THE LAND.

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THE UNEARNED INCREMENT: ITS NATURE.

Let us begin by taking the increment in its simplest and clearest form.

Suppose I buy Government land at £1 per acre, and quietly holding on while roads are being pushed forward, settlement extending and land values rising, refuse offer after offer till the price reaches £2, when I sell out. Of these £2, one I have acquired by direct purchase; £1 worth of money for £1 worth of land; but the other I have done nothing to acquire.

It may be quite right for all that, that I should have it. That is not the point at present. The point at present is simply to explain the term, and to show not only what it directly means, but what it indirectly implies, for it implies a great deal—much more than most people have any idea of.

I have neither done anything to create this increase of value nor rendered any service in return for it. If a sovereign were suddenly to drop into my pocket from the sky, it would not be more completely unearned.

But it has not only been unearned. If that were all, it would be no great matter. If, like the sovereign, it had dropped from the sky, then, though I might be undeservedly the richer, nobody else would be the poorer. My gain would be a clear addition to the sum total of human wealth, out of which others besides myself would in one way or another derive benefit; and, whether or no, whatever benefits one without injuring another is fair subject for congratulation.

But it has not only been unearned; it has been drawn from the earnings of others. My gain is others' loss.

If I sell goods or perform work for another, then no matter how high I may charge for the goods or the work, I am rendering goods for goods, service for service, earnings for earnings. What I offer is my labour, or the fruits of it, and as the public are free to get the same goods or services elsewhere if my terms don't suit, or to go without them, the fact of their accepting my terms shows that the thing I offer is, under the circumstances, worth the money.

But in the case of this unearned increment on land there is no pretence of any exchange. I offer for it neither labour nor the produce of labour. All I do is to place my hand on a certain portion of the earth's surface, and say, "No one shall use this without paying me for the mere permission to use it." I am rendering no more service in return for this extra pound, either to the purchaser or to society, than if I had acquired exclusive title to the air, and charged people for permission to breathe. And, if instead of selling my land for an additional pound I let it at a proportionately additional rent the principle would be the same.

The increase of value in my land has arisen from the execution of public works and increase of population, causing an increased demand for the land; in other words, it has arisen from the national progress; and I, so far from aiding in this progress have actually hindered it, by keeping my property locked up, and so forcing on intending producers to inferior or less accessible lands; and by holding so much land back have helped to make land so much scarcer, and, therefore, so much dearer, and so have helped to increase the tribute which industry has to pay to monopoly for the mere privilege of exerting itself.

I have employed my land not as an instrument of production, but as a means of extortion. I have bought it, not to use but to prevent other people from using it without my purchased leave; not to earn anything by it but to obtain the power of demanding the earnings of others.

Suppose certain parties knowing that a road would shortly be made into a particular region, bought from Government the privilege of placing bars across the road (when made) and forbidding any-

body to pass until he had paid toll; toll not (as under the old State tolls) to pay for the maintenance of the road, but toll for the mere permission to pass along the road. Every one would recognise that this toll was pure blackmail and not earnings, and the obstructors mere parasites licensed to prey upon the public. But where is the difference between blocking the road and blocking the land that the road leads to? Where is the difference between levying blackmail on the transport of goods and levying it on their production?

But it will be said, "It was with real earnings that I bought the right to demand this payment."

True. But the point is that whether I bought it or stole it, the thing I have bought or stolen is the privilege of levying blackmail upon industry; of demanding something and giving nothing in return; of laying my hand on the earth's surface and saying to all and sundry, "Give me of the produce of your labour or get out of this. So much a year if I choose to let it; so much in a lump sum if I prefer to sell it." Whichever of the two forms the demand assumes it is called by political economists "rent," and by that name I shall henceforth call it, because that is the accepted name, because there is no other compact and handy term by which to express it; but it is not to be confounded with rent in the legal and commercial sense, which includes interest on the cost of improvements. The rent I shall mean is economical rent only; the price charged for the mere use of the land as such, either without any improvements or apart from them; I shall mean "ground rent" in short.

The fact that it was with real earnings that I bought the land for which I charge rent does not make rent earnings. I may invest earnings in buying a share in a pirate vessel (as a great writer puts it), but the proceeds of piracy are not therefore earnings.

It is the nature of the business whereby I make money, and not the manner in which I got into it that makes the difference between earnings and appropriation.

Earnings mean taking payment for goods or service rendered; appropriation means taking something and giving nothing in return, no matter whether the taking be legal or illegal, or how I acquired the privilege of taking. Anyone can recognise that it is one thing to charge for the fish I caught in the sea, and quite another thing to charge for permission to fish in the sea; one thing to charge for produce I have raised from the land, and quite another thing to charge for permission to raise produce from land.

"Still I have the right to make this charge?" I am not disputing that.

If Government, with the full consent of the governed, issued licenses authorising to rob on the highway, the robbers, I suppose, would be justified in acting on their privilege; but their gains, all the same, would be appropriation and not earnings, no matter how high they paid for their license or how honestly they came by the money to pay for it. And if the public, disgusted with the system, demanded its immediate abolition, the robbers would have a claim to compensation; but their compensation would have to be assessed, not by the amount of plunder they had expected to make, but by the fee they had paid for their license and the actual loss to which, in one way or another, they had been put by the sudden abolition of a privilege they had honestly paid for.

But it will be said, "Rent is the result of a free contract."

Is it? The Italian peasant who agrees to pay to the brigand on the mountain so much a year in consideration of not being robbed makes a contract, but is it a free contract? If he refuses to pay it the brigand will take his earnings; if the applicant for land refuses to pay rent the landlord will refuse to let him make any earnings. Where is the great difference between the two cases? There is a contract in each case, and the one is about as free as the other.

"But," it will be said "in practice the rent of an estate represents real earnings in the shape of improvements made, as well as mere permission to use the land, and how can you separate the two values."

Not only is it quite possible to separate them, but the thing is often done. In London, for instance, the ground rent and the rent for the house often belong to quite different persons. In Ulster, again, the retiring tenant receives the value of his improvements while the landlord keeps the value of the land. And in America, I am told, the land and the improvements are assessed separately and taxed separately.

But all this has really nothing to do

with the subject in hand. My concern at present is simply to explain the nature of the uncarned increment.

Whether the value of the land and the value of the improvements can be separated or not, they are quite distinct elements, just as in a glass of grog, the brandy is brandy and the water water, each with its own distinctive properties and effects, notwithstanding their indistinguishable commixture; and he therefore who lets land levies blackmail upon industry by charging for something which represents no service at all, none the less that at the same time he charges for something else that does represent service.

No doubt there are many other things besides land in which a monopoly of the article will enable the possessor to levy something resembling blackmail; but there are points of difference that distinguish them all from the pure and simple appropriation of land monopoly.

The first is that none of them excludes other people from making a living or from making earnings to any extent by other means than the article monopolised.

If by a day's labour or by pure accident I find a diamond, I may ask a price entirely disproportionate to the value of my labour; but then the public need not buy my diamond unless they like. My finding a diamond does not prevent other people from looking for diamonds with as much chance of finding them as I had, and if they don't think they are likely to find any by looking for them they can go without, and be none the worse.

But every piece of land appropriated shuts out so many other people from that land, and as all the land (practically speaking) is appropriated, or in one way or another out of reach of the masses, they are at the mercy of the landholders, and have no choice but either to rent it from them as tenants or work for them as labourers on the hardest terms to which competition can drive them; which means that the landowner has the power of appropriating the greater part of their earnings in return for the mere permission to them to earn anything.

Or suppose that, instead of finding a diamond, I buy tin, and that next week the price goes up to double—here there is an additional distinction between my gains and the land speculators; for not only are the public under no compulsion to buy tin (which they are to rent land), and not only does tin represent the results of labour, and so represent earnings (which land does not), but the magnitude of my gain in most cases represents compensation for great risk.

The earnings of farmers and of miners may average the same, but the farmers' average is made up of pretty equal profits all round, while the miners' average is made up of a few big prizes and many blanks. And what applies to the miner applies also to the speculator in mining products. His occasional large profits represent compensation for great risks, and is thus as much of the nature of insurance as of profit.

No one would think of either mining or speculating in mining products unless the many blanks were compensated by occasional large prizes. They are the necessary inducements to engage in those callings, and therefore fair earnings when they come. Land, however, is not a speculation in this sense (though even if it were, its profits would still be appropriation and not earnings for reasons already given). It is a sure investment in the sense that it is subject to no extraordinary risks; to no more risks, that is, than such as are inseparable from all human enterprise, even the safest.

The value of land, as of everything else, will oscillate within certain limits, and even in some exceptional cases, as in the sudden diversion of traffic, fall for an indefinitely prolonged period; but these occasional or exceptional perturbations are but as the advance and recession of the waves in a flowing tide. The tide still comes in.

In every country which has any enterprise and progress, land values must rise. The movement may be fast or slow, continuous or interrupted, but it is up not down.

There is not a single factor in a nation's progress that does not add to the value of land. Every road improved and railway laid down; every machine invented and process perfected; every opening of new markets; every improvement in fiscal policy, in order and good Government, in the knowledge and skill, in the morals, manners, and even numbers of the people, every conceivable element, in short, that adds to the productiveness of industry adds to the value of land, and increases the tribute which monopoly can wring from industry; which the man who merely owns the land can exact from him

who uses it for the mere permission to use it.

This is why the gradual rise of land value or rent (ground rent only, remember), is called the unearned increment.

So far for its nature. Our next consideration will be its magnitude.

THE UNEARNED INCREMENT: ITS MAGNITUDE.

~~No.~~—Under the system prevailing all over the civilised world every country is cut up into square pieces, and appropriated by a (comparatively) few owners.

What these owners do with the land is a matter the State concerns itself very little about. Whether they occupy and use it themselves, or let it to a tenant and live in idleness on the fruits of his labour; whether they cultivate it like a garden, making it yield abundant wealth and maintain hundreds of families, or leave it in a state of nature to carry sheep, excluding the whole rising tide of population from the opportunity of developing its boundless resources because the sheep pay them rather better; whether they open out the mineral treasures hidden in its depths or lock them up by demanding such exorbitant royalties that enterprise either will not attempt the work, or attempts and fails; whether they construct factories and build cities upon it, or turn out the whole population and burn down their dwellings (as in the Scottish Highlands) because a foreign millionaire offers them a higher price for the privilege of turning it into a wilderness to shoot deer in than the children of the soil can give for the mere privilege of earning a living; all these things the State regards as matters of quite secondary consideration with which it is not called upon to interpose, because that would be interfering with the "sacred rights" of property.

