

SOUTH AMERICAN PRECURSORS OF HENRY GEORGE

There has recently been published under the title of *RIVADAVIA AND THE LAND QUESTION** a reprint of a very remarkable and almost unknown work by the distinguished Argentine historian and economist Andrés Lamas. Originally intended, we understand, to form part of a much larger work dealing with the whole history of the period, this little book gives an account of Rivadavia's attempt during his short presidency of the Republic to establish a system of land tenure which would have made the Argentine the most prosperous country in the world and a model to all other States.

The germ of the idea is seen in one of the earliest acts of Rivadavia's administrative life, a decree of September 4th, 1812, relating to the survey of the Province of Buenos Aires, in which he declared

that the object of this proposal was to distribute proportionately to the citizens of the country building sites and arable lands under a political system which would ensure the establishment of population and the happiness of the many families, victims of the cupidity of the powerful, who are living in poverty and oppression which is shocking to reason and prejudicial to the true interests of the State.

The proposal of 1812 was without result, for Rivadavia, divorced from office, could not give effect to it. Ten years later, on his return to power, he reverted to his former plans, and now we see more definitely and clearly what he had in mind. On July 1st, 1822, he promulgated the following decree:

Section 1.—None of the lands which are at the disposal of the Ministry of Finance shall be sold.

Section 2.—The lands referred to in the preceeding section shall be subject to emphyteusis (*enfitéusis*).

By emphyteusis is meant a lease for a considerable period, but to this we shall recur when we have given the text of the law by which in 1826 the Congress finally sanctioned Rivadavia's proposal. This law runs as follows:—

Section 1.—Public lands, whose sale is prohibited by the law of February 15th, shall be given in emphyteusis for a period of not less than twenty years, reckoning from the first of January, 1827.

Section 2.—For the first ten years the holders shall pay to the public treasury a rent equal to eight per cent. per annum on the value of the said lands if they are pastoral, or four per cent. if they are arable.

Section 3.—The value of the lands shall be graded by a jury of five of the nearest landholders, or three if there are not so many, so that there may be an equitable valuation.

Section 4.—The Government shall issue regulations as to the nomination of the jury and as to the arbitrator who is to preside over it.

Section 5.—If the valuation made by the jury is challenged, either by the landholder or by the treasury, the question shall be finally determined by a jury constituted in the same manner as the former one.

Section 6.—The rent fixed under Section 2 shall begin to run from the day on which the landholder is put in possession of the land.

Section 7.—The half of the rent fixed for the first year shall be paid during the two following years.

Section 8.—The periods at which the rent is to be paid shall be fixed by the Government.

Section 9.—At the conclusion of the ten years referred to in Section 2, the legislature will fix the contribution which shall be paid by the landholder in the succeeding years in proportion to the new value which the lands have then attained.

According to the regulations dated the 27th June of that year, the jury were to be chosen by lot from among the adjoining landholders.

We will now consider the system of land tenure called emphyteusis, and what was the modification of it that Rivadavia had the wit to discover. The name comes from the Greek, and probably denoted the tenure by which sacred lands were held. It was adopted by the Romans as the name of a contract by which lands were granted forever or for a long term on condition of their being improved and a stipulated annual rent paid to the grantor. It was probably in use first as a means of letting lands belonging to the State and the practice was imitated by private holders. When for a perpetual term it was like a feudal fee.

Neither in the Roman Empire nor in any other country was the system applied by the State to all lands. The lands which were so let accumulated into the hands of large proprietors, who gradually relieved themselves of all the burdens which they owed to the State. But even if the system had been generally and rigorously applied, there remained the disadvantage of the rent being at a fixed rate, which in the course of time would come to represent but a small fraction of the value. This difficulty Rivadavia perceived and therefore he proposed that the rent should be revised, from time to time; but in order that the landholder should have ample security for the fruits of his labour the duration of the contract should be not less than twenty years. And further, to quote Andrés Lamas, "the contract was renewable and there was nothing to hinder its indefinite renewal. On the dissolution of the contract the cultivator was owner of all that he had put on the soil; the house, the fences, the things planted on it, all must be valued and paid for at a fair rate. (*Acta del Congreso*, no. 132.)"

