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THE UNLIMITED DEBT:

BY

F. W. D. MITCHELL.

A REPLY TO

“THE PROPHET OF SAN FRANCISCO.”

BY HIS GRACE THE DUKE OF ARGYLL.

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THE UNLIMITED DEBT.

PART I.—FIRST PRINCIPLES.

IF a visitor from another planet were seeking information about our social system, and were to ask on what principle the produce of our great industries is divided amongst individuals of the community, he would be told that our system is professedly based on what is considered the first principle of justice, *that every man shall enjoy the whole fruits of his own labour*; and that, in accordance with this principle, all the results of human toil spread over the face of the country—the buildings, the railways, the stores of wares and of food—belong to those men whose labour has produced them, or who have given an equivalent in the produce of labour to the actual producers.

If the stranger remarked that many of our citizens do not work at all, and yet live in luxury, while many who produce a great deal of wealth enjoy very little, it would be explained to him that these latter do not produce the wealth by means entirely their own, but that the idlers whom he mentioned, or their fathers, had worked in the past and saved the fruits of their labour, which they now lend to others, who are thus enabled to produce far more than they would be able to do without that assistance, and who, therefore, willingly give a share of the increased produce to the lenders of that wealth, who are called capitalists, fundholders or mortgagees, and who thus reap the reward of their abstinence, and are able to live, in some cases, without work—their reward being fixed by voluntary agreement at certain yearly sums, so that after paying the sums thus agreed on to those who have helped them or rendered service to the community generally, the workers enjoy the fruits of their labour.

The visitor might then ask whether all the idlers he observed were of this class, and whether there is *any other explanation of the difference in conditions*, whether there is any other deduction from the fruits of the industry of the workers, and it would be explained that there is another class of mortgagees—called landowners—whose share of the produce of labour is measured with very little regard to the value of any services originally rendered to the community by themselves or their predecessors in title, in whose shoes the present landowners stand.

A landowner enjoys wealth which he himself has not actually and directly produced, that is, he receives from others of the community part of the wealth which they have produced. The right to this wealth can evidently be justified only by his (or his predecessor's in title) having done some service to the community, for which this payment is a return, as in the case of a fundholder in the National Debt.

Now, as the community parted with the land many centuries ago (so long ago that there is little if any record or trace of any equivalent having been received in exchange), and a certain sum—the annual value of the land at that time—was accepted as a fair return by the original

landowner for the good done by him to the State, is that system just which now gives his descendants, out of the produce of the labour of others, an utterly indefinite but vastly greater amount, in many cases a thousand times as much as the original annual value, and all on account of that same original benefit done to the State?

The contribution paid annually to the owners of the soil of the United Kingdom is about £150,000,000—an increase of certainly 1,000 per cent. since the time of the Norman conquest. For instance, some owners obtained agricultural land on which, centuries afterwards, coal was discovered, and the share of the general produce of industry received by these men was immediately increased a thousand or ten thousand fold, without their being called upon to render any further services to the community.

The inquirer would certainly greatly wonder at such a “peculiar institution,” and say that our first principle was outraged by it, for while the other mortgagees are entitled, by a custom which all acknowledged to be just, to claim as their property only the fixed sum originally lent and interest at a fixed rate as agreed upon, the landowners are allowed to enjoy a mortgage which is ever increasing at the expense of the rest of the community, to which no limits are placed, and which must deprive the earning members of society of part of their legitimate earnings.

These mortgagees are in fact the State, they are the owners of the country, and their profits increase with every child that is born amongst the rest of the people, for, as more mouths have to be fed, so the value of land rises, and although the people, to escape the hardships imposed on them by the increasing pressure of this system, emigrate as much as possible to other communities, yet the amount of land obtainable in those communities is rapidly decreasing, and, therefore, the advantage of escaping from their own society grows less and less.

This pressure of increased numbers must ultimately have two effects—first, the poverty of the people must increase; second, those members of the society who own the land will not share in that poverty, but on the contrary will greatly increase their share of the wealth obtained, and live in greater luxury than ever.

