

THE OWNERSHIP OF LAND.

ATTACKS on private property in land, especially when the owner is not the occupier, have become so frequent of late years that the time seems to have arrived for inquiring into their validity. In doing so I desire to state, in the first place, that I do not regard any kind of property as absolutely inviolable. The punishment of certain crimes in this country includes the forfeiture of both landed property and goods. Our bankruptcy laws, under certain circumstances, lay hold of both for the benefit of the creditors; and there are circumstances under which both may be compulsorily taken from a person who has committed no offence and incurred no liability, as when a man's land is taken to construct a railway, or his cattle are doomed to slaughter in order to prevent the spreading of a contagious disease. In this latter class of cases the law of this country has always awarded compensation to the injured person;* but

* That is when the cattle are slaughtered; for the grazier often suffers great loss from restrictions without any compensation in cases where slaughter is not considered necessary. Hence the grazier naturally seeks to evade these restrictions, which in consequence prove for the most part ineffectual. Such is, I believe, the explanation of the failure of the restrictions to confine foot-and-mouth disease within narrower limits than before they were adopted. The restrictions have proved at once vexatious, injurious and ineffectual.

into the propriety of awarding compensation it is not my present purpose to enter. I propose simply to inquire whether property in land differs in any important respect from property in anything else. If I succeed in establishing that it does not, I think I may leave the question of compensation to take care of itself.

It is hardly necessary to refute writers like Mr. Henry George, who describe private property in land as simple robbery, which the State may resume at any time without giving the compensation which it is admitted ought to be given when other kinds of private property are appropriated to the use of the nation. It is sufficient to say that the Government of this country—the Sovereign, the Lords, and the Commons, the latter of whom directly represent the people—has always recognised private property in land. The legislature has, by its conduct, induced men to invest money in the purchase of land, and to lend money on the security of land. It has made laws regulating the devolution of property in land, on the faith of which the public has acted. It has instituted courts for the purpose (either solely or among other things) of selling landed property, and of transferring the ownership from one person to another; as, for instance, when a mortgage is foreclosed. It has granted lands as a reward for public services; and even sold them itself and pocketed the proceeds: as, for instance, in the case of sales of land by the Irish Church Temporalities Commissioners. The country may have been robbed, as Mr. George says; but, if so, it has most distinctly assented to the retention of the stolen goods by

the robber, and to his dealing with them (and inducing other persons to deal with them) as if they were his own. And in the great majority of instances the land is now in the hands of persons who have either bought it themselves, or whose ancestors have bought it under the sanction of the laws. There are various ways of buying land besides what is commonly known as a purchase. It may be bought by a marriage settlement. It may be bought by the owner paying off charges which amounted to its full value. It may be bought by the owner expending money in order to convert what was almost worthless into a valuable property: and this he may have done, not merely by improving the soil, but by bringing a railway or canal to the neighbourhood, or by starting some branch of mining or manufacturing industry. He may even have bought it by letting it on lease at a low rent for a long period, binding the leaseholder to make improvements during his tenure. Some of these modes of purchase, indeed, relate to part of the value rather than to the whole; but even then, this part may be all that the owner enjoys, the rest being covered by mortgages and charges for members of his family. There is probably not a landowner in the United Kingdom a considerable portion of whose income is not derived from some of the sources which I have mentioned; and in a very large number of cases the present owner possesses nothing that either he himself or his ancestors have not paid for—paid for with the full sanction of the State. Our laws have, indeed, carefully defined the limits of time within which property wrongfully ac-

quired can be claimed and recovered by the rightful owner or his representatives; and, to take a case into which land does not enter, few persons would doubt that the man who succeeds to a diamond or a painting which his grandfather stole one hundred years ago has a better claim to it than the grandson of the man from whom it was stolen. The one family has been acting for nearly a century on the assumption that the diamond belonged to it, and has made arrangements and contracted liabilities on that assumption. The other family has not. The right man—the real culprit—cannot now be punished, and family arrangements should not be disturbed in order to punish the wrong one. This is the spirit of every code of laws which includes a Statute of Limitations; and the tendency of all recent legislation has been to shorten, not to lengthen, the periods of limitation. Robbery of land, if it ever occurred, does not differ from robbery of anything else; and the continued retention of the land is no more a repetition or continuation of the crime than the continued retention of the diamond or (what comes to the same thing) of its proceeds. Mr. George would hardly contend that if the descendants of the original thief had sold the diamond and invested the proceeds in some remunerative undertaking they would cease to be robbers, but that they would continue to be so as long as they retained it unsold; while, even if this were conceded, the descendants of the land-robber would be free of all blame as soon as the land was sold or charged to the full value. On the theory of Mr. George, the original robber of the land or his descend-

