

LAND MONOPOLY.

(For the Review.)

By DR. F. KÜHNER.

(Translated for The Review by Grace Isabel Colbron.)

Even Land Reformers are not always clear as to the exact characteristics of land values, or at least they have been obliged to use the customary indefinite terms for them for so long that the true meaning does not always come out clearly.

Monopoly of the land is quite different from other monopoly. All other true monopolies, such as, for instance in the time of Queen Elizabeth, were extended to a great many articles; such as are extended to a great many articles of to-day either by the state or by a private corporation—we think in this regard mainly of such products as tobacco, coal, petroleum, potash—are monopolies of commodities. Now it is not possible, or possible only in the rarest cases, to make a monopoly of any commodity absolute and complete, because if monopoly puts the price of any commodity so high that the great mass of consumers cannot purchase it, they will find something else to take its place. Also the constant advance in invention in mechanical production, brings of itself a substitute for almost any commodity produced. Petroleum for instance can be entirely superseded by the use of gas, electricity, or alcohol; other fertilizers will take the place of potash; other stimulants will be found which will offer the same satisfaction as does tobacco; in some parts of the country wood takes the place of coal and in others, electricity. Even a monopoly of the water power, if it were possible to achieve it, could be rendered harmless by the old Oriental method of cisterns for rainwater.

But land is the one exception. It is not a commodity and nothing else can ever take its place. Had we ten thousand great airships in which we could live high up in the clouds for weeks at a time, this would not change the importance of land one iota—it would only raise the value of those portions of land where the airships were built. No one or more individuals, through their own labor, can increase the amount of land one square yard, unless helped by some elemental force such as the action of water, changing of the coast line, etc. Every monopolized commodity can be carried to market, even houses can be moved, or pulled down and built up again elsewhere—land alone remains immovable. Land has none of the characteristics of a commodity, not even of those natural raw materials such as water, coal, iron, etc. It is not to be produced by human labor, it is not to be moved from place to place, its place is not to be taken by anything else in existence. The possession of it, therefore, is totally different from the possession of any other monopoly.

Why is this, it is asked? When we can buy and sell land, why is it not a commodity? When we pay for it, why has it not a market value?

This question rests upon a fundamental error—the error of belief that we do pay for the land. *Land is not an object* that can or should be bought and sold—that and that alone is its fundamental difference from all other commodities. Land is the surface of our planet—and the surface is not an object—a commodity. Its component parts are sand, stone, soil—these are *things*, are wares which can be moved about from place to place—land of itself cannot be moved. If I were to dig down a yard or two into the top soil of a building lot, take out and send away this top soil, I do not change the value of my lot in any way; on the contrary I increase its value by performing the preliminary labors necessary for building—I therefore do not change the character of the *land* in itself at all. Where it is not the surface itself, in its measurements and quantity, that is of value, where it is on the contrary the material of which it is composed, such as lime, for instance, then we do not reckon the value of that land by its surface measurements but by the depth of the mineral deposit.

To attempt to speak of land as a commodity, is to use an economic term which is empty of all meaning. A bargain in land is not a bargain for an object but for a *right*, the right to use an object, the right to prevent some one else from using it. Therefore when we say “private possession of land,” we mean instead “private right to prevent others from using the land.” Every portion of the upper surface of the earth which is in the possession of some individual, has won thereby a new quality in that others are prevented from possessing it. It is a law-made wall which surrounds it, nothing else. Therefore the land question to-day is a *law* question—a question of justice. Of itself it is not an economic question—it becomes so only in its results.

Every economic object becomes such through necessity, through economic egotism; every right becomes such through use. Now land monopoly shows its true nature in that it can be utilized in the unsocial sense and often is. The majority of feudal proprietors, for instance, act in an anti-social manner, i. e., they do not utilize their land intensively. As in the case of the English landed proprietors they shut it off from all economic use for the purposes of their own pleasure, for hunting preserves, parks, etc. If Capital is left lying idle, the folly of such action is apparent. But to the hunting landlord the care of his pheasants seems more important than economic gain. A German landed proprietor will refuse to sell a piece of his land with the excuse that he does not need the “filthy lucre”—he really means that he will not give up the value of a right for the value of an economic object.

But this is not a complete answer to the question of monopolized land. We must first learn the complete height and strength of the wall that monopoly has built up, for to break down this wall is the task which the Land Reformers have set for themselves.

Now the hunting English lord, and the German landed proprietor who consumes his groundrents in Berlin, will both declare that they are using their land in their own way, and that no one can ask more than that the land, cut off by monopoly, should be utilized. It would therefore seem that the Single Taxers' only opponents are the land speculators who find their profit in the non-use

of the land, who have disinherited others of their right to it, and who out of the need of others look for this gain. Now is the millionaire right when he says: "I am using my park when I ride out in it?" To whom do we land reformers accede the right to use the land?

The land question is a question of right, of law. But for the practical value of this right, and for an understanding of an unlawful use of the earth, we have to take a standard of value—the price which is paid for the right to monopolize. We demand therefore, two things as fundamentals for justice: First; that the land shall really be utilized by the individual who monopolizes it, and secondly; that it shall be monopolized only by the individual who will utilize it most intensively. It is not difficult to find this individual—the highest willing bidder—for he is the one who is willing to pay the highest groundrent to the community. But the community must demand from him that he shall not attempt a utilization of the land which would in its character be anti-social. This can be brought about by building restrictions and similar standards.

(Where in the second paragraph Dr. Kühner speaks of monopolies it is State monopolies which he has in mind; and these are of two kinds, one in which the State has full ownership and the other over which it exercises rights or shares profits. Partnership of this kind is known in Germany in the matter of coal, potash, etc., and in Austria in the matter of tobacco.

Some phrases in this contribution of Dr. Kühner will fall strangely upon the ear of the American and British Single Taxer. Where Dr. Kühner says, "Every right becomes such through use," he has in mind no doubt the legal right. Rights, of course, do not have their origin in law. And when he concludes that the anti-social use of land should be prevented by "building restrictions and similar standards" we need not quarrel with the statement, though such restrictions and such standards would scarcely be needed to prevent the anti-social use of land. For this the police power would seem to be all that would be required in such a social state as the Single Tax would bring about—and little of that. Other statements of Dr. Kuhner, though unusual in form, are for the most part unassailable.—EDITOR SINGLE TAX REVIEW.)

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