The one thing it does concern itself energetically about is to establish these "sacred rights" as fast as possible and in all directions, and ensure that every acre shall have its blackmailer privileged to exclude everybody else from the land he has acquired possession of, and to forbid access to all industry except on payment of the heaviest toll which the keenest competition can compel.

The whole country (that is the whole country worth occupying at any given moment) being thus apportioned amongst these privileged few, they are masters of the situation. The first thing a man requires is room to stand in; and there is no unappropriated room available for the purpose. If he stands on private land he is liable to an action for trespass. If he goes out into the street, the policeman may order him to move on. When night comes on, matters are worse. If he sleeps on somebody's premises he can be apprehended for being on the premises for an unlawful purpose. If he sleeps in the bush he may be locked up as a vagrant without any visible means of support. The State insists that he shall pay blackmail to somebody; not payment for service of any sort rendered, but payment for the mere permission to be somewhere.

Land is the basis of all industry.

All industry consists either—

1. In extracting the raw materials of wealth from the land; or

2. In working up, shifting about, or distributing these materials, or in aiding in one way or another some of these processes.

We shall call the one class primary and the other secondary industries.

Farming and mining are the chief examples of the primaries. As to the secondaries, they are legion; and not only are all the materials these last have to operate upon drawn from the land, but so are the tools they work with, as well as the food the workmen consume.

It is clear that the extent of the secondary industries will be strictly limited by the primaries, that is, there can be no more persons engaged in working up, shifting about and distributing materials than there are materials (extracted from the land) for them to work up, shift about and distribute—and not only is the extent of the secondaries determined by the extent of the primaries, but so also are the profits in the secondaries determined by the profits in the primaries.

Materials must be extracted (or produced) from the land before they can be put to any further use, and men will not leave this necessary preliminary work to take to the secondary work unless they can make as much by the new industry as they could by the old, and they cannot hope to make more, because, if they did, the opening in the secondary industries being strictly limited, competitors would at once flock in and bring their profits down.

If profits in the primary industries are high that is, if the land yields abundantly, and no one steps in to appropriate the fruits, profits in the secondaries will be high too, for otherwise people would leave the secondaries and betake themselves to the land.

If, on the other hand, profits in the primaries are low—that is, if either nature is niggardly or someone (the landlord) appropriates the fruits; profits in the secondaries will be low too; for otherwise people would leave the land and crowd into the secondaries till they brought profits down.

Now, if all the land is held by a comparatively few people (as is the case), then since the land is the basis of all industry, there will be keen competition for it—a competition becoming keener year by year as the competitors multiply, the result of which competition will be that the man of average means and capacity will have to give the very highest price for the land that he will consent to give rather than go without it, and this highest price will be determined, not by the amount that it takes out of his pocket, but by the amount that it leaves behind.

Here, for instance, are three farms of differing fertility estimated to yield to the customary system of farming, £200, £300, and £400 net profit respectively. Then, if the first of these fetches, after a pretty close competition £100 a year, this shows that no bidder will give more than will leave him £100 to himself, but that the competition of the others will not allow him to retain more; in other words, that £100 is the lowest he will *consent* to keep, and the highest he will be *allowed* to keep, so that £100 a year is the average profit of farming among farmers of that class and means. But since he cannot hope to keep more than £100 it does not matter to him what the surplus may be which he is compelled to give up to his landlord; consequently the other two farms will fetch respectively £200 and £300. Of course, it is the *rate* of profit, and not the actual profit which we are speaking of. The £100 is only quoted as an example. Amongst one class of farmers the reserve will be higher, among another lower, according to their means and the magnitude of their operations.

This is the theory, and it corresponds exactly with the facts; for whether a farmer settles here or there, near a market or far off, whether he pays £100 a year for an indifferent farm, £150 for a better, or £200 for a better still, he finds that except by some lucky accident his profits as a farmer remain much the same, which shows that his rent is determined not by what he has to pay away, but by what he is determined to keep; and this amount, this rate of profit will, for reasons already given, determine the rate of profit in all the secondary industries, though they have no visible connection with the land at all.

To put it compactly, the profits of industry all round are determined by the rent of land. That amount of profit which the worker on the land can save from his landlord will be all that the worker at any industry can hope to get, and it will represent that minimum margin to which he will consent to be beaten down rather than go without the land.

What is the minimum margin?

The applicant for the land has a certain amount of capital (otherwise he could not be an applicant), and for this he knows he could get interest, and he has also the capacity to work. Consequently, the least he will determine to keep will be what he could earn as a labourer, plus the interest on his capital. Actually (except in the case of the poorest competitors for the smallest and worst farms) it will be something rather more than this, for his capital, such as it is, gives him a certain advantage in the position. He and his competitors being none of them in danger of immediate want, and therefore not pressed by necessity, will have a tendency to hold back in the bidding when it begins to run high, and to cling to something more than the closeness of the competition might seem to demand; and the larger his capital the greater will be his advantage, not only because of his greater power and stronger inclination to hold out for better terms, but also because the men of sufficient means to require a large farm, such as he wants, are fewer in number, and the competition in every way less keen and forced. Hence the smallest and worst farms are always the highest rented, which is only another way of saying that the profits on them are smallest.

Still, be the farms large or small, competition will always force rents up, and therefore profits down to the smallest return the average applicant of his class

will consent to accept rather than go without the land.

Land, as we have said, is the basis of all industry, and agriculture is the fundamental industry.

Everyone recognises this ; and in view of the hard struggle and hand-to-mouth existence of the farmer, all sorts of projects are proposed to ameliorate his lot.

One party advocates protection, another the lightening and equalising of taxation ; another the cheapening of labour by assisted immigration (making the labourer the scapegoat) ; another pins its faith on railways, and so on.

Of these proposals some are good, some bad ; but their effects, whichever way they tend, will not, except for the moment, affect the farmers' profit one way or the other.

Let us suppose protection to be the true policy, and raising the price of some particular article by a duty, say meat, see what the result would be.

The rise of price in meat will produce two opposite effects. It will immediately injure one class of farmers and benefit another. Those who by reason of distance from market, unsuitability of their land for grazing, or its still greater suitability for something else, do not fatten stock, notwithstanding the rise in price (and these will be a very large number), will suffer a distinct appreciable loss in increased household expenses and increased cost of feeding their men, without any advantage to set off ; while those on the other hand, with land specially adapted for grazing, who already made a profit by it will make a larger profit still ; and those on land passably suited for it, who formerly made their profit by something else, may, perhaps, change their system, and make their profit by grazing instead of by those other things.

But the point is, that after the first start neither those who gain nor those who lose will be any the better or the worse off for their gain or loss, because at the first renewal of their lease they will transfer the gain or loss to their landlords.

For so long as all the land of the country is in the hands of a comparatively few, so that there are more farmers wanting farms than there are farms for them to have, so long will competition force land values up to their maximum ; and rent will mean to the farmer the utmost that he can see his way to giving for the land rather than go without it and let another take his place.

But for the very reason that competition is thus already at its full stretch, it cannot be stretched any farther, and those farmers whose narrow margin of profit is trenched on by their increased expenses consequent on the rise in meat will insist on having that margin restored, and they will be able to carry their point, for they were already giving full value for their farms, and their farms (since they produce no more and yet cost more to work) are now worth less, less not only to the present occupants, but to any one else who might want to take their place ; therefore, the landlords cannot play off one against another, and so must accept reduction.

Conversely, where the profits on land already profitable for grazing have been increased by the duty, those lands will have become just so much more valuable and will fetch so much more rent.

So, if you made a railway to every farmer's door you would simply make the land more valuable. Compare those districts that have railways with those that have none. In the former you will see a greater population ; probably, more cultivation, certainly higher rents, but no higher farm profits ; for where the carcase is there will the eagles be gathered together ; where returns are high, thither will competitors flock. There may be no actual bidding against each other among the applicants, but this is only because the landlord will kindly take that trouble off their hands. He will put up the rent as high as he thinks he can—too high at first perhaps—if so his vacant farm will soon cause him to correct his error, but whatever the process, the result will be the same.

So if, by assisted immigration, you reduced the cost of labour by half, or if by mechanical inventions you enabled the farmer to do with half the number of men (which would come to much the same thing to him) you would be simply reducing the cost of working the land and so increasing the return to be got out of the land, and so increasing the value of land, and so raising rents.

One after another labour-saving appliances have been introduced within the last 20 years, double-furrow ploughs, reapers and binders, horse rakes, steam threshers, without improving the condi-

tion of the farmer in the least. Never have there been so many aids and appliances to industry as there are now, and never has the struggle of the farmer been more severe.

So if you lightened taxation, or even abolished it altogether, it would make no difference to the farmer, beyond the moment. At present some leases stipulate that the landlord shall pay all rates; others that the tenant shall pay them; others again that each shall pay half, but it is all a mere adjustment of rent. The more taxes the less rent, and *vice versa*.

If the farmer pays more rent it is because he has to pay less taxes, and whether this is owing to the landlord paying them, or to their being none to pay, makes not the least difference in the result.

So if nature herself instead of the mere instruments of production were improved; if the soil were suddenly doubled in fertility; if the Sun could be got to shine and the rain to fall exactly when and where it was wanted; if all weeds and plagues were abolished, it would come to the same thing, and for the same reasons.

The Press is continually preaching that the fault of things all lies with the farmer. He should be more industrious or more provident, he should know something about chemistry, he should buy the best appliances, and use the most advanced methods. It is very good advice in its way perhaps, but it does not touch the question in the least.

If you passed every farmer through a technical college, if by a network of meteorological stations and commercial agencies you supplied him every day with a forecast of the weather, and the state of the markets, if you supplied him gratis with all the best machinery, if you trained him in habits of industry and economy, foresight and skill, till you made him as much superior to what he now is as a steam thresher is superior to a flail, you would enormously increase his efficiency no doubt, but you would not add one farthing to his profits. The whole benefit would go as before to the landlord, and for the same reasons. You would not have eased the pressure of competition, but only have put it into the power of every competitor to offer more. Still as before, rent would mean the utmost the farmer could be forced to bid for the land rather than go without it.

Granting that there are many things that swallow up much of the surplus that would otherwise come to the farmer; heavy taxes, injudicious laws, bad roads, scarce labour; all these matter nothing (as a great writer says) so long as behind them stands something which swallows all that is left. So long as that something stands waiting with open mouth, abolishing any of these only leaves so much more for it to swallow.