ants might sell it and retain the full price, while the comparatively innocent man who purchased from them (perhaps through the medium of a public court) would lose everything. He might even remain liable for a portion of the purchase-money which he borrowed, while losing the land on the security of which he borrowed it, and to which he looked for its repayment.*

But to revert to the question whether there is any material distinction between property in land and other kinds of property, I shall take the argument in favour of the distinction from the pages of perhaps the ablest advocate of it—the late Mr. J. S. Mill. ‘The essential principle of property,’ says he, ‘being to assure to all persons what they have produced by their labour and accumulated by their abstinence, this principle cannot apply to what is not the produce of labour, the raw material of the earth’ (*Political Economy*, book II., cap. ii. sect. 5). But much the greater part of every man’s property is not the produce of his own industry or abstinence. I did not make the table at which I write, or the pens, paper and ink which I use in writing. Mr. Mill would probably have admitted that they are not the less my property because I bought them with money left to me by my father or by some one else : but surely the case is clear if I bought them with money

* I may add that Mr. A. R. Wallace’s proposal to give the landlords a terminable annuity equal to the present rent would be just as honest as to give a mortgagee or a fund-holder a terminable annuity equal to his present annual income. It would be a less extensive confiscation than that advocated by Mr. George, but it would be equally confiscation ; just as stealing half-a-crown is robbery as well as stealing a pound.

which I earned for myself. And if I buy land with the money which I have thus earned, is it the less my property because it is not the produce of labour but the bounty of nature? My property in it is the produce of my labour. If I had not invested the produce of my labour in that way, I could have invested it in other ways with equal advantage to myself; but I invested it in land with the full consent of the State—bought it perhaps, as already observed, from an officer of the State whose business was to sell it, and who received a salary from the State for so doing. If I was entitled to no property that was not the direct produce of my own industry and abstinence, I would very soon either die of starvation or be sent to prison as a thief. But the convertibility of one kind of wealth into another lies at the very basis of all political economy; and since land is a species of wealth, why may I not convert the wealth which I acquire by my labour into land as well as into any other kind of wealth? To limit a man's property to what he has produced himself is to deprive him of all the advantages of what is known as the division of labour.

Mr. Mill thinks that the distinction between landed property and any other kind of property would appear clear 'if the land derived its productive power wholly from nature, and not at all from industry, or if there were any means of discriminating what is derived from each source' * (*Political Economy*, book II. cap. ii. sect. 5).

* Mr. A. R. Wallace thinks there can be no great difficulty in discriminating between what is derived from each source, because that is just what the Irish Sub-Commissioners are doing. He might as well contend that there is no great difficulty in predicting the future from the stars, because Zadkiel

This I do not concede, but the question is hardly worth discussing. Land in a state of nature is usually worthless; or at least the State is of opinion that a new citizen is worth more to it than a plot of unreclaimed land, and will often not merely grant the plot rent-free to an immigrant, but actually contribute towards his expenses in coming out to take it. But conceding that land derives its value in part from the bounty of nature, what kind of property does not? Are the stones which form the walls of my house the sole produce of art or labour? Are the lime and the sand which formed the mortar? Is the timber which formed the table at which I write? Is the coal which warms me, or the gas which affords me light? Is the steel which forms my pen, or the materials out of which my paper is made? The fact is, that all kinds of property consist of the produce of the soil in a form more or less altered by labour; and the produce of the soil is nothing but the soil itself in an altered form, the alteration being mainly the result of the bounty of nature. In a well-fenced, drained, cultivated and manured farm, situated near the city, the soil has undergone greater changes as the result of human labour than the walls of my house, the planks in the floor (probably cut from trees which no human hand ever planted), or the coal in

does it every year. Whatever the faults of the Sub-Commissioners may be, however, I do not think they have attempted any such task. They limit their attention to improvements made at a comparatively recent period. If it was proved to their satisfaction that the holding, which they are inspecting, formed the bed of a lake ten centuries ago, I do not think they would assume that the tenant or his predecessors in title had drained the lake.

