

Pensions and Land Ownership

THE NEW LAW PROVIDING pensions for Congressmen, and the ensuing campaign to provide "Bundles" for these pension-minded legislators, has given a new impetus to those organizations prescribing old age pensions as a cure for a very sick economy. An interesting aspect of this "Bundle" incident was the reaction of pension advocates: Though Congress utilized the distribution formula inherent in the various pension acts, that is, take something from A and give it to B without increasing the production of wealth or modifying the concept of land ownership, the pensionites were prone to criticize and refused to accept the new statute "as a step in their direction."

This about-face on the eve of an apparent victory may be attributed to the refusal of the aged to discard their folklore incident to the ownership of



land, admit the existence of monopoly, and accept money in its true function—as a medium of exchange. Speakers and writers who from the platform and press, have defended the feasibility of the old age pension cure continually harp on the need of monetary and tax reform. The fact that land is the source of all wealth is still foreign to their hide-bound notions. When confronted with the effects of land monopoly upon real wages and ground rent, these authorities for some strange reason become silent. That scarcity has prevented human association and thus delayed human progress is considered sacrilege and is given a deaf ear.

The aged of this nation have a right not only to the necessities of this life, but also those cultural things that make living a pleasure. In order, however, that there might be made possible an abundance for the satisfaction of wants, there must be established common property in land. Otherwise

the aged will have no share in the distribution of the returns from industry. Under our existing scheme of things, they must accumulate during their productive years enough wealth to tide them through their non-productive period. As monopoly grows, real wages go down, and rent increases, and by the time the workers reach their non-productive period, rent has completely absorbed their surplus wealth. The poverty that then confronts them is due to maldistribution of the returns of industry during the productive period, and not the lack of industry, frugality, and intelligence.

In the light of the above analysis the problem that confronts our aged today is in no way involved with overproduction or underproduction. The rapidity with which both labor and industry have responded to the war effort in the defense of this nation, convinces us that the scarcity in the past has been furthered by an avariciousness that emanates from scarcity itself. But produce as we may, there is nothing left to labor when rent is taken out. Thus taking from A and giving to B without increasing production of consumer's goods and destroying monopoly, is one of the most iniquitous formulas ever foisted upon mankind to rectify the inequalities of distribution.

Poverty as an impediment to equality was doomed with the emergence of that indispensable guide to the future, *Progress and Poverty*. By making the aged aware of the implications of land ownership and rent, we Georgists can make it a *fait accompli*.

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