

MARX ON PROPERTY IN LAND

I maintain on the contrary: the future will decide that the land can only be national property. The giving over of the land to the association of land workers means delivering the whole of society into the hands of one single class of producers. The nationalization of the land will bring about a complete change in the relations between labour and capital and will result in the final end of capitalist production, both industrial and agricultural. Then indeed will class differences and privileges disappear, together with the economic basis from which they have sprung. Society will become an association of free producers. Living on the labour of others will become entirely a thing of the past. There will no longer be a government or State whose existence is separated from society itself.

Agriculture, mining, manufacture, in short all the branches of production, will become rightly organized. The national centralizing of the means of production will form the natural foundation of a society which consists in the free association of the various classes of producers. This objective opposes the great economic movement of the nineteenth century.

Karl Marx, *The Property in the Soil*. A Preliminary Essay on the Question of the Nationalization of the Land. From unpublished material in the Marx-Engels-Lenin Institute, Moscow. Quoted (in German) in *Agrar Probleme*, Moscow, vol. 5, p. 48.

LENIN ON ECONOMIC RENT

The scarcity of land has this result, that the price of corn is determined not by the conditions of production on land of average quality, but by those on the worst land in use. This price of corn gives the farmer (the capitalist undertaker in agriculture) the replacement of his costs of production and the average profit on his capital. The farmer on the better land obtains a surplus profit, which forms the differential rent. The question, whether there is private property in land or not, has nothing whatsoever to do with the formation of differential rent, which in capitalist agriculture is unavoidable, even in the case of municipal, State or ownerless lands. The single consequence of the scarcity of land under capitalism is the emergence of a differential rent in consequence of the varying productivity of varying applications of capital.

Lenin, *Collected Works*, vol. 4, p. 234. (Translated from a quotation in German in *Agrar Probleme*, Moscow, vol. 5, p. 119.)

But what of that? the Gaul may bear the guilt;
But bread was high, the farmer paid his way,
And acres told upon the appointed day.
But where is now the goodly audit ale?
The purse-proud tenant, never known to fail?
The farm which never yet was left on hand?
The marsh reclaim'd to most improving land?
The impatient hope of the expiring lease?
The doubling rental? What an evil's peace!
In vain the prize excites the ploughman's skill,
In vain the Commons pass their Patriot Bill;
The landed interest—(you may understand
The phrase much better leaving out the land)—
The land self-interest groans from shore to shore,
For fear that plenty should attain the poor.
Up, up again, ye rents! exalt your notes,
Or else the ministry will lose their votes.

The peace has made one general malcontent
Of these high-market patriots; war was rent!
Their love of country, millions all misspent,
How reconcile? by reconciling rent!
And will they not repay the treasures lent?
No: down with everything, and up with rent!
Their good, ill, health, wealth, joy, or discontent,
Being, end, aim, religion—rent, rent, rent!

BYRON IN "THE AGE OF BRONZE."

BANKS, CREDITS AND LAND VALUES

By Capt. Arthur R. McDougal

Let us suppose an island which is the property of a few of the inhabitants. . . . As we all know, in addition to the population of landowners and their immediate tenants and labourers, there would be, say, a shopkeeper, an inventor, a gambler, a banker and a pirate. In modern life the gambler and the pirate would be quite respectable financiers. Let us suppose that, as is the case now, these worthy people become wealthy, although the masses starve, and that some of their incomes may even exceed those of the landowners. Now the masses starving in the midst of plenty feel that something is wrong and even suggest that it is not right that the island should belong absolutely to a few, who exact tribute for the right to live, and that everyone has some rights to the use or benefits of the land.

LIKE THE POLITICIANS OF TO-DAY

Then again let us suppose someone rises and says—"What is the use of discussing an abstraction like the land question. Let us be practical. You labourers are poor because you are swindled by the shopkeeper, taxed by the inventor's patent rights, sweated for interest by the banker for credits which are really yours, robbed by the pirate, and fleeced by the gambler. Landowners and non-landholders our interests are in common against these vampires. The shopkeeper makes his 50 per cent, the banker makes his 17 per cent, etc. Let us combine and stop these exactions or drive them off the island."

A PERFECT BANKING SYSTEM—WHAT THEN?

Let us imagine these things done and, *inter alia*, the credit and banking system made perfect. What then? The labourers and non-landowners would at first gain by the cheaper living, but the competition between them would soon force them to accept lower wages and to give higher rents. So the elimination of the excessive profits (if such exist) of the shopkeeper, banker, inventor, gambler and pirate would only make land more valuable and increase the incomes of the landowners.

By all means let us improve our banking and our retail distributive system, and eliminate our gamblers and pirates, but let us remember that all is futile unless we first tackle the great land values question, and see to it that the wealth and benefits arising from our actions and reforms are used for the benefit of the community by taking in taxes from land values these accrued benefits and by relieving industry and agriculture and houses from taxation at present crushing them.

THE NEW PURCHASING POWER

The relief of householders and house owners from rates alone would add millions to the consuming power of the masses and would at once raise agricultural prices in a natural manner, whilst the reduced capital value and price of land would reduce our costs of production in agriculture and all other industries.

It is no ungenerous assertion to state that the Bureaucrats who are now interfering and meddling in World affairs have very slight qualification for their interference. A Government official, by the very selection of his occupation, removes himself from the hurly-burly of that class of competition which is understood to be the soul of business. Commerce is now hedged around with restrictions, tariffs, quotas, licences and prohibitions, administered by the red tape of a Bureaucracy endowed with few qualifications beyond those good intentions which are the traditional pavement of the Road to Hell.—SIR PERCIVAL PERRY, Chairman of the Ford Motor Company, addressing the Shareholders, 20th April.

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In an interview published in *South Africa* (31st March), Sir Frederick Hiam spoke of the great possibilities of agriculture in South Africa.

Before any big improvement could be achieved, he added, South Africa, in common with other countries, should readjust her land values. Comparatively valueless land had fetched absurdly high prices in the "boom" years, and until this was rectified farmers would be handicapped.