the grate. To all, nature has contributed something; to all, labour has likewise contributed something; and to most of them capital (or abstinence on the part of the capitalist) has contributed something also. If the fact that nature contributes something is sufficient to render a thing unsuited to become private property, there could be no such thing as private property at all: but if the fact that labour contributes something is sufficient to justify the existence of private property, it will be difficult to point out an acre of valuable land in the kingdom to which labour has not contributed its quota. And, as already remarked, even where labour has contributed nothing, the present owner or his predecessors may have given a large amount of labour in exchange for the land.

‘No man,’ says Mr. Mill, in the section following that which I have already quoted, ‘made the land. It is the original inheritance of the whole species. Its appropriation is wholly a question of general expediency. When private property in land is not expedient, it is unjust.’ He might have added that no man made the trees, or the coal, or the iron: that they are equally the original inheritance of the whole human race, and that private property in them is unjust whenever it is inexpedient (and it might be said that private property in coal *is* inexpedient when the owner burns more than is necessary for household or industrial purposes). But though man did not *make* the land, the trees, the coal, or the iron, he altered them by his labour; or if he did not alter them he gave labour in exchange for them.

Moreover, in some cases, he *did* make the land. He drained a lake, or banked off the sea, or reclaimed a tract of perfectly worthless waste. Mr. Mill, himself, in urging the claims of the landowners to the compensation of which Mr. George would deprive them, says: 'If the land was bought with the produce of the labour and abstinence of themselves or their ancestors, compensation is due to them on that ground: even if otherwise, it is still due on the ground of prescription' (*Political Economy*, book II. cap. ii. sect. 6). But what I contend is that he has failed to point out any real distinction between landed property and other kinds of property. Both are equally the produce, partly of nature and partly of labour; and labour has probably contributed more towards the present condition of many a farm than towards that of the gold sovereign now in my purse.

We have already seen Mr. Mill declaring that the land is 'the original inheritance of the whole human race.' Elsewhere, when speaking of the Irish landlords, his statement (in which he is not singular) is, 'The land of Ireland—the land of every country—belongs to the people of that country' (*Political Economy*, book II. cap. x. sect. 1). But between these two propositions there is a wide chasm. Have the Hottentots an equal right to the soil of England with the people of that country? Had the Saxons, the Danes and the Normans, a right to that soil when they came over as invaders? or have their descendants a right to it now? Does every Irishman or Scotchman who settles in England thereby acquire a right to share the soil with the

former inhabitants? These, and similar questions, arise on every side. Probably there never was a country in which the right of every inhabitant to a portion of the soil (whether exclusively or in common with others) was admitted; for I doubt if this was true even of France after the Revolution of 1789. What, then, is meant by asserting a right which has never been acknowledged, and which, if it existed, would as regards the present inhabitants be very often a mere right of conquest? Mr. Mill could hardly allege that this equal right of all men to the soil was by Divine appointment. It is plain that it is not by human appointment. Whose appointment then is it, or how is its existence to be proved? But conceding, for the sake of argument, that the land of the country originally belongs to the people of the country, surely the people of the country can deal with it as they think proper, and grant it or sell it to persons who thenceforward become the owners. Property is of little use either to an individual or to a community if they cannot dispose of it. If land, granted for the use of a school or university, could only be granted for one generation, the stability of our educational institutions would be greatly impaired. Again: to whom, on such principles, does the soil of America belong? Is it to the Red Indians, the original inhabitants, who are as yet far from extinct? to the English settlers who dispossessed them (often by violence or fraud) and their descendants? or to the host of immigrants, Germans, Irish, negroes, and Chinese, who arrive in swarms every year? However, the contention that the land of the country belongs

either to the people of the country or to the whole human race, really rests on the assumption that it is the gift of nature, and not the result of human labour and abstinence ; and as this assumption is only true of land, in the same sense that it is true of any other kind of property, the theory in question falls to the ground. To everything that possesses value, nature contributes something ; but there is hardly a single valuable commodity to which she contributes everything. Land, at all events, is no exception to the general rule.

