

# Our Land and Land Policy

By

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# I – THE LANDS OF THE UNITED STATES

## EXTENT OF THE PUBLIC DOMAIN.

ACCORDING to the latest report of the Commissioner of the General Land Office, the public domain not yet disposed of amounted on the 30th of June, 1870, to 1,387,732,209 acres.

These figures are truly enormous, and paraded as they always are whenever land enough for a small empire is asked for by some new railroad company, or it is proposed to vote away a few million acres to encourage steamship building, it is no wonder that they have a dazzling effect, and that our public lands should really seem "practically inexhaustible." For this vast area is more than eleven times as large as the great State of California; more than six times as large as the united area of the thirteen original States; three times as large as all Europe outside of Russia. Thirteen hundred and eighty-seven millions of acres! Room for thirteen million good-sized American farms; for two hundred million such farms as the peasants of France and Belgium consider themselves rich to own; or for four hundred million such tracts as constituted the patrimony of an ancient Roman! Yet when we come to look closely at the homestead possibilities expressed by these figures, their grandeur begins to melt away. In the first place, in these 1,387,732,209 acres are included the lands which have been granted, but not yet patented, to railroad and other corporations, which, counting the grants made at the last session, amount to about 200,000,000 acres in round numbers; in the next place, we must deduct the 369,000,000 acres of Alaska, for in all human probability it will be some hundreds if not some thousands of years before that Territory will be of much avail for agricultural purposes; in the third place, we must deduct the water surface of all the land States and Territories (exclusive of Alaska), which, taking as a basis the 5,000,000 acres of water surface contained in California, cannot be less than 80,000,000 acres, and probably largely exceeds that amount. Still further, we must

deduct the amount which will be given under existing laws to the States yet to be erected, and which has been granted, or reserved for other purposes, which in the aggregate cannot fall short of 100,000,000 acres; leaving a net area of 650,000,000 acres—less than half the gross amount of public land as given by the Commissioner.

When we come to consider what this land is, the magnificence of our first conception is subject to still further curtailment. For it includes that portion of the United States which is of the least value for agricultural purposes. It includes the three greatest mountain chains of the continent, the dry elevated plains of the eastern slope of the Rocky Mountains and the arid alkali-cursed stretches of the great interior basin; and it includes, too, a great deal of land in the older land States which has been passed by the settler as worthless. Colorado, Wyoming, Utah, Nevada, Idaho, Montana, New Mexico and Arizona, though having an abundance of natural wealth of another kind probably contain less good land in proportion to their area than any other States or Territories of the Union, excepting Alaska. They contain numerous valleys which with irrigation will produce heavy crops, and vast areas of good grazing lands which will make this section the great stock range of the Union; but the proportion of available agricultural land which they contain is very small.

Taking everything into consideration, and remembering that by the necessities of their construction the railroads follow the water courses and pass through the lowest valleys and therefore get the best land, and that it is fair to presume that other grants also take the best, it is not too high an estimate to assume that, out of the 650,000,000 acres which we have seen are left to the United States, there are at least 200,000,000 acres which for agricultural or even for grazing purposes are absolutely worthless, and which if ever reclaimed will not be reclaimed until the pressure of population upon our lands is greater than is the present pressure of population upon the lands of Great Britain.

And, thus, the 1,387,732,209 acres which make such a showing in the Land Office Reports come down in round

numbers to but 450,000,000 acres out of which farms can be carved, and even of this a great proportion consists of land which can be cultivated only by means of irrigation, and of land which is only useful for grazing.

This estimate is a high one. Mr. E. T. Peters, of the Statistical Bureau, estimates the absolutely worthless land at 241,000,000 acres. Senator Stewart, in a recent speech, puts the land fit for homes at one third of the whole—332,000,000 acres by his figuring, as he makes no deductions except for Alaska and the Texas Pacific grant. Assuming his proportion to be correct, and admitting that the railroads, etc., take their proportion of the bad as well as of the good land, we would have, after making the proper deductions, but 216,000,000 acres of arable land yet left to the United States.

