CHAPTER V.

ON PROPERTY.

In endeavouring to arrive at a natural theory of property, it is necessary to remind the reader that as yet the whole theory of property is involved in palpable obscurity. The whole subject is at present only a superstition. Practical rules are followed, but those practical rules are based on fictions, and this is admitted even by the expositors of law.

The question of property is not, "To whom does the earth rightfully belong?" for this question can receive only one answer, namely, "To its Creator;" but, "What ought to be the distribution of the earth among the living inhabitants?"*

The feudal system, from which the present system takes its origin, assumed that all the lands belonged of right to the king. And this assumption was

^{*}The question is entirely one of the relations of the various individuals who happen to tenant that globe at any given period, one man's right of occupation being limited by another man's right of occupation. To ascertain these relative limits is the whole practical research of political science with regard to property.

based on the supposition, that the king, as head of the State, derived his rights from God. The national lands, or State lands invested in the Crown, were by various processes alienated from the State, and transformed into the property of private individuals; and thus the taxation or public revenue of the country, instead of being derived from the lands, came to be derived from articles of consumption. That is, in fact, the rents of the lands were made the private property of certain privileged individuals, and an amount of taxation equal to the rents of the lands was imposed on the labour of the country by means of customs and excise, &c.

When political economy shall come to be better understood, it will be perceived that the rents of the soil paid to the non-labouring landlords are neither more nor less than deductions made from the profits of the labourers of the country. And consequently, that when the State or king granted or sold lands in perpetuity to individuals, the grant was nothing less than the grant of the future profits of future labourers. And consequently, whenever land is sold (and the price of purchase is regulated by the value - of the annual rent), that which is sold is really not the substantive earth, but the productive power, and this productive power is the power of producing value, and this power of producing value is entirely created by the labours of those who do labour, and not in any respect by those who do not labour. Consequently, when land is sold, that which is sold is nothing less than the profit of labour, the annual

rent value being entirely and exclusively created by the whole labours of the country.

This view of landed property, however, is so completely opposed to the ordinary system established by law, that many years must in all probability elapse before it establishes itself as one of the great fundamental truths of political economy.

Political economy, however, can take into consideration only the fact of possession and the law of beneficial possession (that is, what kind of possession produces the greatest amount of benefit to the community)—political economy can never legitimately take into consideration the concept property, as property is a concept extra-economical and super-economical. Political economy determines who creates value and what value is created; it then remains for politics to determine who ought to possess the created value.

That mankind is merely emerging from superstition on the subject of property is plainly evident from the fact that slaves (men—moral beings) have been esteemed property, and that human laws have given their sanction to the right of one man to buy and sell another man, and have fully acknowledged the sacredness of this right by using the armed force of the State in support of the institution called slavery.

When, among the most civilised communities in the earth, it has only recently been determined that one man cannot be the property of another man, we may expect, as a matter of course, to find the whole theory of property with regard to other objects a mere arbitrary superstition. When the moral and intellectual perceptions of the race have only recently perceived the truth, that a moral being cannot be the property of a similar moral being, it is plainly evident that a theory of property is only beginning to dawn on the reason of mankind; and as the slave was the object that presented the erroneous credence in its most plain and palpable form of criminal injustice, the slave would be the first object whose condition would be rectified by the enlightened rea-The slave was the worst exhibition of an erroneous theory; but there remain many other objects to which a theory of property extends, all of which must undergo examination in course of time, exactly as the enlightened intellect of humanity sees further and further into the true relations of men. Land. capital, and labour have yet to be regulated by a rational system that bases its propositions on something else than mere prescription, custom, or legal fiction.

THE GENERAL THEORY OF PROPERTY.

The theory of Liberty treats entirely and exclusively of the relations of man to man, and determines the rules by which men should be regulated in their actions towards each other. One man is here the agent, and another man is the object. The action is here supposed direct, without any intermediary. If A and B represent two men, the theory of Liberty determines their relations, and exhibits the laws by which they should be regulated in their mutual action and reaction upon each other.

The theory of Property extends the theory of

Liberty into a new region, by introducing a new concept or new term—namely, the objective world.

The question is now to determine the relations of the two men, with regard to the objective world.

As we have previously observed, the objective world may be viewed in several different aspects which are perfectly distinct, and which involve fundamental nouns substantive—primary and absolute.

First.

The objective world may be viewed as involved in the mathematical and physical sciences.

In the mathematical sciences, form, extension, and relations in space are taken into consideration, including relations of number and quantity.

In the physical sciences, action and reaction are taken into consideration, involving the fundamental concepts resistance or passive power, and the agencies or active powers, which reveal themselves in real mechanics, chemistry, electricity, and physiology.

Second.

The objective world may be viewed as involved in economical science.

In economical science, value and the power of producing value are taken into consideration. Value is an abstraction not capable of being appreciated by the senses, but apprehended by the reason.

In the physical sciences, the relation of matter to matter was taken into consideration; but, in economical science, the first and simplest form of the relation between man and matter is taken into consideration. Matter is here viewed as useful to man; and the powers of matter, and the actions of man on matter, are determined according to their utility. Economy superadds the concept utility to the physical sciences.

Third.

The objective world may be viewed as involved in political science.

In political science, property and the power of man to create value are taken into consideration. Property, like value, is an abstraction apprehended by the reason, and it gives a moral value to the objective world; that is, makes it capable of becoming the object of a duty or a crime.

Economy takes into consideration the relation of man to matter and of matter to man. Politics superadds the concept *property*, and takes into consideration the relations of *men* with regard to matter.

Fourth.

The objective world may be viewed as involved in theology.

In this aspect, man and the world are viewed as the creations of God, and as belonging absolutely to the Divine Being.

Fifth.

The objective world may be viewed as involved in philosophy.

In this aspect, matter is viewed as substantial or phenomenal, as cause or effect, as finite or infinite, as originating in time or not originating in time, &c. &c.

Taking a science as consisting of a nomenclature, classification, and series of syllogisms, these five divisions will be found to include every possible proposition with regard to the objective world, inasmuch as all natural history (description) enters the classifications of the sciences.

We have here, then, a definite region of investigation. The theory of economy is assumed as completed—as telling how value is created, and what individuals actually do create it; and then politics takes up the question of property, and determines by a general theory to whom the objective world (the land, & c.) ought to be allocated.

The concept property as an abstraction, is incapable of definition; but the object to which it is applied, may be described as an object which it is every one's duty to refrain from interfering with, without the consent of the proprietor, such interference being a crime.

It remains, then, to ascertain how man can become a proprietor,—that is, how he can establish such a right to any individual portion of the objective world, as makes it a crime for other men to interfere with that object without his consent, tacit or explicit.

The whole speculative theory of PROPERTY is based on one fundamental axiom or major proposition which is a universal and necessary intuition of direct belief.

AN OBJECT IS THE PROPERTY OF ITS CREATOR.*

This proposition is universal in its application, and indubitable in its certitude.

We have then to inquire what it involves, and how it can be made applicable as a rule of practice, that is, how it can be transformed out of a theoretic dogma, into a practical rule of life.

I.

An object is the property of its creator. Hence,—The creator of an object is its proprietor.

II.

Rights involved in the relation between the proprietor and the object of property:—

- 1. A proprietor may justly give his property.
- 2. A proprietor may justly lend his property.
- 3. A proprietor may justly exchange his property.

TIT.

Rights of the recipient from the proprietor:—

* This axiom is a pure instance of what Kant terms a synthetic judgment a priori, or synthetic proposition. That is, let the idea of creation be given alone to the human reason, and the reason cannot discover in it the idea of property; or let the idea of property be given alone, and the reason cannot discover in it the idea of creation. But let both ideas be given, and the human reason makes a synthesis which it intuitively believes to be absolutely necessary, and absolutely universal. Without these axioms, it would be impossible for man to make abstractions function or operate in the reason.

- 1. He who receives a gift from the proprietor becomes the proprietor of the object.
- 2. He who loans from the proprietor becomes just lessee of the object.
- 3. He who exchanges with the proprietor, becomes proprietor of the object *received* in exchange, provided he was proprietor of the object *given* in exchange.

Such are the principles which constitute an abstract doctrine of property, and the practical question is to apply these principles to the real circumstances of man. The theory must be transformed into a rule or canon, so that we can determine, by a method which is not arbitrary, to whom the various portions of the objective world ought to be allocated.

IV.

The theory of possession.

[Property is a quality which cannot be appreciated by observation in the object itself. But possession can be appreciated by observation, and we have therefore to determine in the general what objects ought each individual to possess.]

Axiom of possession.

Right should lead to possession.—This is the general principle that determines every question of possession, so that we have only to inquire how a particular right to an object can be generated, to ascertain what ought to be the distribution of objects among the individuals of the human race.

We can now connect property and possession. Property is that object to which an individual has a right, and right should lead to possession, consequently the proprietor ought to be *in possession* of his property.

How then does a right generate?

Postulate.

Man can create value in raw material.—This is a principle of political economy. Political economy is based on the principle, that man can and does create value, and the inquiry of political economy is into the law of such creation.

But by axiom, an object is the property of its creator, consequently, whatever is created by an individual is his property, and ought to be in his possession.

Let it then be clearly and definitely understood, that the value created by an individual is his property; and probably there will be little dispute about this proposition. But the great inquiry, and the one which has yet to play a prominent part in the history of mankind, is this,—" Upon what material has each individual a right to expend his labour so as to create value?"

Here is the great problem of modern society,—a problem which must be solved both in theory and in practice, at whatever cost to the generation that undertakes the solution. Here is the region where prescription and superstition determine the whole of the practical rules. In this question the welfare of mil-

lions is implicated. In this question may be the secret of British pauperization and Irish decimation. In this question may lie hid the elements of a strife as deadly as those contests for freedom to which modern society owes the liberties it enjoys; a strife which must come not merely from theories, or systems, or authorship, or doctrines, but from the very necessities of the human race. The problem lies in the pathway of mankind, and solved it must be, sooner or later. In attempting its solution, we are perfectly aware of the nature of the conclusion at which we have arrived. We know it to be considered dangerous by the great mass of society. We believe perfectly that it will be rejected at first, but we believe as perfectly that it will ultimately be adopted,—and more, we believe it true, and only because we believe it true do we present it to the reader's attention.

Admitting, then, clearly and fully, and to the utmost extent, that whatever an individual creates by the exercise of his labour is his property, absolutely sacred, and on no account to be interfered with by other men's force or fraud, we have yet to determine, or rather to ascertain upon what object each individual may justly expend his labour, for the value created must reside in some object, which object must be possessed.

What, then, is the rule for the equitable occupation of the substantive earth? The earth must be occupied, because this is the condition of human support; but it may be occupied equitably or unequitably, and

hence the necessity for a general rule which is not arbitrary nor partial, nor the mere dictum of those who happen to have the power.

To whom, then, does the substantive earth belong as property absolute?

This question, as we have before observed, can have but one answer,—namely, to its Creator, to Almighty God, who made the world and all things therein. And man also belongs to God, and is bound to obey Him.

The question then is, if man and the earth belong to God, what ought to be the distribution of the earth among its inhabitants?

Two lines of argument are open for the solution of this question:—

1st, On the supposition that God has given the earth to the children of men.

2nd, That men find themselves on the surface of the globe, in presence of an object capable of supplying their wants, and with the intuitive axiom that "an object is the property of its creator."

First.

On the supposition that God has given the earth to the human race, or to some portion of the race:

- 1. The gift must be either special or general, or a mixture of both.
- 2. The gift special must necessarily require indubitable evidence. And this evidence must extend to the determination of the special portion (whole or part) of the earth contained in the gift. Otherwise

the gift must be held as unsubstantiated, and the special claim must be held void and null.

In the one case of the Hebrews alone is it advanced, that this special gift has been made, and in that case the land was divided on a system approaching nearly to a system of equality. We may therefore leave the case of the Hebrews, and inquire what rules apply to the rest of the world.

3. If the gift be general. In this case it is to all individuals alike, or else it is not a gift at all. We have supposed the case of the Hebrews to be the only case of special gift (and certainly no man in this country can allege special gift), so that if there be in deed and in truth a gift of the earth from God to the human race, it is to every member of the race, and not to a few individuals who might happen to be prior in time, or to be dignified by vague titles in ages of superstition.