Some people shrink from these conclusions saying, "it is a hard doctrine" (as if truths could be dodged by shrinking from them). Others say that the remedy is the fixing of a fair rent.

But what is meant by a fair rent?

If Brown objects to his present rent of £100, saying it is too high, and should be reduced to £80, and yet Jones is standing by prepared to give £100, why should the rent be reduced? Why should Jones be forbidden to have what he is ready to give £100 for, in order that Brown should have it for £80? It is fair neither to Jones nor to the landlord whatever it may be to Brown.

What would Brown think if Jones objected to pay the 5s. for his wheat that he had agreed to pay, saying it ought to be reduced to 4s., when Smith is standing by ready to give 5s.?

In the open market there is no such thing as a fair price. Hudibras' saying still holds good that "The value of a thing is just as much as it will bring."

There is a remedy for this evil, and a very simple one, but it is not the fixing of a "fair rent."

"But," it will be said, "all farmers are not tenants. Many own the land they occupy." True; but all this can prove is, not that the preceding remarks are incorrect, but that there is a certain class to whom they do not apply. We will let the exception go for what it is worth. What I shall undertake to show by-and-bye is that it is worth very little.

But we shall have to present one or two other considerations at some length before we are prepared to deal fully with this. For the present we will let it stand over, only remarking (to quote from a previous letter) that in farming, tenants are the rule, occupying owners the exception, and that the exceptions grow steadily fewer year by year. Not only in Tasmania, but in all the other colonies, in the United States, and wherever, in short land is recognised as absolute private property, the divorce between occu-

pation and ownership is proceeding apace, and the very institution which was designed to secure to the producer the full fruits of his labour is becoming the means by which he is compelled to surrender them to another.

THE REAL SUFFERER.

As the landlord by virtue of his monopoly of the land holds the applicant for it at his mercy, so the applicant once in possession holds the labourer at *his* mercy.

The competition was first for possession of the land, it is now for employment on the land. The competition is in the one case open and direct, in the other disguised and indirect.

Labourers do not usually underbid each other for employment as tenants overbid each other for possession, but it comes to much the same thing as if they did: the more numerous the labourers in proportion to the work to be done the lower the wages, and *vice versâ*.

If the landlords were to divide their land into as many pieces of equal value as there were applicants for it, and were to offer these pieces separately, there would be no competition to run rents up, and the landlord would have to take what he could for it—a merely nominal rent.

To make money by his monopoly he must keep up its character as a monopoly; that is, he must offer his land in a single block, so to speak, and so compel competition.

And just as the landlord forces rents up by offering his whole land for one tenant's occupation, and so setting all to compete for the privilege of being that one, so the occupier in his turn forces wages down by employing as few labourers as he can, and so setting all to compete for the privilege of being among those few.

The secret of his power over the labourer is the same as that of his landlord over him. It is not in his capital (as is generally supposed), but in his getting possession of more land than he can use by his own personal labour, and preventing other people from using it by their personal labour, except for his profit.

The landlord makes the occupier give him his money; the occupier makes the labourer give him his work.

In so far as the occupier can keep his wage expenditure below the general level by doing the same work with fewer men, or paying them less wages, he can retain the saving to himself; but in so far as he only succeeds in keeping down the general cost of labour, he is only keeping down the recognised cost of working the land, and so increasing the value of land, and so raising rent; and the result of his efforts (as a rule), is only to keep down the general level, for all are playing the same game, and any saving effected by one is soon copied by all, and absorbed in a general reduced cost of production, increasing the value of land and raising rent.

The productiveness of any industry—that is, the amount it adds to the general wealth, or to the material comforts and enjoyments of the people—is measured by the difference in value between the thing produced and the materials used up in producing it.

Thus, if a carpenter in a day makes a door worth £1, using up 8s. worth of timber and nails in the process, the result of his work has been to convert 8s. worth of rough timber into 20s. worth of finished product, exhibiting as the measure of its productiveness a net increase of 12s. How this increase is distributed and applied—whether, being an independent artisan, the maker can keep it all to himself, or whether, being a hired servant, he must be content with his day's pay, leaving the surplus to his employer; whether he receives his share in advance or has to wait for it; whether he consumes it or saves it up—all these make no difference to the fact that the increase was 12s.

The maintenance of the labourer forms no part of the real cost of production, for the labourer has to eat whether he works or not.

The proceeds of labour, generally speaking, are divided amongst three people, the labourer, the employer, and the landlord. No one reckons the landlord's or the employer's maintenance as part of the cost of production, and yet they persist in reckoning the labourer's as such. Relatively, to the employer, it may be, but absolutely, to the country, it is not.

Everyone sees that the landlord's and employer's maintenance is merely the use, or one of the uses, to which he puts his share; well, the labourer's maintenance is merely the use, or one of the uses, to which he puts his share.

The employer always has to wait for his share till the product is realised, while the labourer generally, and the landlord sometimes, receives his in advance; and the employer sometimes makes a miscalculation and gives more to the landlord in rent, or to the labourer in wages than a due regard to his own profit would warrant; or the enterprise may miscarry, and there be no increase to divide, or to make good what he has advanced. But such miscalculations and failures do not affect the truth of the proposition that, taking industry as a whole, wages, profits and rent, are the three different portions into which its proceeds are divided. And since, as we have seen, the competition for possession of the land keeps profits down to a minimum, either rent will be determined by wages, or wages by rent, that is to say, the larger the share of the proceeds the labourer gets, the less will there be left for the landlord, and *vice versa*, but as the landlord owns the land, he is master of the situation, and rent determines wages.

But to say that rent determines wages, is to say that rent devours wages. The labourer gets so little because the landlord gets so much.

Note.—I have adopted the division into rent, wages and profits, instead of into rent, wages and interest, because though less scientifically accurate, it is sufficiently accurate for my present purpose, and enables me to keep my subject within more manageable limits.

Rent devours wages.

Suppose the labourer to ask for a rise and the farmer to refuse, on the ground that he cannot afford it.

But presently something happens. A railway is made or a mine opened in the neighbourhood, or some improved process enables a greater yield to be obtained at the same cost, and there is now an appreciable surplus. The labourer comes forward again and says, "You can afford it now."

"Unfortunately, no," replies his employer. "I might have done so, but my lease is nearly up, and these advantages you refer to having made the land more valuable, my landlord has notified that he means to raise the rent; and as there certainly is a greater surplus available for rent than there was, I must give it, for if I don t someone else will; and so, as far as I am concerned, the surplus you calculate upon has vanished."

In short, whenever there is an increase in the productiveness of industry creating an additional surplus, and the labourer stretches forth his hand for a share of it, the landlord pushes him aside, and takes it all himself; but as he keeps well out of sight in doing so, using the employer as his instrument, his action is not perceived. And as it is in the present so it has been in the past. Inventions and discoveries have within the last century doubled the productiveness of industry over and over again, but the labourer has no more benefitted by them than the employer has. The increase has been enormous, but in the primary industries at any rate, the landlord has taken it all.

But some will say, "The labourer's exertion is a fixed quantity. The increased productiveness of his industry is in no degree due to himself, but to the improved appliances he works with, and, that being so, the person who supplies these appliances—that is, the employer—has a right to the increase."

There is enough *prima facie* appearance of reason in this to have made it worth discussing if the employer really got it, but he does not. It is the landlord, who has neither invented, nor supplied nor put to use the appliances, who gets the whole benefit of them.

To see that it is rent that devours wages, look at it another way.

Suppose the labourers demanding an increase and being refused, were to say "Well, in six months we shall strike, so look out; meanwhile we shall prepare for the struggle." So they save money, subscribe funds and organise; and at the time appointed present themselves, provisioned and prepared.

What would happen?

Would the farmers refuse, and so all industry cease, or would they consent to pay more than they could afford and go bankrupt?

Neither of these things would happen. The farmers would simply turn to their landlords and say, "You see how it is. We cannot afford higher wages, and the labourers won't work without them. Accept a reduced rent, or we throw our farms on your hands."

What could the landlolds do? Their rents are determined by competition, and here is competition suddenly come to a stop. They must make the

best of the situation, and accept the reduction.

And so industry would go on as before, and the farmers make the same profit as before. All that would have happened is that labour would have gained a march upon monopoly and the labourer have wrested from the landlord a part of the blackmail he was accustomed to pay.

For it is the labourer chiefly from whom it is wrung. It is by keeping down wages that the landlord thrives. The employer is merely the instrument, who for a consideration, cut down by competition to the lowest figure, undertakes all the trouble, the risk, and the odium of the squeezing.

The price of labour, like the price of everything else, is determined by supply and demand, and it is said that if employment is scarce it is because there is not profitable employment on the land for all. Ah! but profitable for whom? For the labourers? for the country, or for one or two privileged people?

Here is a farm, selected from the assessment roll of this district as a fair sample of a so-called agricultural farm, consisting of 640 acres and rented at £150. It keeps, I believe, at the outside, two men at work the year round; any other applicants for employment being dismissed with the formula, "No work for you."

Two men to a whole square mile! And this on a farm within 15 miles of the port of Hobart, and containing hardly an acre unfit for cultivation.

All the produce that comes off this farm has to be raised by the labour of these two men, and must realise over and above their wages and keep and all collateral working expenses, a surplus of rent, £150; rates and taxes, £20; employer's profit (say), £100; total, £270; being a profit of £135 to each man. No man, in short, is allowed the opportunity to earn a living on this square mile of cultivable land unless he produces, over and above the supply of his own modest wants, a net annual surplus of £135 to hand over to somebody else.

If employment is restricted, it is land monopoly that restricts it.

It is not that there is not abundance of land to use, abundance of use to put it to, and abundance of profit to be made from it, but that the tendency of monopoly is to keep hungry mouths off rather than to take willing hands on. It is naturally concerned only to get as big a share as possible to itself, and is not concerned whether other people have a chance to get a share or not.

The occupier will not engage more men than he can help.

But suppose his hand is forced.

Suppose the Trades Unions were to change their tactics (as they may do any day), and instead of trying to restrict the field of employments were to undertake to extend it. Suppose a Trades Union of farm labourers were to say to the farmer, "You have been accustomed to employ two men only on this farm. Well, not a man shall take service with you unless you undertake to engage four, and at the same wages."

Does anybody doubt that the two extra men could produce more than they consume and use up, and so be productively employed? And if the net surplus to hand over to the landlord were less, why he would have to take less.

