

to individuals. So far, however, is the community from doing this, that it declares itself ready to grant to any man who will settle on Western farms and perform certain not very onerous duties of cultivation, 160 acres of land in perpetuity. Apparently, then, even from the community's point of view, the best way to increase the national wealth is to grant to bona-fide agriculturists on easy terms land on which they may carry on cultivation; especially as the land is worth very little to the community until it is cultivated.

The State thus makes a sort of contract with a man that it will grant him land in perpetuity if he will go ahead and cultivate the land, which is worth practically nothing to the State until it is cultivated. Then, after he has performed his share of the contract the State comes and takes the unearned increment, which has been usually considered as a bonus justly due to the settler on account of the hardships which he suffered in going in and beginning cultivation. Thus the State practically breaks its contract.

Thus, too, when the State opens up a new town-site like those along the line of the Temiskaming and Northern Ontario Railway, it sells the lots with all their possibilities of unearned increment to the highest bidder. Sometimes the purchaser loses on his investment; more often, probably, he gains, as he certainly has done in the past few years of exceptional development, which, however, may not continue. It is not fair or just for the State to sell a man lots in this way and then deprive him of any possible gain by discriminatory taxation. The State has no more right to be unjust than has an individual, though a sovereign State may have the **power** to be so; just as several American commonwealths were able to repudiate their debts. Their dishonesty did not in the long run profit them in the one case; it is not likely to turn to the State's advantage in the other.

Expropriation of Rent Means Confiscation.

The immediate appropriation of all existing economic rent by the State would mean the confiscation of the whole