In this case, then, the gift is to all men alike, and the gift can only be parted with on the consent of each individual.

But it must be observed that on this supposition no individual can advance a claim to any one specified portion of the earth, (nor any claim whatever beyond the duration of his own life), he, as an individual having no more claim to any one particular portion than has any other individual. The gift being general, all special claims must be rejected.

On this supposition, then, we arrive at a general equality of rights to the earth. But it still remains

to ascertain how the earth may be equitably allocated for the purposes of cultivation, &c.

Second.

Let us now examine the other supposition, namely, that men *find* themselves on the earth, and that they do not take into consideration the divine proprietorship, but endeavour to allocate the earth by the natural reason.

In this case the facts are, that they are in presence of an object capable of supplying their wants, capable of being allocated to individuals for the necessary purposes of cultivation, &c.; and that they are endowed with the axiom, "An object is the property of its creator." In this case, then, they leave out of account all considerations as to a divine gift, and although admitting that the earth is the property of its Creator, we suppose them for the moment as being unacquainted with who the Creator of the earth really is.

In this case they will arrive at exactly the same practical conclusion as in the case of a gift-general, only there will be this logical difference, namely, that whereas a gift-general from the Creator will establish a system of positive equality, the supposition that there is no gift would establish a system of negative equality; but both would exhibit the rights of the whole race of men as practically equal.

The right of all men to the natural earth being then equal, it remains to be ascertained how the earth should be allocated according to a principle of equity exactly the same for all individuals.

The conditions, then, are:—

1st, All men are equal in their right to the natural earth.

2nd, No man can substantiate a right to any one specified portion of the earth.

3rd, Men require to occupy the earth specially for the purposes of cultivation, &c.

4th, Men may occupy the earth equitably or unequitably.

5th, The produce of each man's labour is his own property, and ought to be absolutely sacred from the forcible or fraudulent interference of other men.

And the question to be solved is, "How, with these conditions, can men equitably allocate the earth?" seeing that an immense advantage attends the division of the population into cultivators and non-cultivators, a fraction of the population (greater or less) being sufficient to do the cultivation for the whole.

The answer to this question is plain. By Association, and by making the rent-value of the soil, &c. the common property of the whole associated community.

This we affirm to be the only possible solution of the great question of natural property, and we hesitate not to affirm also that every country in the world, as its population increases, and with the population the *rent-value* of the lands, will be driven by pauperism to approach more and more nearly to the practical application of this theoretic solution.

We have here the genuine explanation of the causes of pauperism, and the consequent ruin, both

physical and moral, of vast masses of the population,—the cause that is decimating Ireland, expatriating Scotland, and gradually but surely demoralising the labouring classes of England.

But let us endeavour clearly to understand the operation of the principle of Association, so as to perceive its practical working. For this purpose let us take an illustration.

Let A, B, C, D, E, and F, represent six men, or six thousands of men, or six millions of men, or sixty millions of men; for the mere number is of no moment.

Let these men be located on a new territory, to which they have of course an equal right. Let them make as equitable a distribution as they can of the soil in all fairness and honesty. At first it may take the labours of the whole six to produce their maintenance, and this maintenance is the natural return for their expended labour. In these circumstances, the soil can have no rent, as there is no one to pay rent,—each producing what he requires for his own consumption. In a short time, however, it would be found that, by the expenditure of labour, the soil was more easily wrought, or that the men, by employing in the manufacture of implements that portion of their time which could not be employed in cultivation, could work the soil to more advantage. And, in consequence of this, it would not take the labour of six to supply six with food. The labour of five might support the whole six as easily as the labour of six did previously, consequently one may quit agriculture and devote his time to manufacture

needful articles, such as the five are willing to pay for in food, &c. But what is to become of the land he occupied? It is plain that if he does not withdraw from agriculture, the community must lose the benefit that would accrue from his devoting himself exclusively to produce those articles which the community requires. But he would not withdraw unless he also is to be a gainer. Let us suppose that he does withdraw for the purpose of making spades, ploughs, harrows, &c. &c., and that he exchanges these articles for food. He has left his land, and if there were not a superabundance of unoccupied land immediately at hand, his portion would be worth a rent. He, by withdrawing to produce articles which the cultivators require, has created the rent-value of land, and this rent-value will be equal to the produce of one person's labour, for the six farms, or to onesixth of the produce for the one farm; that is, the rent of his portion will be equal to the remuneration of one individual divided by six.

But, although it is true that the circumstance of his withdrawing to manufacture articles creates a rent-value for land, he is not the only person who creates its rent-value. The cultivators must produce his support, and this they can only do by labouring the land which he occupied, or, at all events, by expending more labour than would be sufficient for their own support, and they, as well as he, contribute to create the rent-value, exactly in proportion to their labour, and they, as well as he, are entitled to reap the natural remuneration of their exertions.

The rent-value, then, is in the common result of the whole expended labour, and it ought to be divided among the whole, so that each shall receive exactly the produce of his labour, and neither more nor less. And, in this way, if one man, by greater skill, or greater industry, or greater enterprise, were to produce more than his fellows, he would receive his natural remuneration, proportioned to his industrial merits; and this, not by any artificial estimation of his talents, but, by the common law of supply and demand for his produce, whether his produce were corn, or clothes, or implements, or music, or pictures, or books, or legislation, or any other article or service that society might require and be willing to pay for.

According to the present disposition of the soil, a man may have one or two hundred thousand a-year of rent from land; and for this he labours not, nor ever did labour, but enjoys this vast revenue by the gift or charter of a king—the representative of the nation—who, in consequence of that gift, was obliged to place on the industrious classes an amount of taxation equal to the annual value of the alienated lands. And this annual value, be it remarked, is not a stationary sum, but a sum that goes on increasing and increasing with the whole labours of the country. So that, in fact, to alienate the soil is only to deprive the labourers of their profits, and to allocate those profits to privileged persons who are thus supported at the expense of the industrious classes.

Let us now endeavour to determine the LAW OF RENTS, and to estimate according to a general rule the natural mode by which rent-value is produced, and the natural amount of that rent-value, supposing the soil of a country to be the property of the permanent State, and not the property of private individuals.

From the consideration of this question of landed property, we believe it flows as a necessary consequence—as a great and universal fact belonging to the human race—that the Creator of mankind, in constituting man and the earth, intended human society to be a community, an associated society, in the matter of natural property as well as in the matter of liberty; and, if so, the natural laws of property have necessarily to be discovered, exactly as man requires to discover the laws which regulate the phenomena of the material world. There is a divine arrangement with regard to property, just as there is a divine arrangement with regard to gravitation. And we are no more bound to accept the superstitious credences of men (even when backed by all the formalities of legislation), in the region of man's relation to man, than we are bound to accept the superstitious credences of men in the region of astronomy. In both regions the laws must be discovered-not made; and where vast systems of practical rules are put in operation, based on false or groundless interpretations of nature, we can anticipate no other results than those of pauperization, and misery, and want, and moral degradation, and all the other evils which the British Islands exhibit the such aggravated malignity.]

THE THEORY OF RENT.

First, What is rent?

Second, How does rent originate?

Third, What is its natural amount?

Fourth, To whom should it be allocated?

1st, What is Rent?

The following definitions of Rent have been given. [See Whately's Logic, 7th ed.]:—

- Adam Smith—(book i. chap. 6.)—Rent. What is paid for the license to gather the produce of the land.
- Say—(Traité d'Ec. Pol., tome ii. p. 169, 4 line edit.)—Rent. Le profit resultant du service productif de la terre. (The profit arising from the productive use of the soil.)
- Storch—(Cours d'Ec. Pol., tome i. p. 354.)—
 Rent. Le prix qu 'on paye pour l'usage d'un fonds de terre. (The price paid for the use of land.)
- Malthus—(Principles, p. 134.)—That portion of the value of the whole produce of land, which remains to the owner after payment of all the outgoings of cultivation, including average profits on the capital employed. The excess of price above wages and profits.
- Mill—(Elements, 3d ed., p. 33.)—Rent. The difference between the return made to the most productive, and that which is made to the least productive portion of capital employed on the land.

Torrens—(Corn Trade, 3d ed., p. 130.)—Rent.

That part of the produce which is given to the land-proprietor for the use of the soil.

M'Culloch—(Principles, p. 265.)—Rent. That portion of the produce of the earth which is paid by the farmer to the landlord for the use of the natural and inherent powers of the soil.

Ricardo—(Principles, 3d ed., p. 53.)—The portion of the produce of the earth which is paid to the landlord for the use of the original and indestructible powers of the soil.

Sismondi also gives a definition of rent, in which he assumes the landlord to be the cultivator of the soil,—a supposition so perfectly inapplicable to Britain (though applicable to France), that we may omit it. He analyses rent into, (1) the price of the labour; (2) the price of monopoly (a portion of the subject which ought not to be overlooked); (3) the difference between the values of good and bad soil; (4) the return for capital sunk in land.

These definitions are all valuable, as exhibiting certain aspects in which rent may be considered; but only one of them is scientific, namely, that of Say. It, however, is inadequate. M'Culloch's and Ricardo's contain important views of rent—views which will no doubt hereafter lead to curious considerations—as it would, at all events, be difficult for a few thousand proprietors to establish their right to the "whole of the natural and inherent powers," or to the "whole of the original and indestructible powers" of the soil.

It is plain that rent may be defined (or described) as to what it is, or as to how it is measured. That is, we may have a determination of the meaning of the word rent (for instance, let the word rent stand for the price, or value, or amount of produce, paid for the use of the soil), or we may have a determination of the generic value for which rent is paid. The word rent, in English, means "price paid for the use of," and it is a mere truism to advance such a proposition as a definition of rent. gives us the mere fact—the mere primary circumstance, out of which the science has to arise; it tells us, not what rent is, but how it is measured. namely, by the price paid by the farmer for the use of the soil. But when this empirical definition has been made, the real definition is still requisite, namely, "What does the price paid for the use of the soil consist of?" and Say has here advanced a real, though inadequate definition, "Rent is the profit resulting from the use of the soil,"—a proposition which, if true, ought to follow from the general definition of profit. But this definition is still unsatisfactory, although it approaches the real character of rent; because, advanced in this form, it requires a proof that rent is the equivalent of profit. definition given by Torrens is the correct one, so far as the meaning of the word is concerned, and, if it were accepted, Say would proceed to prove that "the part of the produce given to the landlord" was "the profit of the productive use of the soil."

With so many great names before us, let us

endeavour to go to the bottom of this mystery of rent, and, if possible, to ascertain what rent really is.

Nominal definition—"Rent is the price paid for the use of."

The rent of the soil is then the price paid for the use of the soil. This gives us the measure of the rent-real, that is, the rent-real is measured by the price paid for the use of the soil. Let us now endeavour to discover what this rent-real is.

Rent is a value, but the value of what? It is clear that the above nominal definition gives only one member of an equation, with its name; but what is the specification of that other member for which rent is paid. It also is a value, but the value of what? Of the productive capacity of the natural soil, which productive capacity represents the natural profit of human labour. So that the rents of the lands are neither more nor less than the profits of labourers; that is, the profits intended by Nature (or rather by God) for the labourers, and not for the non-labourers. Let us endeavour to make good this proposition.

The first great fact belonging to the terrestrial economy, in this department, is the fact that the earth is capable of producing more than the cost of the labour expended on it, the cost of the labour being that which the human frame requires to consume, to maintain it in proper health according to climate, &c. This is one of the great fundamental facts of man's earthly home and man's physical constitution, as benevolently constructed by Almighty God. God

has not only made man a feeding animal, but a rational and moral creature, with an intellect to study the universe that surrounds him, and affections which require their appropriate gratification. And it would appear that therefore God has constituted the globe in such a manner as sufficiently to supply man with food, and yet leave him time to satisfy his intellect, and to furnish to his affections their appropriate objects. That man is by nature a mere labouring animal is a false and wicked doctrine, calculated to produce evils of the worst and most pernicious character.

The moment this great fact is seen in its true light, we see also that the earth, as constituted by God, contains within itself the elements of improvement,—that is, that man, if he act rightly and in accordance with the constitution of Nature, may continually amend his condition. Savages must be poor and degraded, but civilised men may continually go on to a higher and nobler destiny.