The earnings of the two extra men, reckoning their wages and keep only, would be £100 a year, and if that left a surplus of £20 less for the landlord, there would still be £80 to the good. For, as I have elsewhere pointed out, the labourers maintenance (much more his whole earnings), so long as he replaces what he receives, is not cost of production but profit. If an industry does nothing more than maintain one man continuously it is to that extent productive.

But the landlord's position is too strong for him to stand in much fear of such combinations as these, and the whole tendency of affairs is to increase his power.

The landlords as a class get more, without the least exertion, outlay, or risk, out of the labour of the community than they could if the whole working community were their slaves.

PROLETARIANISM V. SLAVERY.

Suppose I own a sugar estate and 100 slaves, all the land about being held in the same way by people of the same class as myself.

It is a profitable business, but there are many expenses and annoyances attached to it.

I must keep up my supply of slaves either by breeding or buying them.

I must pay an overseer to keep them continually to their work with the lash. I must keep them in a state of brutish ignorance (to the detriment of their

efficiency), for fear they should learn their rights and their power, and become dangerous.

I must tend them in sickness and when past work.

And the slaves have all the vices and defects that slavery engenders; they have no self-respect or moral sense; they lie, they steal, they are lazy, shirking work whenever they dare; they do not care what mischief their carelessness occasions me so long as it is not found out; their labour is obtained by force, and given grudgingly; they have no heart in it.

All these things worry me.

Suddenly a brilliant idea strikes me. I reflect that there is no unoccupied land in the neighbourhood, so that if my labourers were free they would still have to look to me for work somehow.

So one day I announce to them that they are all free, intimating at the same time that I will be ready to employ as many as I may require on such terms as we may mutually and independently agree.

What could be fairer? They are overjoyed, and falling on their knees, bless me as their benefactor. They then go away and have a jollification, and next day come back to me to arrange the new terms. Most of them think they would like to have a piece of land and work it for themselves, and be their own masters. All they want is the few tools they have been accustomed to use, and some seed, and these they are ready to buy from me, undertaking to pay me with reasonable interest when the first crop comes in, offering the crop as security. As for their keep they can easily earn that by working a few weeks on and off on any of the plantations, or by taking a job of clearing, fencing, or such like. This will keep them going for the first year, and after that they will be better able to take care of themselves.

"But softly," I observe, "you are going too fast. Your proposals about the tools and seed and your own maintenance are all right enough, but the land, you must remember, belongs to me. You cannot expect me to give you your own liberty and my land too for nothing. That would not be reasonable, would it?" They agree that it would not, and begin to propose terms.

A fancies this bit of land and B that. But it soon appears that I want this bit of land for my next year's clearing, and that for my cows, and another is too close to my house, and would interfere with my privacy, and another is thick forests or swamp, and would require too long and costly preparation for men who must have quick returns in order to live, and in short that there is no land suitable that I care to part with. Still I am ready to do what I promised—"to employ as many as I may require, on such terms as we may mutually and independently agree." But as I have now got to pay them wages instead of getting their work for nothing, I cannot of course employ quite so many of them. I can find work for 90 of them, however, and with these I am prepared to discuss terms.

At once a number volunteer their services at such wages as their imagination has been picturing to them. I tell the 90 whose demands are most reasonable, to stand on one side. The remaining 10 look blank, and seeing that since I won't let them have any of the land, it is a question of hired employment or starvation, they offer to come for a little less than the others. I tell these now to stand aside, and 10 others to stand out instead. These look blank now, and offer to work for less still, and so the "mutual and voluntary" settlement of terms proceeds.

But, meanwhile, I have been making a little calculation in my head, and have reckoned up what the cost of keeping a slave, with his food and clothes, and a trifle over to keep him contented, would come to, and I offer that.

They won't hear of it, but as I know they can't help themselves, I say nothing, and presently first one and then another gives in, till I have got my 90, and still there are 10 left out, and very blank indeed they look. Whereupon, the terms being settled, I graciously announce that though I don't really want any more men, still I am willing (in my benevolence) to take the 10, too, on the same terms, which they promptly accept, and again hail me as their benefactor, only not quite so rapturously as before.

So they all set to at the old work at the old place, and—on the old terms, only a little differently administered; that is, that whereas I formerly supplied them with food, clothes, etc., direct from my stores, I now give them a weekly wage representing the value of those articles, which they will henceforth have to buy for themselves.

There is a difference too in some other respects, indicating a moral improvement in our relations.

I can no longer curse and flog them. But then I don't want to; it's no longer necessary; the threat of dismissal is quite as effective, even more so; and much pleasanter for me.

I can no longer separate husband from wife, parent from child. But then again, I don't want to. There would be no profit in it; leaving them their wives and children has the double advantage of making them more contented with their lot, and giving me greater power over them, for they have now got to keep these wives and children out of their own earnings.

My men are now as eager to come to me to work as they formerly were to run away from work.

I have neither to buy nor to breed them; and if any suddenly leave me, instead of letting loose the bloodhounds, I have merely to hold up a finger or advertise, and I have plenty of others offering in their place.

I am saved the expense and worry of incessant watching and driving.

I have no sick to tend, or worn out pensioners to maintain. If a man falls ill there is nothing but my good nature to prevent my turning him off at once; the whole affair is a purely commercial transaction; so much wages for so much work. The patriarchal relation of slave-owner and slave is gone, and no other has taken its place.

When the man is worn out with long service I can turn him out with a clear business conscience, knowing that the State will see that he does not starve. Instead of being forced to keep my men in brutish ignorance, I find public schools established at other people's expense to stimulate their intelligence and improve their minds, to my great advantage, and their children compelled to attend these schools.

The service I get, too, being now voluntarily rendered (or apparently so) is much improved in quality.

In short, the arrangement pays me better in every way.

But I gain in other ways besides pecuniary profit. I have lost the stigma of being a slave driver, and have acquired instead the character of a man of energy and enterprise, of justice and benevolence. I am a "large employer of labour," to whom the whole country, and the labourer especially, is greatly indebted, and people say, "See the power of capital! These poor labourers, having no capital, could not use the land if they had it, so this great and far-seeing man wisely refuses to let them have it, and keeps it all himself, but by providing them with employment his capital saves them from pauperism, and enables him to build up the wealth of the country, and his own fortune together."

Whereas it is not my capital that does any of these things. It is not my capital but the labourer's toil that builds up my fortune and the wealth of the country. It is not my employment that keeps him from pauperism, but my monopoly of the land forcing him into my employment that keeps him on the brink of it. It is not want of capital that prevents the labourer from using the land, but my refusing him the use of the land that prevents him from acquiring capital. All the capital he wants to begin with is an axe and a spade, which a week's earnings would buy him; and for his maintenance during the first year, and at any subsequent time, he could work for me or for others, turn about, with his work on his own land. Henceforth with every year his capital would grow of itself, and his independence with it; and that this is no fancy sketch, anyone can see for himself by taking a trip to our North-West Coast, where he will find well-to-do farmers who began with nothing but a spade and an axe (so to speak) and worked their way up in the manner described.

But now another thought strikes me. Instead of paying an overseer to work these men for me, I will make him pay me for the privilege of doing it.

I will let the land as it stands to him or to another, to whomsoever will give the most for the billet.

He shall be called my tenant instead of my overseer, but the thing he shall do for me is essentially the same, only done by contract instead of for yearly pay.

He, not I, shall find all the capital, take all the risk, and engage and supervise the men, paying me a lump sum, called rent, out of the proceeds of their toil, and make what he can for himself out of the surplus.

The competition is as keen in its way for the land, among people of his class, as it is among the labourers for employment, only that as they are all possessed

of some little means (else they could not compete) they are in no danger of immediate want, and can stand out for rather better terms than the labourers who are forced by necessity to take what terms they can get.

The minimum in each case amounts practically to a "mere living," but the mere living they insist on is one of a rather higher standard, than the labourer's; it means a rather more abundant supply, and better quality of those little comforts which are next door to necessaries. It means, in short, a living of the kind to which people of that class are accustomed.

For a moderate reduction in my profits then (a reduction equal to the tenant's narrow margin of profit) I have all the toil and worry of management taken off my hands. and the risk too, for, be the season good or bad, the rent is bound to be forthcoming, and I can sell him up to the last rag if he fails of the full amount, no matter for what reason, and my rent takes precedence of all other debts.

All my capital is set free for investment elsewhere, and I am freed from the odium of a slaveowner, notwithstanding that the men still toil for my enrichment as when they were slaves, and that I get more out of them than ever.

If I wax rich while they toil from hand to mouth, and in depressed seasons find it hard to get work at all, it is not, to all appearance, my doing, but merely the force of circumstances, the law of nature, the state of the labour market; fine sounding names that hide the ugly reality.

If wages are forced down, it is not I who do it, it is that greedy and merciless man, the employer (my tenant) who does it. I am a lofty and superior being, dwelling apart and above such sordid considerations. I would never dream of grinding these poor labourers, not I! I have nothing to do with them at all. I only want my rent—and get it. Like the lilies of the field I toil not, neither do I spin, and yet (so kind is Providence!) my daily bread (well-buttered) comes to me of itself. Nay, people bid against each other for the privilege of finding it for me; and no one seems to realise that the comfortable income that falls to me like the refreshing dew is dew indeed, but it is the dew of sweat wrung from the labourer's toil. It is the fruit of their labour which they ought to have; which they would have if I did not take it from them.

Is this caricature?

Take the farm of 640 acres before referred to, rented at £150, and keeping two labourers. Could I, the landlord, make £150 a year net profit out of the labour of these two men if they were my slaves, and the tenant my hired overseer, working them under the lash? I trow not.

I should have to pay him about £150 a year as overseer instead of getting it from him as a tenant, which makes £300 a year leeway to make up, to begin with. I should have to find all the capital which he now finds (practically) for my use; to run all the risks where I now run none; while the men, working in sullen discontent, would not produce near as much as they do now. No, thank you! If the lot were offered me as slaves for nothing, I wouldn't have them at the price. I get more out of them as things are, and I give absolutely nothing in return; all that I get is pure blackmail.

Some of these days the labourer will wake up to the facts of the situation. If the awakening be sudden and universal he will seize the broom and make a clean sweep, taking small account of the beetles he may tread upon, or the crockery he may break. An awakening of this sort happened once in France. and we know what it was like. He had terrible wrongs to avenge, and he went mad over them, and in his madness committed great crimes; but where he swept he swept clean; the abuses he swept away have never shown their heads since.

