

is the proposition that the Government shall assume the ownership of all land, including all limited natural powers. The Government shall then rent it to the highest bidders. To those already paying rent this will make no difference save a change of landlords. Those who owned land must now pay rent instead of receiving it. The chance to hold land is open to every one who has the ability to rent and make use of it. The rent collected will take the place of all taxes. This will give relief to every industry in the country, and will enormously increase production, give employment to every labourer, and cheapen goods. Every one will share in these benefits. Even the land holders will receive compensation in this way. The struggle for existence with all its attendant uncharitableness will be numbered with the things that have been. Poverty and wretchedness will flee away and plenty crowned with peace will fill the land. Such is the millennial state of society which is to result from an application of the remedy as it is stated in the ninth book of Progress and Poverty.

Turning to his proposition to verify these results we trace out quite another picture. We find that the wonderful increase in wealth is credited to the remission of taxes and the turning of these millions to productive purposes. It is not recognised, however, that these millions are still taken, though now in the shape of rent. Society is no richer except that it may cost less to collect the new revenue. No doubt some share of this rent was formerly paid, so that the levy is not a new one. But most of the rent, whether paid or kept, was employed productively by the persons receiving it, or lent to productive employers. The chief change brought about is to shift the burden of taxation from one class of the community to another, or from one portion of a man's capital to another. No real addition is made to the wealth of the country. But what would

be the effect of demanding rent for all the agricultural land in America and removing taxation and excise from manufacturing industries? At first manufacturers would greatly benefit and farmers would greatly lose, except those on rented farms. But these latter are most of them making but a very bare living owing to competition with those who work their own farms and who never dream of the factor of rent in their returns. Owing to the increased profits in manufacturing, and the lessened profits from land, capital would be turned from agriculture, mining, lumbering, etc., to manufacturing. The result would be to lower the price of manufactured articles and increase the price of all the raw materials of agriculture, mining, lumbering, etc., until an equilibrium was established at a permanent decrease in the price of manufactured articles and a permanent increase in the price of all raw materials. The inevitable effect of this is to increase the price of the necessaries of life, especially food, fuel and shelter, as these are the least removed from the condition of raw materials. But lessening the price of all manufactured articles in proportion to the labor and capital expended in their production would reduce very considerably the price of luxuries. There could be but little more demand for labor, the available capital not being increased. Hence all the benefits would fall to the rich, the disadvantages to the poor. Rent, it is most true, is simply the necessary surplus of the best farming lands, mines, timber limits, etc., over the poorer. By letting this rent fall to the owners it stimulates their production, draws capital to these industries and cheapens the necessaries of life. Taxes on manufacturing industries are in great measure taxes on the luxuries of life, and the presence of these taxes drives more capital to the procuring of raw materials to the benefit of the greater number in the community.