And this doctrine we affirm, in the face of all that has been written and said on the dangers of a surplus population. And to bring that question to issue at once, and to show how false premises may lead to monstrous conclusions, we put the case thus, in opposition to Malthus and his geometric ratio. It is a fact,—a fact which cannot be denied, though terribly overlooked,—that the higher a nation attains in civilization, the less is the proportion of inhabitants devoted to the production of food. And this being the case, it is plainly evident that the increase of

food has a greater velocity than the increase of population; and this is true even in the British Islands, where population is so dense. Great Britain employs only one-third of her population in agriculture, and this one-third produces food, not only for itself, but for nearly the other two-thirds,—a proportion unknown in any other great country. And so far from the population increasing faster than the food, the imports of grain greatly diminished from the beginning of the century to 1835, although about nine millions were added to the population of the United Kingdom. (See Porter's Progress.) But even if the imports of grain had remained stationary, or even slightly augmented, the fact would still have been sufficient to upset the whole doctrine of the Malthusian school; and, until they can explain the fact on their principles, their doctrines must be ranked among these curious fallacies which never fail to astound us, when men begin to study a particular department of nature. Almost every science in its infancy has shocked the world with some preposterous falsehood, and theories of population have not escaped the common frailty. Thus the sceptics proved that there could not possibly be a miracle; the idealists, that there could not be a material world; the astronomers, that there could not be a Christian religion; the geologists, that there could not be a Biblical creation; the phrenologists, that there could not be a soul; the metaphysicians. that there could not be a cause; the economists, that there could not be a conscience: and so each has

come with its own great discovery, for which the world is no doubt much the wiser. And, last of all—grandest, most wonderful, and most consistent—comes the German phenomenologist, who proves triumphantly that there cannot possibly be anything at all.

Now, can any one possibly explain the fact that Great Britain has been able to withdraw about twothirds of her population from the production of food, on any principle whatever that assumes population to increase even as fast as food? Such a principle is a monstrous and ridiculous fallacy, contrary to all we learn from history of the earlier stages of society, and contrary to all we know of new countries and colonies. where at first nearly all are food-producers. And it is only as nature has been made to yield her wealth in return for expended labour, that a greater and greater proportion of the inhabitants can withdraw from agriculture, and devote their energies to the production of those articles which give a higher tone to man's terrestrial existence—which make him less of an animal and more of a mind.

It is plainly evident that more labour expended on the soil will make it produce more; and, consequently, if England were to employ another million of her population in agriculture, she could produce, out of her own soil, much more food than would be requisite for the abundant support of all her inhabitants. And consequently the true reason why, in England, the soil does not produce as much food as the nation requires is, that so large a proportion of the popula-

tion has withdrawn (or rather been driven) from the production of food. With only one-third of the labour of the country expended on the soil,* it is perfectly absurd to speak of a surplus population for whom there is not food enough, and still more absurd to suppose that civilization and an increased population lead necessarily to the shame and degradation of the labouring classes—to their destruction by famine and disease—to their expatriation—or to their old age of bone-breaking and oakum-picking in poorlaw bastiles. Such doctrines are false interpretations of the world which God has given us, as wicked as they are false.

When we have firmly laid hold of the fact that the earth, as constituted by God, is capable of producing more than the cost of the labour expended on it, we may proceed to make the first great division of a natural science of Political Economy.

As we stated in a former treatise, every function necessarily divides itself into,

The Agent, The Object, The Product;

* Taking machinery into consideration, instead of the labour expended on the soil being the third, it is probably not the tenth, possibly not the twentieth. Fifty men ploughing the waters with one of our great steamers get through an immense deal more work than fifty men ploughing the land with horses. And this can easily be brought to a comparison or equation. For, let us unyoke the horses from the ploughs and put them to waggons for the purpose of conveying the same quantity of goods as the steamer. Taking extra capital, extra risk, &c. into consideration, it is universally found that steamers are cheaper than waggons wherever they can find their way and have full employment. And to say that they are cheaper is only to say that one man in the steamer (though not using more exertion or working harder) is producing a greater result. He does not work nature, he only guides the machine that works nature.

and here the general classification is,

Man, The Earth, The Produce; or, specially in Political Economy,

Human labour. The productive capacity from the produce of the soil.

To make these function or operate in the human reason, a common measure is assumed under the name of value, and this value is itself measured by the outward fact of exchangeability. For instance, "How much labour will you give for a certain quantity of productive capacity? or for a certain quantity of produce? or, how much produce will you give for a certain quantity of labour? or, how much productive capacity will you give for a certain quantity of labour or of produce?" &c. &c.

This exchangeability is again measured by a common term called money, and this money is made to consist of some article which is tolerably constant in the quantity of labour required to procure it, and at the same time so scarce as to present little bulk, while its physical characteristics qualify it for ordinary currency. Gold, silver, &c., are nationally selected as representatives of value, and paper may again be employed to represent gold and silver.

When the above propositions are clearly apprehended, we may fix the language in which the terms may be expressed, put the quantities in equation, and proceed to reason with them.

But before doing so, we must justify the rejection

of the term productive power, and explain the reason why productive capacity ought to be employed.

In political economy we reason of human action, and of the result of that action when employed on the material globe. Consequently, as power is an agent, human labour must be the power operating—the earth, the capacity operated upon—and the produce, the resulting product.

Those who care little for the precision of language, provided they understand the subject, may deem this a superfluous refinement. Not so. Science progresses exactly as its language is made more perfect; and, besides, there is another and a very important reason why capacity, and not power, should be applied to the soil.

When we consider the earth by itself, and leave human labour out of account, the earth is then a power, that is, a power which produces of its own accord, as we express it. But in that case we are engaged with the science of the physical earth, and not in any respect with political economy. What was a power when the earth alone was in the field of observation, becomes a capacity when man is superadded. Man becomes the power, and the soil becomes the capacity. And if the reader have seized what we formerly advanced, on the metamorphosis of a consequent into a major, he will readily understand how a similar law prevails with regard to the terms, and how an agent becomes transformed into an object, and afterwards into a product.

Agent, object, product, are the universal and neces-

sary relative terms of human cognition, and, provided the relation is preserved between them, they may slide backward or forward, like the major, minor, and consequent of the syllogism.

The abstract form of this metamorphosis is as follows:—

1st, Inductively—1st Function.

- A. The Product—A condition or event resulting.
- B. The Object—An object capable of a condition.
- C. The Agent—A producing power.

2nd Function.

- B. Pro.—The condition of the former object viewed as product.
- C. Ob.—The former agent viewed as object.
- D. Ag.—A new producing power.

Which formula may be pursued as far as an ultimate agent.

Concrete Example—1st Function.

- A. The Product—Death, the produced phenomenon.
- B. The Object—The body, capable of being wounded.
- C. The Agent—The shot, as power to wound.

2nd Function.

- B. Pro.—The condition of the body—the wound.
- C. Ob.—The shot, as capable of being fired.
- D. Ag.—The man who fired, as power to fire.

3rd Function.

- C. Pro.—The shot, as produced phenomenon.
- D. Ob.—The man, as capable of being influenced by motive.

E. Ag.—Malice, the motive, as power to influence. To convert this into a *deductive* series, it must be read from the bottom upwards.

Now, it will be observed that what in one function was considered as an object, may in another function be considered as a product or an agent. And the very meaning of these terms implies this, namely, that at one moment we may consider an object in itself, at another in its agency, and at another in its condition resulting from some other agency. Not, of course, that one object becomes transformed into another *object*—the shot does not become transformed into the wound, nor the wound into the death—but that all objects (save ultimates) may be considered in the three aspects of agent, object, or product. And thus what in one science was a power, becomes in another a capacity, and in another a product. And we affirm, that what in physical science is a producing power, becomes in political economy a productive capacity, and in politics proper a produced value, having an owner.* This most interesting law of metamorphosis is a universal phenomenon

In physical science, the earth is a power capable of producing vegetation; in agriculture, the earth is a capacity capable of producing vegetation in return for expended labour; in private economy, a capacity capable of producing value in return for expended value; in political economy, the facts of private economy are investigated as they affect the condition of man, and the earth is a capacity capable of producing social value in return for expended value; and, in politics, the earth is a capacity of producing value, which capacity is itself capable of being produced or increased by the expenditure of human exertion. And in the latter form alone is it possible to arrive at a theory of property.

of rational cognition well worthy of a much fuller development than we have attempted, inasmuch as it explains the growth of science, and the mode by which propositions are condensed into terms and made to function as substantives, whereas they are perhaps events, or relations, or conditions, or perhaps even functions, or series of functions.

We have, then, as the terms with which we must reason:—

Human | The productive capacity | The produce labour. | of the soil. | of the soil.

And these are taken in their most general signification; for instance, the productive capacity applies as much to the capacity of producing *minerals*, as to the capacity of producing *corn*; and *produce* includes minerals, fish, and *rents* (the equivalents of actual produce), quite as much as wheat or potatoes.

To labour, to the productive capacity of the soil, and to the produce of the soil, we have to assign values, so that the three items may have a common measure, this common measure being the abstraction value, which again in concrete cases requires a concrete measure.

Let, then, the expenditure which man requires to make during the time he labours be called the cost of his labour, and the surplus return which he receives in the value of the produce be called the profit, the natural profit of his labour—that is, the profit which the earth as constituted by God is intended to return to him.

This distinction is clearly evident—that the return

which man receives from nature is the cost and the natural profit of labour.

First equation, then,

The produce of the soil equal to the cost and natural profit of human labour.

But having assumed the indisputable fact that the earth, as constituted by God, has in itself a capacity to produce more than the cost of the labour expended on it, we arrive easily at the value of this capacity, through the

Second equation:

The produce, equal to the cost of labour, plus the value of the productive capacity of the soil.

* In this argument it will be seen that we take the productive capacity of the soil, as that capacity which enables the land to pay a rent. But there are lands which may be supposed capable of producing only the value of the expended labour, and the term capacity may be applied more correctly to the whole capacity of production, whether that be more or less, whether there be a loss, or an exact remuneration, or a profit. Using the term capacity in this sense, we arrive at the very same conclusion, although we are obliged to divide the producing cast, and the capacity of producing profit. The argument will then stand more correctly thus:—

Produce ... equal to ... Cost and profit, and Produce ... equal to ... Productive capacity.

Productive capacity equal to ... Cost and profit. But,

Rent ... equal to $\begin{cases} \text{Productive capacity, minus cost of} \\ \text{production.} \end{cases}$

Rent ... equal to ... Produce, minus cost of production.

But,
Produce, minus cost
of production,
Production,
Production,
Production
of production
labour.

Rent ... equal to ... Natural profit of labour.

Hence, from the two equations,

The productive ca- a pacity of the soil are equal to a fundamental profit of human labour.

And again,

The productive capacity of the soil } equal to { The produce, minus the cost of production.

But rent (as a value) by definition is the value of the productive capacity of the soil. Hence,

Rent ... equal to { The produce, minus the cost of production.

And Rent ... equal to { The natural profit of human labour.

And rent is measured by the price paid for the use of the soil.

But labour considered as merely the exertion of man, is not the only expenditure actually employed in cultivation, or in extracting from the earth the objects man requires. True. Men employ not only labour properly so called, but CAPITAL, which they embark in houses, implements, roads, &c. &c. capital, however, may all be resolved into labour which has at some anterior period been expended, and the profits of which have been accumulated—saved. This capital is a convenient term, as it stands for a long series of propositions, which are thus condensed into one term or sum total. This capital may be gold, or credit, or cattle, or in fact any accumulated facility that tends directly to enhance the value of the produce, either by the increase of quantity, or by the increase of the rate of value.

Consequently, as actual labour and actual capital may appear together in effecting the production of the articles required by man, the actual cost of production will include the current value of the capital, so that the general formula becomes transformed into one more specific, to suit it to the circumstances of old countries, where capital (or hoarded profit) forms a considerable, perhaps even it may be the most considerable item.

Thus, then, more specifically,

Cost of pro- duction Cost of labour, plus interest-value of capital.

Hence.

Rent ... equal to { Value of produce, (minus cost of labour, plus interest-value of capital.)

But.

Productive capacity of the soil equal to The produce, minus the cost of production.

Therefore.

Productive capacity of the soil equal to Produce, (minus cost of labour, plus interest-value of capital.)

