

Thus far we have tried to answer this question: "Why is it that poverty accompanies progress and increasing want comes with advancing wealth?", and we have proven the answer to be: "Because rent absorbs the increased product made possible by material progress".

We will now discuss the remedy for this undeserved poverty which we find in the midst of plenty, - the only remedy which can be applied without destroying individual liberty. Communism, Socialism, Fascism, Natzism, and various other methods have been proposed (and some of them tried); but these methods (even if they could cure poverty, which they could not) include, as a part of their program, a drastic curtailment of individual liberty. There is a method, however, which will not only cure poverty, but which will, at the same time, actually increase the liberty of the individual far beyond that which he now has, or has known in any civilized state.

Carlyle said: "The hell which the Englishman fears most is the hell of poverty". Probably this is true, not only of Englishmen, but of all men. Nowhere in the histories of savage tribes do we find anything resembling the poverty, or the fear of poverty, which we find in civilization. A savage tribe may suffer from a drought, or a hurricane, or war, or any other general cause, but when the tribe as a whole has plenty, then every member of the tribe who is willing to do his share of the work, will also have plenty. But the chief peculiarity of poverty in civilized societies lies in the fact that this poverty is the greatest in those countries where wealth is the most plentiful. The wealth of New Jersey, for instance is estimated to be \$3415.00 for each man, woman and child in the state, but today we have hundreds of thousands here who have not one cent of their own, nor a place of their own to lay their heads.

If a man from Mars, with a logical mind, unbiased, unprejudiced, and free from the worship of precedent, were to visit us, would he not think it strange that all over the civilized world, the working man is the poor man? When we remember that everyone of the things man uses is produced by labor, and only by labor, it would seem logical to expect that the working man would have the finest of houses and the most of everything labor produces. Instead, if we were asked to find that part of any city having the largest percentage of working men, we would look for the poorer parts of the city. We have become so accustomed to labor being deprived of the things it produces, that we are no longer shocked by it, - it even seems the natural thing to expect.

In preceding lessons it has been made plain, that man is a land animal; he cannot live without land any more than a fish can live without water, - our very lives depend upon what is produced from the land. All productive labor, in the last analysis, consists of nothing but the working up of land into things to satisfy human desires.

It has also been shown that it is not the use of machinery in any country which makes work scarce there, nor does the use of machinery account for low wages, or poverty, or unemployment. The cause of unemployment is the fact that men are not free to use the land, and the thing which drains away from Labor so much of what it does produce is the

price which Labor must pay for access to land, in order to get a chance to go to work. As we have seen, land in every civilized country, on the average, tends constantly to rise in value (even though there may be temporary recessions) and where land is privately owned, this constantly increasing rent, which they must pay, either prevents Capital and Labor from working at all, or, it forces them to use the poorer land, or it strips from them most of the wealth they do produce.

And while land values are progressively increasing, the number of land-owners progressively decreases, - i.e., land gravitates into fewer and fewer hands. This not only causes partial or complete unemployment and poverty for the great mass of the people, but eventually, if this condition is carried far enough, it destroys governments and civilizations as well. This is true because, when, in any country, the percentage of its land-owning citizens becomes very small, then the people of that country will have forced upon them the realization that the benefits they are receiving from the civilization under which they live, are not worth the price they must pay for these benefits.

When that time comes, not only will they refuse to uphold the government, but they will become indifferent or even antagonistic to it, and even if they do not themselves pull it down, consciously, or unconsciously, they will feel "Our condition cannot be much worse, or and possibly with a changed government it may become better". Then, outside enemies will have an easy victory, and if the disaffection be sufficiently wide-spread, the civilization itself will decline.

When Greece fell her lands were in the hands of 3% of her people; when Rome fell, less than 2% of her people were land-owners. A thousand years ago Pliny wrote: "Great estates ruined Italy". Before the French Revolution, less than 1% of the people of France owned more than 50% of her lands. In Russia before the Revolution, the Czar owned 1/3 of the land there, the nobility owned another third,

Turning to the United States, few people realize the extent to which our lands have gravitated into fewer and fewer hands.

LAND OWNERSHIP IN THE UNITED STATES

A century or two ago we gave away our lands as though they were a curse, - millions of acres were given away, millions more were sold at the rate of only 16¢ an acre - \$10.00 for a 640 acre tract - and later when the price was raised to \$1.25 an acre, this was the standard price for a long time, a figure at which vast areas were disposed of.