The visitor would assuredly ask whether such a one-sided system had not already resulted in much misery, and would be informed that out of thirty-five millions, one million are paupers, and many more live in squalid wretchedness, and can barely support existence by a crushing weight of toil which reaches the limit of human endurance, and degrades the labourer—not by the character of the work, but by its excessive amount.

Why, then, the inquirer would ask, is such a system allowed to continue? Why are not these landowners dealt with in the same way as, and placed on the same footing as, the other mortgagees, so that their claims would have a limit, instead of being permitted to increase so as to crush the many for the benefit (and the unearned benefit) of the few? Why is not rent turned into a great mortgage—their present net incomes being guaranteed to the landowners, and the possession of the land itself resumed by the State, which would thus obtain that future increase of value which must accompany increase of population?

Our National Debt (750 millions) is bad enough, but we know the worst, we had the money, and the rate of interest is fixed—we are even reducing it—but the interest on the debt due to the landowners is, just at present, six times as great as that on the National Debt, and is always increasing—it is an *unlimited debt*.

Are they in the true sense free men who are bound to pay an unlimited debt? Unless all the transactions of society are regulated by the principle of fair, voluntary, exchange there is injustice.

The evils of the system have reached their present magnitude by such slow steps that the community never realized its injustice. This is to be accounted for partly by the fact that anyone rich enough might buy one of these land-mortgages, at a price regulated by demand and supply, and this gave an appearance of justice and impartiality to the system, but it should have been perceived that (as in the case of slavery) any exchange of ownership of these mortgages did not in the least affect their character, or their injurious effects on the working members of society, especially the poorest class.

Another cause of the system being misunderstood, and, therefore, tolerated so long, is the fact that the gains of the capitalists who employ their wealth in organizing large industries, in some cases far surpass, for a time, the rate of increase generally obtained by the landowners, but it should be observed that such cases are only exceptional, and that in all these cases the gains are really earned, because the increase in the profits of a capitalist is in itself a proof that he has so directed capital and labour by his enterprise and foresight, that society is benefited and increasingly benefited, otherwise he would not obtain the profits. For instance, the profits of a successful manufacturer are really earnings. His goods are bought by persons who believe they get better value for their money than they would get elsewhere—precisely the same reason which takes them to a successful doctor, or banker, or barrister—every transaction is voluntary, and advantage results from it to both parties—the manufacturer, doctor, &c., are thus in reality rewarded as benefactors by the voluntary contributions of the persons benefited. Again, house property rises in value owing to the increased value of the land on which it stands—not of the bricks and mortar, for all capital must from its nature decrease unless replenished by fresh earnings, as does capital which is employed in a “prosperous business.”

Then, again, it has been observed that persons whose predecessors had lent money to the State can often obtain a higher sum for their rights than the sum originally lent, but it has not been considered that the exchange thus effected is only a change in the ownership of a bond for which there could only be obtained the rate of interest originally fixed, and that, in fact, owing to the decreased purchasing power of money much less is now received than was fixed by the original contract. Another fact which helped to conceal the true character of land-owning was that some industries, such as railways, profited partly by an unearned increase, but, so far as it is unearned, this increase is really due to the enjoyment of monopolies given by the State, and the State retains some control over these monopolies, and interferes with them when it sees fit; *they are limited*. There can be no doubt, however, that the community would gain by not parting with the monopoly—by working the railways itself, just as it now carries letters and parcels.

The principle that governments exist by the consent and for the good of the whole community, inclusive of every member of every class, all being on an equal footing as regards legal rights, has, of course, long been acknowledged in the abstract, but the carrying it out into practice honestly and thoroughly is beginning to lead to conclusions which are, to some persons, very awkward and unpalatable.

Man can support life only by the use of land, and every human society is primarily and necessarily territorial. Now, if a society, founded by consent of all its members, on laws just for all, were composed exclusively of land-

owners, then its constitution would remain just only while all the members continued to be landowners. Non-landowners would practically be outlaws in such a society, for they would have no legal right to the means of obtaining a living, though they would be tolerated as being useful to the landowners—as useful as slaves in fact, in the opinion of many who have tried both, “free labour,” so called, is cheaper than slave labour. It is impossible to deny the force of an illustration used in “Progress and Poverty,” in which it is supposed that 100 men are placed on an island without the means of escape. It is then stated that whether one man is made the absolute owner of the whole island or the ninety-nine are made his slaves is immaterial, the consequences to the ninety-nine are practically the same.

