

CHAPTER XIV

SOME OF THE COSTS OF LAND MONOPOLY

BUT the increasing burden of rent is not the only sacrifice which the private ownership of the land involves. Private land ownership is to the production of wealth what a ball and chain would be to a runner, or a kedge anchor to a racing sloop. We have no means of knowing how much wealth would be produced were the land and its opportunities unlocked and opened up to labor.

As we have seen, the population of America is but 28 to the square mile. This includes the thirty odd millions who dwell in cities. The people of Germany dwell 280 to the square mile, of France 188, and of contented Switzerland 218 to the mile. Were America peopled as snugly as are these European countries, our population would range from 500,000,000 to 800,000,000 souls. Nor is this population of ours made up of home-owners. As we have seen, 35.3 per cent. of the farms of America are worked by tenants, while only 54.9 per cent. are free from some encumbrance or other. At the same time over 200,000,000 acres are in the hands of less than 50,000 persons, the average size of whose holdings is 4,237 acres. This is one-fourth of

the total cultivated area of the country. It exceeds the combined area of Great Britain and France.

These plantation estates are scattered all over the West. Some of them exceed a million acres in extent, and many of them exceed a hundred thousand. They are held for speculation or grazing. Those that are cultivated at all are worked by hired men. These workers are cheaper than the slaves of the plantation-owners of the South. They come to the employer mature and able-bodied. They involve none of the hazards of rearing or purchase. When no longer efficient, when sick or disabled, others are there to take their place.

It is land monopoly that limits the population of a great part of the West to the "hands" necessary to cultivate the estates. It is land monopoly that converts great prairie stretches, capable of maintaining millions of men in comfort, to the grazing of cattle. It is this that encourages the least productive forms of agriculture, and involves the consequent increase in the cost of all the necessities of life.

That which is true of a great part of the West is increasingly true of other sections of the country as well. In the mountain regions of the Carolinas, of Tennessee, West Virginia, and Kentucky, in Florida and in Virginia, the farmer is being driven out by the Northern capitalist. Men whose grandfathers and great-grandfathers broke through from

the sea-coast, in the seventeenth and eighteenth centuries, are selling their holdings at an insignificant price to speculators, who are denuding the mountain-sides of the forests, who are holding great areas out of use because of the mineral resources deposited in them, or are developing them as private estates. Men who now work these forest preserves, or labor in the mines, were once their owners. Where formerly there was industrial freedom, now there is industrial servitude. Others have gone to the towns, where they quickly dissipate the insignificant sums received for their holdings. In the mill regions of the South one finds the children of these small farm-owners at work in the cotton mills. Many of them not yet in their teens work from ten to fourteen hours a day. Here they become aged before their time, the victims of disease and of unsanitary surroundings. Here they labor in great numbers from early morn till late at night, and from early youth to the grave, in the fetid atmosphere of the Southern mill.

It is very generally assumed that ownership of the land is necessary to efficient production. A little reflection will show that this is not true. The right to own the product has nothing whatever to do with the right to own the land. Society would not hold together for a season did it not assure to him who ploughed the ground and made it ready for the harvest the right to enter on the fields and

gather the crops. It is assurance of a right to the product that stimulates production, a stimulus that is wanting to an increasing percentage of agricultural workers of America who form the tenant class.

Were one of our acquaintances to erect a palatial residence in the heart of the city; were he to gather together from every quarter of the world the works of art and refinement; were he to fill it with the most costly plate and the most beautiful Gobelin tapestry; were he to line its walls with marble from the famous quarries of Carrara, and its polished floors with Persian rugs; were he to prepare a house as if for a princess, and then turn it over to his hounds as a kennel, a commission of lunacy would be appointed by his friends, and the control of his property would be taken from him.

Yet America has done far worse than this. Endowed with land for many times our present population, we have closed that opportunity against ourselves. We are repeating the most colossal mistakes of history. Just as the highlands of Scotland, which produced the hardiest of Great Britain's people, have been cleared of humanity to make sheep farms and hunting preserves for the aristocracy, so a large part of America has been parcelled out into great plantations owned by corporations and individuals. Speaking of the "clear-

ances" of Scotland, the British scientist, Alfred Russel Wallace, says:

"The motive for these clearances is usually to obtain a larger or securer rental for the land, either as sheep farms or as deer forests; and for this purpose tens of thousands of British subjects have been driven from their homes, often to swell the mass of indigence and crime in the great cities, while the country is being denuded of a hardy, industrial, moral, and intelligent population to which our army has been indebted for men and officers who, in India and elsewhere, have done the noblest deeds, and added to the nation's roll of fame. Such clearances are a deep injury to the state and a positive crime against humanity, of the same nature (though less in degree) as despotism or slavery. Yet they are legal; and no power exists which can prevent them, so long as the land, without which no man could live, is allowed to be monopolized by the rich."¹

