

## CHAPTER 3 CLAIM OF LANDOWNERS TO COMPENSATION

The majority of men in civilized communities do not recognize the injustice of private property in land. With them whatever is, is right.

The truth is, and from this truth there can be no escape, that there is and can be no just title to an exclusive possession of the soil, and that private property in land is a bold, bare, enormous wrong, like that of chattel slavery.

The majority of men in civilized communities do not recognize this, simply because the majority of men do not think. With them whatever is, is right, until its wrongfulness has been frequently pointed out, and in general they are ready to crucify whoever first attempts this.

But it is impossible for any one to study political economy, even as at present taught, or to think at all upon the production and distribution of wealth, without seeing that property in land differs essentially from property in things of human production, and that it has no warrant in abstract justice.

Political economy, even as at present taught, admits that private ownership of land is unjust, but does so vaguely or by omission, directing attention away from the truth.

This is admitted, either expressly or tacitly, in every standard work on political economy, but in general merely by vague admission or omission. Attention is in general called away from the truth, as a lecturer on moral philosophy in a slaveholding community might call away attention from too close a consideration of the natural rights of men, and private property in land is accepted without comment, as an existing fact, or is assumed to be necessary to the proper use of land and the existence of the civilized state.

The examination through which we have passed has proved conclusively that private property in land cannot be justified on the ground of utility—that, on the contrary, it is the great cause to which are to be traced the poverty, misery, and degradation, the social disease and the political weakness which are showing themselves so menacingly amid advancing civilization. Expediency, therefore, joins justice in demanding that we abolish it.

We have already shown that private property in land cannot be justified on the ground of utility, so expediency joins justice in demanding that we abolish it.

When expediency thus joins justice in demanding that we abolish an institution that has no broader base or stronger ground than a mere municipal regulation, what reason can there be for hesitation?

So why not do so immediately?

The consideration that seems to cause hesitation, even on the part of those who see clearly that land by right is common property, is the idea that having permitted land to be treated as private property for so long, we should in abolishing it be doing a wrong to those who have been suffered to base their calculations upon its permanence; that having permitted land to be held as rightful property, we should by the resumption of common rights be doing injustice to those who have purchased it with what was unquestionably their rightful property. Thus, it is held that if we abolish private property in land, justice requires that we should fully compensate those who now possess it, as the British Government, in abolishing the purchase and sale of military commissions, felt itself bound to compensate those who held commissions which they had purchased in the belief that they could sell them again, or as in abolishing slavery in the British West Indies \$100,000,000 was paid the slaveholders.

Many people, who see clearly the injustice of private land ownership, believe that justice requires the landowners to be compensated.

Even Herbert Spencer, who in his “Social Statics” has so clearly demonstrated the invalidity of every title by which the exclusive possession of land is claimed, gives countenance to

this idea (though it seems to me inconsistently) by declaring that justly to estimate and liquidate the claims of the present landholders “who have either by their own acts or by the acts of their ancestors given for their estates equivalents of honestly earned wealth,” to be “one of the most intricate problems society will one day have to solve.”

It is this idea that suggests the proposition, which finds advocates in Great Britain, that the government shall purchase at its market price the individual proprietorship of the land of the country, and it was this idea which led John Stuart Mill, although clearly perceiving the essential injustice of private property in land, to advocate, not a full resumption of the land, but only a resumption of accruing advantages in the future. His plan was that a fair and even liberal estimate should be made of the market value of all the land in the kingdom, and that future additions to that value, not due to the improvements of the proprietor, should be taken by the state.

John Stuart Mill, for example, advocated that only future additions to land value, excluding improvements, should be taken by the state.

Such plans are not only impractical, but their essential defect lies in the impossibility of compromise between wrong and right.

The unjust advantage of the landholders would be preserved.

To say nothing of the practical difficulties which such cumbrous plans involve, in the extension of the functions of government which they would require and the corruption they would beget, their inherent and essential defect lies in the impossibility of bridging over by any compromise the radical difference between wrong and right. 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 labor 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 labor 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 in-

One of the elements in the present market value of land is the expectation of future increase of value, and thus to buy up 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.

At best, this plan might be better than nothing.

crease 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.

And discussion of it is a hopeful sign.

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-honored 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. But when the times are ripe for them, ideas grow, even though insignificant in their first appearance. One day, the Third Estate covered their heads when the king put on his hat. A little while thereafter, and the head of a son of St. Louis rolled from the scaffold. The antislavery movement in the United States commenced with talk of compensating owners, but when four millions of slaves were emancipated, the owners got no compensation, nor did they clamor for any. And by the time the people of any such country as England or the United States are sufficiently aroused to the injustice and disadvantages of individual ownership of land to induce them to attempt its nationalization, they will be sufficiently aroused to nationalize it in a much more direct and easy way than by

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By the time the people of any country are sufficiently aroused to the injustice of individual land ownership to take action,

purchase. They will not trouble themselves about compensating the proprietors of land.

they will not trouble themselves about compensating the proprietors.

Nor is it right that there should be any concern about the proprietors of land. 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 explainable only 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,”<sup>1</sup> 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 toward the eradication of pauperism and the abolition of want—ends that could be reached only 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 salable value.”

In the name of the Prophet—figs! If the land of any country belong to the people of that country, what right, in

<sup>1</sup>“Principles of Political Economy,” Book 1, Chap. 2, Sec. 6.

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 salable value for their own?

