationary periods, far outstripping wages and commodity prices.

Senator Byrd's argument is sound. Land needed for army training centers should be leased. Taxpayers then would be saddled only with the speculative rent for the duration, and government expense would cease with hostilities. States could continue to collect taxes from private owners of government leased lands. Thus part of the landowners' profits would revert to the states. Under present practices, our government is buying land at speculatively capitalized rent values, paying twenty times, if not more, the speculative rent, and adding this cost to our public debt. Since the citizenry does not understand the perfect solution (collection of economic rent in full) then Senator Byrd's suggestion is the next best thing.

With the return of peace, training centers will become unnecessary; land will decline to pre-war prices. The government will sell its enormous holdings, no longer needed, at tremendously deflated prices. Speculators will buy at these lows and hold on until the time when Uncle Sam and his landless citizens, under the urge of expanding needs, come into the market once more. Then prices will soar again, completing the vicious circle. But we will continue to be taxed to the limit to pay the staggering interest charges on the monumental public debt, a debt made very much larger because of the fancy prices exacted of Uncle Sam in his hour of dire need by the speculative landowners of the country.

Wherein, then, lies the advantage of the people's resuming ownership of the soil if they must buy at exorbitant prices the inalienable rights to the earth which are already theirs, if they must pay speculative rent in perpetuity, since that is what the price of land is? What price Eminent Domain?

—JOSEPHINE BILLINGTON

It is a violation of Natural Law to deprive the individual of his product—Wealth. It is equally a violation of Natural Law to deprive society of its product—Rent. The violation of Natural Law does not remain unpunished.

—OSCAR H. GEIGER