

CLAIM OF LANDOWNERS TO COMPENSATION

(From "Progress and Poverty," Book VII, Chap. III.)

Just in proportion as the interests of the landholders are conserved, just in that proportion must general interests and general rights be disregarded, and if landholders are to lose nothing of their special privileges, the people at large can gain nothing. To buy up individual property rights would merely be to give the landholders in another form a claim of the same kind and amount that their possession of land now gives them; it would be to raise for them by taxation the same proportion of the earnings of labour and capital that they are now enabled to appropriate in rent. Their unjust advantage would be preserved, and the unjust disadvantage of the non-landholders would be continued. To be sure there would be a gain to the people at large when the advance of rents had made the amount which the landholders would take under the present system greater than the interest upon the purchase price of the land at present rates, but this would be only a future gain, and in the meanwhile there would not only be no relief, but the burden imposed upon labour and capital for the benefit of the present landholders would be much increased. For one of the elements in the present market value of land is the expectation of future increase of value, and thus, to buy up the lands at market rates and pay interest upon the purchase money would be to saddle producers not only with the payment of actual rent, but with the payment in full of speculative rent. Or to put it in another way: The land would be purchased at prices calculated upon a lower than the ordinary rate of interest (for the prospective increase in land values always makes the market price of land much greater than would be the price of anything else yielding the same present return), and interest upon the purchase money would be paid at the ordinary rate. Thus, not only all that the land yields them now would have to be paid the landowners, but a considerably larger amount. It would be virtually the State taking a perpetual lease from the present landholders at a considerable advance in rent over what they now receive. For the present the State would merely become the agent of the landholders in the collection of their rents, and would have to pay over to them not only what they received, but considerably more.

Mr Mill's plan for nationalizing the future "unearned increase in the value of land," by fixing the present market value of all lands and appropriating to the State future increase in value, would not add to the injustice of the present distribution of wealth, but it would not remedy it. Further speculative advance of rent would cease, and in the future the people at large would gain the difference between the increase of rent and the amount at which that increase was estimated in fixing the present value of land, in which, of course, prospective, as well as present, value is an element. But it would leave, for all the future, one class in possession of the enormous advantage over others which they now have. All that can be said of this plan is, that it might be better than nothing.

Such inefficient and impracticable schemes may do to talk about, where any proposition more efficacious would not at present be entertained, and their discussion is a hopeful sign, as it shows the entrance of the thin end of the wedge of truth. Justice in men's mouths is cringingly humble when she first begins a protest against a time-honoured wrong, and we of the English-speaking nations still wear the collar of the Saxon thrall, and have been educated to look upon the "vested rights"

of landowners with all the superstitious reverence that ancient Egyptians looked upon the crocodile.

That such a man as John Stuart Mill should have attached so much importance to the compensation of landowners as to have urged the confiscation merely of the future increase in rent, is only explainable by his acquiescence in the current doctrines that wages are drawn from capital and that population constantly tends to press upon subsistence. These blinded him as to the full effects of the private appropriation of land. He saw that "the claim of the landholder is altogether subordinate to the general policy of the State," and that "when private property in land is not expedient, it is unjust," but, entangled in the toils of the Malthusian doctrine, he attributed, as he expressly states in a paragraph I have previously quoted, the want and suffering that he saw around him to "the niggardliness of nature, not to the injustice of man," and thus to him the nationalization of land seemed comparatively a little thing, that could accomplish nothing towards the eradication of pauperism and the abolition of want—ends that could only be reached as men learned to repress a natural instinct. Great as he was and pure as he was—warm heart and noble mind—he yet never saw the true harmony of economic laws, nor realized how from this one great fundamental wrong flow want and misery, and vice and shame. Else he could never have written this sentence: "The land of Ireland, the land of every country, belongs to the people of that country. The individuals called landowners have no right in morality and justice to anything but the rent, or compensation for its saleable value."

In the name of the Prophet—figs! If the land of any country belong to the people of that country, what right, in morality and justice, have the individuals called landowners to the rent? If the land belong to the people, why in the name of morality and justice should the people pay its saleable value for their own?

Herbert Spencer says: "Had we to deal with the parties who originally robbed the human race of its heritage, we might make short work of the matter!" Why not make short work of the matter anyhow? For this robbery is not like the robbery of a horse or a sum of money, that ceases with the act. It is a fresh and continuous robbery, that goes on every day and every hour. It is not from the produce of the past that rent is drawn; it is from the produce of the present. It is a toll levied upon labour constantly and continuously.

If the land belong to the people, why continue to permit landowners to take the rent, or compensate them in any manner for the loss of rent? Consider what rent is. It does not arise spontaneously from land; it is due to nothing that the landowners have done. It represents a value created by the whole community. Let the landholders have, if you please, all that the possession of the land would give them in the absence of the rest of the community. But rent, the creation of the whole community, necessarily belongs to the whole community.

In this measure of justice would be no oppression, no injury to any class. The great cause of the present unequal distribution of wealth, with the suffering, degradation, and waste that it entails, would be swept away. Even landholders would share in the general gain. The gain of even the large landholders would be a real one. The gain of the small landholders would be enormous. For in welcoming Justice, men welcome the handmaid of Love. Peace and Plenty follow in her train, bringing their good gifts, not to some, but to all.