Hence, assuming capital to be not only capable of a current value (interest), but also of a legitimate profit over and above the interest—no unfair assumption, certainly-

The produce of the soil equal to Cost of labour, plus interestvalue of capital, plus profit of labour, plus profit of capital.

And rent ... equal to {Value of produce, (minus cost of labour, plus value of capital.)

Consequently, throwing out of both members "cost of labour, plus value of capital,"

RENT ... equal to Profit of Labour, plus Profit of Capital.

Or, assuming capital to represent only so much accumulated natural profit of formerly expended labour, we have finally—

RENT ... equal to { The Natural Profit of Labour.

And this proposition, whatever may be made of it, or however it may be misunderstood or nullified by those who would not wish it to be discovered (for they cannot prevent it being true), lies at the bottom of the non-remuneration of labour, and accounts for the pauperization of the labouring classes. The landed aristocracy are exclusively maintained on the natural profits of the labourers of the country.

2nd Question—How does rent originate?

A certain price is paid for the use of the soil. This is an actual fact of social economy.

Let this price be called Rent. This is a mere matter of nomenclature. It gives the nominal definition of rent.

But what does the price paid for the use of the soil really represent?

It represents, first, the productive capacity of the soil, and, second, the equivalent of that capacity, namely,

the natural profit of labour—that is, the surplus produce which God in his bountiful construction of the terrestrial economy has added over and above what man requires to consume while employed in labouring.

When, therefore, we inquire, "How does rent originate?" we inquire, first, into the origin of the fact that a price is paid for the use of the soil, and, second, into the origin of the profit of labour.

The latter question comes first in natural order, as, if there were no profit, there could be no rent. It is a fact, as we have before stated, that the earth is capable of producing more than the cost of the labour expended on it. This fact is at the bottom of all human amelioration, and it is the foundation-truth of a natural science of political economy.

The origin of *profit*, then, is in the fact that God has benevolently constituted the world and made it of such a nature that it will yield a surplus to human exertion intelligently expended. And wherever a nation does not derive a profit, and a large profit, it is because the labour is *not* intelligently expended. The want of profit is in the fact of man's ignorance and injustice, and not in the constitution of the globe.

This profit, then, is the origin of its representative—the price paid for the use of the soil. And we have to inquire into the *mechanism* by which a price comes to be paid for the use of the soil.

Let us now revert to our six men, or six millions of men—A, B, C, D, E, and F.

It is plain that if all are food and raiment pro-

ducers, and if they produce only sufficient for their own respective requirements, there is no profit, and there can be no rent.

Let us suppose, however, that they have so far improved their means of cultivation as to produce one-fifth more than they require. In this case they can remain one-fifth of their time idle (not by any means a profitable mode of expending time); or each may devote this fifth of time to produce articles for himself; or, finally, a much better plan, five may remain cultivators, while one devotes his whole time and attention to the production of those articles which will still further facilitate the labours of the five. In the latter case, the whole society will have food, plus the produce of one man's labour on other articles. The account will stand thus:—

1st Case.—All food-producers.

31.

OC:

Six men produce six maintenances.

2nd Case.—All, minus one, food-producers. Five men produce six maintenances, and one man produces articles of exchange to *purchase* his food from the five.

Rent has now become possible, and not only possible, but it is the only mode by which a just arrangement can be made, so as to equalise the terms of exchange. The man who withdraws from producing food is as much the creator of rent-value as the five who remain to produce the food; and it will always be found that rents are highest where there is a larger proportion of the population not engaged in producing food.

Rents, then, originate in this manner:—

According to the constitution of the terrestrial world, as framed by God in its suitability to man's requirements, the earth produces more than the cost of the labour requisite to obtain the productions. This more is the surplus produce which remains in excess over and above what man requires to consume while engaged in labouring. This surplus is the natural profit of labour, and it represents the extra productive capacity of the soil—that is, the capacity of the soil to furnish more produce than the labourer required to consume. The surplus produce is the measure of the extra capacity, and it is this extra capacity (which represents the natural profit of labour) for which rent is payable.

We have here, then, two terms, which are perfectly distinct, but which are mutually correlative, namely,

PRODUCE, divided into

1st, Repayment of

cost.

2d, Profit.

PRODUCTIVE CAPACITY, divided into capacity of reproducing cost; capacity of producing profit.

The capacity of producing profit (for profit it is into whatever hands it may fall) is that for which rent will be paid; and, as soon as we ascertain how the capacity for producing profit originates, we have ascertained how rent originates.

It is plain that where the whole of a population are food-producers, and each produces for his own requirements, there can be no rent. If there were a chief, or ruler, or king, or regulator (whatever he

might be called), and if this chief were supported at the expense of the rest, there might be a payment in kind of so much grain, or sheep, or fish, or produce; but this is not rent—it is taxation, and taxation in its first rude and imperfect form.

But let us suppose a country or district brought to the point where five-sixths of the inhabitants can supply the whole six with food; there is then possible a profit of one maintenance on the labour of five, and the capacity of producing this profit will immediately become worth a rent, as it gives the power of purchasing the productions of the one, who devotes himself to manufacture articles to exchange against food.

And if four-sixths can supply the whole six with food, the capacity of producing profit is immediately increased, and, of course, is worth a higher rent; and if three-sixths can supply the whole, the profit still increases in the same proportion, and the rent follows in the exact ratio of the profit. This would hold good, even if it were possible so to increase the facilities of food production, that one out of six should produce food for the whole six. At present the highest proportion of those who do not produce food is found in England, where about two are food-producers, and four are not food-producers.

Let us, then, clearly understand that rent originates in the fact, that the earth is (or has become) capable of returning for one man's labour, not only as much as will support one man, but as much as will support two, or three, or more men, so that the man who labours on the earth receives not only the cost of his labour, but a profit equal to the cost, or double the cost. And rent is the price paid for the capacity of producing this profit.*

We are now able to attack our third question, namely, "What is the natural amount of rent?" And this question we shall endeavour to solve by a method which is not arbitrary or empirical, but scientific, for there is a law of rent quite as much as there is a law of gravitation.

It is a very common fallacy to suppose that the rent of the soil (which we take as the type or form of rent most convenient for argumentation) depends on the amount of labour, skill, or capital that has

*It must be observed that the surplus produce is profit, to whatever person it may be allocated. Now, in saying that the cultivator receives this profit, of course we understand that it is not profit to him, unless it remains in his hands. The word profit has thus an ambiguous meaning, according to whether we use it subjectively or objectively. The surplus produce (or its equivalent value) is profit objectively in all circumstances; but it is not profit to the cultivator (subjectively), if he have to pay it to a landlord who does nothing. To the landlord (who did not earn his estate by working for its value) it is profit of the highest and most absolute nature, that is, it is a pure benefice—a profit without a cost.

This may be expressed technically, thus:—the labourer expends x, and receives x + y, and y may be equal to $\frac{x}{20}$, $\frac{x}{10}$, $\frac{x}{2}$, x, &c. Now, in the case of the landlord (for instance, many of the British aristocracy at present), the landlord expends nothing, and receives the profit, so that with him x becomes nothing, thus x = 0.

He therefore expends 0 and receives 0 + y, where y is of course incommensurable with x, and infinitely greater than x. But even where the landlord expends the rent, he does not expend x; he only expends y to receive y + y', or again y + y' to receive y + y' + y', &c. &c. Nothing can be more certain than that the rents of the landlord are only the profits of the labourer.

been expended on the portion of soil itself which pays the rent. Nothing can be more fallacious. The rent of any one portion of soil does not depend on the labour or capital that has been expended on that portion, and this point must be made clear before we can proceed to examine the doctrine of amount. For instance, if, in the heart of London, a space of twenty acres had been enclosed by a high wall at the time of the Norman Conquest, and if no man had ever touched that portion of soil, or even seen it from that time to this, it would, if let by auction, produce an enormously high rent. Hampstead Heath, for instance, in the immediate vicinity of London, would, at this moment, let for an enormous rent, which rent in nowise depends upon any labour or capital hitherto expended on the Heath. The lands in the neighbourhood of London, Edinburgh, Glasgow, Manchester, Birmingham, and all the large towns, have increased, not from expenditure upon the soil itself, but from the labours of those who are unconnected with the soil; and were those labours to cease, the rents would decrease, and, in some cases, disappear. It is a well-known and comcommonly observed fact, that the establishment of manufactures greatly increases the rent of the surrounding soil,—in fact, that this increase of rent has been created by the manufacturers. But a fact of much greater importance, and one not commonly made the matter of distinct reflection, is this, that manufactures create all the legitimate rent that can possibly exist,—all other payment being in reality

either taxation or robbery. And thus the present rents of the landholders are really and truly transformed taxation—that is, the amount now paid to the landlord in the shape of rent is the modern representative of what was formerly paid to the State in the shape of taxation, the tax for the State service being transformed into the rents of the individual landlords. And thus the labouring classes, who formerly paid only taxation, now pay both rent and taxation, and consequently are robbed, for robbery it is (see Whately's Logic), of the profits of their With a purely agricultural population there can be no rent,—there may be taxation, that is, payment out of the profits of labour for the service of the State, or there may be robbery, that is, payment extracted by force out of the profits of labour to support a non-labouring aristocracy. And as human society, in its present form, grew gradually out of the feudal constitution of society in which the aristocrat was the state-soldier, the lands which were the benefices of the state-soldier were transformed into the property of the individual, independent, and nonresponsible landlord,—a few thousands of whom now enjoy what was formerly the taxation of the kingdom, while the labourers have to pay another taxation equal to the rents of the soil.

Leaving out of consideration, however, the actual distinction between taxation and rent, we have to inquire what ought to be the amount paid for the use of the soil, that is, for the exclusive liberty of extracting the surplus produce which the earth natu-

rally returns for labour intelligently expended. And this amount, we affirm, does not depend upon the quantity of labour or capital that has been expended on the particular portion of soil that pays rent. Labour and capital expended on a particular portion of soil will create a differential rent, that is, a rent over and above what would be paid were such labour or capital not expended, but this is a question of relation between one portion of soil and another; whereas the main question is, Why does the whole extent of soil pay a rent? and what is the natural amount of that rent? Here, then, we have to deal with an average of rent, and we endeavour to determine what should be the amount of the whole mass of rent according to the circumstances of a country.

That which determines the whole amount of rent in a country is the whole amount of the whole labours of a country. So that every new improvement in machinery, every means of facilitating labour, every means of producing the same quantity of goods in less time or at less expense, every increased facility of transit, every means of doing more than could formerly be done, increases the amount of rent us directly as improvement of the soil itself. Demand is only the empirical measure of the rent. The rent depends not on the demand, but on that which causes the demand, and that which causes the demand is the consumption of those who are not food-producers, and the consumption of those who are not food-producers depends on their number and their social condition. So that ultimately the rent of the food-producing soil depends on the number and social condition of those who are not food-producers.

This is the first great principle of rent—that is, of rent proper—we do not speak of robbery. There may, it is true, be robbery where there ought to be little or no rent—as in Ireland, or in the dominions of the East India Company, where there is a vast system of robbery, and the natural consequence is, that in these cases the tillers of the soil are reduced to the most dreadful condition of necessitous misery. But robbery, whether assuming the form of State Taxation or of Landlord's Rent, is not really Rent (any more than judicial murder is justice, or the worship of an idol is piety), and the distinction must be clearly drawn, or otherwise there can be no real understanding of this great question of social science.

It is clear that, if a small but very strong party (so strong as not to be resisted, like the East India Company,) assume to itself the power of taxing the soil unlimitedly, the cultivators are under the absolute necessity of labouring for the merest return of food that will support their frames. As no other means of livelihood can be substituted for the soil, the limit to which such taxation may be carried (whether under the name of taxation or of rent, for this makes no possible difference) is the limit of starvation, and as occasionally years necessarily occur when the produce falls below the average, starvation actually does occur, and that to no small extent. But such taxation is not rent, it is pure unmitigated

robbery, systematically carried on through the medium of a standing army, the army being in fact only the tax-gathering force, as it is in British India.

Rent, on the contrary, is a just and equitable payment (not to the landlord, as we shall show presently),—a payment which, if society were equitably constructed, would be the great means (nature's great method) of equalising exchanges between the producer of food and the producer of articles to exchange against food; and also the means of determining in every country the relative proportion between the food-producers and the non-food-producers in the matter of number.

1st, Rent depends on the whole labours of a whole community.

