

“It is quite true that the land monopoly is not the only monopoly which exists, but it is by far the greatest of monopolies...It is a perpetual monopoly, and it is the mother of all other forms of monopoly.

“It is quite true that unearned increments in the land are not the only form of unearned or undeserved profit which individuals are able to secure; but it is the principal form of unearned increment which is derived from processes which are not merely not beneficial but which are positively detrimental to the general public.

“Land, which is a necessity of human existence, which is the original source of all wealth, which is strictly limited in extent, which is fixed in geographical position – land, I say, differs from all other forms of property in these primary and fundamental conditions. Nothing is more amusing than to watch the efforts of our monopolistic opponents to prove that other forms of property and increment are exactly the same, and are similar in all respects to the unearned increment in land. They talk to us of the increased profits of a doctor or a lawyer from the growth of population in the towns in which they live. They talk to us of the profits of a railway through a greater degree of wealth and activity in the districts through which it runs. They tell us of the profits which are derived from a rise in stocks and shares, and even of those which are sometimes derived from the sale of pictures and works of art, and they ask us – as if it were the only complaint – ‘ought not all these other forms to be taxed to?’

“But see how misleading and false all these analogies are. The windfalls which people with artistic gifts are able from time to time to derive from the sale of a picture – from a Vandyke or a Holbein – may here and there be very considerable. But pictures do not get in anybody’s way. They do not lay a toll on anybody’s labour; they do not touch enterprise and production at any point; they do not affect any of those creative processes upon which the material well-being of millions depends; and if a rise in stocks and shares confers profits on the fortunate holders far beyond what they expected, or indeed deserved, nevertheless that profit has not been reaped by withholding from the community the land which it needs, but, on the contrary, apart from mere gambling, it has been reaped by supplying industry with the capital without which it could not be carried on. If the railway makes greater profits, it is usually because it carries more goods and more passengers. If a doctor or a lawyer enjoys a better practice, it is because the doctor attends more patients and more exacting patients, and because the lawyer pleads more suits in the courts and more important suits. At every stage the doctor or the lawyer is giving service in return for his fees, and if the service is too poor or the fees are too high, other doctors and other lawyers can come freely into competition. There is constant service, there is constant competition; there is no monopoly, there is no injury to the public interest, there is no impediment to the general progress.

“Fancy comparing these healthy processes with the enrichment which comes to the landlord who happens to own a plot of land on the outskirts or at the centre of one of our great cities, who watches the busy population around him making the city larger, richer, more convenient, more famous every day, and all the while sits still and does nothing. Roads are

made, streets are made, railway services are improved, electric light turns night into day, electric trams glide swiftly to and fro, water is brought from reservoirs a hundred miles off in the mountains – and all the while the landlord sits still. Every one of these improvements is effected by the labour and at the cost of other people. Many of the most important are effected at the cost of the municipality and of the ratepayers. To not one of those improvements does the land monopolist as a land monopolist contribute, and yet by every one of them the value of his land is sensibly enhanced. He renders no service to the community, he contributes nothing to the general welfare; he contributes nothing even to the process from which his own enrichment is derived.”

Source: The Budget League (1909), *The Budget The Land and The People*, London: Methuen, pp. 21-23.