When considering the following, remember for comparison, that N.J. contains 5,265,700 acres, and the U.S. about 2,000,000,000 acres.

According to a report from the Department of Commerce & Labor land grants to the railroads amounted to 19,000,000 acres, more than 1/10 of the area of the U.S., and more than the combined areas of Pa., Ohio, Indiana and several of the New England states. These were the Federal grants; in addition several of the states made grants to the railroads which, combined, totalled even more than this. Texas has given the railroads ~~33,000,000~~ 32,400,000. Florida, the entire area of which is 35,000,000 acres, gave away 19,000,000 acres.

The Northern Pacific R.R. at the time of the report had, in all 57,000,000 on its main lines and 43,000,000 more on its branch lines.

Since the above grants were made, the railroads have sold considerable portions of their holdings, but it is estimated that they still hold over 200,000,000 acres, the greater part of which is unused; this is 1/10 of the whole area of the U.S.

A report from the Bureau of Corporations shows that 1694 timber owners hold in fee 1/20 of the land area of the U.S., 105,600,000 acres, consisting of some of our most valuable lands. Sixteen men hold 47,800,000 acres; 10 men hold about 80% of the timber lands of Cal., about 40,000,000 acres; in S.W. part of Washington state, 40 % of timber lands are held by 2 men, in western Oregon 36% of timber lands are held by 5 individuals. In Florida 1/3 of the entire state is owned by 52 men, mostly in timber lands, - more than half of the state, 17,000,000 acres, is held by 182 men.

The Southern Pacific R.R. owns in California about 900,000 acres of timber lands, - about 1/8 of the whole state, and in Kern County, Cal. it owns 650,000 acres, mostly in oil lands (upon which it pays a tax of 5¢ an acre); these figures does not include the lands which the Southern Pacific owns along its rights of way.

Siskiyou County, Cal. has a total of 1,840,000 acres of land assessed. The Central Pacific is there assessed for 644,830 acres, 36% of the total. By keeping this land entirely undeveloped and thus preventing the influx of settlers, which would raise its value, the value of the lands, for the time being, is kept down, with a consequently low tax to the railroads of less than 7¢ an acre.

Miller & Lux, a land corporation in Cal. owns 780,000 acres down the centre of the state, along the San Joaquin River, which they will use only for cattle and sheep, though it is the most fertile land in the valley. They admit that they pay wages which will not permit married men to work for them, and yet their tax on this land averages 18¢ an acre; while farmers who have vineyards and fruit groves all around the edges of the Miller & Lux properties, on land not nearly so fertile, pay taxes of from \$10.00 to \$15.00 an acre.

The Walker people own about 1/17 of the area of California.
The greatest land-holdings in area are found in California and in the other western states, but not all the great land-holdings are there.

Three railroads own enough land to give to every adult male, 15 acres in the nine states in which these lands are located. In the Upper Peninsula of Michigan, 45% of the land is held by 32 persons. In Mississippi, Lady Gordon and Associates holds 2,000,000 acres; in Texas the King ranch covers more than 1,000,000 acres; in Florida Sir Edward Reed holds 1,000,000 acres; in Kansas a British land syndicate holds 300,000 acres; the Baron Scully estate in N.W. Illinois covers 175,584 acres; in western N.Y. James W. Wadsworth owns 29 square miles, between Rochester and Geneseo. He is called the Baron of Geneseo.

16 men in the U.S. own 48,000,000 acres,
63 individuals & corporations own 174,485,966 acres, 1/13 of U.S.
45 foreign corporations own 26,816,590 acres in U.S.
98 men own 419,034,899 acres, 1/6 of U.S.

As a direct result of this concentration of land holdings,
57% of the farmers of Iowa are tenants, and tenantry is increasing enormously all over the country.

In New York City, 13 families own nearly 1/15 of the assessed value of the land in Manhattan; though there are at least 560,000 families who live in Manhattan, 43,000 times 13; 2000 people own the major part of the land values of Greater New York, and a greater part of the acreage

Sailer Snug Harbor in New York City owns all the land between 6th & 10th Sts & 4th and 5th Avenues. The income from this in 1825 was \$9,037.00 (this included income from the improvements on the land as well as from the land itself); in 1935 the income from the land alone was \$1,187,869.