And 2d, The whole labours of the whole community depend on the proportion between the food-producers and the number of those who produce articles to exchange against food. That is, the fewer the food-producers the higher the rents, provided the food-producers furnish food for all. Thus rents will always be highest in the country that has the greatest proportion of manufacturers and traders, for the manufacturers are the creators of the rent quite as much as the cultivators, nay, much more.

The amount of rent that ought to be paid (and that would be paid were the land the inalienable property of the whole associated community) depends on the proportion between the food-producers and the non-food-producers, and hence we may derive a

non-arbitrary law of the amount of rent. This point we must illustrate by examples. Before doing so, however, we must apprise the reader that in actual fact—that is, in the natural constitution of the globe and of man—there is a very important circumstance to be taken into consideration, a circumstance which complicates all calculations on this subject. This circumstance is the difference between skilled labour The labour of the skilled and unskilled labour. labourer (for instance, the man who designs the ship, or engine, or machine, or process) is not to be compared to the labour of the unskilled labourer (for instance, the man who cuts the tree, or merely hammers, by brute force, where he is directed) on any such principle as the comparison of mere number. Where one man could be found to invent a steam engine, a thousand could be found to construct it, and a million to dig the ironstone out of which it was ultimately produced. On this point we have at present only to apprise the reader of the difficulty, remembering always that the terms "skilled" and "unskilled" are relative, so that the constructor is unskilled in comparison to the inventor, but skilled in comparison to the miner. The miner again may be skilled in comparison to the lowest labourer, and so forth. In the possibility of man becoming skilled lies the secret of human improvement; and it might be proven that, in the development of skill, lay hid the true reason for the continual increase of rent. But this we leave in abeyance at present. Rent, we say, depends on the relative number of the non-food-producers as

compared with the number of the food-producers. And as, by previous demonstration, Rent is equal to the natural profit of labour, the natural profit of labour depends on the comparative numbers of these two great classes of society—that is, assuming that the average skill developed and excited by each class is the same. If the skill be greater on the part of the agriculturists, then the rent would fall below the amount indicated by the formula; and if, as is really the case, the skill exerted be greater on the part of the manufacturers, then the rent would exceed the amount indicated by the formula. And as all machinery is only brute matter made to exert skill and labour (by the direct creation of the human reason), if the non-food-producers employ machinery of a much higher and more efficient character than that employed in agriculture, the rent will increase in a corresponding ratio, for machinery increases rent quite as much as any human labour. Hence, again, rents will always be highest in that country where the greatest amount of machinery is intelligently employed.

But, leaving out of consideration those refinements, which, though necessary to make the argument accurate, tend to obscure it, and make it at first less intelligible to the reader, the first great principle of rent is, that its amount depends on the relative number of food-producers and non-food-producers. [Always, of course, bearing in mind the plus or minus differences which depend on the circumstances of skill and machinery, &c.]

We are now able to take certain theoretic examples.

Let the whole population be six.

- 1st Case.—The whole population engaged in the production of food and the necessaries of life, each family labouring for itself. No rent.
- 2nd Case.—Five-sixths engaged in the production of food, and one-sixth engaged in the production of articles to exchange against food. Rent has now become possible, and it ought to be equal to the cost of the maintenance of one-sixth of the population.
- 3rd Case.—Four-sixths engaged in the production of food, and two-sixths engaged in the production of articles to exchange against food.
 Rent equal to the cost of the maintenance of two-sixths of the population.
- 4th Case.—Three-sixths engaged in the production of food, and three-sixths engaged in the production of articles to exchange against food. Rent equal to the cost of the maintenance of three-sixths (or one-half) of the population.
- 5th Case.—Two-sixths engaged in the production of food, and four-sixths engaged in the production of articles to exchange against food.

 Rent equal to the cost of the maintenance of four-sixths (or two-thirds) of the population.
- 6th Case.—One-sixth engaged in the production of food, and five-sixths engaged in the production of articles to exchange against food.

Rent equal to the cost of the maintenance of five-sixths of the population.

We have now to justify the above propositions, and to exhibit the principle on which they rest. Of course, the determination of the actual rent in any given country, whether theoretically or by statistical observation, is a problem of immense, perhaps, of insuperable difficulty. But this is no valid objection to the determination of a law of rents. For instance, all the observers in the world, with all the most accurate instruments that could possibly be made, and all the mathematicians to aid with their powers of calculation, could never calculate the actual phenomena that result from the lighting a single taper in a single chamber. The actual reflection of the light from the innumerable surfaces—from every inequality of the paper on the walls-from every fibre of wool in the carpet—and from every vagrant particle of dust that floats indolently in the air,—all this transcends the utmost ingenuity of man. And yet this by no means prevents the discovery of the laws by which light is reflected, nor does it prevent many useful applications of those laws. And so it is with rents. We cannot rush into the complexities of actual societies, and thence proceed to extract a simple law of rents; but we must commence with constructing or supposing the most simple and least complex circumstances possible, and endeavour from those simple circumstances to ascertain what the operation of rents really is—that is, to discover the law of rents.]

Let the cost of labour be that which man requires to expend during the time he labours. And let the cost of production be the cost of labour, plus that which man requires to expend (or consume) during the time he waits for the produce: [For man may not only have to labour for his return, but to wait for it.]

And let *produce* be that which man receives in return for his expenditure:

And let the difference in excess of the produce over the expenditure be called profit:

Then—postulate—The earth, as constituted by God in its relation to man, is capable of returning a profit for expended labour.

This is the first fundamental principle of political economy—that is, of political economy as a natural science—a natural science as independent of human opinion as is chemistry. The Malthusians, overlooking this principle, have asserted that with the progress of society there must also come a greater scarcity of food, which is in direct contradiction to what we know of civilised society; for the most advanced nations are those which employ the smallest proportion of their inhabitants on the production of food. And it is, in fact, this very circumstance of employing a smaller and smaller proportion of the population on the mere production of food, that lies at the bottom of all advancement, of all progress, and of all improvement.

Let us, then, assume a common measure, and assign a value to the various items. The first de-

finite unit which we encounter is the cost of the maintenance of an individual. This, it is true, may be assumed higher or lower. In one country it may mean a scanty supply of rice and a few yards of cotton; in another it may mean potatoes and salt, rags and wretchedness; and in another it may mean a constant supply of wheaten bread, with a respectable quantity of beef, beer taken for granted, and other little articles too numerous to mention. But let it be what it may, it is the unit of calculation. Its natural determination is,—such a sufficiency of food, clothing, shelter, &c., as shall keep the labouring powers at their fullest extent for the longest period When it falls below this, it is too little.

Let us, then, assume the cost of maintenance of an individual at £12 for a year. We choose twelve for the convenience of division, and also because it is perhaps not very far from the actual cost of maintenance, taking the labouring population overhead.

Let the population, then, be six—(six thousand, or six hundred thousand, or six millions, or sixty millions).

Then six, engaged all in producing food and the articles they require for maintenance, produce six maintenances:—Rent impossible. The cost of maintenance and the produce are equal to each other. Some savage tribes and quite new colonists are in this condition. We have then the equation—

Cost = £72 = Produce = £72.

Let us now suppose that improvements take place, so that the labour of five will produce six mainten-

ances; consequently one retires from agriculture for the purpose of manufacturing articles to exchange against food. We have now to assign a value to the labour of the one who retires. If we suppose him to possess only the average skill of the cultivators, whatever he may produce will purchase from them only his own maintenance, because they, having all the food, will constantly endeavour to acquire his productions at the cheapest rate; but if they did not exchange at such a rate as to allow him at the least one maintenance, he will return to agriculture. is therefore the interest of both parties that he should be maintained as a manufacturer. We divide the population, then, into cultivators and manufacturers—that is, food-producers and producers of articles to exchange against food. And we assume the produce of the manufacturer at the lowest rate, namely, equal to one maintenance.

The cost of maintenance remains the same as before, namely,

Cost of six maintenances = £72

But the produce has increased as follows:-

5 Cultivators produce 6 maintenances = £72

1 Manufacturer produces articles = 12

It is now plainly evident that if each were to keep what he has in possession, or its equivalent value, the manufacturer is in worse circumstances than the cultivator, because he receives only £12, whereas each cultivator receives £14, 8s., and this because the cultivators have the advantage of the soil and its powers to produce more than the value of the labour

expended on it, whereas the value of the manufacturer's goods is determined by the amount of labour. only. This is the true origin of *rent*.

We have then-

5 Cultivators produce £72 \ £84 1 Manufacturer , 12

And we affirm that the rent of the whole soil under cultivation ought to be £12, and that this will exactly equalise the receipts of each member of the community, so that every one shall receive his share of the natural powers of the earth (the natural profit of labour), and also the result of his own skill and industry.

No system of political economy will ever be satisfactory until it can solve this problem, "How can each individual have his share of the natural powers of the earth as well as the produce of his own labour?" The present systems actually in force in the various countries of Europe are based on miserable superstitions, which have no authority from reason and no confirmation from nature. They are nothing less than vast systems of organised robbery, by which labour is deprived of its reward.

Before, however, taking into consideration how the rent should be divided, and to whom it should be allocated, according to the law that those who create it ought to have it, we shall proceed to determine its amount in the various forms of a community. As the manufacturers increase in proportion to the cultivators, the rents become greater and greater. Let us, then, suppose that four cultivators

can produce food enough for the whole six inhabitants. This is about the proportion of Ireland. We have then—

4 Cultivators produce £72 2 Manufacturers , 24

We see here that wealth is beginning to grow, and that the condition of the people ought to be better than where all are mere food-producers. So long, however, as the rents (the profits of labour) are paid to a class that does not labour, the amelioration intended by nature as the reward of skill and industry is a hopeless impossibility. Although rents increase fifty or a hundred times, the unskilled labourer will never be able to better his condition, so long as the rents are continually escaping. He will receive only a maintenance.

Where two-thirds of a population are cultivators, and one-third manufacturers, the rent of the whole soil ought to be equal to the maintenance of one-third. Rent = £24.

In France about one-half of the population are engaged in agriculture, and we have the following distribution:—

3 Cultivators produce \mathfrak{L}^{72} 3 Manufacturers , 36

In this case the rent ought to be equal to the maintenance of half the population.

The greatest known produce in the world, probably the greatest that ever has existed, is in England, where two-thirds of the population are non-foodproducers, and one-third only are employed in the cultivation of the soil. But it must be remembered that, according to the present monstrous distribution of the lands,* England does not produce quite sufficient food for her own consumption, and we must reckon among her food-producers a certain number of Americans, Poles, Dutchmen, &c., who send us their corn, cheese, and cattle; Chinese, who send us tea; Negroes, who send us sugar; and various others of the many coloured sons of men from whom we obtain spices, wines, tobacco, fruits, fish, and many other articles of consumption.

Notwithstanding this drawback, however, England is placed in the most favourable circumstances ever

* We use the term "monstrous" advisedly. We affirm that the present system of private landed property is not the system that will cause the earth to bring forth her increase, or to maintain the largest population. At present the only question with the landlord is that of rent. If the lands are worth a rent, they are for the most part cultivated. But there are millions of acres which, although capable of supporting a large population in plenty, are yet capable of producing very little surplus over and above the cost of production. They will not produce rent. These lands are, in many cases in Scotland, reserved as game deserts; nay, worse than this, the people have been driven off, the sheep have been driven off, and the very land that produced both food and-mark it well !-- that produced some of the best and bravest soldiers that ever stepped, has been turned into desolation and solitude. The long farewell of the exile has swept through his native glen, and the place that knew him shall know him no more for ever. We say again that this is a monstrous system of society, and the day may come when even this country may want, and want in vain, the brawny arms, the sinewy limbs, and, above all, the dauntless hearts now beating in the wildernesses far away. True, the Highlands might not be able to produce rents, but they could produce men; and when the day of struggle comes, as come it will, assuredly, some time or other, Britain may curse the day that ever she allowed to be depopulated the finest nursery for soldiers that the earth has ever seen.

known for the production of wealth—that is, the same amount of human labour produces a greater value in England than in any other country in the world. Not that the labourers receive this value, for the profits of labour have to support the whole of the aristocracy. The aristocracy of England, the most numerous and wealthy in the world, are entirely supported out of the profits of the labourers, and, consequently, it is no wonder that the labourer receives no advantage from the prodigious amount of work which machinery enables him to perform. The mere labourer will never receive more than a bare maintenance, so long as there is a constant absorption of his profits in the shape of rents.