But there was one abuse that he did not recognise to be an abuse, and so he left it standing—to his loss.

Next time he sweeps he will clear that away too.

There is small fear of his ever going mad over it again, for his knowledge, and the consciousness of his power are growing year by year; and by the time that he recognises the facts of the situation, and sees what the change is that is wanted, he will be strong enough to say calmly, "Let it be done," and it will be done forthwith without violence or wrong.

LAND MONOPOLY NOT ONLY ABSORBS THE FRUIT OF INDUSTRY, BUT ALSO HINDERS ITS PROGRESS.

This system of allowing any one person to obtain absolute ownership of as much land as he can get, and to use it (or not use it) in what way he likes, not only

absorbs the fruits of industry, keeping down employers' profits and labourers' wages, and making life, to all who have to live by work, a struggle for existence, but it also restricts the field of employment, locking up the greater part of our resources from full productive use, and so hindering progress; and it can only secure its profit by so doing.

It is claimed in favour of the system that once the land is appropriated to an owner, it becomes that owner's interest to see that it is put to the most productive use; and that rent is the test of productiveness since that form of industry that can offer the most rent must be the most productive.

Never was there a greater mistake. The man who can afford to give the highest rent is not he who can make the land produce most, but he who can secure the largest share of the produce to himself, and he can often more easily do this by keeping other people off the land than by engaging them to make it produce more; for more produce generally implies more hands to produce it, and more hands imply more claims to a share in the produce.

If by one form of industry (say sheep) I can make the land produce £100, of which I can keep £70 to myself, I will evidently prefer it to another (say agriculture) by which I could make the land produce £200, but would have to pay away £150 to other people for their share in the work, and this none the less that it may take many times more land to produce the £100 than it would to produce the £200.

Here is an estate divided into five farms, each farmer employing two labourers the year round, and raising £400 worth of produce apportioned as follows:—

Direct assistance in the shape of wages to the two labourers, representing their earnings	£100
Indirect assistance in the shape of blacksmiths, saddlers, carriers work, goods bought, and services hired of all sorts, equal to the earnings of two men more ...	100
Rent	100
Profit to farmer	100
	£400

These five farms together, then produce annually £2,000 worth of produce, and maintain 25 men with their families, viz., one employer, two labourers, and indirect assistants equal to two men more, to each farm, besides the landlord, who receives £500.

If now a stockbreeder sees his way, with the help of one man as shepherd and general assistant, to produce £800 worth of wool and fat sheep off the five farms lumped together, he can offer £550 rent (£50 more than the five agricultural farmers put together), and yet, after paying £50 to his man and £50 more for such goods and services as he may require (representing the maintenance of another man) keep £150 for himself (half as much more than any of the agriculturists). His offer of course will be accepted, and the five agriculturists with their retainers will all have to go.

The amount of produce raised from the land will be only £800 instead of £2,000, and the numbers of men (with their families) will be three instead of 25.

The productiveness of the land will have been reduced to less than half, and the population to about $\frac{1}{8}$.

But suppose the land instead of being apportioned amongst five farmers, producing £400 and paying rent £100 each had been divided amongst 100 cottier labourers, producing only £50 of produce and paying £3 rent each.

Then the land would have been producing £5,000 worth of produce instead of £2 000, and maintaining 100 men (with their families) instead of 25; but inasmuch as the landlord would only have been receiving £300 rent, this arrangement would have been even more certainly and speedily outbid and swept away than that of the five farmers.

"But the 100 cottier labourers could not have turned the land to account if they had had it."

Could they not?

Here is a market garden, there an orchard. The owner in each case, a man of means, making a handsome income by the labour of a few men with common spades and hoes. Would the land yield any less, or the produce be worth less if these labourers were working it for themselves instead of for an employer?

Could they not buy all the tools they want by merely saving up a week or two's wages?

Could they not turn any proportion they liked of their produce into bacon, eggs, poultry, butter, things for which the demand is practically unlimited?

Could they not sell for less if need were, and yet thrive, than an employer, seeing that wages alone would satisfy them, while an employer must make a good profit over and above their wages? But as we have seen, the whole surface of the earth (so to speak) is parcelled out amongst a body of monopolists, who will not allow the labourer to produce anything unless he produces a large surplus over and above for their enrichment.

While the landlord gets all the profit (so to speak) of the men's work the occupier and employer get all the credit. He is the producer. The men are merely the tools he works with, like the spades and hoes.

Producer! He produces nothing. It is the labourers who produce all, only, as he holds the land, he will not allow them to produce, except for his profit.

There is not a shilling of his income that is not due to their labour.

If he decides to apply manure they fetch and spread it; if he keeps the ground clean and well worked it is their arms that do it; when he sells his produce it is they who gather and deliver it.

I count it nothing that he finds the tools; that he arranges the work; that he keeps the accounts; that he takes the risk. I count nothing he does as anything which the men could do just as well for themselves, and they could do all these things.

"Then why doesn't the labourer get the land and do it?"

Who will sell him the three or four acres he requires for any price within his means? Near a town the labourer would have to pay £20 to £100 an acre; in the country no estate owner will sell him what he wants except at an extravagant fancy price, hardly at any price at all. Owners do not like to cut pieces out of their estates, nor to have small independent settlers about them. They would rather sacrifice something generally to keep them out.

They will let the land no doubt sometimes, but not only do they usually ask an extravagant price as rent directly a small piece of land is asked for, greatly in excess of what they could make off it themselves, but they offer no security of tenure, no guarantee for improvements.

What heart will the labourer have in effecting the high cultivation which his system demands when he may be turned out anytime at short notice? How can he plant a tree when he has no certainty of ever gathering the fruit? How build himself a dwelling when he knows it can never be his home?

How can he throw his heart into his work with the shadow of an irresistible hand ever over him ready to turn him out and confiscate his improvements whenever self-interest, caprice, or a change of ownership so determines?

Here is explanation enough why the labourer is not in possession of land, but there are other reasons still which it is not necessary here to stay to consider.

I shall be told though that the term "most productive" does not mean producing the greatest bulk or weight or even the greatest gross value, but the greatest net profit.

Quite true; but profit to whom? To one particular person only, or to all engaged in it?

Take the case of a farm—

The earnings of all the blacksmiths, saddlers, importers, carriers, etc., who assist the work, as well as of the labourers who carry on the work are as much net profit as the earnings of the farmer who conducts the work.

All alike represent services rendered in furthering the work, the production of a crop; and for all alike there can be no return from the work till the work is finished; till the crop is gathered.

But as there would be great inconvenience if all had to wait for their returns till the work was finished an arrangement has been naturally fallen into by which, while the work is divided amongst many, the control, the responsibility and the risk are concentred in one, the farmer, who advances to each his share, by giving him a fair proportion to his service, and makes what he can out of the surplus.

The profit of the crop is the gross value of the crop less the seed, manure, and other goods consumed and wear and tear of tools; all the rest represents profits apportioned amongst a number of people, some of whom receive their share in advance, and others have to wait.

The profit made by the manager of the enterprise, (the farmer,) no more represents the productiveness of the enterprise than the salary of Mr. Manager Kayser represents the productiveness of Mount Bischoff. All the farmer's or manager's profit represents, is that share of the produce which the competition of his

class for the office of farmer or manager compels them to be content with.

Our habit of estimating the productiveness of every industry by the profit of one person, only out of the many concerned, viz., the employer, is about as sensible as if we estimated the size of a building by the size of a particular brick in it.

That industry is the most productive which converts raw material into finished product to the greatest value and in the shortest time, and the greater the number of people who are engaged in it and the larger the share of the proceeds that each can get the better, but the tendency of land monopoly is to allow as few people as possible to take part in the work, and to let them get as small a share of the proceeds as possible; for in the eyes of the monopolist, whether owner or occupier, other people and their earnings are merely so many expenses to be kept down.

As the landlord's interest is for each to own as large a portion of the earth's surface as possible to the seclusion of other people so that competition for its possession shall be stimulated and rents forced up, so the interest of the occupier is for each to cultivate as small a portion as possible so that the field of employment may be restricted and wages kept down.

If each occupier were to put to full productive use all the land in his possession the demand for labour would run wages up, and so, though the production of wealth would be enormously increased, it would be divided amongst a much larger number of people in much larger shares, leaving less for himself; but by shutting out say 9-10th of his land from full productive use and inviting employment on the 1-10th only the field of employment is narrowed and wages are kept down.

It is true, as we have seen, that though he gets the profit of this he cannot keep it, the landlord taking it from him. Still the necessities of his position compel him to try to get it, and in this way.

I do not say that either landlord or occupier acts in this way of set design. Each simply acts for his own interest in what he would call a "practical" way; that is he guides his conduct by results, without troubling himself how the results are brought about.

The landlord, for instance, lets his land in such sized pieces as he finds fetch most rent (that is in large pieces) without caring why pieces of such size fetch most rent, and, therefore, without being conscious that the reason is that by this means its character as a monopoly is kept up and competition for it stimulated.

Similarly the occupier keeps most of his land under natural pasture, and only cultivates a small part, the best, because the larger part so used, though it yields much less, costs nothing, and so he gets all the profit there is, and does not see, or care to see, that it is his keeping this larger part out of cultivation, that by restricting the field of employment and so keeping wages down enables him to secure to himself the fruits of the labourer's toil on the part he does cultivate.

In Great Britain this abuse by which the rights of the many are sacrificed for the profit of one has been carried to such an extent that whole counties have been nearly depopulated; and districts in the Highlands that, as Geo. Macdonald tells us, once turned out 1,000 fighting men now only carry a few gamekeepers.

The children of the soil have had their dwellings burnt down before their eyes, and they themselves have been driven forth in thousands to emigrate to distant lands, to crowd into the already overcrowded cities, or, as in some cases, to die on the mountains; not because they could not pay their old accustomed rent but because a foreign millionaire offered the landlord more for the privilege of turning the country into a wilderness to shoot deer in than they could give for the bare permission to live; a system that permits such atrocities is self-condemned.

As to Ireland, her population has within half a century sunk from 8 millions to 4 millions, though knowledge and invention have within that period so increased the productiveness of industry that it ought to have risen to 16 millions; and yet the cry is still that it is overpopulated, and her sons have to emigrate by thousands yearly.

But to see the fruits of land monopoly in hindering industry and keeping down population we need not go out of our own island.

Within five miles of this is an estate that was once called the granary of Tasmania. It is now a sheep run.