Herbert Spencer says:<sup>2</sup> "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 labor constantly and continuously. Every blow of the hammer, every stroke of the pick, every thrust of the shuttle, every throb of the steam engine, pays it tribute. It levies upon the earnings of the men who, deep underground, risk their lives, and of those who over white surges hang to reeling masts; it claims the just reward of the

The robbery of landownership 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. Rent is a toll levied upon labor continuously.

<sup>2</sup>"Social Statics," page 142. [It may be well to say in the new reprint of this book (1897) that this and all other references to Herbert Spencer's "Social Statics" are from the edition of that book published by D. Appleton & Co., New York, with his consent, from 1864 to 1892. At that time "Social Statics" was repudiated, and a new edition under the name of "Social Statics, abridged and revised," has taken its place. From this, all that the first "Social Statics" had said in denial of property in land has been eliminated, and it of course contains nothing here referred to. Mr. Spencer has also been driven by the persistent heckling of the English single tax men, who insisted on asking him the questions suggested in the first "Social Statics," to bring out a small volume, entitled "Mr. Herbert Spencer on the Land Question," in which are reprinted in parallel columns Chap. IX of "Social Statics" with what he considers valid answers to himself as given in "Justice," 1891. This has also been reprinted by D. Appleton & Co., and constitutes, I think, the very funniest answer to himself ever made by a man who claimed to be a philosopher.]

capitalist and the fruits of the inventor's patient effort; it takes little children from play and from school, and compels them to work before their bones are hard or their muscles are firm; it robs the shivering of warmth; the hungry, of food; the sick, of medicine; the anxious, of peace. It debases, and embrutes, and embitters. It crowds families of eight and ten into a single squalid room; it herds like swine agricultural gangs of boys and girls; it fills the gin palace and grogery with those who have no comfort in their homes; it makes lads who might be useful men candidates for prisons and penitentiaries; it fills brothels with girls who might have known the pure joy of motherhood; it sends greed and all evil passions prowling through society as a hard winter drives the wolves to the abodes of men; it darkens faith in the human soul, and across the reflection of a just and merciful Creator draws the veil of a hard, and blind, and cruel fate!

It is not merely a robbery in the past; it is a robbery in the present—a robbery that deprives of their birthright the infants that are now coming into the world! Why should we hesitate about making short work of such a system? Because I was robbed yesterday, and the day before, and the day before that, is it any reason that I should suffer myself to be robbed today and tomorrow? Any reason that I should conclude that the robber has acquired a vested right to rob me?

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

and is a source  
of much misery.

Because I was  
robbed yesterday  
and the day be-  
fore, is it any rea-  
son that I should  
suffer myself to  
be robbed today  
and tomorrow?  
Any reason that I  
should conclude  
that the robber  
has acquired a  
vested right to  
rob me?

Let the landhol-  
ders have all that  
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land would give  
them in the ab-  
sence of the rest  
of the  
community.



community, necessarily belongs to the whole community.

Try the case of the landholders by the maxims of the common law by which the rights of man and man are determined. The common law we are told is the perfection of reason, and certainly the landowners cannot complain of its decision, for it has been built up by and for landowners. Now what does the law allow to the innocent possessor when the land for which he paid his money is adjudged rightfully to belong to another? Nothing at all. That he purchased in good faith gives him no right or claim whatever. The law does not concern itself with the "Intricate question of compensation" to the innocent purchaser. The law does not say, as John Stuart Mill says: "The land belongs to A, therefore B who has thought himself the owner has no right to anything but the rent, or compensation for its salable value." For that would be indeed like a famous fugitive slave case decision in which the Court was said to have given the law to the North and the Nigger to the South. The law simply says: "The land belongs to A, let the sheriff put him in possession!" It gives the innocent purchaser of a wrongful title no claim, it allows him no compensation. And not only this, it takes from him all the improvements that he has in good faith made upon the land. You may have paid a high price for land, making every exertion to see that the title is good; you may have held it in undisturbed possession for years without thought or hint of an adverse claimant; made it fruitful by your toil or erected upon it a costly building of greater value than the land itself, or a modest home in which you hope, surrounded by the fig trees you have planted and the vines you have dressed, to pass your declining days; yet if Quirk, Gammon & Snap can mouse out

What does the common law allow to the innocent possessor when the land for which he paid his money is adjudged rightfully to belong to another? Nothing at all.

He also loses any improvements he has made,

a technical flaw in your parchments or hunt up some forgotten heir who never dreamed of his rights, not merely the land, but all your improvements, may be taken away from you. And not merely that. According to the common law, when you have surrendered the land and given up your improvements, you may be called upon to account for the profits you derived from the land during the time you had it.

and may be called upon to account for profits derived from the land.

Now if we apply to this case of *The People vs. The Landowners* the same maxims of justice that have been formulated by landowners into law, and are applied every day in English and American courts to disputes between man and man, we shall not only not think of giving the landholders any compensation for the land, but shall take all the improvements and whatever else they may have as well.

But I do not propose, and I do not suppose that any one else will propose, to go so far. It is sufficient if the people resume the ownership of the land. Let the landowners retain their improvements and personal property in secure possession.

But I do not propose to go so far. It is sufficient if the people resume ownership of the land.

And 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.

Even the landholders would share in the resulting general gain.

How true this is, we shall hereafter see.

If in this chapter I have spoken of justice and expediency as if justice were one thing and expediency another, it has been merely to meet the objections of those who so talk. In justice is the highest and truest expediency.

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