If, again, a human society be founded on the principle of all the members having a common interest in, or equal share of, the land, then the principle of equal rights amongst all members of a community who have combined for mutual benefit is acknowledged in its integrity. Little reflection ought to be required to convince anyone that without this equal right to the soil, on which and by which the society lives, the equality enjoyed is but a shadow of true equality. Admitting that, as ability and character vary amongst all men, so will their earnings vary; and, admitting to the full that, without the absolute right of every man to amass as much wealth as he can earn honestly, to enjoy it as he pleases, and to bequeath it to his family—society would be impoverished and demoralized—yet nature and justice dictate that every man, be his abilities small or great, should have, in a society of free men, as good a chance, as fair a field, for the exertion of his abilities as any other citizen; and it is impossible to ensure that right, without guaranteeing the right to an equal share of the land—including in the term *land* all the wealth-producing capabilities of the soil, be they agricultural, mineral, or commercial, and implying a share of the value, not necessarily of the actual soil.

As every man's earnings are exchanged for the consumable wealth derived from the earth, it is logically certain that he may have to give all his labour for a very small portion of that wealth if he is compelled to get a living on land which belongs absolutely to another.

The terms he will obtain will depend on the possibility of his escaping to other land, beyond the boundaries of his own society—a possibility which should be excluded in dealing with the laws of a particular community, for the justice of those laws cannot be made to depend on the fact that other communities exist.

Poverty, as all know well, means an insufficient supply of the produce of the earth—but what is the cause of poverty? *Where there is a willingness and ability to work the want of land is the great and inevitable cause of poverty—land on which to exert labour, and thus obtain the produce of the earth;* and it cannot be maintained that amongst our own people there is no poverty amongst those willing to work—willing to submit even to much excessive labour.

Where land is abundant there is no poverty. Where it is not abundant its equal division is all that justice can claim for the prevention of poverty.

Such being the unavoidable conclusion to which the principle of equal social rights leads, the spectacle exhibited by our own country is a startling one—a rental of about £150,000,000 a year being owned by about 800,000 persons out of a population of 35,000,000, the greater portion being in fact owned by a very few persons. In place of the stable equilibrium ensured by the enjoyment of equal rights, our society exhibits the unstable equilibrium of a landed aristocracy, and a landless democracy—the latter being more interested in the dissolution of the

bonds of society than in preserving them, because of the increasing burden on their industry caused by the private ownership of rent. Such a society must lack the cohesive strength which justice, a common bond and common rights, alone can give.

The gradual awakening of the people to a knowledge of their "uncovenanted" position as regards material rights is inevitable and must inevitably cause a conflict of interests between the handful of owners of the soil and the millions who toil upon it.

The professed aim of Liberalism is the concession of fuller political equality to every class. Every such concession is a step towards the recognition of that equality in opportunity for the exercise of every man's powers—so far as nature's field is concerned—without which equality is the husk without the grain.

Rent, from its very nature, should be the common property of all members of the State; for, if it be allowed to become private property, injustice is the inevitable consequence.

The "Law of Rent," or theory of rent, as accepted by all political economists, is this—"rent is that portion of the produce of a piece of land which is in excess of the produce which would be obtained by the same amount of labour from the worst land in occupation"—that is, rent is calculated on the basis of the worst lot in occupation, it is reckoned from that starting point, and includes all land values above that point; therefore, as worse land is taken into occupation, as wages fall and *poverty increases* owing to the pressure of an increasing population, so *rent increases*. Rent is the gauge and measure of poverty, and should be (by being redistributed amongst all members of the community) the safety-valve of poverty—not, as it is under our present system, a burden which exercises an ever-increasing pressure which must ultimately lead to some such explosion of the pent-up forces as occurred in the French Revolution.