But taking it at 450,000,000 acres, our present population is in round numbers 40,000,000, and thus our "limitless domain," of which Congressmen talk so much when about to vote a few million acres of it away, after all amounts to but twelve acres per head of our present population.

### OUR COMING POPULATION.

BUT let us look at those who are coming. The amount of our public land is but one factor; the number of those for whose use it will be needed is the other. Our population, as shown by the census of last year, is 38,307,399. In 1860 it was 31,443,321, giving an increase for the decade of 6,864,078, or of a fraction less than twenty-two per cent. Previous to this, each decade had shown a steady increase at the rate of thirty-five per cent., and this may be considered the rate of our normal growth. The war, with its losses and burdens, and the political, financial and industrial perturbations to which it gave rise, checked our growth during the last decade, but in that on which we have now entered, there is little doubt that the growth of the nation will resume its normal rate to go on without retardation, unless by some such disturbing influence as that of our great Civil War, until the

pressure of population begins to approximate to the pressure of population in the older countries.

Taking, then, this normal rate as the basis of our calculation, let us see what the increase of our population for the next fifty years will be:

In	Our population will be	an increase in that decade of
1880	..... 51,714,989	..... 13,407,590
1890	..... 69,815,235	..... 18,100,246
1900	..... 94,250,567	..... 24,435,332
1910	..... 127,238,267	..... 32,987,700
1920	..... 171,771,610	..... 44,533,593

This estimate is a low one. The best estimates heretofore made give us a population of from 100,000,000 to 115,000,000 in 1900, and from 185,000,000 to 200,000,000 in 1920, and there is little doubt that the Census of 1870, on which the calculation is based, does not show the true numbers of our people. But it is best to be on the safe side, and the figures given are sufficiently imposing. In truth, it is difficult to appreciate, certainly impossible to overestimate, the tremendous significance of these figures when applied to the matter we are considering.

By 1880, the end of the present decade, our population will be thirteen millions and a half more than in 1870—that is to say, we shall have an addition to our population of more than twice as many people as are now living in all the States and Territories west of the Mississippi (including the whole of Louisiana), an addition in ten years of as many people as there were in the whole of the United States in 1832.

By 1890 we shall have added to our present population thirty-one and a half millions, an addition equal to the present population of the whole of Great Britain.

By the year 1900—twenty-nine years off—we shall have an addition of fifty-six millions of people; that is, we shall have doubled, and have increased eighteen millions beside.

By 1910, the end of the fourth decade, our increase over the population of 1870 will be eighty-nine millions, and by 1920 the increase will be nearly one hundred and thirty-four millions; that is to say, at the end of a half century from

1870 we shall have multiplied four and a half times, and the United States will then contain their present population plus another population half as large as the present population of the whole of Europe.

What becomes of our accustomed idea of the immensity of our public domain in the light of these sober facts? Does our 450,000,000 acres of available public land seem "practically inexhaustible" when we turn our faces towards the future, and hear in imagination, in the years that are almost on us, the steady tramp of the tens of millions, and of the hundreds of millions, who are coming?

Vast as this area is, it amounts to but thirty-three acres per head to the increased population which we will gain in the present decade; to but fourteen acres per head to the new population which we will have in twenty years; to but four acres per head to the additional population which we will have by the close of the century!

We need not carry the calculation any further. Our public domain will not last so long. In fact, if we go ahead, disposing of it at the rate we are now doing, it will not begin to last so long, and we may even count upon our ten fingers the years beyond which our public lands will be hardly worth speaking of.

Between the years 1800 and 1870 our population increased about thirty-three millions. During this increase of population, besides the disposal of vast tracts of wild lands held by the original States, the Government has disposed of some 650,000,000 acres of the public domain. We have now some 450,000,000 acres of available land left, which, in the aggregate, is not of near as good a quality as that previously disposed of some 650,000,000 acres of available land left, which, in the aggregate, is not of near as good a quality as that previously disposed of. The increase of population will amount to thirty-two millions in the next twenty years! Evidently, if we get rid of our remaining public land at the rate which we have been getting rid of it since the organization of the General Land Office, it will be all gone some time before the year 1890, and no child born this year or last year, or even three years before that, can possibly get him-

self a homestead out of Uncle Sam's farm, unless he is willing to take a mountain-top or alkali patch, or to emigrate to Alaska.