What system could have been better suited to the circumstances of a new country where the land was largely unappropriated and the conditions simple? Henry George himself has said that there may be many methods of securing the value of land to the community, and that the plan he proposed was put forward as being most suitable to countries where the land was already appropriated and there was in existence an extensive tax collecting machinery.

Andrés Lamas in his book gives many extracts from the debates in Congress over the Bill, and from the comments in the newspapers. We will make one quotation from a speech by a Minister, Dr. Julián S. de Agüero. Replying to someone who had expressed a fear that the lands would be so divided as to fall into the hands of a small number of great proprietors, he said:—

In order to avoid that there is no other means than what is proposed in this Bill; no one will hold great stretches of land if he sees that he will pay a considerable sum. But if the law fixes a modest rent and the legislature is not required to revise it, there will immediately be immense accumulations of land unless the law or some duly constituted authority deprive the owners of it, for there would be petitions for great stretches of land for the petitioners themselves and for second and third parties, and thus there would arise great estates which would remain for the most part uncultivated. On the other hand, under the Bill proposed who would pay so much for land which he was going to hold uncultivated? No one. Consequently it is plain that if the rent is fixed very low the land would be monopolised in a few hands. Anticipating this there has been formed in Buenos Aires an association of the principal capitalists who are seeking to obtain all the lands that remain public property right up to the frontier, thinking that the legislature of the province would not impose anything but a very moderate rent and that the grant would be in perpetuity, and they were preparing to do a great business and to enter into speculations very prejudicial to the State. But if this Bill is adopted, it will be seen that no ill effects will follow.

* *BERNARDINO RIVADAVIA Y LA CUESTION DE LA TIERRA.* Por el Dr. Andrés Lamas. Biblioteca de la Liga Argentina para el Impuesto Unico. Buenos Aires. Price; 50 centavos;

The Bill as we have seen was passed, but in the period of reaction that soon followed all was undone, for the generality of the people did not understand the motives and the principles of Rivadavia, and his ideas remained locked up among the distinguished group of thinkers that the reaction against him drove from the country. The public lands were sold or given as rewards to military leaders. The dictator Rosas by one decree alone put up for sale 1,500 leagues of land, and by a law of 1839 he gave to his generals six leagues each, to his colonels five, and so on. The country remained under his rule till past the middle of the century.

Now once more it is trending in the direction of reform. The movement is taking the form suited to the present stage in the development of the country, and the prospects of the early establishment of the taxation of land values throughout the Republic are bright. Already it has been adopted in the province of Córdoba. The ideas of Rivadavia are again becoming known, and the writings of Andrés Bamas are being circulated side by side with those of Henry George. For Bamas was not merely the historian of Rivadavia; he was himself an economist of no mean order. Though the preface to the work under review is dated 1882, he seems to be quite unacquainted with the work of Henry George, but he had arrived at the same principles. He says:—

In regard to public lands Rivadavia established the right of social ownership. Without this right we are in a state of feudalism or of communism.—The title to property is labour.—Communism, refusing to recognise this right, allows individuals to acquire and enjoy that which is not the result of labour and of a man's personal faculties.

And again he says:—

The emphyteusis of Rivadavia gives to every one what is his own; to the individual, ownership of what he produces, his capital and his labour; to society, what it produces.

Andrés Bamas died in 1891, too soon to see these principles rescued from oblivion and carried into practice in his own country. But he saw beginning "the conflicts between public and private interests which the emphyteusis of Rivadavia would have prevented"; and he foresaw that when "the Argentine agrarian system of 1826 was understood and studied by the scientific world, Rivadavia would occupy a foremost place among the reformers of his century." And so it is coming to pass.