Let the question now be tested on another ground—the Malthusian theory of population.

This theory may be said to rest ultimately on the truth that more persons can stand on any portion of the earth's surface than can obtain a living on that portion, and it may be stated generally thus:—If population continues to increase, the general average of wages or earnings must sooner or later decrease, because the amount of produce that can be obtained from a certain area of land has very definite limits. But, at the same time that *poverty thus increases, rent also increases*, from the very same cause—the greater demand for land.

If, therefore, this rent is continually taken away from the wage-earner, it is evident that the poverty of the great mass of the people will be aggravated by the operation of this system—instead of being relieved, and that the system must lead ultimately to a crisis of the gravest character.

An argument frequently used in support of the present system is that the condition of the working class has greatly improved during the past half century, and that this proves that, although population has greatly increased, the evils foretold by Malthus are further off than before.

This argument implies an opinion that as we have escaped in the past so we shall in the future—or, as Mr. Samuel Smith, M.P., puts it, we may expect to get "cheaper and yet cheaper food from abroad."

This conclusion is a flat contradiction of the whole theory of Malthus, a denial that it has any foundation in truth; but that theory is a self-evident truth, what then are the causes which have, apparently, rendered it inoperative in the last half century?

Emigration on a vast scale has relieved the pressure of population, but emigration may be left out of the question, for we have to deal with the fact that population has steadily and rapidly increased; how many people have left the country does not affect the question—except that it is well to observe that the field for emigration in all directions is rapidly narrowing.

The greater proportionate accumulation of capital, and the advance of knowledge and invention, as applied to productive industry, have done much, but our foreign trade has done most. By what means?

Those who trust to foreign trade to provide in the future “cheaper and yet cheaper food,” in fact imply that by means of this trade our increased population will not obtain a living entirely from the natural resources of our own country; but our foreign trade is not a sort of legerdemain by which the most elementary economic laws can be evaded, it is simply a means of developing our natural resources, a means by which we can exchange for food those mineral resources which formerly supported a very small portion of our people.

If wheat is imported, some produce, say manufactured goods, is exported in exchange, and these goods are not created in the workshop—they can only be produced by the consumption of our coal and iron, and these do not exist in quantities capable of always yielding an unlimited supply. Neither will they retain their purchasing power when other countries have more people of their own to feed and find their own wheat *more valuable*, and when they begin to develop their own mineral resources ours will be of *less value* to them.

Even our carrying trade depends greatly on our iron and coal.

The fact is, therefore, that our population must always subsist on the soil of their own country, and the obvious truth on which the Malthusian theory rests, is a testimony against the system by which rent is made private property—for as poverty increases rent increases, and this means that the proportion of the fruits of industry which is taken away from the producer, becomes greater as the producer’s need becomes greater—an application of the machinery of justice (adapted to relieve the unfair pressure of poverty) to purposes of injustice and oppression which is an open defiance of reason and morality.

The following illustration will explain the operation of rent as it is and as it should be:—

Suppose that the founder of a new community had ten sons and also possessed ten estates, and suppose that, in accordance with a spirit of even-handed justice, fair play and legal equality, which he desired should be the guiding principle of the future community, he decided to treat all his sons equally and give all the same chance in life, and then let each depend on his own efforts. The founder’s chief difficulty in carrying out this decision was that he could not alter the boundaries of the estates, and they all varied greatly in fertility, so much so, that with average skill and labour devoted to all, one farm would produce a profit of £100 a year, another £110, another £120, and so on to £190; he therefore ordered in his will that, as the worst estate would yield £100, the occupiers of the rest should pay every year the sums by which their farms exceeded £100, *i.e.*, £10, £20, £30, &c., up to £90, into a common fund, to be divided equally amongst the ten sons; he knew, however, that as their characters and abilities varied, some would make a much better living than others—that *inequality* he did not wish to disturb—on the contrary, his object was to allow it full and fair play. Now the difference made in the positions of these sons by collecting and *not redistributing* the annual rents is evident—the share of each would be reduced from £145

to £100, but suppose that, for some benefit done to them all, they handed over to another person the annual rents, and that in the course of time population was doubled on the land liable to rent, and suppose that notwithstanding this increase the rate of wages had not fallen (as is asserted of England), that is, that the occupiers of the worst lot of land still made £100 a year each.