But the ownership of land is said to be a monopoly, and to be attended with all the evils of a monopoly. The fact is, however, that every kind of private property is a monopoly in the same sense that the ownership of land is so. If you want to buy or to rent my land, you must pay what I require or do without it ; but the same observation is true if you want to buy or to hire my horse. The opponent of private property in land may reply that he could buy or hire another horse, to which I answer that he could also buy or rent other land. And the horse may be an Eclipse or a Blair Athol, to whom no equal can be found elsewhere, while it is very rarely that equally good land cannot be procured in the market. When there is but one apothecary or hotel-keeper in a village, the people are much more in his power, as regards charges, than the farmers are in that of the landlord ; for the inn-keeper or apothecary has a practical monopoly of that business, since an opposition hotel or apothecary's shop would not be likely to prove remunerative. If indeed all the land of the country was in the

hands of a single owner, or if the landowners combined to raise the rents, there might be something in this monopoly objection; though I do not see that a combination of landlords to raise the rents is more objectionable than a combination of employers to lower wages. This last kind of combination has sometimes been successfully carried out when a small number of persons are practically the only employers of labour (or of some particular kind of labour) in a certain district; and those who cry out so loudly against landlordism have seldom anything to say against it. But landlords have never, I believe, attempted to raise rents by such means, and in a country like this there are two good reasons why they should not do so. The first is, that a landlord can only manage a limited quantity of land himself, and if he does not succeed in letting the residue, it must lie on his hands idle and unprofitable. In a new country like America, where land is very cheap, and subject to few burdens, and where the increase in its value is sometimes very rapid, a speculator may often make money by buying land and letting it lie idle for some years until the price has risen in the market; but this is not the case with any part of the United Kingdom. In this country, if a combination of landlords to raise rents took place, the class would probably lose more by their unlet lands than they would gain by the high rents derived from those which they succeeded in letting. A second reason why such a combination must fail may be derived from the relation between rent and labour. If the landlord is not content to leave his unlet lands idle and

unprofitable, he must cultivate them, and employ labour for the purpose. Now, no man who can earn three shillings a-day as a labourer, will take land at a rent that will only leave him two shillings a-day as a remuneration for his labour on it. Unless the rent is low enough to enable him, on the average, to earn as much by working on his farm as he could earn by any other occupation, he will not take the land at that rent; and if landowners mean to let their lands at all, they must regulate their rents by the average wages of labour. Again, as a rule, the more land remains on the hands of the landowner the higher will be the wages of labour; for while landowners do not work themselves, and seldom exercise a very effectual supervision over the work, they frequently adopt a style of cultivation which requires more labour than is bestowed on the land by the ordinary tenant. It may be objected that I am here assuming that the tenant will till the land himself; but this is not the case. If he does not till it himself, he must hire labourers, and the rent which he can afford to pay to his landlord will evidently depend on the amount which he has to pay to his labourers. The economical theory of rent is indeed sufficient to prove that rent is not always the result of a monopoly. One acre of land will, in return for the same amount of labour, produce five barrels of wheat more than another acre. Assuming these lands to be similarly situated, it is plain that, apart from any monopoly, the annual value of the one acre exceeds that of the other acre by five barrels of wheat, provided that the cultivation of wheat is, in both cases, the most profitable

