

## WHAT IS RENT?

Page 7, April's "Progress" gives a pontifical sort of quotation from Henry George: "Rent is the share in the wealth produced which the exclusive right to the use of natural capabilities gives to the owner".

Although it accords with the writings of Adam Smith, David Ricardo and most of the other classical economists, the wording says nothing as to the process whereby rent occurs.

Those writers, and Marx likewise, seem all to have looked at rent from the viewpoint of the recipient owner who keeps it as his personal income, but the productive process appears only when we look from the perspective of the occupiers who have to pay.

Their work requires assistance from the providers of defence and security, plus facilities such as transport, communications and public health. Along with the producers' own labour costs and those of their suppliers, everything gets reimbursed by the ultimate consumers.

Obviously, the natural site rental – not the monopoly additive – is the market worth of the facilities supplied by the public servants and is therefore what occupiers should pay to the landowners for passing on to the government.

Leaving nothing then to be distributed as a Marxian 'surplus', or as a Georgist 'unearned increment', this approach lets the market settle the figures for everything. Site rentals then, applied as government revenue, would ensure that each of us would eat bread in the sweat of our own brow.

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