But the rate at which we are disposing of our public lands is increasing more rapidly than the rate at which our population grows. Over 200,000,000 acres have been granted during the last ten years to railroads alone, while bills are now pending in Congress which call for about all there is left. And as our population increases, the public domain becomes less and less, and the prospective value of land greater and greater, so will the desire of speculators to get hold of land increase, and unless there is a radical change in our land policy, we may expect to see the public domain passing into private hands at a constantly increasing rate. When a thing is plenty, nobody wants it; when it begins to get scarce, there is a general rush for it.

It will be said: Even if the public domain does pass into private hands, there will be as much unoccupied land as there otherwise would be, and let our population increase as rapidly as it may, it will be a long time before there can be any real scarcity of land in the United States. This is very true. Before we become as populous as France or England, we must have a population, not of one hundred millions or two hundred millions, or even five hundred millions; but of one thousand millions, and even then, if it is properly divided and properly cultivated, we shall not have reached the limit of our land to support population. That limit is far, far off—so far in fact that we need give ourselves no more trouble about it than about the exhaustion of our coal measures. The danger that we have to fear, is not the overcrowding, but the monopolization of our land—not that there will not be land enough to support all, but that land will be so high that the poor man cannot buy it. That time is not very far distant.

## THE PROSPECTIVE VALUE OF LAND.

SOME years ago an Ohio Senator<sup>1</sup> asserted that by the close of the century there would not be an acre of average land in the United States that would not be worth fifty dollars in gold.

Supposing that our present land policy is to be continued, if he was mistaken at all, it was in setting the time too far off.

Between the years 1810 and 1870, the increase in the population of the United States was no greater than it will be between the years 1870 and 1890. Coincident with this increase of population we have seen the value of land go up from nothing to from \$20 to \$150 per acre over a much larger area than our public domain now includes of good agricultural land.

And as soon as the public domain becomes nearly monopolized, land will go up with a rush. The Government, with its millions of acres of public land, has been the great bear in the land market. When it withdraws, the bulls will have it their own way. That there is land to be had for \$2.50 per acre in Dakota lessens the value of New York farms. Because there is yet cheap land to be had in some parts of the State, land in the Santa Clara and Alameda valleys is not worth as much.

And in considering the prospective value of land in the United States, there are two other things to be kept in mind: First, that with our shiftless farming we are exhausting our land. That is, that year by year we require not only more land for an increased population, but more land for the same population. And, second, that the tendency of cheapened processes of manufacture is to increase the value of land.

## LAND POLICY OF THE UNITED STATES

THE best commentary upon our national land policy is the fact, stated by Senator Stewart, that of the 447,000,000 ACRES disposed of by the Government, not 100,000,000

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<sup>1</sup> Ben Wade.

have passed directly into the hands of cultivators. If we add to this amount the lands which have been granted, but not delivered, we have an aggregate of 650,000,000 acres disposed of to but 100,000,000 acres directly to cultivators—that is to say, six sevenths of the land have been put into the hands of people who did not want to use it themselves, but to make a profit (that is, to exact a tax) from those who do use it.

A generation hence our children will look with astonishment at the recklessness with which the public domain has been squandered. It will seem to them that we must have been mad. For certainly our whole land policy, with here and there a gleam of common sense shooting through it, seems to have been dictated by the desire to get rid of our lands as fast as possible. As the Commissioner of the General Land Office puts it, seemingly without consciousness of the sarcasm involved, "It has ever been the anxious desire of the Government to transmute its title to the soil into private ownership by the most speedy processes that could be devised."