mode of using the land. This excess of value some person or persons must enjoy, and the persons who enjoy it (whatever designation we may give them) are in reality the owners. As a matter of fact, if all the land of the United Kingdom was taken up from the present occupiers (compensating all who had made improvements for which they had not already been compensated), and let by public auction, without reserve, to the highest bidder, I have little doubt that the result would be beneficial rather than injurious to the present landowners, after charging their estates with the full amount of compensation thus awarded. Instead of combining to raise the rents artificially, the landlords have, in fact, usually let their lands at a lower rent than that to which the unrestricted competition of intending tenants would raise it, if the landlords were compelled by law to accept the highest offer. Nor would the monopoly of land (such as it is) be got rid of by always allowing a valuable interest to the occupier. The effect of such a provision would be simply to divide the monopoly among two persons—to make two persons co-owners instead of vesting the ownership in one. A person seeking to take land must, under such circumstances, buy from two persons instead of one. He must pay something to the landlord, and something to the outgoing tenant (whether by a single payment, or an annual one); and instead of paying less than under the system of ‘landlordism,’ he would probably have to pay more. Such appears to be the actual state of the case where the Ulster Tenant-Right custom exists. It is not easier, but more difficult, to obtain land

there than in other parts of Ireland, and the person who desires to become an occupier has to pay more for the privilege of occupation than he would have to pay elsewhere. But in any part of the kingdom a really solvent man looking for land, and unable to procure it at the competition rate, is a very rare spectacle. Rent fixed by competition is, indeed, the very opposite of rent fixed by a monopolist or combination of monopolists. I admit, of course, that competition may raise rents higher than is desirable, but it can only do so when there is an over-population, or when wages is undesirably low; for which things the landowners are not to blame.

For my own part, however, I fail to see that the occupier of land ought, in all cases, to have a valuable—a saleable—interest in it. The value of every kind of property is greatest when the owner is free to deal with it as he likes; and if a landowner is prohibited from letting except on condition of giving to the occupier a valuable interest in the land, the value of his ownership is diminished. Part of the value of the ownership, which he thus loses at every letting, is transferred to the tenant, but only a part of it; for the tenant's interest would also be more valuable if he was at liberty to sublet, either in whole or in part, without conferring a valuable interest on the sub-tenant. By such a division of ownership between two persons the total value of the ownership is therefore diminished; and if the landlord receives no compensation for what he is deprived of, the change will frequently consist in taking from him what he has paid for, and making a present of it to another person, who

may have done nothing to earn it. I am not, of course, speaking of securing to the occupier the value of his improvements. I am only dealing with the question whether he ought to have a valuable interest in the soil, irrespective of any improvements made either by himself or by his predecessors in title. But not to dwell further on the injustice of creating such an interest at the cost of the landlord (it could only be created either at his cost or at the cost of the State), no provision of the kind will, I believe, prove permanently successful. Give the occupier a valuable interest, and he will borrow money upon it, charge it for some member of his family to whom he does not intend to leave it, sublet it at a profit rent, or sell it to some one who will borrow a part of the purchase-money or leave a part of the purchase-money outstanding at interest. If you restrict the occupier from dealing with it in some of these ways, you lessen the value of his interest in it (for that value is always greatest when he is most free to deal with it as he wishes), while you will probably fail to accomplish your object. If, when leaving the land to his son, the tenant cannot charge it for his daughter, he can leave it to the former, on condition of providing a portion for the latter. If he cannot sell it, and leave a portion of the purchase-money outstanding as a charge on it, he can sell it, and leave some of the purchase-money outstanding as a personal debt due to him by the purchaser, charging a higher rate of interest in consequence of the increased risk. The future tenant, between rent and interest, may have to pay the full annual value of the land,

his annual outgoings being increased rather than diminished by the legal restrictions on dealing with the tenancy. Higher interest was probably never charged and paid than during the prevalence of the Usury Laws; and restrictions on dealings with land have very much the same effect as restrictions on borrowing money at interest. But it never has been proved that an unimproving tenant ought to have a valuable interest in the soil, still less that an interest in his favour should be created at the cost of the landlord; and I am rather at a loss as to the grounds on which such a proposition could be seriously defended. The law as administered in Ireland may have done this in practice, but it has never assented to it in theory.

