2nd. The production of a commodity that did not exist in that form before,—an addition to the wealth of the world.

3rd. The disappearance of this commodity when consumed or worn out.

4th. Toil again needed for its renewal.

And this must go on forever—toil producing, wealth produced, wealth consumed, toil again necessary to maintain the needed supply.

The other kind of value shows its characteristics most prominently in the case of land, and these characteristics manifest themselves very markedly in the growth of a city or town. When the population is small the value of the land is low; as population increases, values advance, and so long as population remains round that spot, the values continue. Note the wide distinction between this kind of value and the values of labor-produced commodities.

1st. Does it require toil for its production? No.

2nd. Does it indicate an increase of wealth? Does it appear with the production of some new commodity that had no existence in that form before? No.

3rd. Does the value disappear with consumption? Does it wear out? No.

4th. Is toil necessary for the maintenance or restoration of this value? No.

Four characteristics can be affirmed of the value of food, clothing, machinery, &c.; namely, toil, increased wealth, transient duration, and toil for restoration. None of these characteristics can be affirmed of that value which comes to land from the crowding of population.

When a number of toilers bring to market garments valued at a thousand dollars, they bring the clearest evidence that they have rendered the wealth of the world more abundant by the amount of that commodity.

When a man obtains an acre of land at a value of one dollar or fifty dollars, and through the crowding of population that acre becomes worth a thousand dollars or it may be a hundred thousand dollars, can that man show that he has made any addition to the wealth of the world? Not by any means, but the very reverse.

As population increases, land becomes more scarce, the people are poorer in land.

The toil-produced values are a sign of increased wealth; the increased values of land caused by increase of population are a sign of diminution of wealth, an evidence that land has become more scarce.

Hitherto our laws have almost if not altogether ignored the difference between these two kinds of values. The effects of this oversight in our laws may be now pointed out.

When land has been patented, not merely did the patentee obtain security for the possession of his own improvements; but he became almost absolute owner of all the value that might accrue to that land from any source. He was thus possessed of the power to appropriate not merely the value produced by himself, but the value that accrued from the improvements of others, or from the increased demand caused by increase of population.

Mark, therefore, what has taken place at every spot where population has centred.

As land values increase without toil for their production, and as the so-called owner of the land is allowed to appropriate this value without limit, therefore, these so-called owners may become wealthy without toil.

As the land value increases without the production of any new commodity, without any increase of acreage, so the land owner may become wealthy without producing any wealth; he may take and not make; he becomes rich, but does not enrich in return.

As land values increase with increased scarcity of land, with increased impoverishment of this commodity, the land owner becomes rich in consequence of the impoverishment of the rest of the community.

As land values continue for all time so long as population remains round that centre, and as these values require no toil for their maintenance or renewal, the land owner who secures a town site, obtains the power of living without toil, and he is empowered by our laws to pass this power on to his heirs and assigns forever.

The practical effect of our land laws is to place almost absolute power over the