

that peace would prevail throughout the world if men would only accept and practice the tenets of Christianity. This idea is true only if sound principles of political economy are applied in all the activities of government. In fact, the personal piety of individuals will count for little as a factor for social justice when compared to the beneficent effects of the right behavior of government under the dominion of political economy intelligently enforced.

## A Sentence Explained

"WE MUST MAKE LAND COMMON PROPERTY"

BY FRANK CHODOROV

**A**MONG followers of Henry George this sentence is perhaps the most argued about, the most explained. And yet, not only is it italicized in "Progress and Poverty" as the only remedy for the social problem of poverty, but in one form or another the thought is repeated in all of George's books. It is known that even during his lifetime the discussion raged as to the appropriateness or advisability of so phrasing the remedy. And yet these arguments seemed not to have influenced his logical mind, for in his last book, the "Science of Political Economy," he again arrives at the conclusion that private property in land must be abolished.

Taken in conjunction with his theory of property, the firmness with which he clung to this conviction is easily understood. The only ethical basis for private property is production. Since land cannot be produced, title to it cannot be founded on ethical grounds, and can be explained only in terms of force, or robbery. Even the argument that private property in land is expedient must admit that social sanction is necessary to the existence of the institution, and that means force.

Now, ownership consists of the enjoyment of the exchange value as well as the use value of things. A soldier does not own his uniform because he has exclusive use of it while he is in the army; it is always government property. To say that I own the size, color, cloth and buttons of the shirt I wear, but have not the right to sell the shirt, is to say that I do not own it. Likewise, to say that I own land because I enjoy exclusive use of it is to employ a euphemism. The tenant farmer does not own his farm—which would be true also if his tenancy were based on a lease from the government, or upon the mere payment of annual rent to the community.

Only the one who has the right to sell a thing is the owner of it. Particularly is this so with a privilege, which has no use value whatsoever. If I have a patent which I lease out on a royalty basis it is the privilege of collecting this royalty that is the substance of my ownership of the patent. Likewise, the privilege of collecting rent, or the capitalized rent, is the essence of my owner-

ship in the land. To deprive me of that privilege is to abolish my ownership.

If the dividends on a bond which I hold are and always will be paid to another person, can I be said to own the bond? True, I can use it for wall paper; but in that case it is merely a piece of paper, not a bond, as far as I am concerned. Only if I receive some portion, if not all, of the dividends which are paid on the bond is it mine; in that case I can capitalize the yield and sell the bond.

Similarly, ownership of land consists only of the legal right to collect the rent it yields, which necessarily implies the power to transfer this legal right. When this privilege is denied to me my ownership of land ceases, even though my tenure in usufruct remains secure. The owner of a skyscraper on leased land does not own the land, even though he has a 99-year lease on it, because he cannot collect rent and he cannot sell the site. If he pays a fixed rent, and if this is less than its economic rent, to the extent that he collects this difference he becomes a part owner.

It is evident that public collection of rent is the denial of private property in land. Private use of land is quite another thing. And it can be conclusively shown that private use would be more secure if rent were publicly collected. But George's emphatic repetition, in one form or another, of the idea that private property in land is indefensible indicates that he clearly identified exchange value as the essence of private property in land.

Furthermore, if private property in land is unethical then the private collection of rent, which is the substance of the ownership, is likewise unethical. A philosophical question as to the right of society to rent then arises. If no one individually can rightfully claim rent as his own, can a group of individuals rightfully claim it?

The usual ethical argument for the public collection of rent is that it is a socially created value. To which comes the specious rejoinder, from collectivists, that all values are socially created. Which is not true. The discussion of the difference between privately and publicly created values hinges much on the meaning of terms, and is usually quite fruitless because both the individualist and the collectivist cannot agree on their definitions, having their separate conclusions in mind.

But, the argument that the public is entitled to the rent of land because rent is by its nature public property is irrefutable. The very fact that land is not produced by man gives it a character that nothing else in the world has. And, whether we accept the story of creation in Genesis or not, whether we identify God with Jehovah or with nature, our common ownership of the earth must rest on our common need of it. Public ownership of the land therefore is ultimately based on the fact that land is necessary to life.

Thus, public collection of rent is justified by the vested right of the public in the land.