But in England the labourer ought to be better off than in any other country, on account of the vast inheritance of accumulated facilities which he derives from formerly expended capital and labour. Every harbour, every road, every building, every useful outlay that has ever been made so as permanently to benefit the country, ought to make labour of more value in England than in any other part of the globe -taking any nation overhead. And it really is of more value, although the labourer's remuneration is not greater, nor even so great; for we have only to ask what is the annual amount of value produced in England, year by year, and no doubt it is greater than in any other country. Now, what is produced is produced by those who labour, and we assert that the labour of England turns out a greater value every year, in proportion to the inhabitants, than the

labour of any other nation, and consequently that labour is more valuable, although the labourer does not receive more money. The landlords, placemen, and capitalists receive it, instead of the labourer.

But, supposing the English population be divided into two cultivators and four manufacturers,—and this is at all events tolerably near the mark,—we have the following:—

2 Cultivators produce £72 } £120 4 Manufacturers ,, 48 } And the rent ought to be £48.

As it appears probable that the proportion of manufacturers will go on constantly increasing in England, and that the cultivation of the soil will be performed with fewer and fewer hands, (until a species of garden cultivation shall become more general, in which case a much larger number of hands might be profitably employed on the soil), the day is probably not far distant when one-sixth of the population will be able to do the cultivation, leaving five-sixths at liberty to engage in the production of the conveniences and luxuries of life. In this extreme case, (a case that has not yet been reached by any nation, and that could not possibly be reached without a most favourable combination of circumstances, involving the extensive employment of machinery, the perfection of agricultural methods. and, at the same time, the great expansion of free institutions, the removal of customs, restrictions, and the establishment of a just system of taxation), we should have the following proportion of production:-

1 Cultivator, produce £72 \mathfrak{E}_{132} .

We see here a very important principle, namely, that all the manufactures in the world can never equals in value the whole amount of food. Never the whole. However nearly they may approach, they can never become exactly equal, because food is the essential of existence, and the cultivators will always retain their own maintenance, which no manufactured article, or service, or luxury, or temptation, will ever induce them to exchange away. "Skin upon skin, yea, all that a man hath will he give for his life."

Thus if one man out of a hundred were able to produce food for all, the other ninety-nine could only produce articles approaching in value to the food produced by him, because the value of all manufactured articles is determined by their power to purchase food; and taking the whole world over, the necessaries of life will always be more valuable than anything else whatever. If one could produce food for a hundred, we should have

1 Cultivator, produce £1200 99 Manufacturers, ,, 1188

It is true that with what is termed a foreign trade, the manufactures of a country may be more valuable than the food produced in that country, but in this case, either food must be imported, or there must be a market open from whence it could be imported if required. [Thus the repeal of the Corn Laws has tremendously enhanced the value of manufactures; for what would formerly purchase only one bushel of

wheat will now purchase two bushels, and this, not because so much grain is imported, but because it can be imported, if required. Verily the manufacturers have been wise in their day and generation, and some of them have been well-paid for their anticorn-law efforts. A thousand pounds a-speech is perhaps less than some have received. Their next great effort should be to abolish the Customs altoge-Were they to succeed in this, their trade would probably double, for they would become the brokers of the world as well as its manufacturers and machine-makers. Were the ports of Britain opened without a duty of any kind whatever-and they easily might be opened, by the substitution of a landtax for the Customs-revenue-Britain would become the wholesale merchant of the world, and instead of our being dependent on the Continent for food, the Continent would be dependent on us for all foreign and Colonial produce, because the capital of Britain would command the produce of the earth. country that has the lowest rate of interest wouldwith a perfectly free trade-become the great intermediary between the producer and the consumer. Almost all American and Asiatic productions would come first to England, and even then proceed cheaper to the Continent than they do now; and almost all Swiss, German, and French productions, would come here first to our merchants, and through them pass to America, India, China, &c.* A perfectly free

^{* &}quot;England might do much in affording us an outlet for this branch of industry, (as well for her home consumption as for her

trade without any Customs' interference whatever, should be the next great object of commercial Britain; and certainly the agriculturists would reap their full share of the benefit. Those who would suffer would be the great landlords—those who are too high, and mighty, and fine, to work, but who live on the profits of other men's labours.]

§ Having determined what the amount of rent ought to be, we have still to determine who creates it—that is, who creates the value of the soil?

The mere produce does by no means determine the value. A thousand bushels of wheat in one country may be worth only a hundred in another, although Colonies), if she granted a depôt for our goods, subject to better regulations than those which actually exist. And England might so act without any injury to her own productions of a similar description, because English works have a particular character and finish which is almost inimitable, and which our workmen could with difficulty attain. On the other hand, English speculators would certainly find a great advantage in being able to complete with far greater facility their assortments for foreign exportation; while our own merchants would prefer trading directly with the English, rather than to carry on a direct commerce with distant nations. Though there is in London a bonding depôt, it offers too many disadvantages and impediments to permit us to make use of it."—From M. Houriet's interesting account of the Swiss Watch Manufacture, given in Dr Bowring's Report on Switzerland.

One of the greatest advantages of an absolutely free trade, would be its tendency to abolish standing armies. Confidence between nations is not to be expected, so long as each surrounds itself with a hostile barrier, designed to curtail that naturally free and profitable intercourse which is the evident intention of Providence. A perfectly free trade would envelope nations in a network of amity through which none would be inclined to break, whereas, the present system of Customs isolates their interests, and leaves them at liberty to fight with each other, in the vain imagination that what the one loses the other must gain. Were England to open her ports without restriction to all the world, it would change the moral tone of Europe on the subject of war.

it may take ten times the labour to produce them. A sheep in Australia may be as large and as fine as a sheep in England, but it is not of the same value; and as the rent of the soil is dependent on the value and not on the quantity of the produce, we see at once that a thousand acres of land in one country may be worth a rent of £500 or £1000 per annum, while a thousand acres in another may be unable to furnish any rent at all, although producing the same quantity of stock.

Who, then, creates the rent-value?—for this is, in fact, the value of the soil; and the question might be put thus,—Who is it that makes the soil to be worth what it is worth?

We affirm, in the first place, that it is not the landed proprietor, and not the cultivator. landed proprietor, for the most part, does nothing to make the earth valuable. If he be only a landed proprietor, and have no other source of income, all that he can expend on the land is only what he has already received from it; and consequently it is the land, and not the proprietor, that furnishes the funds for those improvements which pass under the name of landlord's improvements. To sum up all that a real landlord can do, we may say that he consents to receive less rent, in the meantime, for the purpose of receiving more at some future time. The landlord is only a consumer of rent, not by any means a producer of it, although some landlords may consume a larger and some a smaller proportion. But to bring this question to a definite issue, we have only to ask, What would be the result if the whole of the landlord's rent were expended on the improvement of the soil? The soil would benefit, the rent would rise, and the landlord would have nothing.

All that a landlord can do to make the soil more valuable, is only to consent to consume a less proportion of the rent; and assuredly he is not the person who gives to the soil its rent-value. The landlord, as such, produces nothing.

Neither is it the cultivator, although the cultivator is in very different circumstances from the landlord. The cultivator produces the articles, but he does not produce their value; he creates the grain, and bullocks, and sheep, but he does not create that exchangeable value of the grain, bullocks, and sheep, which alone gives to the soil its marketable value. He helps to do so, like every other labourer; but it does not depend on him alone to make the earth worth a rent and worth a price. An acre of land in western America may have the same capacity for producing corn as an acre of land in the county of Kent; but it has not the same capacity for producing value, and consequently it is not worth the same rent, nor the same purchase-price. Nay, land that has never been cultivated at all, may be worth much more rent, and would fetch a higher price, than the best and most productive agricultural soil. Hampstead Heath, for instance, that lies almost in a state of nature, is worth a very large amount of money, and certainly it is neither the lord of the manor, nor any cultivator, that has created this value in the Heath. And that Heath, lying all untilled and unimproved, has probably been increasing gradually, but progressively, in value, since the time of the Norman conquest,—increasing in value, not from its increased fertility-for it produces nothing; not from anything that the landlord has expended on it -for he has expended nothing on it; but because the whole labours of the country have constantly increased, and the soil has become of value for other purposes than those of mere cultivation. And hence the amazing value of land in towns and cities, which is not, in the slightest degree, dependent on the landlord* or cultivators, but on those labourers who carry on the commerce and manufactures of the country, and who as clearly create the value of the soil as they create a new value in raw material.

To determine who it is that creates the rent of the soil, we have only to suppose the absence of each of the three classes of society:—first, the nonlabouring landlord; second, the food-producers; and, third, the producers of articles to exchange against food: in other words, the aristocracy, the agriculturists, and the manufacturers.

First, Let us suppose the absence of the landlords. Let us take, for instance, a Scottish proprietor who owns (as it is called) a Scottish county. Let us suppose him removed altogether. He disappears, and leaves no representative. The lands will be

^{*} Country landlords who *reside* in towns, of course create a new value in town lands—that is, they transfer the value from the country to the town.

worth quite as much rent as when he was present, and, whatever might be done with the rent, there would be found plenty of farmers to offer the fair market value for them. It is therefore plain, that if the rent would not be diminished by the absence or disappearance of the landlord, it is not the landlord who creates the rent. He creates nothing; he is only a consumer. The production of rent is in no respect dependent upon him.

Second, Let us now suppose that the farmers disappear. Let us imagine that one and all emigrate to another country. In this case, the rent would suffer a certain diminution, because so much competition had been removed; but by far the greater portion of rent value would still remain, because in Britain there is so large a proportion of the population not engaged in agriculture, and these would immediately offer a fair rent for the vacant lands.

Third, Let us suppose, on the other hand, that the whole population were to remove except the landlords and the agriculturists. (We omit, of course, the supposition of a foreign market for produce.) What would now be the result?

It is plain that, if there were no consumers except the agriculturists themselves and the landlords, there would be no market for surplus produce, and consequently no possibility of any other rent than a rent in kind. But a rent in kind could only extend to the articles produced out of the soil,—that is, to the mere feeding of the landlords. If there were no population except agriculturists, all that the landlord

could have would be his maintenance, and the proprietor of 1000 acres would have this as abundantly as the proprietor of 10,000. Unless the landlords were to create a class of non-agriculturists (servants to work for them), they could have only as much of the produce as they could personally consume. More than they could consume would be utterly without a value. The corn might be stored up to rot, but, if there were no purchasers, it could not be sold or exchanged, and, if it could not be exchanged, its value is no more. Corn, it is true, might be exchanged against meat, fish, or game; but out of this routine of eatables there could be no exit, unless there were a class producing articles to exchange against food. There would be nothing to purchase with the produce; consequently it would be valueless, and consequently the rent-value of the soil would sink down to the mere animal support of the landlords. Suppose the whole population were one million, and the capacity of the soil were equal to the support of ten millions, there would be no inducement to produce more than would supply the one million with food. The food that would support the other nine millions would be valueless, even if produced, because there would be no person to consume it.

But now, let us make this supposition. There are a million of agriculturists and landlords, and the soil is *capable* of affording food to ten millions of people by the labour of one million. The rent is a mere trifle as it must always be, where the surplus produce can-

not be disposed of. But let us suppose the nine millions of other persons suddenly introduced and engaged in producing articles to exchange against The rent would instantly be enormously food. enhanced, because the landlords would have in their hands the food (or soil capable of producing the food) of these nine millions. The agriculturists would derive some benefit; but the great, the enormous sum, would at once go to the landlords, not from any labour on their own part, but because the nine millions require food, and cannot purchase it except from the proprietors of the soil, through the agriculturists. Every individual who came, and who could produce articles that would exchange against food, would contribute to raise the rent of the soil, and consequently the wealth of the non-labouring land-The rent created by these nine millions would be equal to the value of their whole food, minus the cost of its production; and if one million of agriculturists could support nine millions of other population, the value of the food would be equal to the maintenance of nine millions, while the cost of production would, at the utmost, be equal to the maintenance of one million; so that the landlords, by the introduction of these new nine millions, would receive the value of eight millions of maintenances, without ever exerting one single effort to produce any thing that was valuable to mankind.

