

LESSON

VIII

METHODS OF APPLYING THE REMEDY

"Of course while another man has no land, my title to mine, your title to yours, is at once vitiated."—EMERSON in "Man, the Reformer."

"The time comes for everything. As the time came for the abolition of man's property in man, so the time has come for the abolition of the supposed right in that which involves the appropriation of other people's labor."—TOLSTOI.—Letter to Federation of Single Tax Leagues of Australia.

WE HAVE DEMONSTRATED THE CHIEF CAUSE OF OUR economic ills and have shown the remedy for them.

We have seen that though our laws permit us to hold land as private property, land cannot be held as private property without violating equity and justice. Ownership of land is only a privilege which permits some to prevent others from working, or permits them to take wealth from those who do work, without giving anything in return. It is this which causes undeserved want amid plenty. The remedy lies in abolishing private property in land.

The next step is to consider means of applying the remedy. It is sometimes asked: "Though justice demands the abolition of private property in land, is it practical?"

Can it be done without a revolution?" In answer it will be shown that not only is the principle just, but that it can be applied readily and without any change in our form of government.

Various methods of application have been suggested—as to which might be best, this would depend on conditions prevailing at the time.

Should we abolish private property in land with one stroke of the pen, as chattel slavery was abolished, changing overnight from private ownership of land to common ownership? This could be done by requiring the owners of land to surrender to the government their title deeds (but not including their titles to improvements on the land); each owner receiving in exchange a short term, or a long term, lease, for as much of the land as he might wish to put to use, and for which he would pay rental; leases providing for periodic reappraisals of values and rentals to correspond.

When this had been done the State would hold title to all land (the improvements thereon still belonging to their individual owners). And since no one would wish to lease more than he could put to use, the great bulk of the land would be freed and could be leased to whomsoever might want it; the government collecting, and keeping for its own expenses as much of the fund as needed. This would make possible the abolition of all taxes on industry and enterprise. (See p. 182n.)

They who recommend this method claim, and quite properly, that it would be no more revolutionary than, for example, was the government's requirement that all gold be exchanged for paper notes. Of course such a change could not be made and be lasting until

enough of the citizens wanted it and demanded it. When it is understood by enough of our people that private property in land is the cause of low wages, unemployment, and the growing struggle of the average man to make a living, it is not improbable that the change will be made quickly, whether or not we now plan to have it so.

Many, however, believe it would be better to follow a more gradual program, introducing the change step by step and thus allowing the adjustment to be a gradual one. There can be no real objection to this slower method, *provided* that always the basic principle be kept in view, and the process be not permitted to stop until completed, i.e., until no one is permitted to profit, in any way, by the mere *ownership* of land.

If this slower method is to be followed the means are already at hand. It has truly been said that "the power to tax is the power to destroy." Private property in land can be abolished easily by eliminating all opportunity to make a profit by mere land-owning. Men do not seek to own land in order to oppress their fellows; they own land in order thereby to make a profit. If a policy of taxation were adopted which would make it impossible for any land-owner to make a profit, purely as a land-owner, then speculation in land would die a natural death.

This could be done by reducing or abolishing one after another the many taxes we now have on labor products, and taking instead for government purposes a correspondingly increased portion of the rental value of all land privately held whether used or not. This process to be continued until there were no taxes of any kind whatsoever, excepting a tax on the fund realized by col-

lecting the full rental value of all land privately held, which fund would rightfully belong to all the citizens.*

If this method were followed, land titles could still be held as now. But the title would be empty. Ownership necessarily gives power to derive income, profits and all other benefits from the thing owned. This would cease and any concept of "ownership" without this power would be grotesque.