In one sense our land dealings have been liberal enough. The Government has made nothing to speak of from its lands, for the receipts from sales have been not much more than sufficient to pay the cost of acquisition or extinguishment of Indian title, and the expenses of surveying and of the land office. But our liberality has been that of a prince who gives away a dukedom to gratify a whim, or lets at a nominal rent to a favoured Farmer-General the collection of taxes for a province. We have been liberal, very liberal, to everybody but those who have a right to our liberality, and to every importunate beggar to whom we would have refused money we have given land—that is, we have given to him or to them the privilege of taxing the people who alone would put this land to any use.

So far as the Indians, on the one hand, and the English proprietaries of Crown grants, on the other, were concerned, the founders of the American Republic were clearly of the opinion that the land belongs to him who will use it; but farther than this they did not seem to inquire. In the

early days of the Government the sale of wild lands was looked upon as a source from which abundant revenue might be drawn. Sales were at first made in tracts of not less than a quarter township, or nine square miles, to the highest bidder, at a minimum of \$2 per acre, on long credits. It was not until 1820 that the minimum price was reduced to \$1.25 cash, and the Government condescended to retail in tracts of 160 acres. And it was not until 1841, sixty-five years after the Declaration of Independence, that the right of preemption was given to settlers upon surveyed land. In 1862 this right was extended to unsurveyed land. And in the same year, 1862, the right of every citizen to land, upon the sole condition of cultivating it, was first recognized by the passage of the Homestead law, which gives to the settler, after five years' occupancy and the payment of \$22 in fees, 160 acres of minimum (\$1.25) or 80 acres of double-minimum (\$2.50) land.

Still further in the right direction did the zeal of Congress for the newly enfranchised slaves carry it in 1866, when all the public lands in the five Southern land States—Alabama, Mississippi, Louisiana, Florida, and Arkansas—were reserved for homestead entry.<sup>2</sup>

But this growing liberality to the settler has been accompanied by a still more rapidly growing liberality to speculators and corporations, and since the preemption and homestead laws were passed, land monopolization has gone on at a faster rate than ever. Without dwelling on the special means, such as the exercise of the treaty-making power, by which large tracts of land in some of the Western States have been given to railroad corporations and individuals for a few cents per acre, let us look at the general methods by which the monopolization of Government land has been and is being accomplished.

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<sup>2</sup> This reservation has been broken through by the passage of the Southern Pacific Railroad bill, which gives 5,000,000 acres to a branch road in Louisiana, which would be sure to be constructed without any aid.

## PUBLIC SALE AND PRIVATE ENTRY.

THE first method adopted for the disposal of public lands was their sale to the highest bidder. This theory has never been abandoned. After lands have been surveyed, they may, at any time, be ordered to be offered at public sale. This public sale is only a matter of form, purchasers at more than the minimum price seldom or never appearing.

But the offering makes an important difference in the disposition of the lands. Before being offered at public sale they are open only to preemption and homestead entry—that is, to actual settlers, in tracts not exceeding 160 acres.

After being offered, they are open to private entry—that is, they may be purchased by anyone in any amount, at the minimum price, \$1.25 per acre.

Whether by the misrepresentations of speculators or the inadvertence of the authorities, public sales, as a general thing, have been ordered before the line of settlement had fairly reached the land, and thus the speculator has been able to keep in advance, picking out the choice lands in quantities to retail at a largely advanced price or to hold back from improvement for years.

By means of cabins built on wheels or at the intersection of quarter section lines, and false affidavits, a good deal of land grabbing has also been done under the preemption and homestead laws. More, however, in the Mississippi Valley States than elsewhere.

## DONATIONS OF PUBLIC LANDS.

THUS land monopolization has gone on in the ordinary course of our land dealings. But the extraordinary means, which have done most to hasten it, have been the donations of land in immense bodies.

