

Land Held Out of Use

by J.W. Bengough

in The North American Review, April 1894, p. 512

IN THE NORTH AMERICAN REVIEW for May, 1893, Wm. B. Cooper replies in the negative to the question, "Is Land Held Out of Use?" He says in effect that the purchase price or rent demanded by landowners does not hold land out of use any more than the cab hire demanded by owners of such vehicles holds cabs out of use, and that deprivation of cabs for out-of-town exercise in the case of sick people may be just as injurious as the impossibility of access to land is in its effect on the unemployed classes.

The parallel does not seem to me a strong one. Invalids may readily find a substitute for prohibited cabs, and enjoy their exercise, the actual benefits of which would be in each case problematical. But as land and labor are the only factors necessary to the production of economic "wealth," or a living, free access to the raw material of nature would be a sure cure for the evils of poverty. Landlordism does not constitute a factor in the production of wealth, its function being merely the collection of rent.

Is land held out of use? Well, on Broadway, in a very desirable business locality, I find a vacant lot, at present surrounded by a bill-board. Why is it not occupied by a great store, hotel, bank or club? Because an enormous premium is demanded by the owner, either in price or rent, for access to it. The site is worth what is asked for it. Many an enterprising man would gladly pay it, *if that ended his payments*, and he were left free to keep for himself the legitimate profits of the business he proposed to build upon the lot. But when he contemplates the municipal and national taxation he will have to face, in addition to his rent—on his building, stock, fixtures, clothes, food, etc., etc.—he hesitates. Under the single-tax system he would; be relieved of all these. He would pay ground rent only, but he would pay it to the public till, instead of to the private land-owner.

Mr. Cooper seems to be under the impression that single-taxers propose that the Government should assume the duties of landlordism and dispose of sites to the highest bidders. This is erroneous. It is simply proposed that land and land only shall be assessed each year at its full value and the annual rental value collected as a tax. No "tenant" would be in danger of "being dispossessed by an effective bid" by another, for he would be already paying what was adjudged to be the full value of his location.