County records show that Cleveland has a population of about 1,000,000, with a total land value of about \$1,000,000,000. The land of Cleveland is held by 86,000 people, less than 10%; \$500,000,000, 1/2 of the land value is held by 500 people, 1/2 of the land value is held by 125 people. In Cleveland \$50,000,000 rent must be paid before anything can be done on the leased lands. The Van Swearington Brothers owned land in Cleveland which in 1920 was valued at \$240,000. This same land was valued in 1924 at \$30,000,000.

Roosevelt by two proclamations, one in November 1934, and one in January, 1935, withdrew from homestead entry the last vestige of our public domain, 173,000,000 acres.

No. 20 Wall St. & No. 1 Nassau St., brought the highest price ever paid for a plot of this size; it sold for \$1,220,000 or \$655 per square foot (this is at the rate of \$28,531,800 an acre - 43,560 square feet in an acre). It was bought by the Manhattan Trust Co. The property on the S.E. corner of Broadway & Wall St. held the record before this. It sold in 1905 for \$700,000, or \$558.65 per square foot (at the rate of \$24,354,790 an acre). Sixty years before the property at the corner of Wall & Nassau Sts. sold for at the rate of \$30.00 per square foot.

In 1721 the lots on which the Equitable Bldg now stands sold for less than \$300.00, this land in 1915 was worth \$8,000,000.

In 1906 the lot on the corner of Dey & Broadway sold for \$1,000,000, in 1745 it was sold for less than \$200.00.

In 1936 the land under the mighty Chrysler Bldg, owned by Cooper Union, and therefore paying no tax, was valued at \$6,000,000.

What is to be done with a situation of this kind? The only way to remedy any evil is to remove the cause of that evil. If we would make undeserved poverty impossible, we must destroy private property in land. There is no other way. If we do not do this one thing, the greater part of the pecuniary benefits of every improvement made by man in society will inevitably go to the land-owner. And it must be so, in the economic laws as we have worked them out are correct. Private property in land can and does impoverish both Capital and Labor in two ways; first, by taking from them much of the wealth they do produce, by compelling them to pay for an opportunity to go to work; and second, which is of infinitely greater import, by forcing them to use lands from which little can be produced.

Let us again make use of our previous illustration; this time to show how the destruction of private property in land will increase production, and at the same time, even more greatly increase wages. This illustration presupposes that there are 8 people working here, that the lowest grade of land in use is the 1 land. It is also presupposed that three times as many people could live on each grade of land as now live there.

	1 wages 8 = 1 = 8								
	100	80	60	40	20	10	5	1	0
rent	99	79	59	39	19	9	4	-	308
produce	308 ÷ 8 = 316								

If we prevent individuals from holding unused land or but partially used land, so that now all of the people now using the poorer grades of land could move up to the better grades of land, note how the picture would be changed, because the same amount of labor previously expended could not be applied to the better grades of land instead of to the poorer grades.

	wages 8 x 60 = 480								
	100	80	60						
	100	80	60						
	100	80							
Rent	(3 x 40) + (3 x 30) = 180								
Produce	480 + 180 = 660								

These figures offer but a crude suggestion of the possible benefits which would come to society if people could fully use the more productive lands. In these illustrations it is taken for granted that only 2/3 of the land of this country is being held out of use. If we will compare our 41 people to the square mile, which we have in this country, with the 743 people to the square mile which they have in England (and even in England one finds great areas of unused land) we see that a great deal more than 2/3 of our land must still be raised.

It is also true that in the U.S. the difference in productivity between the poorest land in use and the best land we have, is far greater than 100 to 1. When land in New York City will sell for \$28,000,000 an acre, - or suppose, for the purposes of this argument, we reduce this figure to \$10,000,000 an acre, which is not at all an uncommon figure sale price for New York City lands - while lands out on the borders of the Nevada deserts can be bought for \$1.00 an acre, does this not mean that, in the estimation of those who pay for the use of these lands, the productivity of the one is 10,000,000 times that of the other? Is it not the productivity in each instance which fixes the market price? What else could possibly make the difference in price

Therefore, when it is suggested that destruction of private property in land, by permitting the people to use the better lands now idle, would increase wages sixty times what they are at present, only a hint is furnished of what may really take place, fanciful as this may seem at first thought.