It is a trite saying that men are always disposed to be liberal with that, which is not their own—a saying which has had exemplifications enough in the history of all our legislative bodies. But there is a check to the appropriation of money, in the taxation involved, which, if not felt by those who vote the money away, is felt by their constituents. Not

so with appropriations of land. No extra taxation is caused, and the people at whose expense the appropriations are made—the settlers upon the land have not yet appeared. And so Congress has always been extremely liberal in giving away the public lands on all pretexts, and its liberality has generally been sanctioned, or at least never seriously questioned by public opinion. The donations of land by Congress have been to individuals, to States, and to corporations.

### THE BOUNTY LAND GRANTS.

THE grants to individuals consist chiefly of bounties to soldiers and sailors of the War of 1812 and the Mexican War, and amount to about 73,000,000 acres, for which transferable warrants were issued. Nearly all of this scrip passed into the hands of speculators, not one warrant in five hundred having been located by or for the original holder. It has been estimated that, on an average, the warrants did not yield the donees twenty-five cents per acre. But taking fifty cents as a basis, we are able to form an idea of the disproportion between the cost of the gift to the nation and the benefit to the soldiers. Leaving out of the calculation the few that have taken the land given them, we find that the Government gave up a revenue of \$91,067,500, which it would have received from the sale of the land at \$1.25 per acre, in order to give the soldiers \$36,427,000, or, in other words, every dollar the soldiers got cost the nation \$2.50! Nor does this tell the whole story. Though some of this scrip was located by settlers who purchased it from brokers at an advance on the price paid soldiers, most of it has been located by speculators who, with the same capital, have been enabled to monopolize much more land than they could otherwise have monopolized, and to monopolize land even before it was offered at public sale. If we estimate the advance which settlers have had to pay in consequence of this speculation at \$2 per acre for the amount of transferred scrip, we have a tax upon settlers of \$145,708,000, which, added to the loss of the Government, gives a total of \$236,775,500, given by the Government and exacted from settlers in order to give the soldiers \$36,427,000! And yet

the story is not told. To get at the true cost of this comparatively insignificant gift, we should also have to estimate the loss caused by dispersion—by the widening of the distance between producer and consumer—which the land speculation, resulting from the issue of bounty warrants, has caused. But here figures fail us.

### GRANTS TO STATES.

THE donations of land by the general Government to individual States have been large. Besides special donations to particular States, the general donations are 500,000 acres for internal improvements, ten sections for public buildings, seventy-two sections for seminaries, two sections in each township (or 1-18th) for common schools, and all the swamp and overflowed lands, for purposes of reclamation. These grants have been made to the States, which contain public land, of land within their borders. In addition, all the States have been given 30,000 acres for each of their Senators and Representatives, for the establishment of agricultural colleges.

If land is to be sold, it is certainly more just that the proceeds should go to the States in which it is located than to the general Government, and the purposes for these grants have been made are of the best. Yet judging from the standpoint of a right land policy, which would give the settler his land at the mere cost of surveying and book-keeping, even in theory, they are bad. For why should the cost of public buildings, or even of public education, be saddled upon the men who are just making themselves farms, who, as a class, have the least capital and to whom their capital is of the most importance?

But whether right or wrong in theory, in practice, like the military bounties, these grants have proved of but little benefit to the States in comparison with their cost to the nation and to settlers. As a general rule they have been squandered by the States, and their principal effect has been to aid in the monopolization of land. How true this is will be seen more clearly when we come to look at the land policy of the State of California.

## THE AGRICULTURAL COLLEGE GRANT.

THE Agricultural College grant was made in 1862, and has since been extended as the Representatives of other States have been admitted. It aggregates 9,510,000 acres, and if extended to the Territories as they come in, will take at least 11,000,000 acres. This grant differs from the other State grants in this: that it is given to all States, whether they contain public land or not; those in which there is no public land being permitted to take their land in other States which do contain it. This feature makes this grant, in theory at least, the very worst of the grants, for it throws upon the settlers in new and poor States the burden of supporting colleges not merely for their own State but for other and far richer States.