F. C. R. D.

The 5th. To Montauban. The poor people seem poor indeed; the children terribly ragged, if possible worse clad than if with no cloaths at all; as to shoes and stockings they are luxuries. A beautiful girl of six or seven years playing with a stick, and smiling under such a bundle of rags as made my heart ache to see her: they did not beg, and when I gave them any thing seemed more surprised than obliged. One third of what I have seen of this province seems uncultivated, and nearly all of it in misery. What have kings, and ministers, and parliaments, and states, to answer for their prejudices, seeing millions of hands that would be industrious, idle and starving, through the execrable maxims of despotism, or the equally detestable prejudices of a feudal nobility. Sleep at the *lion d'or*, at Montauban, an abominable hole.—A. Young's TRAVELS IN FRANCE, 1787-9.

It is territorial monopoly that obliges men unwillingly to see vast tracts of land lying waste or negligently or imperfectly cultivated, while they are subjected to the miseries of want.—WILLIAM GODWIN, POLITICAL JUSTICE, Book VIII., Chap. III.

THE SINGLE TAX

What it is and why we support it

(Report of an address by Mr. A. G. Huie, at a meeting of the Parramatta Research Society, held at the School of Arts, Parramatta, New South Wales, on the 14th July, 1915.)

We propose to abolish all taxes upon food, clothing, raw materials, machinery, incomes, estates of deceased persons, all stamp duties, and all other taxes—in a word, all taxes upon labour products. This side of our proposals may be summed up very briefly. We propose to exempt labour from taxation.

As a substitute for all existing taxes we would appropriate the economic rent or annual value of all land, as public revenue. It may be briefly stated, we propose to tax land values only.

The purpose of the Single Tax is to take the value which arises because of the presence and needs of the people. Land value is not made by the owner of a piece of land. The presence of one man cannot make land value. Land only acquires a value apart from labour when two or more persons want the same piece of land and are willing to bid against each other for the privilege of using it. It is at this stage that the necessity for government arises, and the value or rent of land constitutes the natural way of defraying the cost of common public services.

The value attaching to land has been spoken of as the unearned increment. That is, it is unearned by those who receive it now. It is not really unearned. It is the joint stock earnings of the people. It is community earned or socially earned, but instead of going to the people who earn it to be expended for their use and benefit, it goes to the landowners, and saves them the trouble of working for a living for themselves.

First of all, we have land. Land, according to the Science of Political Economy, means all the forces of nature to which labour may be applied to produce those things which satisfy human desires. It includes not merely the surface of the ground, but minerals and metals underneath, rivers, springs of water, harbours, the sea; in a word, external nature. All except man himself is land. I mean, of course, in its raw state, I have not yet come to what is fashioned by the mind and industry of man.

Second: we now come to labour. Labour is human power, mental and physical. Man has needs. He wants food, clothes, shelter and enjoyment, and so on; his labour power is the only right and natural means to enable him to get what he needs from day to day. He does not work for the sake of work. It is quite a mistake to suppose that man is fond of work. He is not. He only works to get results. So you see here, we have first land and then labour. All that labour needs is free access to land, for everything that humanity requires to satisfy its material needs comes from land, and nowhere else.

That the land is capable of supplying labour with all its needs is so obvious that we need not waste time discussing the point.

Third: labour applied to land results in the production of goods of all kinds, which are called wealth. Labour may be employed growing wheat, or mining coal, or manufacturing tobacco, or building houses. Such are the more direct methods. Or labour may be employed in a less direct manner, such as clerks in offices, as civil servants, and as traders or middlemen. But labour in producing and transporting goods or wealth is always essentially the same thing. It makes no difference, so far as the true grasp of the subject is concerned, whether it was man before he had a fig leaf to cover his nakedness, picking fruit to gratify his hunger, or in our complex social life of to-day.

That which labour produces belongs to labour. No one else has any right to it. On that point probably you will all agree with me—that the full produce of earnings of