Since the selling value of land equals the capitalization of whatever portion of the rental value the owner is permitted to keep for himself, each succeeding step in taking rental value for the community must cause the selling value of land to decline correspondingly, so that when all site values were taken by the government, land would have no selling value at all. Thus:

If site value of any given land is..	100	100	100	100	100
and the government takes	0	25	50	75	100
Net return to its owner will be...!	100	75	50	25	0
The prevailing rate of interest is the chief factor in fixing selling values. If this rate be 5%, the investor will pay for any given land 20 times its net annual in- come	20	20	20	20	20
Selling price of land will be.....	2,000	1,500	1,000	500	0

Thus it is seen that if all site values were collected for the community so that land had no selling value,

*The taking of site values is often called "Single Tax." This is a grave misconception. Justice demands equality of opportunity; this necessitates treating land as common property; the only practical way of doing this is for every occupant to pay into a common fund the annual site value, thus compensating the members of the community for yielding their equal "right" of occupancy. This fund belongs equally to all. A *levy on this fund* by government for its expenses is taxation, and is just taxation. And, if the only tax required, it would be a *single tax*.

there could be no profit made by anyone simply as a land-owner, and all incentive would be gone for the holding of more land than one could put to use.

As the community grows land values arise, the collection of which, by the community, would provide a natural fund with which to pay the cost of the government which the association necessitates. These values which attach to land, unlike the values of labor products, cannot belong properly to any individual or group of individuals (for no individual produces land) but instead must be treated as belonging to the community as a whole.

This fund (made up of the annual site values* of the privately held land), which would grow as the community grew, seems to be Nature's own provision for the revenues required by a community. It would increase or decrease as the need for it might increase or decrease. When a community is small its land values will be low but it will require only a small fund for the maintenance of its government. As the community becomes larger, its government will require a larger fund for its maintenance, but its land values also will be greater to meet the need. And if site values were used for public expenses, the larceny by government of private property, in taxes, would cease.

No government, properly conducted, should, or would, cost more than it is worth. When one pays the rental value of land, one pays what one believes to be the value to him of the location occupied. If the upkeep of its

*The site value fund would consist of (1) site value of land used in *production*, which is economic rent; and (2) site value of land used in *consumption* (for residence, etc.), which is *not* economic rent. Regardless of this purely economic difference justice demands that *all* site values be treated as belonging equally to all.

government costs more than all the annual site values of a community, then that government is costing more than it is worth to its citizens.

A tax is "an enforced contribution levied on persons, property or income by the State, for government needs." This sounds arbitrary, and it is arbitrary. Any government can compel any citizen to give up any or all of his property for the support of the State. But here is a fund made up of the site values of the community, which properly belongs equally to all the members of the community; and to draw on this fund, which belongs to all, for the expenses of the government, the benefits of which are enjoyed by all, constitutes the only just tax possible.

If we were not blinded by custom, what would we think of a community which ignored this fund, allowed it to be appropriated by anyone who could get it, and then, in order to support its government, appropriated the property of individuals without regard for equity or justice?

Often the mistake is made of debating as to which of two given principles should be adopted in raising revenues for the support of government—should taxes be levied in accordance with *ability to pay*, or, in accordance with *benefit conferred* on the taxpayer by the community? This takes it for granted that there are only these two principles, but though few recognize it, there is in use today a third principle, and that is to tax in accordance with *need to buy*.

Most of our direct taxes are levied, at least theoretically, in accordance with the citizen's supposed ability to pay. But most of our indirect taxes, which comprise the larger part of all taxes, are raised in accordance with

this unrecognized third principle—necessity to buy. These taxes are passed along from one producer to another until they finally reach the ultimate consumer. He never knows how much he is paying in taxes, but he can be sure that the more he buys the more taxes he pays. A family which uses six loaves of bread a week will pay twice the amount of taxes included in the price of bread that will be paid by a family using but three loaves a week, though the latter family may be wealthy and the former very poor. Therefore, not even theoretically, are these indirect taxes levied either in accordance with ability to pay or in accordance with benefits conferred.