First came the absentee landlord, who living 12,000 miles away cared nothing

for his estate, but to squeeze all he could out of it.

Next came a worse form of landlordship still, a landlordship of trustees, in which the very possibility of a personal interest was destroyed, and under which the estate fell into worse and worse condition, houses in ruins, fences falling to decay.

Last came the kind of landlord on whom so many pin their faith, the occupying landlord, and he swept all the farmers off the land, and turned it into a sheepwalk.

I am not blaming him. He acted on his strict legal, and in one sense equitable right. The law allowed, and we may say encouraged him to buy the land in absolute possession to do with it absolutely as he liked, and he naturally liked to do with it in the way that paid him best.

It is the system, not the individual that is to blame.

But to judge of the system by such cases as these is to get a very inadequate idea of the evil of it. To get a true idea of this we have to consider the cases not only of cultivation stopped that was already in existence, but of cultivation prevented where it has never been allowed to come into existence at all. The holders of such lands are only doing what everybody else does, and has a recognised right to do, making the most they can for themselves out of their capital and their land, though land is not capital, this is to them the same thing as capital; it is what they have exchanged so much capital for, and from which therefore they have a right to draw the best profit they can in the way that seems best to them.

The wrong was in allowing them to acquire this right—in selling the people's birthright for a mess of pottage—in giving over, for the trumpery consideration of £1 an acre or so, to any purchaser the legal power to exclude the whole human race from as large a portion of the earth's surface as he chose to buy.

William Rufus was considered a cruel despot for turning all the inhabitants out of what was afterwards called the New Forest to make himself a hunting ground, but the landlords in this free self-governed country could do the same thing to-day with the whole of Tasmania if they liked, and call in the officers of the law to help them to do it.

I am myself a representative of the system I denounce. I might sell, no doubt, and so get out of it; but what good would that do? I can serve the good cause better in a number of ways by staying in than by going out—amongst other ways, by affording one standing example of a landlord pleading for land nationalisation and offering his own land, or, at least, so much of it as may be wanted as the first to be taken for the purpose at its actual value, as may be decided on, whatever system may be adopted.

REVIEW OF THE SITUATION.

Let us review the situation.

Here, in the primary industries, are farmers running rents up to the point at which they can barely make both ends meet; temporary outsiders—men who have been outbid, vainly looking out for a farm for months, and forced to take one at last on almost any terms; permanent outsiders—men brought up to farming and thoroughly understanding it, but squeezed completely out of the competition who are now dealers, butchers, one thing to-day and another to-morrow, scraping up a living as best they can.

And as profits in the secondaries are determined by profits in the primaries, the state of affairs is the same in these.

Here are traders, half as many again as are wanted in every township, running each other down in prices, touting for custom with travelling agents and flaming advertisements, giving reckless credit in their scramble for customers, and every now and then the weakest breaking down and falling out of the ranks only to be succeeded by fresh aspirants trying to force themselves into the throng, and each with capital more or less which he is eager to invest in the business he is trying to secure.

This in a country not a century old, containing barely six inhabitants to the square mile, a country with resources that its Press and public speakers are never weary of extolling, a country containing more natural resources than countries with ten times its population, with tens of thousands of acres fit for cultivation and untouched, with timber in such quantities that we pile it in heaps and burn it to get it out of the way, with minerals in abundance, with fish in our seas, with an equable climate, with everything in our favour; and yet men struggle for employment and capital bids for investment.

Surely if we saw half a dozen men in a

10-acre field struggling for room and gasping for breath, we should think it a strange spectacle, and wonder what it meant; and yet it would not be a bit more strange than our own condition, and not half so interesting.

For the production of wealth there are but three factors required, land, labour, and capital. Strictly speaking, two only; land and labour (= matter and force) for capital is but the product of labour saved up and accumulated. Still it is customary to reckon the three, so we shall continue to do so.

Which of the three is it that is wanting to us? Is it land? The question is absurd. The land lies all around us crying out to be used. Is it capital? There is not an enterprise put forth offering good promise for which capital is not forthcoming in abundance. Whether it be a brewery, a trusteeship company, or a mine, the shares are snapped up at once, not to speak of that other capital without practical limit across the water ready to pour in at the slightest encouragement.

Is it labour? Why, the very essence of our complaint is that people are struggling for work to do, not work languishing for want of people to do it.

What are chiefly the resources that we talk so much about? Surely not the untrodden forests beyond the farthest roads; not the minerals we suspect but have not yet located; not the inaccessible and the undiscovered; but the resources that lie all about us, visible to the eye and palpable to the touch; the occupied lands with roads through them and houses on them of which a mere fraction has been cleared, the cleared lands of which a mere fraction is cultivated, the cultivated lands that, tilled in the roughest fashion, yield but a fraction of what they might be made to yield.

It is not the want of land on the one hand, or of labour and capital on the other that is the matter with us, but the artificial barrier of monopoly that keeps these factors apart.

We spend vast sums in roads and railways to open up new land, and as fast as we open it up we sell, for a paltry £1 an acre or so to anyone who applies, the right of shutting it all up again if he likes, with the certainty that he will like to shut up the greater part of it.

We try to import labour and entice over capital. Labour and capital! into a country where labour (that is people trying to earn a living) is struggling for every opportunity to live, and capital has burnt its fingers so often by rushing into rash ventures that it hangs back disheartened.

Labour and capital! As if the way to ease the pressure of a crowd was to squeeze more people into it.

Break down the barrier that confines the crowd, and let it spread, and then if there is room for more, more will come of itself, more both of labour and capital, only too glad of the chance.

How can labour or capital find employment when every national resource is in the hands of some monopolist who has got hold of other people's shares as well as his own, and puts the greater part of it to the mere mockery of a use, while for the rest he either frightens enterprise away by his extravagant demands or forcing competition runs his blackmail up to the uttermost the user will give, so that new-comers, if you had them by the thousand, would not offer more; and if they did, could only get in by displacing others.

Take any natural advantage you like to name—extent of area, mineral deposit, or commanding situation—and what is not in reasonable use already is either locked up for sheep or barred by extravagant demands for royalties or paid-up shares; or, if in use, is let out for the uttermost it will fetch.

We have now reached the point at which we can take up the objection, previously postponed, that "all farmers are not tenants," and the implication that were they all to own the land they occupy, objections must vanish.

But it ought to be clear by this time that if all existing landlords were swept away and all the land in use confirmed absolutely upon the occupiers, things would be no better than they are now.

For the evil that weighs upon society, hindering progress, forcing down earnings, and making life to all who have to live by work a struggle for existence is the monopoly of the land; and whether it is A or B who monopolises it, is of no consequence to anybody but A and B.

Wherever one man is allowed to acquire more land than he can use by his own labour for the purpose of preventing other people from using it by their labour except for his profit, that man is master of the situation, and the class of which

employ

he is the representative has the world at its feet. And whether the monopolist turns his monopoly to account as an occupying owner by working the labourers for his profit directly, or as a non-occupier by selling to somebody else (called a tenant) for a yearly payment (called rent) the privilege of working them, is a difference not worth talking about.

Indeed if the system is to go on, it is better, in some respects at any rate, for society at large and the labourer in particular that the owner and the occupier should be separate persons.

For where the land is in the hands of a mere tenant he is forced to put it to sufficiently effective use, to make it realise enough to pay his rent over and above his own profit, whereas, as experience shows, when he has no rent to pay, he is often tempted to take things easily, and working enough of the land to keep himself comfortably, put the rest to very poor use indeed in order to save himself trouble, expense, and risk.

This is by no means an unusual result of occupying ownership. There are many occupying owners who, having no rent to pay, yet make no more off their farms than other men not more competent, who have a good stiff rent to meet, and this merely because finding themselves able to make enough easily to keep themselves in the style they have been accustomed to, they do not trouble themselves to earn more.

And the easier the occupier takes matters, and the less use he makes of his land, the less employment there is for labour, the more wages and profits are kept down, the less raw material is there raised for the secondary industries to concern themselves with, the more difficult it is for carriers, artizans, tradesmen, and workers of all sorts to get a living, and the keener the struggle for existence all round.

No. King Log is worse than King Stork. The whole system is a legalised robbery of the public, and what we want is not to change the robbers but to stop the robbery.

In Ireland they are now trying to set matters right by changing their robbers. The landlord's rent is to be reduced bit by bit till nothing of it is left, but the monopoly of the land is to continue. The tenant is to become the landlord.

What difference will that make to the labourer, who will still have to compete for the privilege of working for his profit so much of the land as he graciously allows them employment on?

What difference to the thousands who have no land nor employment on the land, but are forced to struggle for existence because the land is not put to its full use?

What difference to the country whose natural resources are still left in the absolute power of a class whose interest it is to hold back the greater part of those resources in order to narrow the field of employment, and so force wages and earnings down and their own profits up.

There is but one remedy for this great wrong, the nationalisation of the land.

We in Tasmania, like our co-thinkers in other parts, have established a society for this purpose, viz, for "the gradual nationalisation of the land as opportunity offers and public opinion ripens;" and my whole purpose in these pages has been to lead up to the elucidation and advocacy of our views, and to give notice and opportunity to all who may wish to join our ranks.

The State, gradually resuming possession of the land on equitable terms, is to apply the ever-increasing unearned increment to the reduction of taxation, and the multiplication of public benefits. The occupier is to become a State tenant, but on a tenancy that while it secures to the State the full value of the land from year to year and provides for its *bona fide* use, yet assures the tenant as perfect security of tenure and of the fruits of his labour as if the land belonged to him.

The occupation of large tracts by a single person (except for temporary use in places where it is not yet wanted for other people) will be done away with, and the land eventually made so accessible to all that every person, even the humblest shall have the opportunity if he wishes it of acquiring, within accessible distance of a market, of enough land to make himself a home and for the exercise of his own personal labour.

We are not fanatical enthusiasts expecting to overturn long established institutions in a day. We recognise that we have a long and uphill work before us, and that we cannot live to see the full fruition of our desires, but we are confident that fruition will come in time, and we hope to see the work at least begun in our day. There are abundant signs all over the world of forces at work in our favour.

All our efforts for the present will be to elucidate and disseminate our views, to interest and educate the public, and to act with all the force of a compact organised party to carry any legislative measures that help to bring us a step nearer to our end.

OUR PRINCIPLES AND PROPOSALS.

Our principle is that the legitimate use of the land is as an instrument of production, not as a means of extortion, and its possession to be permitted to secure to its possessor the fruits of his own labour, not the fruits of other people's.