This supposition assumes that the gross produce obtained from the soil was doubled, therefore the other lots will be producing £220, £240, &c., instead of £110 and £120, and will contribute £20, £40, &c., to rent instead of half those amounts, as formerly—that is rent will have doubled and the owners of it receive twice the reward originally accepted as an equivalent for the service performed by them.

But, if in spite of all counteracting influences, population still increases, the time must come when the former average of wages (£100) cannot be maintained; a time when, there being greater competition for land, more will be given for it, although there will not be a *corresponding increase* in the amount to be obtained from it. The minimum being then reduced—say to £90—rent will be calculated on all land-values above that figure, and thus expands in both directions, upwards with the increase of the gross produce obtained, and downwards as the rate of wages falls. When such a weapon is turned against the people, where is justice? where is equality? where is the security of the social fabric?

The system of absolute ownership by individuals has already broken down in Ireland. If private property in land is just, legal and legitimate, then the owner of land is justly entitled to the full market value of the article he possesses.

Rack-rents and rents charged on tenants' improvements are in fact considerations voluntarily offered in the open market for the article the landowner possesses by tenants who would rather pay those rents than surrender their holdings, and that landowner is justly entitled to all he can get. The fault is in the system, as Mr. Henry George has declared, not in the landlords.

Ireland has only been fighting, in the land agitation, a battle which, if our civilization lasts, all civilized people will have to fight sooner or later. Unfortunately the remedy adopted in Ireland is but a half-measure, a very temporary expedient which allows of a re-opening of the question.

Making tenants part or whole proprietors by State interference is class legislation, and transferring property from Peter to Paul can be no settlement of the question while the just claims of other brethren, the labourers of the country and the poor of the towns, are ignored.

PART II.—“THE PROPHET OF SAN FRANCISCO.”

IN the *Nineteenth Century* for April last there appeared an article, written by the Duke of Argyll, entitled “The Prophet of San Francisco.”

The greater portion of that article is devoted to the easy task of exposing the iniquity of Mr. George’s projects of totally confiscating the property of landowners and repudiating all national debts.

No sane person endowed with any moral sense could defend such abominable proposals, but, any thoughtful person who reads Mr. George’s works must see that a question of the very gravest character is raised by the author, viz. :—The justice or injustice of private property in land, and that the real secret of his power lies in the graphic description which he gives of the evils resulting to society from the present system ; the remedy he advocates is his weakest point, and yet it cannot fail to be observed that the Duke of Argyll has not disposed so briefly of the wild proposals of his opponent as he might—while he has made but a feeble defence on the real question at issue—the moral bearings of private property in land.

For the sake of both clearness and brevity it will be best to take His Grace’s arguments in the order in which he has used them.

First, it is argued (by implication) that the ownership of land should not be interfered with because “step by step legislation has been abandoned in all endeavours to regulate interests purely economic,”—whilst, step by step legislation has regulated matters in which “higher interests” were concerned. But when justice is involved the highest interests are concerned, and if thirty-four millions out of thirty-five millions of people are deprived of a great part of the fruits of their labour by an ever-increasing tax payable to the other million, the matter cannot be set aside as “purely economic” and not a fit subject for legislation.

The next argument is that “in all nations individuals have been allowed to acquire bits of land and to deal with them as their own, and, in proportion as human laws are really universal, they may be regarded as really natural.” The first point to be noticed is that humble “bits” of land as private property might be harmless enough, but the danger is that the owners will lose these “bits,” and they will be concentrated in the hands of some great proprietor who owns whole counties with their towns and villages—the practical result of absolutely owning “bits.”

As to the universality of the system, human laws depend on human knowledge, and as knowledge increases laws will alter. The system of absolute ownership is not however, and as a matter of history never was, universal. On these points we may have something to learn from the “untutored mind” of the “poor Indian,” especially as to the manner of dealing with “bits” of land so as to prevent them being transferred from the poor (who will always till them) to the rich.