Few realize how large a part of the price paid for a commodity consists of taxes levied on its production. For instance, in 1938, the prices of the items named below included taxes as indicated (from compilations of California Taxpayers' Association):

IN THE PRICE OF	NUMBER OF TAXES	IN THE PRICE OF	NUMBER OF TAXES
Bread	52	Suit of clothes	105
Canned fruit	32	Cotton dress	125
Sugar	45	Shoes	126
Beef	127	Overalls	148
Bar of soap	154	Wire fencing	191
Automobile	145	Milk of magnesia	172
Gas and oil	205	Some other drugs	378

In some instances where these goods cross state lines, the number of taxes may be greatly increased.

If justice were its aim, no government should have any difficulty in deciding which of these principles to follow in raising its revenue. For to tax either in accordance with ability to pay or in accordance with need to buy does not accord with justice. Both of these are

based on the same motive which actuated the pirates—to take “where the taking is good,” and that is the best that can be said for either of them. They penalize thrift and industry and injure everyone. The only payment the community can demand, justly, from anyone, is payment for the advantages which the individual receives from the community by reason of his location, the value of which, the site value, measures these advantages.

Is it possible to measure the value of the benefits which anyone receives from his location, which value he himself did not create, and to which every other member of the community is as much entitled as is he? The answer is, that for all practical purposes public demand indicates this value; what the average man is willing to pay is its rental value. Today this rent is paid to individuals, but properly it does not and cannot belong to individuals. The value of the land a man holds is fixed by the demand for that land. This demand will be determined by the density and character of the community, by the kind of roads to which the occupant has access, by the nearness of the land to markets, by the quality of the fire and police protection furnished, by the facilities for education, recreation, etc.; and, if it be agricultural, fishing, mineral, or forest land, its natural productivity will be a factor. When land is either rented or sold, these are the things which fix the price paid; but not one of these things is supplied by the owner of the land. All that are not supplied by the community are supplied freely by Nature; and even those supplied by Nature would not give value to the land save for the presence of the community; therefore it is not the individual who should be paid for these things.

When one buys goods at a store one is charged for

the value of the goods purchased and one pays the merchant who supplies the goods. One does not go into the street and make payment to someone who supplied the buyer with nothing, and then go to the merchant and pay a second time for the goods bought. Why should not the citizen pay the community in accordance with the same just and equitable principle as that on which payment for goods is based? What has every citizen had from the community? If he has had the use of a valuable location in the business center of the town, with all the advantages derived from that location, he should pay what these advantages are worth, no more and no less. If he has had the use of farm land where the advantages are not so great, he should pay a proportionately smaller amount; and so on. But in any event, payment should be made to the community which furnishes the advantages, not to a land-owner who has had nothing to do with supplying them. If this is not done, the government (which in any case must be supported) is obliged to compel the land-user to pay a second time (in taxes) for the benefits he has received, because there is no site value fund on which it can levy.

When the purchaser pays his bill to the merchant he is not asked how much wealth he owns; this is something which in no way concerns the merchant. The purchaser pays for the goods he has bought and according to their value. Nor should it concern the government how much wealth any of its taxpayers may own. Every citizen should pay the community for the value of the advantages he receives from the community. The community should receive no less and no one should pay more unless the site value fund falls short of government needs.

Not only is this true, but centuries of attempts have

shown that it is impossible to assess, accurately, a man's "ability to pay." Such attempts result in discrimination, and often in dishonesty, not only among government officials, but also among the citizens themselves, in their attempts to keep their taxes down. It has well been said that our present taxing system should be called "a system to promote civic dishonesty."

And even if the attempt ever should be successful, how unjust! Suppose that of two men, each receiving the same wages, one spends without saving and acquires no property, while the other saves and becomes a property owner. If the second man is compelled to pay more taxes than the first, he is penalized because he saved. Or, of two men who acquire property, one may have bought his with rent he has received, while the property of the other may have been acquired by his own labor. To tax these two men the same because they have accumulated equal amounts of property is to fail to recognize the difference between an earned income, secured by labor, and an unearned income received because of the possession of a special privilege. Such a system is one which discourages labor and encourages idleness.