And here I may offer a few remarks on the subject of tenants' improvements. Taking two farms, whose annual value in their present condition is equal, but one of which is unimprovable, while the other is susceptible of improvement, can the landlord's interest be said to be of equal value in both instances? Clearly not. Suppose, for instance, that the average rate of interest is £5 per cent., but that £1000, judiciously expended on the latter farm, would produce a return of £8 per cent., is it not plain that the improvable quality of this farm is worth £30 a-year? This £30 a-year the landlord may either realise by letting the land on a perpetual tenure at £30 a-year over its present annual value; or by letting it to an improving tenant for a long term of years at a rent somewhat less than this; or, finally, by letting it for a comparatively short term, at a rent equal to or even

below the present value. When the term is long enough to repay the principal expended by the tenant, together with interest at $\text{£}5$ per cent., the tenant is compensated; and if the improvable quality of the land belongs to the landlord, the tenant has, in justice, no further claim on it. This is generally recognized in one class of leases, namely, building leases. The tenant has here no claim on the land after his lease expires, and he only builds what he thinks will repay him within that period. And if a landlord granted a long lease of land suitable for building, without inserting any building covenant in his lease, he might feel certain that the tenant would proceed, in his own interest, to build; though of course he prefers a covenant defining the kind of buildings to be erected, and binding the tenant to give them up in good repair. But as the rent reserved in such leases always exceeds the annual value of the land, considered simply as land, and the tenant could not afford to pay it without building, it is certain that he would build in any event. How does an agricultural lease differ from this? The tenant knows the duration of his tenancy, forms his own judgment as to whether his improvements will repay him within that time, and regulates his conduct accordingly. It is only where the landlord has encouraged the tenant directly, or indirectly (as for instance by the custom of not disturbing an improving tenant on the expiration of his lease), to expend money on improvements that will not repay the outlay and interest within the term of the lease, that the latter seems to me to have any just claim for compensation: and in assessing com-

compensation in such cases, it should be borne in mind that the improvable quality of the land belonged originally to the landlord, and that the tenant is only entitled to be repaid his expenditure with interest—the rate of interest being of course higher in cases where the outlay involved risk. On any other principle I do not see why, when a coal-mine is discovered on an estate, the landlord should not be compelled either to work it himself, or to lease it in perpetuity at the annual value of the land considered merely as land.

I now come to what may be regarded as the final stronghold of the opponents of private property in land—the fact that its value often increases without any labour or abstinence on the part of the owner. I say *often* increases, for it cannot be alleged that it *always* does so. It sometimes diminishes without any default in the owner, as the experience of the last six years may suffice to prove; but, according to political economists generally, it more frequently increases, and may, therefore, be said to have a tendency to increase.* ‘Suppose,’ says Mr. Mill, ‘that there is a kind of income which constantly tends to increase without any exertion or sacrifice on the part of the owners—those owners

* In reality rent, like population, has no tendency either to increase or to diminish, for the simple reason that it is an effect, not a cause. But there are causes which tend to increase rent, and causes which tend to diminish it, just as there are causes which tend to increase the population, and causes which tend to diminish it. If the former set of causes are usually stronger than the latter, we may, in a popular sense (though not with scientific accuracy) say, that rent or population has a tendency to increase. In both cases, however, this conclusion seems to me to have been arrived at too hastily, and applied too universally.

constituting a class in the community whom the natural course of things progressively enriches, consistently with complete passiveness on their own part. In such a case it would be no violation of the principles on which private property is grounded if the State should appropriate this increase of wealth, or part of it, as it arises. This would not properly be taking anything from anybody. It would be merely applying an accession of wealth created by circumstances to the benefit of society, instead of allowing it to become an unearned appendage to the riches of a particular class. Now this,' he continues, 'is actually the case with rent' (*Political Economy*, book v. cap. ii. sect. 5); and accordingly he proposes to absorb 'the unearned increment of the land' in taxation. One would think that the answer to this reasoning is sufficiently obvious. The fact that rent has (with certain intermissions) increased in money value (whether this represents a real increase in the rent, or a diminution in the value of gold and silver) has been well known for many years; and has been taken into account by all purchasers and settlers of land, and by all persons who lend money on mortgages. The 'unearned increment of the land' has been bought and sold with the full approval of the State, and forms a material element in its present market value. If, when the average rate of interest on good security is £4 per cent., a man gives thirty years' purchase for land, the difference between twenty-five years' purchase and thirty years' purchase represents the market value of his expectation of an unearned increment; and if the State announced