The immediate reaction of most people when it is proposed to destroy private property in land, is to wonder, 1st - would this not be very unjust to those who now hold the land, and 2nd - is not land ownership necessary in our present day society?

Let us consider the latter question first. Whenever any custom, or habit, or method has existed for a long time, then this custom, or habit, or method is apt to appear to be the natural and proper one: but this is so only because it is so easy for man to become "set in his ways". We dislike very much any need to change, especially is it difficult to change our habits of thought. But if humans had always refused to do anything differently from the ways their fathers did them, we would never have made any progress toward freedom, nor toward civilization, we would still be barbarians, or even apes.

Though we must admit that both Capital and Labor would be vastly benefitted by the destruction of private property in land, still in spite of this, and in spite of the fact that those who hold the land of any country form only a small minority of the people there; and in spite of the fact that even in this small minority, the only ones who would be hurt by such a change would be that extremely small proportion whose interests as land-owners exceed their interests as capitalists and as laborers, - still the great majority of us at first shrink from the idea.

But, if the system of holding land as private property is a detriment to the progress of humanity as a whole, then we should be willing to break with it, even though it is the system our fore-fathers established and mistakenly considered necessary.

If it were true that land had always been considered private property, even that would not make it proper, or necessary, or just, or wise to continue under this ~~system~~ system after we had found it to be wrong. As a matter of fact, the belief that all mankind has a right to the use of the earth is by far the older conception. Up until the end of the 15th century practically all of the land in England was held in common, such enclosures as were made were admittedly temporary. Today even here in the U.S., we have our laws of eminent domain. If it be decided that the community needs the land any individual holds, he can be compelled to give it up, regardless of whether he wishes to do so or not. It is often contended that the powers of zoning and condemnation are infringements upon private titles to land. The true view-point is that land is the common property of all the people, and it is quite proper that society should dictate the terms and conditions upon which it shall be used. This principle is frequently enunciated with great clarity in both American and English law. For instance, the Constitution of the State of New York, Article 1, Section 10, says:

"The people of this state are deemed to possess the original and ultimate property in and to all lands within the jurisdiction of this state; and all lands, the title to which shall fall from a defect of heirs shall revert and escheat to the people."

Fundamentally ~~the~~ private title to land is only a license, granted by society, for the temporary exclusive possession of that piece of land by the holder. This is all any government can grant. The grant can be perpetual only in the sense that it will continue as long as the government which grants it may continue. The land itself will survive the life of any government, but a title to land disappears with the disappearance of the government which granted it. The new government may, or may not, recognize the grants made by the old one, as it likes. When California was annexed to the United States, the United States' government refused to acknowledge many of the old Mexican land grants. Italy is now refusing to recognize many of the old land titles in Abyssinia.

Now exclusive use of land, absolute security of tenure, is necessary for the full development of land, because otherwise he who uses land could not be sure that he would be able to retain for himself, the improvements which he makes upon the land, and this was probably the reason the custom of giving private titles grew up in the first place. But given security of tenure, (and this can easily be done without giving private ownership), then the man who wishes to use land (not speculate on land) will not care who holds the nominal title. Today many of our large buildings are built on leased land. Radio covers 12 acres, Rockefeller who built the buildings, owns but one of those, the other 11 are owned & leased to Rockefeller by Columbia University. The land under the mighty Chrysler Building in New York City is owned by Cooper Union; the land under the Waldorf-Astoria Hotel is owned by the New York Central Railroad; Wanamaker's New York store has recently (1936) signed a 99 year lease with the Sailors Snug Harbor. Similar instances, too numerous to mention, can be found in all our large cities.

The main point is, that, while those who wish to speculate in land in order to get a profit from it, must own it in order to get this profit, those who wish to use land do not need to own it, if by a lease or in some other way they are given a secure tenure. Private ownership of land then is not necessary in our modern business world.

So much for the expediency of the question, - now we return to the question: "Would there be any injustice in destroying private property in land?" Consider it from this angle! In this country, our Constitution and our Declaration of Independence state, and the great majority of the people believe absolutely, that a man belongs to himself. His energies and all of his powers belong to him and only to him, because they are a part of him. We have seen that in order for a man to live he must exert his energies on ~~the~~ land, for no matter how productive a spot a man may occupy, he can get nothing from it excepting by exerting his labor on it. "The sweat of thy brow shalt thou earn thy bread", was not a curse put upon man so much as a simple statement of fact.