All attempts here in the United States, and elsewhere, to assess personal property with any degree of equity and fairness have been dismal failures. For six centuries Rome tried determinedly to do this. Officials were permitted to use the rack and the thumb screw, the whip and the cross, to compel her citizens to declare their property fully; but she could not succeed even by these methods. A few centuries later Spain and other countries tried the same cruel methods, especially against the Jews, but here also the attempt ended in failure.

Personal property often can be hidden or moved away;

but even if it could not, no assessor nor group of assessors can tell the true value of all kinds of property. A small painting may be worth \$200,000. while a large one may not be worth \$200. A farmer acting as an assessor would know little or nothing about the value of the stock in a drug store, and a druggist would be equally ignorant regarding property values on a farm.

Even a number of people acting together as assessors would be little or no more successful. Rhode Island once made everyone an assessor by requiring that a man's nearest ten neighbors should act as appraisers of the value of his property, as Rome, centuries before, had required a man's nearest two neighbors to do. Rome, in addition, compelled the assessors themselves to pay the taxes on any property they had failed to appraise in full, if the omission were discovered. But both Rome and Rhode Island found that no accuracy could be obtained even by these methods; nor has any method ever been found by which personal property could be or can be assessed with any degree of accuracy.

As for taxing improvements on land—even though a building cannot be moved or hidden away when an assessor makes his rounds he is forced to guess at its value by a system of averages. Two buildings of the same size looking somewhat alike would probably be assessed alike; though one might be so built that it would need repairs in a year or so while the other might be built to last for generations.

On the other hand, the value of land without improvements of any kind can be determined with a very near approach to accuracy. Land lies out of doors, it cannot be hidden, and everyone in the community has a general idea as to its relative value. Collection of site

value by the community would require no personal statements by the taxpayers; no oaths to be given; no exposure of private affairs; no one would be exempt, as there is no one who does not use land; and if any favoritism were shown, it could be easily detected by making the site value lists public.

It is just as truly robbery for the government to take from any of its citizens, in taxes or in any other way, property which does not belong to the community, as it would be for one citizen to walk into the store of another and help himself to the goods there upon the shelves, without paying for them. Justice requires that the government tax no product of labor, because in the act of taxing the government confiscates a part of the value of the thing taxed, and, to that extent, the producer of that thing is deprived of what is his own.

But it may be asked: "Would not the collection of ground rents be a method of taking from the producer a part of what he produces?" Let us see.

All men must use land in order to live and no one is justly entitled to have a better opportunity to earn his living than has any one of his fellows: therefore, everyone has an equal right with everyone else to use any and every location on the earth's surface that he may wish. But in order that the user of land be encouraged to make the best possible use of his holdings, he should feel assured of being permitted to keep what he might produce therefrom. If one were afraid some other would drive him away after he had built his factory or planted his crops, then the factory would not be built nor the crops planted. To obviate this fear, holders must be given exclusive possession of the land they use, either by lease or in some other way. This privilege of having

exclusive possession of a given piece of land, can rightfully be granted to an individual only by the remaining members of the community, who, in granting the privilege, relinquish their own right to use that particular location. If he to whom the privilege is granted pays to the community (the other members of which, in effect, are selling to him their right to use the same location) the full rental value thereof, then justice is done to both parties, and the granting of the privilege harms no one.