Our aim is to break down the barrier that keeps the two factors of production, land and labour (the matter and force of industry) apart, and throw open to full productive use the resources of the country. To abolish the accursed monopoly that lives upon industry as the tick lives upon the sheep, sucking its juices and hindering its growth, and thrives, not by doing a hand's turn or contributing a penny's worth for the good of society, but by getting possession of the means of existence, and making people pay for the permission to live.

To appropriate the unearned increment of the future to the State, taking its vast and constantly accumulating wealth from those who do not create it, and giving it those who do, by applying it to the reduction of taxation and the multiplication of public benefits.

Above all, though unfortunately not before all, to give the labourer access to the land, and consequently the choice between working for himself and working for another, instead of, as at present, between hired employment and starvation.

This last, which should be first, we are obliged to postpone, because till the labourer begins to recognise his rights, and to demand their recognition by the State it is useless for others to move on his behalf. He must be his own deliverer. Others may point out the way for him to go, his must be the force to break down the barriers of vested interest and class prejudice that bar the way.

For the present we propose four simple measures only; not one of them representing any new or revolutionary principle, but giving principles already recognised and acted on a more extended application; not one of them seeking to confiscate the wealth of any one, no matter how improperly that wealth may have been acquired; not one of them interfering with the course of industry, but on the contrary all together opening out a thousand fresh channels for it to flow in.

These four proposals are:—

1. That no more public land be alienated on any consideration

2. That the State be empowered to retake possession of any particular land which may be required in the public interest, giving fair compensation for the land taken, and letting this land out in lots of limited size at a rent subject to periodical revision at stated intervals, and the rent raised as the value of the land (apart from its improvements) rises, or lowered if it should chance to fall, and to give the occupier the assurance of undisturbed possession so long as he fulfils the simple and reasonable conditions of his tenure (unless it should be required for a railway or some such very special purpose) with recognition of his right to the value of his improvements (if the land should be taken from him) at the time of the taking.

3. That it is the surface of the land only that is let for ordinary productive purposes; all mineral rights being reserved.

4. That the absorption by the State of the unearned increment on lands which it does not retake in possession be commenced by taxation on the unimproved value of the land, beginning with a moderate percentage, and gradually increasing.

This is all we propose for the present. For the future we will be guided by circumstances.

In regard to the first proposal—"That no more public land be alienated," the State already exercises its power of reserve, often over large areas, as in the case of mineral lands. We propose to apply it to all cases.

In regard to the third, "The reservation of mineral rights," the practice of reserving rights in letting land is so common that nothing further need be said about it.

In the case of minerals being discovered, the State could either let the right of working them, compensating the occupier for loss and disturbance, or could leave them to be worked by the occupier at a fixed royalty, or on such terms as might seem best.

In regard to the fourth. "The taxation on unimproved value," it has been objected that it is a class tax. Well,

there are many class taxes levied for different reasons, generally good and sufficient; there is (or was) the carriage tax, levied as a tax on luxuries; there is the auctioneers' license fee, levied as an indirect way of taxing the transfer of stock at public sales. There is the chemists' license fee, a way (in part) of securing that the making up of prescriptions and the dispensing of drugs be confined to properly qualified persons; so also we propose a tax on the unimproved value of land as a step towards the gradual abolition of the system of blackmailing industry, and towards the restoration to the State of what it should never have parted with.

In regard to the second (kept till the last because it requires most comment) the power to the State to retake land wanted in the public interest, and the re-letting of it on the conditions sketched out; the State already has the power to take land for railway purposes. But as there is nothing specially sacred in the nature of a railway to make it an exception to all other works of public utility, as it is simply a concern of great public importance, and that is all the justification there is for taking the land required for it, then if we can show (as I think I may fairly claim to have shown) that the breaking up of land monopoly and the throwing open to use of the national resources is a matter of more consequence than all the railways in the world, there seems no conceivable reason why the State should not take the land for this purpose too.

As to the circumstances under which the land shall be taken, the manner in which compensation shall be determined and rent re-valued and so on, all these are questions of detail to be well thought out and freely and thoroughly discussed, but the discussion of which would be for many reasons out of place in a preliminary address like this. One thing only must be insisted on; that the taking, the re-valuing, the letting, the recovery of rent and every process connected with the disposal of the land shall be entirely removed from the control of party politics and personal influence, and be made strict processes of law, guided by definite rules and administered by properly appointed and independent courts, just as the valuation of property, the granting of mineral leases, and the recovery of rates and taxes are now.

"But," we are told, "you forget the land hunger. Man naturally craves for the absolute ownership of the soil he tills, and without it loses half the stimulus to exertion. He wants to sit under his own vine and fig-tree."

Here are three statements rolled into one,

Take the last first.

"He wants to sit under his own vine and fig-tree."

True; and the result of your system of absolute ownership is that 99 men out of 100 can get no vine or fig-tree to sit under, and the hundredth finds that the vine and fig-tree under which he sits are not his but his landlord's, who charges him heavily for the privilege, and this even though he has planted the tree himself, and watered it with the sweat of his toil.

Year by year, all over the civilised world the ownership of the land is passing out of the hands of the occupier. One man rears the fruit, another stretches forth his hand and takes it. The very institution which you defend as securing to the producer the full value of his produce is the institution that compels him to part with it.

How comes this?

Because the unearned increment, though certain, is deferred, and falls, therefore, to him who can wait, and who accordingly lies in wait.

Sooner or later the day comes when a mortgage has to be redeemed, or death brings the property into the market, and then the man of large and independent means, who does not mind getting a low rate of interest for a while in consideration of large profits hereafter, easily outbids the working owner, who has to earn his living, and must have quick returns.

Thus, it is that not only is the rich non-occupying owner fast superseding the poorer working owner, but the large non-occupying owners are also eating up the small ones, and the tendency of the times is for the whole land of the country to pass gradually into the hands of a few enormously rich people.

We have not got into this second stage yet out here, but we are well on into the first. And so inevitably and steadily land is coming to belong, not to him who has the best right to it, not to him who wants it most, nor to him who will put it to the most productive use, or even to any use at all, but to him who can afford to give

most for it for the mere purpose of squeezing other people.

You offer the name, but you cannot confer the reality. We withhold the name, but gaurantee the reality.

For what is the land-hunger?

It is the natural craving for a permanent home, and for the fruits of our labour; and we guarantee both these; you do not.

The natural desire of a man is for a dwelling that he can regard as his home for so long as he chooses to dwell in it; for a piece of land which he can cultivate and build upon and improve as his interest may dictate without the fear of a notice to quit, and the certainty that when he quits of his own accord he can realise the full value of his improvements at the time of his retiring.

If you say further that all these things shall be his own you are conferring no further privilege. You are only summing up the privileges already enumerated in a compact, sweet-sounding phrase.

That he shall possess his home so long as he chooses to dwell in it, his land so long as he chooses to till it, this is the land hunger. But to want to own the land without using it, to leave it and yet retain the ownership for the mere purpose of preventing other people from using it except on payment, this is not the land hunger at all.

Directly a man has lost the desire to dwell in his home and till his land, and wants to go elsewhere and live on the rent, he has lost the land hunger, and retains only the ordinary desire to make money.

Therefore, when under these circumstances we require him to give up the land, securing to him the value of his improvements, we violate no craving of his nature; we only take from him what he has ceased to value, the land; and allow him the one thing he continues to value, his money, to invest elsewhere.

Further, it is the nature and not the extent of the occupancy that satisfies the land hunger. A home and land enough to afford employment are all that is wanted for the purpose.

The Irishman's poor cabin is as much his home to him, as the Duke's palace is to him; and an acre or two satisfies the craving to be working for oneself as thoroughly as 1,000 acres would. Therefore so long as we leave a man land enough to provide him full employment, much more when we leave him enough to employ many hired servants, we may take, at a valuation, the broad acres on which he merely runs his flocks without jarring any legitimate feeling.

CONCLUSION.

Now let us note the results of our plan to each of the parties concerned.

1. In regard to the dispossessed landlord.

So much land is taken from him, so much money of equal value is returned to him. He is certainly no worse off than before. He is really much better off.

Formerly his income ceased every time the land was vacant between one tenancy and another, and disappeared altogether every time a tenant bolted or broke. Now it is guaranteed to him with absolute regularity.

Formerly he was constantly liable to demands from his tenants for repairs and improvements, to which he was compelled, to some extent at any rate, to attend. Now he is freed from all this, his income comes to him without deductions.

He is better off all round for his dispossession.

2. In regard to the occupier.

He holds at present on (say) a five or seven years' lease. All his operations are bounded by this prospective limit. No improvement or enterprise can he attempt which will not be completely repaid with interest within that ever narrowing period. But such a limit is fatal to the proper development of the resources of the land. The very first condition necessary is security of tenure; not for five or seven years, but for so long as the occupier desires to hold it, with assurance of full compensation for unexhausted improvements should he decide to retire. A hand to mouth system that farms from year to year is but a step in advance of the practice of the savage who supplies his wants from day to day. To get the full results from the land you must improve it. To work the land without being free to improve it is to work it with one hand tied. The most valuable works, those that return the greatest results to a given labour, are those that are most far-reaching, but slowest in yielding their results.

To drain, to plant, to build, for example, are things the occupier must not dream of. Many a thing that he sees the land wants, and that

it seems a pity to neglect, must he leave undone; and his interest in the land, little enough at any time, diminishes daily, till in the last year of his lease he is in the position of a yearly tenant, a position proverbially unproductive and unsatisfactory for both landlord and tenant. It is no longer his interest to manure, to keep down weeds, to effect a hand's turn of repairs more than is absolutely and immediately necessary.

As the end of the lease approaches he is further paralysed by the uncertainty whether his lease will be renewed or not, on such terms as he can accept. He does not know often whether to fallow or what crop to sow, or what to undertake; and if through the landlord's asking too much or wanting to resume possession, or for any reason he is obliged to leave, he has to sell off everything. no matter whether the times are favourable or not, and be at a loose end for months looking out for another farm, wasting his time and consuming his capital.

Finally he has to take a new, untried farm, the peculiarities of which he has to learn by gradual experience, and has hurriedly to get together fresh stock and implements. Never has he any abiding interest in the land; never is it anything more to him than a temporary residence, and an instrument out of which to squeze as much money as possible within a given time.

Turn to State ownership and all this is reversed. The tenant is now in as secure possession of the land as if he owned it (only subject to a yearly payment) without having to find the capital to buy it.