Consequently the great amount of rent-value (which determines the value of the soil) is created, not in any degree by the landlords—in a small de-

gree by the agriculturists—and in its principal degree by those who create or produce articles to exchange against food.

It is not to be expected, however, that the great masses of people in this country will ever clearly see this general theory of rent. They see lands increasing in value, by the expenditure of labour and capital, and they naturally enough attribute the increased value to that expenditure. They see a moor improved, and from half-a-crown an acre becoming worth twenty or thirty shillings of annual rent, and they jump at once to the conclusion that, because in this instance they can clearly trace the creation of rent-value, therefore all rent-value must originate in the same manner.

Two things, however, they do not see. First, that the moor is improved because of the increased demand, which demand is created neither by the landlord nor the cultivator, but by the manufacturing classes; and, second, they do not see that the general rent-value, even of improved and cultivated lands, is undergoing a constant process of increase, exactly as the whole industry of the country increases. A crucial instance often determines a question, and such an instance is found in Hampstead Heath, on which no money has been expended; or the Links of Edinburgh, which forms a small portion of the misappropriated Town-Both of these lands would now let for a very large sum of money, for building purposes, and this ground-rent which the land is worth has not originated in any degree whatever from any expenditure that has been made upon the soil. Improvements create at best only a differential rent, and it must be remembered that this differential rent is not the rent of the soil, but of the capital and labour actually invested in it. Exactly as we should say that an ounce of gold is worth £3, 17s. 10½d.; but if that ounce of gold presented itself in the shape of a broach made by a Birmingham jeweller, it might be worth £10, or, if made by Benvenuto Cellini, it might be worth £50. The differential value is the value of the skill, labour, and capital employed in the construction.

It is an undoubted fact, that, with the increase of the population, and consequently the increase of trades and manufactures, the rent of the soil also The landlord may sit still and do nothing-he may disappear from the country-may reside at Paris, Rome, or Florence—he might even go to sleep, and sleep on; yet, through the labours of other men, his rents will undergo a constant process of expansion. Every ship that is built, every house erected, every steam engine constructed, every railway, every mechanical improvement, every new art, every thing, in fact, that produces, or facilitates to produce any new article that will exchange against food, enhances the landlord's rent, because rent is the natural profit of labour, and the more the labour increases the more the rent increases. The law allocates this increase to the non-labouring landlord, and this is the true and genuine reason why the labouring man receives no more for his labour, in a country that produces three, six, or ten times as much as another country (with the same number of inhabitants), than in that other country where industry is confined to agriculture. So long as the rent of the soil is allocated to a non-labouring landlord, the mere labourer can receive no more than his maintenance. The savings-bank of Nature—nay, of Providence—is closed against him, and the bounty which Heaven had attached to his labour is awarded to another.

Let us see, then, how this continual increase of rent operates.

Let us suppose that, about 154 years since, the king granted certain lands to a foreigner, who happened to be a favourite—say a Bentinck, for instance. Let us assume the income of the family from those lands at £10,000 per annum, when the grant was made from the crown lands of England. The value of the lands—that is, of the rent—has gone on continually increasing, not from any exertions on the part of the Bentincks, but from the expansion of industry in the country. The income is now say £250,000 per annum, and if we add the extremes and multiply by half the number of years, say 77, we ascertain the enormous amount of money that this one family has derived from the labours of Eng-Two hundred and fifty thousand, plus ten land. thousand, multiplied by seventy-seven, will give twenty millions and twenty thousand pounds, drawn from the wealth of England by one family alone, because William III. gave his Dutch follower the manors of Grantham, Dracklaw, Torrington, Partington, Pevensey, &c. &c., all which belonged to the nation of England.

Thus: (250,000 + 10,000) 77 = 20,020,000.

Now, for this vast sum the Bentincks have done nothing. The first was a follower of William III., another was prime minister (for which he was paid), another was a great horse-racer, and another, with an impertinence which is ludicrous, asked the greatest Statesman of his day, in the House of Commons, "What was the state of his income?" So superabundant, in fact, did the wealth of the family become, that the present Duke of Portland is rumoured to have said, that "he allowed himself £50,000 a-year for Tomfool's money."

In the above example, I have assumed that the rent has increased twenty-five times, within the last 154 years, and I can adduce evidence that even a greater increase has taken place—for instance, in Ayrshire and other parts of the West of Scotland.

I quote from the "Second Report of the Children's Employment Commission" (page 145, § 773), where it will be seen how the degradation and deterioration of the mass of the people has kept pace with the increase of the landlord's wealth. I quote the whole paragraph.

"773. In certain localities of the west of Scotland the population has of late years increased with unprecedented rapidity, and the value of property has

^{*} In making this estimate, we assume that the increment has been equable, which is not the case, the great increase having taken place since the first American war.

been augmented in a still more remarkable degree, chiefly by the establishment of mines and iron-works, as examples of which may be cited the great ironworks of Gartsherrie, Sommerlee, Calder, Dundyvan, and Chapel Hall. These works receive a great quantity of ironstone from Rochsilloch, the property of Sir W. Alexander. The black-band here yields from 30 to 40 per cent. of iron. The output at Rochsilloch alone is 4,500 tons per month, and the annual income to the proprietor is about £12,600 per annum, from a property which, if let only for tillage, would yield but a few hundreds per annum. By a table in Robertson's Description of Cunninghame, it appears that on an average of all the parishes of that district, the rental was eighteen times more in 1809 than in 1653; and in Stevenson parish, the rental had become forty-five times greater. Villages and towns have sprung up on what at no distant period was a barren moor, containing works which give employment to hundreds of people, and for whose labour many thousand pounds per month are paid in wages." Previous institutions can of course have made no provision for the education of a population recently established in these new localities. The employed having been paid for the work done, have no further legal claim on the employer,* and have been left for the means of education to their own resources, according to the clergymen and other witnesses in the

^{*} See on this subject an admirable little book, called "The Race for Riches," by the Rev. W. Arnot of Glasgow, published by Johnstone & Hunter, Edinburgh.

district, with the following result :- "Our educational and religious means have not kept pace either with the advancing population or the growing degeneracy. The means of public religion and of pastoral superintendence are not adequate to the exigencies of a growing population." "That beautiful parochial economy which the fathers of the Scottish Reformation handed down as a most precious boon to their successors, has become little more than a shadow." "The population has been left to increase, with a signal disregard not only to the comfort, but to the morality of the human machines, thus aggregated by the demand for their labour." The sub-commissioner adds, "The instances cited are only samples of the astounding change of circumstances which has occurred in certain localities within the last fifty or a hundred years. What wonder if those interests which are not the most palpable, nor the first thought of, have been overlooked?—that the ancient institutions of our country have not kept pace with such unprecedented changes?"—(Tancred, Report Mines: App. part i., pp. 345, et seq., §§ 102, et seq.)

Now, let us suppose that the king, instead of granting lands to Lord Portland, had granted £10,000 per annum in perpetuity, out of the general taxation. This would have been regarded as a hardship on the nation, although the payment would not yet, in all probability, have been repealed, for we still find noblemen drawing so many thousands a-year from the Post-office revenues. But a grant of ten thousand per annum out of the general taxation would

have cost only £1,540,000 for one hundred and fifty-four years, so that if the increase of rent consequent on the increased industry of the country had fairly been applied to the public good, the nation would have saved between ten and twenty millions of money.

But another circumstance must be taken into consideration. A family that received a grant of land from the king cannot be taxed at all. It is a pure abuse of language to apply the term taxation to such a case. For instance, suppose the king gave lands to a family, worth £10,000 per annum, and the Parliament taxed the lands at £1000 per annum, I say that there is no tax whatever on the family,—the only effect is, that the pure benefice is reduced to £9,000 instead of being £10,000 per annum; but the £9,000 itself is a pure benefice. And suppose, as in the case adduced, the rental had increased to £250,000, and a tax of £100,000 were put upon the lands, there would not be one penny of taxation on the family, not one penny of deduction from anything they laboured for. There would only be a gift of £150,000 per annum, instead of £250,000; but the whole of the first sum is itself a benefice, and, however it might be diminished (even if it were to the original value at the time the grant was made), there would be no taxation on the family -only they would not receive so much from the nation.

But, on the contrary, when a man labours for his wealth, every penny taken from him is a tax on the man, and he has an undoubted right to inquire

why he is taxed, and what is done with the money.

§ We have now to determine to whom the rentvalue of the soil *ought* (equitably) to be allocated.

To this there can be but one reply,—to those who create it.

I have said in a former work (Theory of Human Progression, p. 19), "It is quite evident that the earth cannot function in political economy until it is transformed into a power of production having a value. And to carry it forward into the science of politics, all that is requisite is to apply the axiom, 'An object is the property of its creator;' so that, when political economy has determined, by a scientific method which is not arbitrary, what value is created, and who creates this value, politics takes up the question where political economy had left it, and determines, according to a method which is not arbitrary, to whom the created value should be allocated."

First, then, as to an objection that assumes the difficulty, or impossibility, of making an equitable distribution of the rents of the soil,—that is, of the common profits of the labour of a country.

The whole question resolves itself into this,—Has God established in the moral world of politics a moral order and system analogous to the order found in physical nature? For if so, then we must discover what that moral order is before the social world can be in the condition intended by Providence.

We cannot conceive for a moment that the social

world is naturally and irrevocably condemned to disorder and confusion,—to the continual struggle and warfare of adverse interests,—to an endless and hostile competition of man against his fellow,—to perpetual disunion and strife. Such may be the actual condition of society; but assuredly, if we believe in any analogy of nature, and, above all, if we believe in the possible realization of Christianity, we must believe that there is an order that would allow the social world to function harmoniously,—an order in which man should be the co-operator of man, and not his adversary,—an order that would bring into efficient play and actual realization the highest feelings of our nature, and the highest precepts of religion. Nay, even though, at first sight, it should appear that the principles of Christianity were contradicted by the ordinary necessities of life, let us rather believe that the world has still to find some genuine and true solution of the great problems of liberty and property,—a solution which, so far from controverting the unselfish motives prescribed for human conduct by our Lord and his apostles, shall eventually transform society into a vast exemplification of those very motives, and exhibit the world as realising, in actuality, the very fact of Christian brotherhood.

Such, at all events, is our hope. Let us never renounce our faith in the divinity of truth, or in its power to elevate mankind to a higher, a better, and a nobler state of being.

We believe, then, in the possibility of a right con-

dition of society. We believe that God, who has made harmony in nature, has not made confusion and disorder the necessary condition of human life, or human association.

To whom, then, ought the rents of the soil to be equitably allocated?

I do not hesitate to say, to THE NATION. For the service of the nation, taxes must be derived from some quarter or other; and if the taxes had always been derived from the rents of the soil, there never would have been any tax upon industry, any Custom-house, any Excise, or any of those restrictive measures that repress industry, while they eminently contribute to separate nation from nation, and to prevent the commercial intercourse that ultimately would have abolished war. National property there must be somewhere, and assuredly it is more just to take that property from the natural value of the soil, than from the individual fruits of labour. From one or other it is and must be taken: and if there would be injustice in taking it from the impersonal rent of the soil, there is certainly more injustice in taking it from the profits of individual exertion.

But let us consider what a nation is. A nation is an association, more or less perfectly constructed. Its construction may be accidental, moulded into more and more perfect form in the lapse of ages; or it might be theoretic, rationally and consciously devised beforehand. The old countries of Europe exhibit the first form; the colonies might have ex-

hibited the second; and, in fact, many of their arrangements are à priori attempts to determine the structure of the societies.

Now, if we suppose the formation of a new nation -say, a population of three millions planting themselves down in Australia or elsewhere-we can see at once what is the equitable allocation of the soil. It is evident that there ought to be a division of labour. Some ought to produce the food, some the raiment, some the dwellings, some the furniture, some the wares and articles required for all the purposes of civilised life. But how can the equitable adjustment be made between all the classes? To sell the land to the capitalist, is to kill the goose that would lay golden eggs for ever afterwards; it is, in fact, to cut the throat of the national prosperity, because the value of the soil will go on constantly increasing with the increase of the national labour, and the future rents have been alienated from the society for a minimum price that was the value, not of the soil, but of its then rent. If the soil, in the first instance, were worth a rent of a penny an acre, its price would be, say, 2s. 6d.,—that is, thirty years' purchase. But by the labours of the whole community (not of the purchaser) the rent of the same soil may come, in a few years, to be £1 per acre, and its then price would, at the same rate, be £30 per acre, the whole of the difference between 2s. 6d. and £30 having been alienated from the society to private individuals.