The following extract from a letter from Captain Armit (exploring correspondent of the *Melbourne Argus* in New Guinea) is copied from the “Australasian Sketcher” of the 16th January last :—

“These people know nothing about, and do not understand, selling land *in perpetuity*. Even if the *bona-fide* owner of land sold it, such sale would only be for the purchaser’s lifetime, and would then revert to the seller. *Their tenure of land is so bound up and protected in the interests of posterity that, in point of fact, no man can sell his land unless free from domestic ties.* Few are in this position. An acre of land is very often claimed in quarters by four persons, each of whom has a distinct and fully acknowledged right to his plot. A stretch of sixty miles of coast is almost entirely dependent on Kabadi for its food supply.

have amounted in 1883 to 6,447,211* loads. For the same year the value of home production and imports of forest produce are given, in round figures, as follows:—

Estimated value of wood produced in the country,	£ 3,000,000
Value of imported wood,	18,000,000
Total value of wood,	21,000,000
Value of minor† forest produce, as bark, dye woods, wood pulp, galls, turpentine, pitch and tar, resin, lac, gum, caoutchouc, gutta percha, fibres, &c., imported,	14,000,000
Grand Total,	£35,000,000

The total value is equivalent to about one pound per head of population, per annum.

11. It appears that of the total quantity of timber required by the country, only about one-seventh (according to value), is produced at home. If the whole of the required timber were to be grown locally, it would be necessary to increase the area under forest to about 20 per cent. of the total area of the country, or, say, to 24,000 square miles. A considerable portion of the imports consists, however, of teak, fancy woods, &c., which could not be grown in these islands. Still, after making allowance for these, an area of about 20,000 square miles, or nearly five times the present area, would be required.

12. The question of the future timber supply comes to this:—“Is it necessary or advisable to increase the area under forest in Great Britain and Ireland, with the view of meeting future requirements of timber, or can colonies and other countries be relied on to meet the demand”? This question has been extensively discussed of late, and I shall restrict my remarks to the most obvious point, the supply of those ordinary kinds of timber, which will readily grow in the climate of these islands.

13. Of the 6,447,211 loads of wood imported in 1883, the following quantities came from the more important sources:—

	Loads.
From Sweden,	1,600,000
„ Russia,	1,350,000
„ Norway,	750,000
„ Germany,	430,000
„ The United States of America,	400,000
Total,	4,530,000
Canada,	1,540,000
Grand Total,	6,070,000

In round figures, Great Britain and Ireland received one and a half million loads from the Dominion of Canada, over which

* Simmons, in the *Journal of the Society of Arts*, 19th December, 1884.

† In Forest terminology, *major produce* means wood (timber and firewood); *minor produce*, all other articles obtained from forests.

reverted to, because *exclusive occupation* of land by individuals could not be avoided.

This assumes that the rent of the State tenant would be allowed to fall so low that he would be in fact more or less the proprietor—an assumption which, again, presupposes a grossly corrupt administration.

Present occupiers and their own nominees might be left undisturbed for ever, provided they paid to the State the rental value of the land—as judicially determined—and a rent so determined, with permanent tenure is in fact *the highest possible* rent the State can obtain, and this fact demolishes an argument often used against nationalization—viz., that the State, as trustee for the people, is bound to get the highest possible rent; and must, therefore, continually put up every holding to auction—a system which would be a constant threat of eviction to the tenant, and render the tenancy of little value to him—consequently little rent would be obtained on such terms. Ireland shows us that not only the State but private owners may be limited to a judicial rent.

His Grace's next argument is an attempt to apply the *reductio ad absurdum* process to Mr. George's theory that the possession of the land must tend ultimately to throw all earth-produce into the hands of the landowners. Now, it is clear that the landowner has command of food, raw material, and coal—certainly a comprehensive property; but, as His Grace takes the particular case of house-property and says, with a tinge of sarcasm, that landowners have not found that the ownership of these materials has thrown all houses into their hands, it is worth mentioning that, according to an almost universal practice, houses are actually transferred from the tenant who built them to the landlord, at the termination of a certain lease, and that in this way the greater part of the houses in the best portion of London will, before long, be the property of two great landowners.

