

LETTER TO THE EDITOR

COMPENSATION FOR USING THE EARTH?

Now and again it is said that, for the privilege of fencing off a piece of land and thereby excluding others, the site-holder has a privilege for which he must compensate others. It is presumed that this compensation will form part of a site revenue society.

I wonder how we can say that the right to land is the most basic human right after life itself and, at the same time, say that when one does occupy land one has a 'privilege' for which we must compensate others. I also wonder how we can hold this belief and still say that marginal land is free.

Sometimes the view is put that, when one occupies valuable land, one must compensate others for the privilege. A privilege is a special right. Now, since site revenue cancels out any special right which occupiers may have (in the way of private title to economic rent), surely in a Georgist society there is no privilege in occupying valuable land.

One has a right to land, and a duty to pay site rent. There is no privilege, and therefore there can be no compensation.

The origin of this belief in compensation is the view that land value should still exist in a Georgist society. Since land value *is* a privilege, in an LVT society there would be need for compensation.

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