PUBLIC RIGHT *v.* PRIVATE MONOPOLY

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The Case for "Land-Values"

The case for the taxation of land-values is based on the principles that all the community have equal rights to the land which Nature has provided, and that improvements belong to those who make them. The proposals are that those who hold the land should be required to pay to the community a rent or tax proportioned to the value of the land which they hold, apart from the value of the improvements on it; that the payment should be made, whether they use the land or not; and that making the payment should be a condition of holding the land. In practice, the pressure of this obligation would impel those who have the land either to use it themselves or to dispose of it to others, thus increasing the available supply of land, reducing rents to their proper level, and opening the natural opportunities to the people. As this new tax is extended, the taxes on improvements should be reduced, until all the taxation of landed property is concentrated on land-value, and houses and other improvements are tax-free.

Pleas in Defence of Private Monopoly

Having thus stated shortly how the taxation of land-values is the simplest way of enforcing the rights of the community to the land, and how the proposals which are based on first principles are confirmed by considerations of expediency, let us examine the various pleas that are put forward in defence of that private monopoly, which claims to hold not only the land, but also its value; a value which attaches to what Nature has provided, in consequence of the presence and competitive demand of the community, and ought therefore to be treated as a source of communal revenue.

The "Possession" Plea

The first plea is that the monopolists have it and that they mean to keep it, the argument being that might makes right, and that possession is nine-tenths of the law. But the latter is a dangerous weapon for them to use, because the law, though it protects mere possession against persons who have no better rights than the possessors, makes the possessors give place to the rightful owners. The assertion that "might makes right" is equally dangerous, because if it can be set up by "the strong man armed" against those whom he dispossesses, it can equally be set up by any "stronger than he" who succeeds in dispossessing him; and the might, as well as the right to the land, rests ultimately with the people.

The "Long Usage" Plea

The next plea is that private appropriations, though they may have been unjust originally, have become justified by long usage. But no information is given as to the time required for changing a wrong into a right, or as to the process by which this remarkable result is attained. What ever may be said for the expediency of placing a time-limit on civil actions and even on certain criminal prosecutions, it would be highly inexpedient to allow any usage, however long, to bar the community from their rights to the land. To these, as to other fundamental rights, we ought to apply the general rule that time does not run against the Crown, or—in the legal language of the United States—against the People.

The "Purchase" Plea

The third plea is that some of the present appropriators have purchased the land from others. But people cannot give more than they have, and the mere transfer of a title cannot make it better than it was before. This is a rule of common sense, and it is also a general rule of law. "The general rule of law," as Mr. Justice Willes said in the case of Whistler *v.* Forster, 1863, 32 L.J.C.P., 161, at p. 164, "is undoubted, that no one can transfer a better title than he himself possesses—*Nemo dat quod non habet.*" This rule has been embodied by the legislature in, for instance, s. 21 of the Sale of Goods Act, 1893, and, though in a few exceptional cases it has been considered expedient to provide that the innocent purchaser shall not be prejudiced by defects in the seller's title of which he was not aware, these cases have nothing in common with this one. It would, indeed, be highly inexpedient to permit encroachments to be strengthened by transfer, or to sanction the view that private transactions can bar the people from their elementary rights.

The "Legal Recognition" Plea

Another plea is that land-monopoly should be upheld because the law has recognised it. But, if we are to regard justice as the creature of the law instead of the principle that gives it force, we shall be led to the indefensible conclusion that there ought never to be any interference with an injustice after it has once, by whatever means, obtained legal recognition. Such a proposition cannot be regarded as a serious one, particularly when it is urged against a reform which, in its earlier stages, is no more than an improved system of raising revenue from land, and in any further development raises questions of degree rather than principle.

The "Personal Hardship" Plea

The fifth plea is that the effective assertion of the rights of the people to the land would be a hardship to some of the private appropriators. But the denial to the community of their elementary rights inflicts far greater hardships on the masses of the people, whom it robs of their natural heritage. The real question is whether the community have a right to the land, or, if it is in private hands, to its value. If they have such a right, the sooner it is secured the better.

The "Widow-and-Orphan" Plea

A familiar form of this fifth plea is the assertion that a tax on land-values would press unjustly on poor widows and orphans. This assertion is misleading, because almost all the appropriators of land are of a very different class. It is mean, because it is an instance of privilege posing as poverty. It is base, because poor widows and orphans are the very people who suffer most under land-monopoly. It is also dishonest, or it would be limited to seeking exemption for widows with less than some specified income, and for orphans with less than some specified income and under some specified age.

The "Improvements" Plea

What may be regarded as the concluding plea is that the private appropriator has made improvements on the land. If he has made them he has a right to them, and we may also admit that he has a right to hold the land on such terms as will enable him to reap the benefit of them—on condition of paying to the community a rent or tax corresponding to the value of the land which he did not make, and to which each of his fellows has as much right as he. This co-ordination of the rights of the individual and the rights of the community is the key to a land system which is as practicable as it is just.