More than this, a system based on this principle would give to everyone in the community an equal opportunity with everyone else to earn his living. To illustrate: In diagram 21, the land in a given community consists of

	60	60	60			
	80	80				
Wages	100					
	<table border="1" style="margin: 0 auto;"> <tr> <td style="padding: 2px;">100</td> <td style="padding: 2px;">80</td> <td style="padding: 2px;">60</td> </tr> </table>			100	80	60
100	80	60				
Rent	0					
	20	0				
	40	20	0			

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three grades. A arrives first and takes up the best land. While A is here alone none of the land has any rental or selling value. Now B arrives. He, too, would like some of the best land, but since A already has it all, he must content himself with the second grade. The rental value of A's land now becomes 20. It is not A who causes the increase in value; it is caused by the advantage which the use of the 100 land gives over the use of the 80 land. When C arrives he must use the 60 land.

In a condition of this kind (where by working six-tenths of a day, A can produce as much as C working all day) how can equality of opportunity be made possible? If the community will collect from the occupant of each piece of land its full rental value, then each one, by applying a given amount of labor of a given efficiency, after paying his rent, will have left for himself the same amount of product as either of the others; and no one of the three will have any economic advantage over another. That is:

If A using 100 land pays 40 rent, he will have left 60 for himself.

If B using 80 land pays 20 rent, he will have left 60 for himself.

If C using 60 land pays 0 rent, he will have left 60 for himself.

This demonstrates how, by exerting equal energy and ability, each man will get 60 for himself, regardless of the grade of land on which he works.

But suppose A works but half the time that year, producing only 50; while B, by working longer or harder than the average, makes his opportunity yield 100; and C, meanwhile, pursues the even tenor of his way. The net returns (wages) received by each, that year, will be as follows:

If A, producing 50, pays 40 rent, his wages will be 10

If B, producing 100, pays 20 rent, his wages will be 80

If C, producing 60, pays 0 rent, his wages will be 60

It is no injustice to A if his net returns are but 10, so long as he has an opportunity to produce as much as B or C if he likes; nor has B inflicted any hardship on A

or on C by working harder than they and so securing more for himself, if they have the opportunity to do the same.

The collection of rent by the community, as here illustrated, would not penalize the industrious nor the ambitious; neither would it tend to reduce all to a common level. It is a proper function of government to keep economic opportunities equal to all, but one's wages should depend on one's own exertion and ability. Secure to each individual an equal opportunity with all of his fellows to earn his living, then leave him free to make whatever use he will of his opportunity.

In addition to insuring equality of opportunity among all men, the collection by the community of the full rental value of all land privately held, is, besides, the only method ever proposed by which the producer can be assured of getting all he produces. But, it may be objected, if A and B produce 100 and 80, respectively, from the lands they use, and must pay 40 and 20 as rent, is it, then, correct to say they receive all they produce?

In answer, suppose A is a shoemaker, B a carpenter and C a farmer. They work and exchange their products, and at the end of a given time, all three will have shoes, buildings and farm products. Each did not make all of these things for himself; he got some of them by exchanging what he did make for other things he wanted made by someone else.

Similarly, A pays 40 to the community as rent. In return for this he receives something that he did not produce for himself. The payment of the highest rental value permits him to do business (or to live) where the advantages given by the community (or the advantages offered by Nature) are the greatest. He may be nearest

to the best schools, stores, parks, libraries, movies, etc.; or he may be using the most productive oil or mineral deposits; or his markets may be the nearest and best—he receives the best of whatever it is that gives value to land in that locality. He must pay to the community the rental value of the land he monopolizes (whether he uses it or not) in order to equalize opportunity and do justice to those prevented from using this same land. But this rent is not just taken from A with nothing given in return for it; he has exchanged four-tenths of the shoes he produces for the advantage enjoyed by him in occupying that location. He and the community have exchanged value for value just as truly as did he and C when they exchanged potatoes for shoes.*

B chooses to live farther out where he pays less rent. The fertility of his land may be greater, but his roads may be poorer, the fire and police protection inferior, his schools, markets, stores and other advantages farther away. C lives still farther out, where the advantages enjoyed are the least enjoyed by anyone, and where he therefore pays no rent.