When John Smith has taken something from the land and worked it up into something to satisfy some human desire; that thing which he has made is no longer just a piece of land. It has had added to it a bit of John Smith himself. It is now land plus John Smith's energy, and this differentiates that thing from everything else in the world, - this makes that thing rightfully the property of John Smith and of no one else, because it really contains a part of John Smith. If John Smith belongs to himself, then those things which John Smith has made must also belong to him.

This exertion of labor in producing any object forms the only basis for a just claim to the ~~exclusive~~ exclusive ownership of that object. In order to have a valid title to anything, one must have produced that thing, or gotten it in exchange for something else which one has produced.

Who is there, or what is there that can give to any man, just title to land? No man ever created any land, nor could he do so by the utmost exertion of his energies. Land exists irregardless of man, and would continue to exist even if mankind were destroyed. Nor does any one man create land values; these are created only by the community as a whole, and not by any individual alone. If land values are created by the presence of the community as a whole, then they belong to the community as a whole, and not to any individual or to any group of individuals.

Every person is born into this world willy nilly, and every man brings with him, from an economic point of view, just one thing, - the ability to labor. He finds here a world upon which he can, and must work in order to satisfy his desires. It inevitably follows then that every person has a just claim, an equal claim, with every person to the use of as much of this world as may be necessary to make his living. It is often stated that "the world owes every man a living". This is not true, but it is true that the world owes every man an opportunity to work for his living, and no individual is entitled, justly, to any better opportunity than any other man.

We cannot give every man an equal opportunity with every other man to earn his living until we have destroyed private property in land; because if one man can have a rightful title to a piece of land, he has the right to demand from another person for permission to use this land. In this way the land owner gets wealth without producing it, while the other produces wealth only to have some of it taken away from him without receiving anything in return. One benefits at the expense of the other.

If one portion of the earth's surface can with justice become the possession of any one individual; there is no reason why other portions cannot also be justly owned by that same or other individuals, and this could continue until eventually the whole of the earth's surface could be justly owned. This would mean that only the land-owners had any right to the surface of the earth. The landless people would be trespassers, and if the land-owners saw fit they could deny them even a spot to place the soles of their feet. This is not absurd, it is being done every day on a small scale; in the past it has often been done on a large scale, and may easily be so done in the future, since it is only the logical result of permitting private property in land.

A conspicuous illustration of this being done on a large scale was when Henry VIII (1536) enclosed the commons in England in order to make estates for his favorites, driving the people living there away from their homes, and then hung and branded them by the thousands for being vagrants. One historian speaks of "the enormous increase in petty crimes during the reign of Henry VIII". He says 72,000 great and petty thieves were put to death, and 60,000 sent to jail for debts, and numbers impossible to count, were punished for beggary. The punishment for beggary was "grievous whipping" and running through the gristle of the ear. He speaks of the thousands of little children who had ears like sieves. Beggary, debt, stealing became a grievous burden to the state, but how

could these thousands of people live after being driven away from the land they had been using - away from the land which had been taken from them to bestow upon the king's favorite?

The right of all men to an equal use of the soil is as clear as is their right to the use of the air; for we cannot suppose that some men have the right to be in this world while all the remaining people have no such right. From the moment a man is born, he has the right to live, - the right to life, liberty and the pursuit of happiness, and this right is limited only by the equal right of his fellows. For men to live, wealth must be produced; to produce wealth, men must use land; therefore if we admit a man's right to live, we must admit also his right to use land to make a living.

Few people are sufficiently thoughtful to realize that if a man cannot use land without first paying another for permission to do so, is not a free man! If A can compel B to give him 50% of all B produces to get access to land in order to go to work, then 50% of B's time and energy belong to A, and to that extent he is enslaved by A. If chattel slavery is unjust then is private property in land unjust; for so long we recognize private property in land, the fact that labor must use land in order to live will tend to give an absolute mastery by the land-owner on the one hand, and to produce abject helplessness of the landless on the other. As we have seen, rent increases while wages fall, until, as even the poorer lands become difficult or impossible to secure, competition among laborers for jobs will force them to give up all but a bare living in order to get these jobs; their condition then is often worse than that of chattel slaves, though they are called free men.

