

Back to the Land By MARSHALL CRANE

A PROMINENT Georgist once confessed to me that he had never made a single convert just by discussion and argument. (Name withheld; his batting average may have improved since our conversation. I will only say that he is known to many students of the Henry George School as a personable, experienced and persuasive exponent of Georgism, and one who knows the subject well.) He told me that he limited his extra-curricular missionary activities nowadays to persuading his prospects to read *Progress and Poverty*, and then just hoping for the best.

It was some small comfort to learn that better men were troubled with sales resistance, just as I was, but I could not help asking myself why this was so. Only two possible answers came to mind. The first was that there might be something intrinsically wrong with Henry George's doctrines. I rejected this one, though. I had long since come to the conclusion that if there were errors in George's thinking, they did not affect the validity of his main thesis.

The alternative was that there must be something very wrong with the way I and, apparently, a good many others had been wrapping up our economic package.

My learned friend had said that people who read *Progress and Poverty* were often convinced. That had been my experience too, but I had also found that there were folks who just refused to read any work of literature longer than the racing form.

It Can Be Stated In One Paragraph

It is true that the Georgian political economy, with all its implications, is a subject for really serious study. But the living heart of what he taught is a general principle which is essentially simple. He himself was able to state it quite fully in a single paragraph, which contained as well its ethical basis, his method for applying it, and the benefits which might be expected from it. As always, he spoke to the great mass of mankind. I am convinced that his followers will never be more than classroom rationalists and armchair aficionados if they forget that simplicity is the master key to the door they are trying to unlock.

Of course, the species *Criticus captiosus* can seldom be really convinced of anything, but I like to think that the time spent on him is not entirely wasted. It is a wonderful feeling to discover, after the fray, that one has unwittingly converted an innocent bystander. It happens sometimes.

There is no doubt that it is easier to drive home the idea of any reform if it has a direct and obvious relation to the benefit to be expected from it. Unfortunately, though, this does not always seem to be the case, at least to the listener. In all human relations the boundaries

of cause and effect may be difficult to define exactly. However, there is what might be called a complex of benefits resulting directly from the taxation of land values, and it is reasonably obvious that these are really important benefits, both to the community and to the individual. It has often seemed to me that I have much less trouble getting my argument across when I take it right back to the land.

The first of these is the well known fact that when ground rent is collected by the community, speculation in land ceases to be profitable. Spec-

ulative profits from the sale of land are unearned profits, money taken from the pockets of those who have earned it. The correction of this injustice is important enough in itself, but in the end it does not matter so much as the fact that as this gambling ceases, speculative holdings of land are sold in the open market. Ugly vacant lots which have helped to jack up the price of land are put to work to pay their taxes. And slums disappear naturally when cheap, obsolete buildings occupying valuable land are no longer assets, but real liabilities.

Experience has shown that housing shortages do not last long when it is profitable to build houses and apartments. New York City today is host to hundreds of small factories employing from half a dozen to a couple of hundred persons. They find cheap floor space in old converted warehouses, office buildings and tenements. It is obvious what will become of these when assessments apply to the land alone, and not to the buildings on it.

The Natural Adjustment

As land ceases to be a factor in the investment market, rents and prices of farm, residential and business properties naturally will go down. Many people will find land available who cannot afford it now.

It has been noticed many times in new countries that when land is cheap only those who do not want to work are unemployed. Unemployment is the black plague of modern times, and to those who remember the terrible days of the early thirties the possibility of immunity from it may seem reason in itself for almost any reform. But there is another, perhaps as great, blessing imminent in land reform in the fact that as opportunities are multiplied by the availability of land, wages rise as a result of the competition in the labor market of organized industry with the profits of self employment.

When people are working steadily for good wages the volume and stability of the demand for the products of industry are pretty well assured. So-called "over-production" ceases to be a problem. A vital link in the chain reaction of "boom and bust" is broken when actual and effective demand become more nearly identical. This point appeals to the capitalist almost as much as the preceding one does to the worker.

The Positive Approach

There is, of course, nothing new about any of these arguments. They have all been covered thoroughly in *Progress and Poverty*. But it seems to me that dialecticians today do not give them half the attention they deserve. It is all very well to inveigh against the scores of taxes hidden in every loaf of bread, but it is surely more to the point to offer Mr. John Doe a really constructive plan for taking advantage of the natural relation between the land and the conditions in which he lives and works, a plan for "doing something about it."

I have suggested this little team of "selling points" to the proselytizing Georgist because they are all positive arguments, immediately and plainly related to the land and land taxation; because every one outlines a genuine good, as well as the correction of an evil; and because, in spite of their theoretical and practical importance they are easy to remember, to explain and to understand.