To sell the land is unjust to all future generations,

to every new colonist, and to every child that is born to labour. It is sacrificing the society for the sake of individuals. Such is not the just mode of arrangement.

Let us consider the question in another light. Let us suppose that our three millions divide into two classes: first, those who are to cultivate the soil and produce the food; and, second, those who take no soil, (save, perhaps, a house site, &c.) What is the fair adjustment between these two classes, and how can the adjustment be brought into operation, so that each man shall have his share of the natural advantages, besides the produce of his own labour? I say that there is no other possible way than to reserve the rents of the soil in perpetuity to the whole community, and to expend the same for the benefit of the whole-in paying the government, the judicature, &c.; in providing for national defence and internal police; in constructing roads, bridges, harbours, and public works; in providing a universal and sufficient system of education; and in facilitating the progress of the whole community.

One million say, "We will take the soil and produce the food;" the other two millions say, "We agree to take only our labour, and what we can make by our industry, provided the soil is put up to auction at stated periods, and the rents paid to the directors of the association, for the benefit of all." This would equalise, at all times, the relation between the two classes, the food-producers and the producers of articles or services to exchange against

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food. For, if the agriculturists were deriving too much profit, there would immediately be competition for the soil, and the rents would rise. If the profits from agriculture were less than the profits of other branches of industry, some would forsake agriculture and enter into competition with the traders, &c. Perfectly free competition (with the rents allocated to the whole community) would for ever preserve a perfect balance, and enable each man to obtain his exact share of nature, as well as the whole proceeds of his own labour. Tax upon labour there would be none; tax upon industry none; no Custom-house, no Excise, no restriction. There would only be a land-rent, which would be the common revenue of the association, because it is the common produce of the association.

This principle of allocating the rent to the community, instead of to individuals, has been partially but very imperfectly carried into operation in the gold fields of Australia. A certain advantage, of course, will accrue from paying the produce of the licenses into the colonial exchequer. This is a proper and beneficial step, and it should relieve the colony from all import duties. But the best feature of the management is the letting the soil in such minute portions that it can be available to every labourer. This of itself tends to equalise the profits of all, and to produce a general in opposition to an individual prosperity. On the whole, the arrangements are perhaps as good as could have been expected, and, though they might have been better, let us congra-

tulate the British labourer that, in one instance, at least, he has had his fair share of the earth's advantages, and let us hope that the principle now realised for the first time may be carried into more and more extensive operation.

But let us imagine that the gold fields of Australia had been allocated to certain individuals instead of to the whole community. And what, after all, is the difference between a portion of soil that produces gold, and one that produces corn? neither the gold nor the corn, but the value, that is the real object of research; and whether that value be produced by a gold that can purchase corn, or by a corn that can purchase gold, appears a matter of the most perfect indifference. What would have been the result if the gold fields had been allocated to individuals in the same manner that corn, coal, iron, and copper fields have been allocated to individuals? The result would have been that a few would have acquired enormous wealth and retired with their families into idleness and non-production, like the landlords of other countries; while the labourers, the persons who actually brought the gold out of the earth by the sweat of their brows, would have received only an ordinary day's wage, like the labourers in Britain. Australia, if properly managed with regard to its property, might take as great a start ahead of the rest of the world as the United States did with regard to their liberty. The true principle, however, is partially at work, and time will show the result.*

^{*} At the same time there is, in regard to the Australian soil, a

Several special advantages would attend the allocation of the rents of the soil to the nation.

First, All Customs and Excise might be abolished. This would permit a perfectly free trade with all countries, and a perfectly free trade would unite the various nations in a bond of amity which would not be the less secure because attended by commercial and pecuniary advantage. It would also set at liberty all persons engaged in the collection of customs, preventive service, &c., and as these are utterly unproductive in their present occupation, the nation would make a clear profit of their future labours.

Second, It would make one simple tax, which could be collected without expense, as the renters of the soil should be ordered to pay the rents into district exchaquers, and be accountable for all expenses if they did not do so.

Third, It would unite the manufacturing and agricultural classes into one common interest. more the manufactures, the more the rents of the soil would increase, and the greater would be the principle at work which, if not checked in time, will alienate the whole of the sheep-lands from the state. If the sheep licences are made renewable at a fixed rent, the soil, from leasehold, will become copyhold, and ultimately, no doubt, as good to the tenant as freehold. This disastrous result would be nothing else than robbing the community of the value of the soil for the benefit of those who may chance to hold runs. The only mode of equitable adjustment is to put up the runs to auction once, say, every twenty years; and surely they are more valuable to the incumbent tenants than to another person, who would have to re-settle and re-stock. A fixed rental, the same for all runs, is of itself utterly absurd; but if made perpetual, it would, in fact, be the grant of the soil, minus a trifling yearly payment. The Australian authorities ought to see to this most important point.

national revenue; and the greater the revenue, the more would be expended on public works, which would still farther increase the facilities for manufacture. The greater the revenue, the better it would be for the nation; whereas now, the greater the revenue, the worse for the nation.

Fourth, It would secure the utmost possible production that the soil was capable of affording. Millions of acres in England, Ireland, and Scotland are uncultivated, either because the proprietors are already so wealthy that they can afford to leave large tracts of land in parks, game preserves, or game muirs, or because the land, although capable of supporting a population, is not capable of producing sufficient rent to render the rent an object to the wealthy landlord. Hence the Highlands of Scotland are rapidly becoming depopulated.

Fifth, It would eminently tend to secure the education of the people; because—as the state would be directly interested in the labours of every man, and an educated population would always be more productive than an ignorant population—the state would immediately have a direct interest in raising the character of the people; in suppressing all that was detrimental to their welfare; in encouraging skill, industry, and talent, and, consequently, in providing the fullest possible instruction for the whole nation; for the more the people were educated, the more intelligent would all labour become, and the more would the national revenue increase under the influence of intelligent labour.

Sixth. It would secure to every labourer his share of the previous labours of the community. It is quite evident that a greater amount of outlay has been made on the island of Great Britain than on any other part of the world of similar extent. bours, roads, railroads, land improvements, houses, towns, &c. &c., England is unequalled. Yet the labourer who inherits all these facilities is not so well off as in Arkansas or Wisconsin, where no capital has been previously expended. This in itself is a sufficient proof that there is something wrong in the very construction of society; for undoubtedly a man born in a country where thousands of millions have been expended in rendering the country more suitable for man's requirements, ought to find his labour better remunerated than in a country that remains in a state of nature. All the previous expenditure of Great Britain goes to swell the landlord's rent, instead of tending to improve the condition of the labourer. On the contrary, if the rents were allocated to the nation, the condition of each man would improve, not merely through his own labours, but through the labours of all who had gone before him, which is fair and just, and which, in fact, constitutes a nation. Only under such circumstances can there be any moral obligation on one generation to defray the debts or liabilities incurred by a previous generation, for a national debt may morally be a debt on the PROPERTY of the country (the property, for instance, having been preserved from the effects of foreign invasion), but a national debt can never be

morally a debt on those who inherit nothing but their labour.

Seventh, The allocation of the rents of the soil to the nation is the only possible means by which a just distribution of the created wealth can be effected. It is true that this is not the only requisite—for a systematic co-operation in the whole field of labour is also needful-but is the first main requisite, the first necessary arrangement of society which would prevent the profits of labour from escaping, as they now continually do, from the labourers to a class that labours not, yet constantly increases in wealth. So long as the rents of the soil are allocated to individuals, there is a continual drain upon the natural profits of labour,—a drain that perpetually condemns the unskilled labourer to receive no more than a maintenance,—a drain that robs industry of its true reward, and that only tends to swell the revenues of a small number of families who could be removed from the nation without leaving the nation one shilling the poorer. But if, on the contrary, the rents of the soil were allocated to the nation—that is, to the whole associated community—the condition of the labourer would continually improve, because he would inherit a continually improving country. Every expenditure upon the country, if judiciously made, would make the country produce more with the same amount of labour, exactly as the improvement of a machine enables it to do more work with the same expenditure of human labour-and, in fact, the soil of a country is only a vast and complicated

machine that manufactures, under human skill and labour, the various necessaries and luxuries of human existence. Now, if England be the most improved machine in the known world, the labourer in England ought to receive a higher reward than elsewhere,—and for this reason, that he produces more with the same amount of labour. But so long as mere labour is separated from what it produces, it never can receive its legitimate reward—nor would its remuneration rise even if the productions were a thousand times greater than they are. The labourer would receive only his maintenance, and the extra profits would go to the landowner and the capitalist.

And Finally, It is the law of God, as declared in the constitution of the terrestrial world, and the law of Christianity, as declared in the written Scriptures, that the industrious man should be rich, and that the man who labours not should be poor. whole economy of Britain is a direct infringement of this great law of property-of this great and fundamental principle which God established for the economical government of the world, when he made the earth to yield its riches in return for human labour. The richest men in England are those who do not labour, and who never did labour. And their wealth is secured in such a manner that it descends from generation to generation, and goes on constantly increasing without any exertion on their own part. Were they to sleep for a hundred years, they would wake more wealthy than ever; and if they did wake, they would wake only to encumber the industry of the country, to retard its progress, to prevent the amendment of its institutions, and to maintain a party warfare against its real prosperity. As a class they are antagonistic to industry, enemies to freedom and to progress, barriers to the civilization of the world, living on the fruits of other men's labours, yet hating the toil which alone endows them with wealth. They are the evil remnants of the feudal system, who, in their faded power, have sunk into the bribers and corrupters of the electors of the country. They are the fatal heritage which France was obliged to remove, and which America, happily for herself, has never known. They are the true "surplus population"—ever consuming, nothing producing—fed, clothed, and sheltered at the expense of the nation, and returning to the nation nothing but hindrance to its welfare.

Such a system—a shilling a-day to a labourer who does labour, and a thousand pounds a-day to a lord who does not labour—such a system contains within itself either the elements of national decay, or the elements of national disaster. Either the nation must be sacrificed to the landed interest, or the landed interest (composed of thirty or thirty-five thousand families, in Great Britain) must be sacrificed to the interests of the nation. Either the population will found or seek new countries where labour shall meet with a more equitable reward, or a war of classes will ultimately ensue, having for its theme, not liberty, as in former days, but property. If the population diminish—and it seems already to

have that tendency—England must relatively decay, and, notwithstanding all her wealth, fall into the rear of those younger nations, where the spirit of man is esteemed of more importance than the mere wealth he can create. And if, on the contrary, the labourers of England go on increasing as heretoforethe wealth of the few standing out continually in stronger and stronger contrast with the poverty and degradation of the many—there must come a time when the classes will enter into a struggle of which none can foresee the results. It may be a peaceable struggle, but for the time it must be attended by those disasters which—like the fevers that cure a long course of constitutional derangement—bring many latent evils to the surface, disfigure the aspect of society, and for a time engender a tumultuous life of present suffering—although, it may be, of future health.

The great requisite, then, is to return to the laws of Nature, of Providence, of God—to let the skilful and industrious man be rich, and not to accord wealth to those who produce nothing for the welfare of mankind. If, as I have endeavoured to prove, the rents of the soil are only the common profits of the whole labours of the community, the rents of the soil are the only legitimate source of taxation—the only possible source from which the revenues of the nation can equitably be derived. To tax labour is to disunite society—it makes the nation only an aggregation of unassociated individuals. To tax the rents of the soil is to unite society—it makes the

nation a community bound together by the ties of a common interest, and a common welfare. This is the true, and the only true, theory of a Nation-that the soil belongs to it in perpetuity, and never can be alienated from it; and that he who will give the greatest rent for the soil becomes its cultivator, and pays the rent to the nation for the benefit of the whole community. Then, but not till then, will labour reap its natural reward—the reward appointed by Providence in the divine constitution of the terrestrial economy. Then will the welfare of one be the welfare of all—then will men be banded together by a true citizenship—and then will the first great step be taken towards that mighty brotherhood which springs from our common parentage, and which is at once the promise and the prophecy of the Christian faith-

> "And man to man the warld ower Shall brothers be, an' a' that."