

# Social Action to End Unemployment

—MILDRED J. LOOMIS

"The association of poverty with progress in the great enigma of our times—it is the riddle which the Sphinx of fate puts to our civilization, and which, not to answer is to be destroyed."—

—Henry George, "Progress and Poverty"

"Whenever there is in any country uncultivated lands and unemployed poor, it is clear that the laws of property have been so far extended as to violate natural right."

—Thomas Jefferson, in "Writings of Jefferson"

Why does poverty accompany progress and increasing want come with advancing wealth? An earlier article, "The Effect of Land Speculation on Wages and Employment," showed an answer: because, not only does the private appropriation of rent tend to absorb the increased product resulting from material progress, but, at the same time, the privilege of privately appropriating the rent, by inducing speculation in land, and holding valuable opportunities out of use, operates to make this increased production far less than it would otherwise be.

How to remedy this?

Many remedies have been proposed and tried—tariffs, labor unions, Socialism, Communism, The New Deal, Fascism, Naziism, etc. Even if some of them could solve our economic problems, each includes as part of its program something which is worse than poverty—a curtailment of liberty of the individual. For this reason we must reject them, and seek further.

An economic system is possible that would not curtail liberty of the individual, but would increase liberty far beyond anything s-he now has or has known

since very primitive times. At the same time it would make undeserved poverty, low wages and unemployment impossible.

What can be done about poverty today? The only remedy for any evil is to remove the specific cause of it. To spend time trying to relieve symptoms only obscures the issue, wastes our efforts and does no permanent good. If we wish to end undeserved low wages, unemployment and poverty we must eliminate private collection of the rent of land. This is essential. Until this be done, the greater part of any pecuniary benefits of every improvement made in society will go to land-owners.

In both English and American law, it is recognized that property in land differs from property in labor products, and that land—and the rent of land—belongs to the people as a whole.

The Constitution of the State of New York says:

"The people of this State are deemed to possess the original and ultimate property in and to all lands within the jurisdiction of this State; the title of which shall fail from defect of heirs shall revert and escheat to the people." Art. 1, Sec. 1.

We have laws of eminent domain, by which, if it be decided the community needs land held by any individual, they must give it up to the community whether they wish to do so or not. Blackstone, the father of English law, wrote:

"Accurately and strictly speaking, there is no foundation in Nature or in natural law, why a set of words upon paper, should convey dominion to land." Commentaries, Book 2, Chap. 1.

All land titles trace back to force and fraud. The first person to sell land was selling something to which he had no valid title—no moral claim. Subsequent owners may have bought in good faith, but no one can buy a better title than the seller has to sell.

Private ownership of land is not necessary, nor is it so solidly built into our system, that it could not be terminated. But private possession of land is necessary to a good system and good usage. A user of land can be given secure tenure without private ownership. Speculators need private ownership if they are to gain the profit from sale; those who use it do not need to own it, if they are given secure tenure.

Nor would it be a hardship to present owners to do away with private ownership of land. On the contrary it would be a great benefit to them. Much good land, now idle, would be put on the market, and since the margin of least-productive land would move up, land-users would have higher incomes and produce much more than formerly.

Would ending private ownership in land, with secure tenure assured, be an injustice to land-owners? This question involves the source and justification of title to

land. What is it that land-owners claim as basis for their title?

Our constitution assumes and the great majority of our people believe that an individual belongs to him or herself. The energy and all the powers of the individual belong to that individual and only to that individual, just as truly as do hands and feet belong to an individual because they are attached to him or her. In order to live our energies must be exerted on land.

### BASIS FOR CLAIM TO OWNERSHIP

When John Smith has taken something from the land and worked it up into something to satisfy human desire, that thing which he has made is no longer just land. It is land to which John Smith's energy has been applied. He has put into the making of that object a part of himself, and this differentiates that object from every thing else in the world— this makes it rightfully the property of John Smith and no one else. If John Smith belongs to himself, then things into which John Smith has put some energy must also belong to him.

This expenditure of energy in producing an object, is the only just claim to the ownership of that object. In order to have a valid title to anything one must have produced it, or must have gotten it in exchange for something else which one did produce, or in exchange for service rendered. "To the producer belongs the product."

Who is there, or what is there, that can give a just claim to title to land? Man never produced land, nor could he. Land exists regardless of what we do individually or collectively and would continue to exist even if the entire human race were destroyed.

No one individual creates land value. Land values come as a result of the formation of communities, and it arises automatically, without anyone giving thought to it. Land-value is a by-product of social life, and its amount will be fixed by the relation between the productivity of the land and density and character of the population constituting the community.

If land is not produced by any person, if land values arise solely because of the presence and activities of the community as a whole, and if ownership can attach only to what one has produced, then neither land nor land-value can rightfully belong to [be owned by] an individual nor to any group of individuals.

Every person comes into this world willy-nilly and brings with him or her just one thing, the ability to labor. Each person finds here a world upon which s-he can and must work to satisfy his or her desires. It inevitably follows that every person has a just claim, and an equal claim, with every other person to use as much of this world as may be necessary for his or her use to make a living.

One often hears, "the world owes every person a living." This is not true, but a near statement is. 21

Correctly stated, the phrase would be, "the world owes everyone an opportunity to work for his living; and no one, is entitled to have a better opportunity to earn a living than the next person."