It is practically his; his as a home to dwell in; his as an instrument to put to fullest use; his as a trust, not as a possession; but as a trust in which he knows he will never be disturbed so long as he fulfils its reasonable conditions, conditions devised for the public good not for the aggrandisement of an individual.

He holds a portion of the public estate to the exclusion of other people with equal rights, and therefore he must pay from year to year the full value of that privilege. As the land rises in value through the execution of public works and the growing prosperity of the country he will naturally have to pay so much the more for the use of it, but nothing the more for the improvements he may have made on it. If from any cause it falls in value, he will have to pay less. Whatever its value from time to time, as ascertained by periodical valuations, he will have to pay it.

What could be more reasonable?

Formerly his hands were tied by the shortness and uncertainty of his tenure and the absence of any claim for improvements. Now his hands are free; the land is practically his, though nominally the State's. It will be less in extent no doubt; that is, he can no longer hold large areas to the exclusion of other people, except temporarily, in remote parts where the land is not yet wanted for more productive use.

He can no longer hold more than he can personally use for the mere purpose of preventing other people from using it except for his profit; but he can hold as much as is his fair share and whereon his home stands, in perpetuity, and as much more as is not wanted by other people until it is wanted; and as the State is not likely to want it so long as it is being put to full productive use, and will have to pay him the full value of his improvements if it does, the more he improves it the less likely will he be ever to be disturbed.

Secure in his tenure, and in the fruits of his labour the occupier will acquire a permanent interest in his land, and a pride in and affection for it such as he has no chance of acquiring now, and will have every inducement man can have to put it to the fullest use, and draw the greatest enjoyment from it.

"But as he has still to pay rent, it seems—rent to the full value—how is he better off, after all? What difference can it make to him whether he pays his rent to the State or to a private landlord?"

Just the difference between paying money into the bank to your own account and paying it in to another's. For by so much the more as the State receives in rent the less it requires in taxation.

In paying rent to a private landlord the tenant pays it away to a stranger for the stranger's enjoyment or enrichment, and the payer sees it no more. But in paying it to the State he gets back with one hand what he gives with the other; what he gives goes to the great public trustee to be turned into public benefits of which he has the full use and enjoyment in common with other people.

His payment to the State, in short, is not a payment away at all, but an investment, and generally speaking, the best investment he makes. There is no outlay from

which we receive so many and so great returns. It secures for the payer benefits which he could not by his own resource, labour or outlay secure at all, and without which he could secure nothing else.

What sort of a living could any man make if in addition to his ordinary business he had to be his own policeman, road-maker, schoolmaster, etc. ?

What we pay to the State in taxation we get back in full measure, running over.

But the returns from State rents are far greater than the returns from taxation ; for taxation gives you those public benefits only in return for your money, while for State rents you get the use of a piece of land in itself worth the money, and you have all the public benefits thrown in ; or (to put it differently) for taxation you get your money back once only, for the State rent you get it twice over.

At the commencement of the system there may be no immediate gain, as far as mere money payment goes ; for great part of what the tenant pays to the State in rent, the State will have to transfer to the dispossessed landlord as compensation.

It is only as the land increases in value (which it will quickly begin to do), and the unearned increment begins to accrue, that the State revenue will begin to expand and to go to the reduction of taxation and multiplication of public benefits ; but, from the moment it begins to accrue, it begins to increase, and increases at accelerating speed.

3. In regard to the labourer.

As to the labourer's full rights, which it is the ultimate aim of our policy to secure, that is a subject on which I may have something to say on another occasion ; but for the present all I am concerned about is to show how the particular initiative measures which our society proposes will affect him.

Rent, as we have seen, devours wages ; and what enables it chiefly to do so is the power the landowner or land occupier has of restricting the field of employment ; of keeping back the greater part of the national resources from full productive use, and compelling the labourers to compete for the privilege of employment on the small portion which he permits to be used.

We have but to notice how the opening up or enlargement of one particular department of employment affects the labour market to form some idea of the effect that would be produced by throwing open the whole field.

The undertaking of a single line of railway sends wages up at once perceptibly along the whole line and for some distance on each side. The discovery of mineral deposits on Crown land, where the labourer requires nothing but a pick and shovel and a miner's right to find employment for himself at once, sends them up with a rush.

Throw open all the land for cultivation and all the minerals for development, and whether the labourer or the capitalist takes possession, work is wanted ~~all~~ in all directions ; the labourer either finds work for his own hand or somebody calling out for him, and can ask any wages he likes up to the limit of the productiveness of his labour.

If the land is thrown open to the labourer himself, as in the case of minerals discovered on Crown land, or of allotments for cultivation on unused land, he will not work for an employer for less than he can make for himself ; nor even for as much, for independence is sweet, and he will rather work for himself than for another for the same money.

To get labour the employer will have to offer him even more than he can make for himself.

Some people are quite shocked at the idea of such a state of things. They think high wages are ruin to the whole country, not seeing that the very fact that wages are so high is a sign that the country is going, not to ruin, but just in the opposite direction.

They are so used to seeing the labourer toiling for a mere subsistence, and never rising above his condition, while the employer and the landlord share the produce of his toil between them, that they have come to look upon this as the order of Nature ; they seem to think that the people who have money have a right to the labour of those who have none ; that the whole purpose of industry is to provide rent for landlords, interest for capital, and profits for employers, and that the wages of the labourer are an unfortunate necessity of the position, to be minimised as much as possible ; in short that Providence has evidently designed and ordained that the fruits of labour shall go not to him who produces them, but to somebody else who per-

mits or employs him to produce them. The idea (which you will hear expressed any day in all directions) that wages should be kept down or the abourer forbidden to have access to the land because employers in such case could not make sufficient profit, means (put in plain terms) that A, who has little, should get less, in order that B, who has much, should get more ; a proposition too absurd to be discussed, but which seems to be a fundamental article of belief with almost the whole class of employers.

If the labourer will not work for an employer for wages that will yield the employer a profit, it is clearly because he can put his labour to better use himself, and if so, it is but just to himself and good for society that he should so employ himself. Indeed it is much better for society that in such case he should work for himself rather than for an employer for it sets the employer's capital free to make his own labour more effective, or his life more comfortable.

If I have 1,000 acres and £1,000 capital, and have hitherto employed 10 labourers on my land to produce £500 of produce, and the land being now thrown open for selection, the labourers can make the £500 for themselves on half the land, this simply sets free the other hal of the land, and all the employer's capital for other use.

But even if the vast resources which we propose to throw open are not thrown open to the labourer personally but are at once taken up by capitalist employers, still it will require a greatly increased number of employers and amount of capital to take them up and put them to use, and this means a proportionate increase in the demand for labour and consequent rise in wages.

4. In regard to society.

The throwing open of the resources of the land means the great increase of both production and population.

The more farm produce there is raised and mineral wealth extracted, the more commerce, manufactures, and secondary industries of all sorts will there be ; for the greater the produce extracted from the land, the greater the number of people must there be required to work up, shift about, and distribute that produce.

Again, the greater the number of people in the country, and the greater the number to the square mile, the greater the variety of their wants, and the greater the number of trades to satisfy those wants.

Also the more the labourers within a given area, the greater the opportunity for the division of labour, for the acquirement of skill, and for the economy of production.

The greater the number of people and the more they produce the greater will be amount of rates that can be levied (if more rates should be wanted) and the better the roads, the better and more numerous the schools, libraries, hospitals, and public conveniences of all sorts, and the greater the number of people who will benefit by them.

In short, the advantages to society are endless

5. In regard to Revenue.

The greater the number of people settled on the land, and the greater the productiveness of their labour, the greater the value of the land and the higher the rent, and the rent will be State rent, *i.e.*, revenue.

And though this increase of rent will be checked at first, and even thrown back by the rise of wages (for as rent formerly devoured wages, so wages will now devour rent), Still, this increase of wages will soon reach its limit, while the increase in population and in the productiveness of labour will be practically without limit.

The condition of both employer and labourer will be continuously improving, though neither profits nor wages will increase (after the limit spoken of is reached.) Increasing rent will swallow up increasing profits and wages ; but increasing rent will mean increasing revenue, and increasing revenue will mean increasing public benefits benefiting all.

Employers and labourers will continue to gain, only not as employers and labourers, but as citizens of the State.

Tax after tax will be knocked off as increasing State rent swells State revenue till no taxes are left, and still the increase will accumulate.

The farmer will have his roads put and kept in first-rate order without paying any rates ; the parent will be able to get the best education for his children without paying any school fees ; the traveller for a sixpenny or shilling railway ticket will be able to go from one end of the island to the other, as his letter will go from one end

of the island to the other for a penny stamp.

Scholarships and rewards of one kind or another will by a sort of natural selection pick out all the special talent of our youth and develop it to its utmost pitch, to the advantage of society and the enrichment of its possessor.

Railways and telegraphs can be made in all directions, libraries established in every township, the best medical attendance obtained at numerous hospitals and dispensaries at nominal charges. But the prospect is boundless. The further we go the wider it opens out.

Advantages now confined to the wealthy will be available to the humblest, and yet no one will be pauperised, because the help that pauperises is that which takes unjustly from one to give to another, or takes the form of degrading charity.

But this steady and continuous multiplication of public benefits will no more pauperise because it is free to all, than the rain and the sunshine pauperise because they are free to all; for it will represent neither robbery nor charity. It will be the product of the natural growth of wealth from sources to which all have an equal and just claim. It will all spring from State rent, and represents the price paid by each appropriator of natural advantages for the privilege of using those advantages—advantages to which, being the free gift of nature, all have an equal right, and for the use of which it can therefore injure no one's self-respect to receive payment.

All that increase of wealth, in short, which now goes as blackmail to privileged monopolists will go to public benefits, and the amount of that increase will at the same time be swelled to proportions yet undreamt of.

This concludes the series of letters on the land.

Hereafter I shall be ready to answer objections or to give information. But to those who wish to master the whole subject I cannot do better than refer them to the works of a far deeper thinker and better writer than I; to the man to whom I owe most that is worth knowing, Henry George; and I would recommend them to get his "Irish Land Question" price 1s., and "Social Problems" 1s. 6d., and if they are prepared to give their whole mind and attention to it, but not otherwise, his great work "Progress and Poverty."

If any who have read these letters wish to join our society they will please address Mr. Leo. Susman, Murray-street; Mr. E. Ivey, Liverpool and Murray-streets. Hobart

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