

the land values, when expropriated, could be made to supply the inrush of people with streets, light, water and sewers. The more rapidly the population grew, the faster would land values increase and provide the necessary public services.

Future Land Values.—The English Plan.

The greatest name among the writers holding this view is that of John Stuart Mill, who, in his "Principles of Political Economy," advocated that a valuation should be made of all the land of a country, and all future increment of land value should be subject to specially heavy taxation. Thus existing interests would be protected, while the state would in the course of time derive a very considerable revenue from the unearned increment in the value of land. The Asquith Government in Great Britain actually carried out this scheme by providing for the valuation of all the land in the kingdom and for a tax of 20 per cent. of any increase in value that took place after the time of the valuation. Though the revenue from this tax has necessarily been almost a negligible quantity during the few years of its existence, it will probably be a source of considerable revenue, as land values increase, in the course of a generation.

Unfairness of Confiscating Existing Land Values.

Mill objected to discrimination against land-owners in the taxation of existing land values. In his opinion they had acquired their property by just as good a title as any other body of property-owners—by purchasing land with their savings or by inheriting it from their ancestors who had so purchased it, when they might have invested their savings otherwise. Now, as land-values, apart from investments sunk in the land, are simply the capitalized value of the present or prospective economic rent, to appropriate that rent-charge is to confiscate the land-owner's capital, and, while the State has power to do such things, it has no moral right to do them.

The expropriation of existing land-rents, without due compensation to the land-owners, would deal a crushing