That which is true of Scotland is true of England and Ireland as well. By means of the enclosure acts and the exemption of the land from direct taxation, by means of settlements and entails, the land of Great Britain is more closely held than anywhere else in the world. According to the British Domesday Book of 1875, 1,200 persons own one-quarter of the soil of England, Ireland, Scotland, and Wales. The average size of these estates is 16,200 acres. Another quarter of the land is owned by 6,200 persons, whose holdings average 3,150

¹ *Land Nationalization*, p. 180.

acres. In Scotland the land is even more closely owned. A single owner is possessed of more than a million and a quarter acres. Seventy persons own one-half of the land, and 1,700 nine-tenths of it. In Ireland the conditions are the same. In that unfortunate land two-thirds of the soil is owned by 1,700 landlords. Great Britain is carved up into great territorial estates like those of France under the feudal *regime*.

A great part of the land is used for hunting preserves and idle pleasure. Much of it is devoted to the grazing of cattle and indifferent cultivation. But an insignificant portion is cultivated intensely, and practically all of it is worked by a tenant class. Less than one-fifth of the population is engaged in agriculture. The nation is face to face with the problem of poverty produced by the rack-rents of country and city and the exclusion of humanity from the land, while a handful of landlords enjoy rent-rolls running into the hundreds of millions of dollars. In this is to be found the explanation of Britain's decay. For nearly eight millions of her people live on the border-land of starvation, and fully two-thirds are very poor. One person out of seven dies in a public hospital, asylum, or workhouse. In the cities of London and Liverpool one person in every four dies in some public institution. Nearly fifty per cent. of the army candidates from the cities are rejected as physically un-

fit for service, while the condition of the peasant class is but little better.

These are the fruits of land monopoly in Great Britain, where the withholding of the land from use and the competitive rents for that which is used have reached their final consequences. They are not dissimilar from the conditions which impoverished Ireland a generation ago.

But the costs of land speculation are not confined to the agricultural worker. They are not limited to the tenant class on the plantations of the West. The cost of monopoly is scarcely less obvious in the mineral resources as well.

In the upper lake regions of Minnesota, Wisconsin, and Michigan are to be found the most marvellous iron-ore deposits in the civilized world. Not far away are similar deposits of copper. All through the central West are coal, oil, and gas adequate for the needs of generations. Yet the amount of iron, the amount of copper, the amount of coal, oil, and gas that humanity may use is determined by those who have appropriated these deposits. The supply is doled out as cupidity or greed may determine. The resources of the earth are closed to labor and industry. Humanity is warned off the land in order that the prices of these great necessities may be fixed by the needs of life itself.

In the anthracite fields of Pennsylvania are great areas of coal lands that are not operated. Upon

this supply the life of the Eastern seaboard depends. Yet it is surrounded as by a Chinese wall. Labor may not enter and no fuel may go forth except on the terms which monopoly dictates. A generation ago competition prevailed in these regions. Then the output of coal was governed by the same law which regulates the output of wheat, of potatoes, of shoes, of clothes, of all those commodities which are governed by the law of competition. Under competitive conditions prices are fixed by the relative amount of labor which enters into each commodity. There is no overproduction of these things. Society instinctively produces what it needs with something like divine foresight. And in the days when competition ruled in the anthracite coal-fields, the price of coal at the seaboard ranged from \$2.55 to \$2.60 a ton. Twenty years ago it sold for \$3.00 a ton.¹ To-day it sells for approximately \$6.00 a ton. It is fixed by the railroad syndicate which controls the region.

A generation ago there were more than a hundred operators in this field. Each operator strove for the greatest economy in production, and the best market for his output. The railways and canals were eager for traffic. They sought the convenience of the shipper. The operator had no difficulty in securing cars. He was offered competing outlets to the seaboard. Finally the railroads

¹ *The Anthracite Coal Industry*, Roberts, p. 74.

entered the mining business. Then they discriminated against the independent operator. They refused to give him cars. In time they crushed him out and acquired control of his property. Competition was ultimately destroyed. To-day the coal is bottled up as completely as were the Russians at Port Arthur. There is opportunity here for labor, limited only by the needs of man. But the storehouse of nature has been closed, and the railroads carry the keys. They have decreed that only a limited portion of the capacity shall be worked. Prices are maintained by charging "what the traffic will bear," while labor is excluded from the opportunity of employment. By this process they exact from the life and industry of the country at least \$2.00 a ton more than was paid in the days of free competition.