That a people can be enslaved by taking their lands away from them just as effectually as by making property of their bodies, is a truth which has been recognized by the conquerors of all ages.

The essence of slavery lies in the power it gives the master to take from the slave everything he produces; but the master will not take everything the slave produces, he will leave the slave enough to keep him alive and reproduce, because he wants the slave and his children to work on the morrow. Since this same result is produced by allowing private property in land, is it an exaggeration to call the existing condition one of economic slavery? Suppose we were again to legalize chattel slavery tomorrow, who would now buy men when they can hire them so cheaply, and have no responsibility for their care when they become sick, or aged, or out of work, or while they are growing? We did not need the Civil War to destroy chattel slavery. Our economic conditions would have destroyed it without any war if we had waited a few generations.

Our laws declare that all men here are free, - each free to work as he likes and to enjoy what he earns! To drop a man in any direction of the ocean and then tell him that he is free to walk ashore in any direction he prefers, would be no more bitter irony than it is to tell a man that he is free to work at what he wants, and that his success depends upon his own exertions, when he has no place to work, and can get such a place only by paying to someone else for it most of what he produces. When one man must go to another and buy from him permission to go to work (which is what we do when we buy, or pay rent for a piece of land) he is just as much compelled to work for the benefit of that other as he would be if he were his slave in the eyes of the law.

We did not abolish slavery when we ratified the Fourteenth Amendment, we only abolished one of its forms. To truly abolish slavery we must destroy private property in land.

Have we not answered the question as to whether or not it would be unjust to abolish private property in land?

Only a few generations ago a man who did not succeed was spoken of as a "poor-as-a-well". He was an exception, looked upon with more or less scorn, because when land is free poverty is usually the result either of laziness or incompetence; but today, it is the man who does succeed who is the exception, - a "well-to-do" man, one to be envied. If you will examine them carefully you will find that practically no great fortunes consist of wages saved, nor do they consist of earnings on capital. These great fortunes are made up of returns received from some special privilege. The greatest of all these special privileges is the privilege of owning land, - these fortunes are composed of returns gotten by making labor pay for the opportunity to live.

The best method to follow in destroying private property in land will be the subject of the next lesson, but a question which often arises, before methods are discussed, is whether or not land-owners should be paid for the value of their land-holdings. Yes, we should pay them, provided that, at the same time, all land-holders were to turn back to society all the benefits which they, as land-holders, had received plus all that they have prevented labor from producing from this land in the meantime. If one is to consider compensation at all there would be no justice if one did not consider compensation for the respective loss to both parties. But since, if the land-owners were to give up all the wealth in their possession, - even if they owned all the wealth in the world, - they could not possibly make restitution to the amount of the injury land-owning has done in the past; the best course would be for Labor to forgive its losses of the past, for land-owners to forgive their present losses, and to ignore the question of compensation by both sides, - to wipe the slate clean for a new start.

However, when compensation is seriously suggested, it would be well to recall the words of James Russell Lowell, written when there was much discussion regarding compensation for the chattel slaves about to be freed.

"Pay ransom to the owner! AYE, fill the cup to the brim!
But who is the owner? The slave is the owner
And ever was! Pay him!

Is the land-owner the cause of all our economic troubles? As a person he is not the cause of any of them. To the system of land-holding as an institution must be charged nearly all of the ills of society. The land-owner can hold his titles only because his claim is upheld by the government. If a man and his family are hungry, and there is a piece of fertile, idle land nearby, how long would that hungry man hesitate about starting a garden on that bit of land if he knew its owner could not appeal upon the government to dispossess him? Or if a man holds a choice bit of idle land near a railroad, an ideal factory site, if he could not enforce his claim, how long would it stay idle? Land titles in the beginning were based upon force, and today they are continued by force; but force can only be applied in society only when public opinion assents or is indifferent. Therefore the public which grants and upholds the privilege of holding land is the truly guilty party, when we are looking for a culprit to blame. You and I, the poor people as well as the wealthy, the unemployed as well as the employed, the landless as well as the land-owners, must all shoulder the blame for the struggle which the average man has to get his living, as well as for the undeserved poverty about us, so long as we do not do what we can to destroy the system which causes these conditions.