For instance, the State of New York, the most populous and wealthy member of the Union, receives 990,000 acres, which must all be located in the poor far-Western States. Thus to this old and rich State is given the power of taxing the settlers upon nearly a million acres in far-off and poor States for the maintenance of a college which she is far more able to support than they are. If New York has located this land well, and retains it (as I believe is the intention), in a very few years she will be able to rent it for one fourth or even one third of the crop. That is, for the support of one of her own institutions, New York will be privileged to tax 50,000 people, fifteen hundred or two thousand miles away, to the amount of one fourth or one third of their gross earnings. And as time passes, and population becomes denser, and land more valuable, the number of people thus taxed will increase and the tax become larger. The Cornell University, to which the New York grant has been made over, is a noble and beneficent institution; but will anyone say that it is just to throw the burden of its support upon the labouring classes of far-off States?

The same thing is true of all the old and rich States, which are thus given the right to tax the producers of new and poorer States. That most of these States have sold this right to speculators at rates ranging from 37½ to 80 cents per acre, only makes the matter worse. But perhaps this

injustice is even more evident in the case of those Southern States, which do contain public land. The public land of Texas (of which there are some 80,000,000 acres left) belongs to the State; that in the other Southern land States was reserved for homestead entry by the Act of 1866. These States get the same amount of land under this grant as the others; but none of it is taken from their own lands, and their college scrip is now being plastered over the public lands in California and the Northwest, much of it being located here.

California gets 150,000 acres under the Act. Yet, besides this, there have been located here up to June of last year more than 750,000 acres of the land scrip of other States, and large amounts have since been located or are an average of, probably, 50 cents per acre. What the giving of this paupers' donation has cost us we know too well. A great deal of the land thus located at a cost of to the speculator of 50 cents per acre has been sold to settlers at prices ranging from 5 to 10 per acre, much of it held for higher prices than can now be obtained; and a great deal of it being rented for one fourth of the gross produce, the renter supplying all the labour and furnishing all the seed; while the land monopolization, of which this agricultural scrip has been one of the causes, has turned back immigration from California, has made business of all kinds dull, and kept idle thousands of mechanics and producers who would gladly have been adding to the general wealth.

Badly as California has suffered, other States have suffered worse. Wisconsin is entitled to 210,000 acres; yet, up to June, 1870, 1,111,385 acres had been located in that State with agricultural scrip. Nebraska gets only 90,000 acres, yet the agricultural scrip locations in Nebraska up to the same time were nearly a million acres.

### RAILROAD GRANTS.

SOME four millions of acres have been donated for the construction of various wagon roads, and some four millions and a half for the construction of canals; but by far the largest grants have been to railroads—the amount given to

these companies within the last ten years aggregating nearly one half as much as all the public lands disposed of in other ways since the formation of the Government. This policy was not commenced until 1850, when six sections per mile, or in all 2,595,053 acres, were granted for the construction of the Illinois Central road. This donation was made to the State, and by it assigned to the company on condition of the payment to the State of seven per cent of its gross receipts in lieu of taxation. This grant, which now seems so insignificant, was then regarded as princely, and so it was, as it has more than paid for the building and equipment of the road. The example being set, other grants of course followed. In 1862, a long leap ahead in the rapidity of the disposal of the public lands was taken in the passage of the first Pacific Railroad bill, giving directly, without the intervention of States, to the Union, Central and Kansas companies ten sections of land per mile (at that time the largest amount ever granted), and \$16,000 per mile in bonds. In 1864 this grant was doubled, making it twenty sections or 12,800 acres per mile, and at the same time the bonded subsidy was trebled for the mountain districts and doubled for the interior basin while the Government first mortgage for the payment of the bonds was changed into a second mortgage.

