

# HENRY GEORGE NEWS

VOL. 13—No. 6

APRIL, 1950

10¢ A COPY—\$1.00 A YEAR

## The Way to Peace and Justice

By HON. ROBERT CROSSER

**E**ARLY in life, human beings realize that, to be happy, they must be in harmony with the laws of creation. . . . The earth exists and is governed in accord with universal law which is altogether just. That law is not in any way dependent on the vain conceited notions of any human being, or group of human beings whose egotism craves the official power to direct the lives of all other people. . . .

A proper understanding of the principles of political economy, and their correct application to the problems which distress the people, would soon bring about the reign of economic justice. The adjustment of men's conduct and actions, in harmony with the true laws of life, would thus be assured, and soon we would have the glorious rule of right with all of its joys.

Let us consider, then, the principles, which, if properly obeyed, will assure all men their rights, banish hate, and establish universal brotherhood.

### How Wealth Is Produced

There are three factors engaged in the production of all goods. They are labor, capital, and what may be named as either natural resources, land or the earth. To assure, by law, to each of these factors its just share in what may be produced by the united action of the three factors, just named, must be the chief aim of true statesmanship.

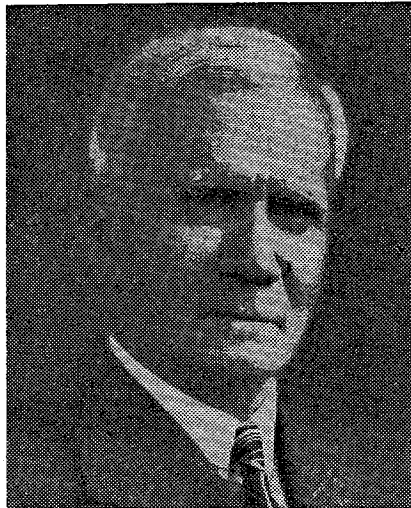
Now, everything which people use or consume must be derived from the earth. Our first task, therefore, in our effort to find out what is the fair share of each of the three factors is to understand, first of all, what are men's rights in regard to the control of the land, called also natural resources or the earth. . . .

In order to illustrate the true nature of man's rights in the bounty called the earth, furnished by the Creator, let us suppose that we are at the beginning of history, when we find but one man on the earth. Whether you call that first man John or Adam, we may be sure that he will try to satisfy his desires with the least effort necessary. That is natural. He would, therefore, choose, for his use that part of the earth which because of location or natural richness, will produce the largest amount of goods as the result of his labor. In other words, he would take the most productive part of the earth, and his labor would produce more from that part of the earth than it would secure from any other part of equal size.

After the first man, however, had taken possession of the best tract of land, the second man comes along and demands possession of the same tract of land.

### When Reason Prevails

The first man, of course, says that he will not give up possession because he, the first man, is the owner of the choice land. The second man then asks the first man for what reason the first man claims to be the owner, the exclusive owner, of the very best tract of land.



The first man then answers: "It is mine because I saw it first." The second man then asks the first man: "Do you mean to say, because the mere fact that the light was first reflected from this tract of land to your eyes instead of to my eyes that, therefore, you have the exclusive right and title to the best of all tracts of land?" The first man, being a reasonable person then answers: "Well, I must admit that the reason I gave you is not logical but, nevertheless, my right to this land is as good as yours." The second man also admits that to be true. In order, therefore, to assure justice to both men, it is agreed by them that whatever amount of goods may be produced from the first tract of land, more than from the next best tract of land, by the same amount and quality of labor, is clearly due to the natural advantage in the first tract of land, such as its better location, its chemical elements, or because of some other natural advantage possessed by the first tract of land.

### What Belongs to All of Us

The value per year, of this difference in productive power, is what is called economic rent. Whether it be industrial land, city land, or farm land the economic rent of such land is the value of what, by a certain amount and quality of labor, it will produce more than will be produced by the same amount of labor from a like area of the least productive land occupied by anyone.

Economic rent is the amount which is justly due to society, to all the people in common, for the right granted by society for the possession of national resources. Economic rent is, therefore, the only proper source from which government should collect the money necessary to pay its expenses.

Instead, however, of using this just method,

[This is a brief excerpt from an address before the House of Representatives on June 19, 1948 by the Honorable Mr. Crosser, a United States Representative from the State of Ohio.]

the method which would reward men for their industry and enterprise, resulting in better and increased production, the expense of government has been wrongly taken by taxation, from what, by their own efforts, people have produced. This method of securing revenue to pay the expense of government has discouraged enterprise and retarded business. . . .

Private monopoly of natural resources, of any part of the earth, makes it possible for the few who are given such monopoly to accumulate great wealth, which they do not earn by either manual labor or mental effort. A far worse evil than the possession, by monopolists, of their unearned wealth, however, is the power which enables monopolists to keep others from using the land, the resources. Because monopolists are required to pay so little in taxes that they need not use the land to earn the taxes, the land remains idle without any risk to the holder, while it increases in value.

### Competition Never Tested

Whether or not the possessor may have properly used the land, the expenses of government should be collected, of course, from economic rent. The economic rent exists because of the presence and activity of society, that is, of all the people, and the failure of the holders of land to use it is no excuse for not paying what they owe to the people, to the community. Moreover, its proper use, as required by justice to all the people, would produce the money to pay the taxes, and would also provide fair compensation for the user.

By the champions of that kind of government, which is planned to be administered, according to the personal discretion and direction of official agents, we have been told that competition has been tried and has failed. On the contrary, the fact is that, in modern times, there has been no opportunity for true competition. Competition in the fundamental sense has not had a real trial. . . .

### There Is a Perfect Law

In the early part of these remarks I urged: "Discover the natural law and, in harmony with it, enact and administer the laws of human governments." Whether we call it the law of life, the law of nature, the law of creative power, there certainly exists perfect law and the adjustment of men's actions and conduct in harmony with that law will assure liberty and perfect happiness. Thomas Jefferson said: "The God who gave us life gave us liberty." We must understand, however, that human beings do not and cannot create justice. They can only discover, that is, become conscious of justice and its law, established for the harmonious control of the universe.

The unfettered operation of the principle which we have discussed would assure all men just compensation for their service and would give assurance of profitable employment at all times.