It must also be remembered that the amount of the capital of the country now actually in the hands of landowners represents but a small fraction of the capital obtained by the landowning class, and now held by offshoots from that class.

Next, Mr. George's assumption that rent "represents only in a very minor degree the interest of capital" is disputed, and it is asserted that "the present condition of the soil is the result of generations of costly improvements."

Is then England like a coral island—the creation of its inhabitants? Does interest extinguish rent?

In the case of coal mines and town sites the answer is clear enough. As to agricultural land—take a piece of woodland in its natural state, clear it and plough it (as any tenant would do), and it will at once produce better crops than adjoining land of the same natural character which has been ages in cultivation. How then is the productiveness of land the result of ages of cultivation? And, if it were, whose labour cultivated it?

Are landowners an infatuated class of men whose general practice it is to spend more on the land than they get out of it? If His Grace spent £40,000 in improving certain lands, and was wise in doing so, a wise Government, if the owner, would do the same—as it does now in Ireland. Re-investments of rent of this character are clearly a gain to the owner, yet His Grace makes the startling statement that, of the money so invested, "the whole—every farthing of it—goes directly to the public advantage"—because "production" is increased, and the profit on that production is small to the owner. A man who spent capital in building a factory might adopt the same

philanthropic tone, but in the long run the landowner gets at least as much out of his investment as the *average* factory owner does in the long run, neither does he lose his right to the capital sunk for one moment—so how can he represent the transaction as a gift to the public? This argument is very much akin to one sometimes heard, as to the “advantages of a spending class.”

Under the most equal laws there will always be plenty of rich men to show the poor the advantages of wealth, and employ more or less of the industrial hands in manufacturing luxuries for themselves to enjoy; but it is a question first of all of justice—let luxuries be enjoyed, but let there be justice in the getting of them; if the children’s bread is taken unfairly it is no palliation of the robbery to offer them a stone—a stone statue, perhaps, to admire and to teach them to appreciate the beautiful.

The statement that “almost every article of subsistence is a great deal cheaper than it was thirty years ago” is only partially correct, and, as has been already pointed out, to count on the indefinite continuance of this cheapening is to mock all economic laws.

Finally, the following passage deserves attention:—“India is a country in which, theoretically at least, the State is the only and the universal landowner, and over a large part of it the State does actually take to itself a share of the gross produce which fully represents ordinary rent”—and yet, it is argued, the people are in the poorest condition.

This passage is evidently very cautiously worded. A more particular statement of facts would at once destroy the impression it is calculated to convey.

The words “theoretically at least” are particularly noticeable. We might as well take that legal fiction by which the Crown is the owner of all the land in England as a proof that the land belonged to the State in this country.

Neither is it explained that where, in India, the State takes what is nominally the rent, a class of landlords—the Zemindars—takes another rent, and that the two rents amount to a terrible rack-rent; neither is it stated whether those unfortunate tenants pay taxes in addition to that rack-rent—a state of things which could not occur even with a government twice as extravagant as the Indian government if the rent were, as it should be, devoted to the benefit of the district or country from which it is raised—the rent would then be more than sufficient to defray all public expenditure without taxes levied in addition. Rent as private property is the curse of such a country, for the expenses of government have to be paid out of the “bare subsistence” which rent leaves to the peasant.

The moral drawn by the Duke of Argyll is as follows:—

“It is a fact that none of us should ever forget that the moral faculties of man do not as certainly revolt against iniquity as his reasoning faculties do revolt against absurdity. All history is crowded with illustrations of this distinction, and it is the only explanation of a thousand horrors.”

This moral suggests a hope that the faculties of man will revolt against the combined iniquity and absurdity of a system which allows the land to be the property of a few (a system which is the only explanation of a thousand horrors) when its real character is more generally understood.

Truly—

“Evil is wrought
By want of thought
As well as want of heart.”

Houses of the Oireachtas

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BY THE SAME AUTHOR,
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SAMUEL SMITH, ESQ., M.P.

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