Equality of opportunity to earn a living is impossible so long as private property in land is maintained; because if we can justly own land in the same way that we can own labor products, we can justly demand from another payment for permission to use land. This would mean that the land-owner could get wealth without producing it, and that consequently the other would produce without receiving anything in return, and certainly this would not be compatible with equal opportunity.

The equal right of all persons to the use of the earth is as clear as is their right to use the air; for we cannot suppose that some individuals have the right to be in this world while the remainder have no such right.

For each of us to live, wealth must be produced; to produce wealth, we must use land; therefore if we admit that all persons have right to live, and if we are logical, we must admit also that all persons have the right to use as much land as may be necessary for them to make a living.

WITHIN VIEW OF THE PACIFIC OCEAN THERE IS ENOUGH ROOM TO HOUSE THE ENTIRE POPULATION OF THE UNITED STATES WITH A DENSITY OF ONLY 12 TO THE ACRE! THE AREA ACTUALLY OCCUPIED BY ALL THE CITIES AND VILLAGES OF THE UNITED STATES COVERS ONLY 1/2 OF 1% OF THE SURFACE OF THE COUNTRY.

According to the United Nations Urban Land Problems and Policies Bulletin No. 7

### APPLYING THE REMEDY

The next step is how to apply the remedy? Is eliminating the private collection of sale and rent of land, practical? Basically, there are two methods— one quick, one slow. A quick method would be by government edict as in freeing chattel slaves, changing over night from private ownership of land to common ownership, with individuals leasing land from the government. Of course such a change could not be made and be lasting until enough people wanted it and demanded it. When it is understood by enough of our people that private property in land— and the private collection of rent and sale price, is the cause of low wages, unemployment, and the growing struggle of the average man to make a living, it is not improbable that the change will come fairly quickly, whether or not we plan to have it so. [Indeed it has partially come in

America already.]

Many however, believe a more gradual program should be instituted. There can be no objection to this slower method, provided that always the basic principle— that no one be permitted to profit in any way by the mere ownership of land, is kept uppermost.

If the slower method is to be followed, the means are already at hand. If a policy of taxation were adopted to make it impossible for any land-owner to make a profit, purely as a land-owner, then speculation in land would die a natural death.



JOHN STUART MILL (1806-1873): Landlords grow richer in their sleep without working, risking, or economizing. The increase in the value of land, arising as it does from the efforts of an entire community, should belong to the community and not to the individual who might hold title.

This could be done by reducing or abolishing, one after another of the many taxes we now have on labor products [sales, income and property tax, particularly]. Instead of these for government purposes, a correspondingly increased portion of the rental value of all land, privately held, whether used or not, could be utilized. This process has begun in Pittsburg, Scranton, Pa., in Alberta, in many cities in Australia and New Zealand, and in Denmark. They all separate land from property value, and take an increasingly larger value from land than from property [i.e. labor products.]

This process should be continued until there were no taxes of any kind whatsoever, excepting a tax on the fund realized by collecting the full rental value of all land privately held, which fund would rightly belong to all the citizens. If this method were followed, land titles could still be held by individual users, but the final result would be the same as though the titles were held by the State. No ground rent would be left to any land-owner, nor could s-he profit in any way by the mere owning of land.

Since the selling value of land equals the capitalization of whatever portion of the rental value the owner is permitted to keep for him or herself, each succeeding step in the increasing of the tax must cause the selling value of land to decline correspondingly. When all ground rents are taken by the government [local government preferably], passing on necessary revenue to the Federal government, this land reform is completed.

If rent of any given land is:	100	100	100	100	100
and the tax on it is:	0	25	50	75	100
Net return to the owner will be:	100	75	50	25	0

The prevailing rate of interest is the chief factor in

fixing selling values. If this rate is 5%, the investor will pay for any given land, 20 times its net annual interest income: Selling price of the land above will be 2,000, 1,500, 1,000, 500 and 0 respectively.

Thus it is seen that if all ground rents were collected for the community, so that land has no selling value, there could be no profit by anyone simply as a land-owner, and all incentive would be gone for the holding of more land than one could put to use.

This taxing of ground rents by the community is frequently referred to as a tax. Actually however, it would not be a tax at all, it would be the payment of the rent of land to the community instead of to individuals.

If it were natural for everyone to keep as far away from other persons as possible, we would have no society; probably we would have no land values, and little or no need for a government. But human beings find it to their advantage to associate and to work together, therefore communities are formed and the need for a government arises. As the community grows, land values rise, the collection of which by the community, would provide a natural fund with which to pay the cost of government which the association necessitates. These values which attach to land, unlike the values of labor products, cannot belong properly to any individual or group of individuals [for no individual produces land] but instead must be treated as belonging to the community as a whole.

The goal is economic freedom— unbounded opportunity of employment for labor and of capital by labor, and security in the possession of all one may produce.

When one realizes that the only thing which stands in the way of making this ideal a reality is the failure of the community to collect ground or land-rents instead of allowing them to be privately collected, then the importance of making the change stands out in its full significance. We must free the earth before we can be free.

### WHAT YOU CAN DO ABOUT THE WEATHER

Are you frightened by the violent and erratic weather patterns in the last year? There are some things you can do about it. The most efficient weather stabilizer on earth is a **Green Tree**. It can process 40 gallons of water out of the atmosphere daily. Trees protect the natural water table, prevent erosions, dehumidify the air, remove carcinogens from the air and account for a **twenty degree difference in temperature** (comparison based on mid city vs. treed suburb).