Under this system, each will receive all he produces. Just as he exchanges a part of his product for the things produced by others, so he exchanges another part for the advantages of the location of which he has exclusive possession.


This proposed change would necessitate determining the value of land separately from the improvement on the land. This first step has already been taken in some cities and states; probably nowhere is it now (1948)

*As the community grows, the rental value will increase, but this difference is offset by the increased productivity of the location due to the growth of the community (See Lesson IV).

being done in a more practical way than in New York City. Valuation maps for the land alone, free to the public, are published every year. From these maps, any land-holder can determine the valuation placed on his land and compare it with that of neighboring lands. He then can judge as to whether the comparative values are equitable. If he has reason to believe that any unfairness has been practiced, he can protest and give his reasons.

With this separation of values as between land and improvements the way is prepared for determining the rental value of any given land; without determining which it is impossible to know how much each individual should pay for the advantages he receives from the community (see p. 182n).

To illustrate how the proposed change in our taxation system can be made if it be held desirable to make it in a gradual way: here are six building sites, all of equal value, but only one of which has been improved by the building of a house. At present these would be taxed somewhat like this: \$10.00 for each vacant lot and

\$10.	\$10.	\$10.	\$10.	\$130.	\$10.
					

$$(5 \times \$10.) + \$130. = \$180.$$

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\$130.00 for the house and lot. The one land-owner who has built upon his site is the only one who has added to the wealth of the community. To build his house not only has he employed local labor, but he has stim-

ulated employment over a wide area to produce the materials needed in the construction of the house; and he has made accommodations for another family to live in the town, which will do its share toward increasing employment there. In return he is penalized to the extent of \$120.00 every year, as though he had harmed the town instead of benefiting it.

The other five land-owners, who actually have harmed the community; who, by holding their land idle, have decreased production and employment, and have forced people to go farther out and use poorer lands (thus helping to decrease all product and all wages)—these land-owners are rewarded by lower taxes, and encouraged to continue to hold their land out of use while awaiting an increase in selling price.

Suppose the full rental value of each of these sites were \$30.00 a year, and suppose each of these six land-owners paid this \$30.00 annually to the community. The total amount collected would be the same as before,

\$30.	\$30.	\$30.	\$30.	\$30.	\$30.
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$$6 \times \$30. = \$180.$$

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but none of those paying it would be subject to discrimination and injustice. If the sites, as stated, were all of equal value, it would mean that each of the owners had benefited equally with each of the others by every advantage the community offered; and that each had

paid the community for value received. If this were done generally, no one who had improved his location, be it building site, farm, mine, or any form of land, would be penalized for the improvement made.

This change from a system of taxing anything and everything, to a system of collecting only the site value of land from the land-holder, would apply not only to town sites, but to lands of all kinds—mineral lands, coal and oil fields, railroad rights of way, forest lands, farm lands, as well as to those lands in the center of large cities, the most valuable of all. The holder of land of any description, whether used or not, would pay its site value, and everyone would be free of all taxes on his personal property and on his improvements; free from all income, excise, tariff, inheritance and all other taxes imposed directly, or indirectly, on any product of labor.*

It is sometimes contended that the owner of the improved land is the only one who gets an income from his investment, and therefore he should pay a larger share of the government's expenses. Aside from the fact that this is but another form of the "ability to pay" argument (which is based on the unjust principle of communism), the assumption is false that the vacant lot owner gets no return from his investment. Though he may not get a regular income, every improvement in the community which makes people want to live there tends to increase the value of all the sites in that neighborhood, whether improved or not; and it will not increase the

*Opportunities would be equalized and justice satisfied, if, after collecting all site values, the community were to distribute the money among its citizens, and then require a contribution from each to pay the costs of government; but it would be simpler for the community instead to keep the fund after it has been collected and use it for its own expenses, or as much of it as needed.

value of the improved site a whit more than it does the value of any unimproved site there, equally well located. This increased value the vacant site owner will get in a lump sum when he sells, and it is the expectation of getting this return which prompts him to hold on.