its intention of appropriating this unearned increment to its own use for the future, the market value of land would be immediately reduced by at least five years' purchase. This expectation of increment is as much the property of the owner as the improvable quality of the land, and in fact the two stand on precisely the same footing. Mr. Mill seems to have been aware of this, for he says in the section already quoted, that in absorbing the future increment of the rent, 'all injustice to the landlords would be excluded if the present market price of their land was secured to them, since that includes the present value of all future expectations.' But would the State be really a gainer by purchasing the future expectations of the landlords at the present market price? That is at all events doubtful. Supposing that the State had, at the time when Mr. Mill published the last edition of his book, agreed to secure to the landlords the then market price of the land, and to appropriate to public purposes all future increments of rent, which party would have gained by the arrangement? Is it not certain that the State would have been called upon to pay millions to the landlords, in order to secure to them the market price of their lands in 1870 or 1872? But Mr. Mill probably did not exactly intend what his words seem to imply. He meant only that the absorptive process was not to commence until the market price of the land rose above its (then) present figure. Such an enactment, however, would evidently have proved injurious to the landlords. As soon as it was provided that the present market price of their land could not be

increased, but might be diminished, the market price would fall; just as the market price of sheep would fall if it was enacted that mutton and wool should, under no circumstances, sell for more than at present, but might sell for less. For years after such a Bill became law, the market price of land would be lowered, and it would afford but a poor compensation to the landlord if, after the lapse of perhaps a quarter of a century, it ultimately reached its original figure, which under the supposed conditions it could never exceed.

Here let me add that land is not the only thing that has this tendency to increase in value without any exertion on the part of the owners. Railroads, tramways, canals, and the various branches of mining industry, have a tendency to become more productive with the general progress of the country. Fisheries—the produce of the sea and the rivers—tend to rise in value as rapidly as the produce of the land. And further, I do not think it has been proved that rent has any universal tendency to increase apart from the improvements effected in the soil by labour and abstinence. The principal argument that rent has a tendency to increase, independently of these causes, is that every extension of the margin of cultivation increases rent, and the increasing population of all countries in the normal state leads to successive extensions of the margin of cultivation. Whether population has in fact this tendency to increase I have elsewhere considered. For my present purpose, however, it is sufficient to point out that the extension of the margin of cultivation is neither the cause of an

increase of rent, nor even a constant sign of it. It may be true that the economic rent of cultivated land is at any time measured by the excess of its produce over that of the least productive land in cultivation; in which case it would seem to follow that if the course of cultivation was constantly to pass to worse land, until it reached the very worst in the country, this excess must, in the case of good land, be constantly on the increase. But the fallacy of this theory consists in supposing that the fertility or productiveness of all the land in the country is constant, whereas it is perpetually changing. For economical purposes, as I have elsewhere noticed, the situation of the land forms an important element in its fertility. A road, a railway, a canal, even steam communication between two seaports, alters the fertility or productiveness of no small portion of the land. It makes some land better than it was, and diminishes the excess of the produce of the best land over that which is thus improved. A similar effect is often produced by the mere shifting of the population. Agricultural produce is most valuable in the most densely populated districts, and if the population moves from one locality to another, the value and rent of land rises in the latter district, and falls in the former. Facilities for the importation of food also tend to lower rent. They lessen the pressure of an increasing population, which tends to extend the margin of cultivation. Instead of raising the additional food required, we may produce something that will exchange for this additional food when imported from other countries, and the production of this exchangeable commodity (cotton

suppose, or iron) may have no tendency to increase the rent of land. Summarily, therefore, it does not appear that in every civilized country population constantly increases; if it did increase, it would not follow that the margin of cultivation in that country would necessarily be extended; and lastly, an extension of the margin of cultivation may be accompanied with a decrease instead of an increase in rent. This last effect will be produced when a large quantity of land suddenly receives a great accession to its productiveness, as, for example, by making a railway through a naturally fertile district, whose productions were hitherto cut off from any available market by the want of good means of communication. Rents in the newly-opened district would, no doubt, rise, but they might still remain almost nominal, while the rents of the land adjoining the market would experience a very heavy fall. The tendency of rent to increase cannot, therefore, be laid down as a general law, and the experience of the last few years has shown that the exceptions to it are not merely theoretical.