But the disposition to give away lands kept on increasing, and the Northern and Southern Pacific getting no bonds, the land grant to them was again doubled—making it forty sections or 25,600 acres per mile, or, to speak exactly, twenty sections in the States and forty sections in the Territories. To these three Pacific roads alone have been given 150,000,000 acres in round numbers more than is contained in all Germany, Holland and Belgium, with their population of over fifty millions—more land than that of any single European state except Russia. The largest single grant—and it is a grant unparalleled in the history of the world—is that to the Northern Pacific, which aggregates 58,000,000 acres. And besides this these roads get 400 feet right of way (which in the case of the Northern Pacific amounts to 100,000 acres), what land they want for depots,

stations, etc., and the privilege of taking material from Government land, which means that they may cut all the timber they wish off Government sections reserving that on their own. With these later grants has also been inaugurated the plan of setting aside a tract on each side of the grant in which the companies may make up any deficiency within the original limits by reason of settlement. Thus the grant to the Southern Pacific withdraws from settlement a belt of land sixty miles wide in California and one hundred miles wide in the Territories, and that to the Northern Pacific withdraws a belt one hundred and twenty miles wide from the western boundary of Minnesota to Puget Sound and the Columbia River.

Since the day when Esau sold his birthright for a mess of pottage we may search history in vain for any parallel to such concessions. Munificence, we call it! Why, our common use of words leaves no term in the English tongue strong enough to express such reckless prodigality. Just think of it! 25,600 acres of land for the building of one mile of railroad—land enough to make 256 good-sized American farms; land enough to make 4,400 such farms as in Belgium support a family each in independence and comfort. And this given to a corporation, not for building a railroad for the Government or for the people, but for building a railroad for themselves; a railroad which they will own as absolutely as they will own the land—a railroad for the use of which both Government and people must pay as much as though they had given nothing for its construction.

### THE VALUE OF THESE GRANTS.

IF we look but a few years ahead, to the time when we shall begin to feel the pressure of a population of one hundred millions, the value of these enormous grants is simply incalculable. But their immediate value is greatly underestimated. Land was given to the first Pacific roads as though it had not and never would have any value. Money enough to build the roads and leave princely fortunes besides was placed in the hands of the companies, and the land was thrown in as a liberal grocer might throw an extra lump of

sugar into the already falling scale. Yet it is already apparent that by far the most valuable part of these franchises are these land grants. The timber, which the Central Pacific gets in the Sierras will of itself yield more than the cost of the whole road. In addition, it has large amounts of good agricultural lands in California and along the Nevada river bottoms, and millions of acres of the best grazing lands in the sagebrush plains of Nevada and Utah, while there are thousands of acres of its lands which will have enormous value from the coal, salt, iron, lead, copper and other minerals they contain. The Union Pacific lands in the Platte Valley have, so far as sold, yielded it an average of \$5 per acre; and though it gets no timber to speak of, it has millions of acres which will soon be valuable for grazing, and for a long distance its route passes through the greatest coal and iron deposits of the continent, where much of its 12,600 acres per mile will in time be valued at thousands of dollars per acre.

Twenty years ago, when the Illinois Central receive its grant, its lands were worth no more than those now given the Northern Pacific. Yet the lands sold by the Illinois Central have averaged over \$12 per acre, and those yet remaining on hand are held at a still higher price. Counting at the company's price what is held, the grant has yielded over \$30,000,000—much more than the cost of the road. If six sections per mile will do this in twenty years, what should forty sections per mile do?

The Directors of the Northern Pacific have themselves estimated their grant to be worth \$10 per acre on the completion of the road. I think they rather under- than over-estimated it, and for an obvious reason. A true statement of the real value of the grant would tend to discredit the whole affair in the eyes of the cautious foreign capitalists, from whom the company seeks to borrow money, for they would not believe that any Government could be extravagant enough to make such a donation. But it must be remembered that the line of the Northern Pacific passes for nearly its whole length through as fine an agricultural country as that of Illinois; that its grant consists, in large part, of im-

mensely valuable timber and mineral land, and that it will build up town after town, one of them at least a great commercial city, on its own soil.

Furthermore, for reasons before stated, the increase in the value of land during the next twenty years must be much greater than it has been in the last twenty years. Taking these things into consideration, is it too much to say that in twenty years from now the lands of the company will have sold for or will be worth an average of at least \$20 per acre? At this rate the grant amounts to over half a million dollars per mile, or in the aggregate to the enormous sum of \$1,160,000,000—a sum more than half the national debt. This donated absolutely to one corporation. And for what? For building a road which cannot cost more than eighty millions, and for building it for themselves!