In our cities the cost of land monopoly is equally manifest. The speculator retards development. He strangles the city. It is estimated that at least one-half of the area of every large city is inadequately developed. It is held for the purposes of speculation or covered with "tax earners." A scarcity value is created. On such land as is used rents are forced up in consequence. The private dwelling gives place to the apartment house. Where once there were homes now there are tenements. City land values have become prohibitive to the great mass of people. Only a diminishing minor-

ity own their own homes. They could build and would build were it not for the initial cost of the land. Labor is thus limited in its opportunities, as is the production of other wealth.

City building is strangled by the same influences. Streets are cramped; beauty is subordinated to the use of every inch of soil. Great public improvements are rendered impossible. The building of schools and libraries, the opening of parks and playgrounds, the development of docks, the making of the city what it should be, are throttled by the land monopolist, whose dead hand makes the cost of city building prohibitive.

Everywhere untouched resources in abundance. Everywhere land inviting labor to bring forth wealth for our use. Close beyond the walls of the city, with its disease-breeding slums and tenements, is land upon which homes could be erected did its price not prohibit its purchase. Mines, forests, quarries, and resources more ample than those of all Europe, are kept out of use by the monopolist and speculator. Within our cities are strength, talent, and genius, trained by a system of universal education and eager for the expression of their life. So eager is labor for a chance, and so limited are its opportunities for expression, that the sweat-shops are crowded to suffocation, while the mining regions swarm with men fighting for a chance to spend their lives underground. At the same time millions of men are constantly out of employment, while

millions more are on the dead-line of poverty. Between labor and opportunity the land-owner has drawn a dead-line which may not be crossed.

Were a syndicate from Wall Street to gather together all of the bread of the city of New York; were it to say to the people of the metropolis, "You may have so much food as we daily determine, on condition that you labor for us a certain number of days each week," riots would ensue, riots which the police and militia could not check. Yet such is the notice which has been served upon America. For land is as essential to life as bread itself. It is the source of all wealth.

Charles Stewart Parnell used to quote with approval, in explanation of the misery of his own unhappy land, the following words of Henry George:

"Man is a land animal. A land animal cannot live without land. All that man produces comes from the land; all productive labor, in the final analysis, consists in working up land or materials drawn from land into such forms as fit them for the satisfaction of human wants and desires. Man's very body is drawn from the land, and to the land we must return. Take away from man all that belongs to the land, and what have you but a disembodied spirit? Therefore, he who holds the land on which and from which another man must live is that man's master, and the man is his slave. The man who holds the land on which I must live can commend me to life or to death just as absolutely as though I were his chattel. Talk about abolishing slavery—we have not abolished slavery; we

have only abolished one rude form of it, chattel slavery. There is a deeper and more insidious form, a more cursed form yet before us to abolish, in this industrial slavery that makes a man a virtual slave, while taunting him and mocking him in the name of freedom."

It is only the ingrained usage of generations that blinds our eyes to the devastating effects of the private ownership of the land. It is far more costly than the tariff, far more ruinous than discriminating freight rates. It is not so much the burden of rent, it is the strangling of wealth production that makes the private ownership of the land so costly. It affects the industrial life of a people like an invading army. It is not the burden of its maintenance that makes it so costly, it is the abandoned fields, the deserted workshops, the confusion to all trade and industry, and the blight which settles on the country which makes a defensive war so exhausting. It is not the amount destroyed, it is the wealth that is never produced that measures the cost. At the close of the Franco-Prussian war an indemnity of one billion dollars was exacted from the people of France. This colossal tribute was paid with comparative ease. But had the nation been devastated by an army of occupation, had the mills and the factories been closed, had the peasants been driven from the fields, as were the people of the Southern States of

America, such an indemnity would have been out of the question. It could not have been paid by a prostrate people.

And it is the wealth which is never produced by the labor which is never employed, or is badly employed, that measures the loss from the private ownership of the land. This is the costliest price of all. And the correction of this injustice has engaged the attention of almost every people, from the early Hebrews down to the land of legislation of Great Britain to-day. In some form or other the agrarian question is uppermost in every country of Europe, but it is only in far-off New Zealand and New South Wales that a democratic solution is being tried, a solution that not only recognizes the right of the community to the unearned increment in the value of the land, but strikes at the root of land monopoly by forcing the owner either to use that which he holds or to sell it to some one who will.¹

¹ England herself is following in the footsteps of her colonies. The Liberal budget for the year 1909 was avowedly a social as well as a fiscal measure. In presenting it to the House of Commons the Chancellor of the Exchequer, Lloyd George, said that its purpose was to stimulate the use of the land and aid in the breaking up or forcing into use of the land which was held idle in the kingdom. The means employed was the taxation of undeveloped land on its capital value. The rate of taxation imposed was not high, but the promoters of the measure undoubtedly contemplated the increase in the rate as soon as a valuation had been made or the cities and local authorities had been authorized to levy a local rate on land values. It was the fear of this that influenced the House of Lords to reject the measure.