Again, it is sometimes contended that if ground rents are taken from the land-holder by the government, he will in turn collect them from the user by increasing the selling price or rent of his land. In answer it is but necessary to point out that the only reason land-owners do not *now* charge more for their land is because they cannot get more. Land rent is fixed by an economic law and is not affected by taxation. An increased tax on a labor product can be, and will be, added to its price; but an increase in the portion of site value taken by government just as inevitably has the opposite effect—that of reducing the selling value of land (see p. 164).

The collection of site values would be an ideal method of supporting government because of its simplicity, its certainty, its ease of collection and its accuracy; but its advantages as a fiscal measure are trivial in comparison with its chief benefits—the equalization of economic opportunities, the securing to each producer of the full product of his labor, and economic freedom for all. This is the goal and should always be kept in mind.

Suppose mankind were asked to picture for itself an ideal social condition. Could it picture a condition superior to one in which there was an incessant demand for labor on the one hand, and unlimited opportunities for a man to employ himself on the other? Where, because there were more jobs than workers, there would be no necessity for men to bid against one another to obtain employment, and where, therefore, every-

one (both employer and employee) would get the full value of his labor? Where material progress always would bring an increase in wages and a decrease in prices? Where everyone always would have an equal opportunity with everyone else to prove and profit by his worth and ability? And where, because there would be no special privileges, no man to any extent could be master of another, and no man a slave?

The goal is economic freedom—unbounded opportunity of employment for Labor and of capital by Labor, and security in the possession of all one may produce.

When one realizes that the main thing which stands in the way of making this ideal a reality is the failure of the community to collect site values instead of allowing them to be privately appropriated, then the importance of making the change stands out in its full significance.

We must free the earth before man can be free.

QUESTIONS FOR DISCUSSION

- 1—Does the employment of Labor in the construction of public works, financed either by taxation or by bonds, place increased purchasing power in the hands of the people as a whole?
- 2—Why is the rent higher on a busy corner than on a side street? Why are not prices higher on the busy corner where rents are higher?
- 3—What is the effect of special privileges? Do they tend to grow less valuable after being granted in the same way as wealth tends to decay after being produced?
- 4—What is meant by equality of opportunity? Can equality of opportunity and special privileges exist at the same time? Why?

- 5—The term “real estate” includes both land and improvements. Are the interests of the land-owners and the interests of those owning improvements identical? Are they opposed to each other? If they differ, how do they differ and why?
- 6—Is the speculator’s need for a title to land any greater than such need by a user of land? Why?
- 7—How can an individual satisfy the rights of others to the land he monopolizes?
- 8—Is wealth ever produced by the community, as such? If so, when and how?
- 9—Is it discrimination to compel land-holders to pay all the costs of government? If so, who is discriminated against and how?
- 10—A given plot of land would sell for \$6,000 if vacant. On it is a worthless building which will cost \$1,000 to remove. Until this building is removed the plot will sell for but \$5,000. If a man removes the building has he increased the value of the land?
- 11—Why should one favor exemption of buildings from taxation? Do they not require police protection, fire protection, etc.?
- 12—Given two building sites of equal value, one vacant and the other occupied by a \$10,000 residence. Is it fair or unfair to require both owners to pay an equal amount to the community? Why?

Separation of the value of land from the value of improvements on the land presents no serious problem (see reference to New York City’s practice, p. 177). Nor is such leasing of the land a novel experiment. For instance: Ocean Grove, N.J. (population about 8,000) is all built on leased land. In case of nonpayment the building or other improvement is sold and out of the proceeds the overdue site value is paid. In this instance the site value goes to a private company which, under our present laws, is recognized as the “owner.” Instead, it should be collected by the community, making it impossible to profit by mere land holding. This illustration simply shows one method of land leasing that has proved practical.