No keener satire upon our land-grant policy could be written than that which is to be found in the published advertisement of this Northern Pacific Company. The Directors show that if they get an average of but \$2 per acre for their land, they can pay the whole cost of building and equipping the road and have a surplus of some \$20,000,000 left. That is to say, the Government might have built the road by merely raising the average price of the lands \$1 per acre, and have made a profit by the operation, while it would then own the road, and could give or lease it to the company which would agree to charge the lowest rates. As it is, the Government has raised the price to settlers on one half the land \$1.25 per acre; the other half it has given to the company to charge settlers just what it pleases; and then on this railroad which it has made the settlers pay for over and over again both Government and settlers must pay for transportation just as though the road had been built by private means.

#### THE ARGUMENT FOR RAILROAD GRANTS.

SO plausible and so ably urged are the arguments for these grants, such general acceptance have they gained, and so seldom are they challenged (for the opposition which has been made has been rather against the extravagance than

the theory of the grants) that it is worth while to consider them with some care.

The plea for railroad land grants is about this: By giving land to secure the building of railroads, we develop the country without expense, or at least at the expense of those who largely profit by the operation. The land, which we give is useless as it is; the railroad makes it useful and valuable. The Government giving really nothing of present value, does not even deprive itself of that which it might receive in the future, for it is reimbursed for the selling price of the land it gives by doubling the price of the land it retains. The Government in fact acts like a sagacious individual, who having an unsaleable estate, gives half of it away to secure improvements which will enable him to sell the other half for as much as he at first asked for the whole. The settler is also the gainer, for land at \$2.50 per acre with a railroad is worth more to him than land at \$1.25 per acre without a railroad, and vast stretches of territory are opened to him to which he could not otherwise go for lack of means to transport his produce to market; while the country at large is greatly the gainer by the enormous wealth which railroads always create.

"Here are thousands of square miles of fertile land," cries an eloquent Senator, "the haunt of the bear, the buffalo and the wandering savage, but of no use whatever to civilised man, for there is no railroad to furnish cheap and quick communication with the rest of the world. Give away a few millions of these acres for the building of a railroad and all this land may be used. People will go to settle, farms will be tilled and towns will arise, and these square miles, now worth nothing, will have a market and a taxable value, while their productions will stream across the continent, making your existing cities still greater and their people still richer; giving freight to your ships and work to your mills."

All this sounds very eloquent to the land-grant man who stands in the lobby waiting for the little bill to go through which is to make him a millionaire, and really convinces him that he is a benefactor of humanity, the Joshua of the hardy settler and the Moses of the downtrodden immigrant. And

backed up, as it is, by columns of figures showing the saving in railroad over wagon transportation, the rapidity of settlement where land grants have been already made, and the increase in the value of real estate, it sounds very plausible to those who have not anything like the reason to be as easily convinced as has the land-grant man. But will it bear the test of examination? Let us see:

In the first place it must be observed that the consideration for which we make these grants is purely one of time - to get railroads built before they would otherwise be built. No one will seriously pretend that without land grants railroads would never be built; all that can be claimed is that without grants they would not be built so soon-that is, until the prospective business would warrant the outlay. This is what we get, or rather expect to get, for we do not always get it. What do we give? We give land. That is, we give the company, in addition to the power of charging (practically what it pleases) for the carrying it does, the unlimited power of charging the people who are to settle upon one half the land for the privilege of settling there. If the Government loses nothing, it is because the settlers on one half of the land must pay double price to reimburse it, while the settlers on the other half must pay just what the company chooses to ask them.

Now, in the course of the settlement of this land there comes a time when there are enough settlers, together with the prospective increase of settlers, to warrant the building of a railroad without a land grant. Admitting that the settlers who come upon the land before that time are gainers by the land grant in getting a railroad before they otherwise would,<sup>3</sup> it is evident that the settlers after that time are

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<sup>3</sup> But as to this it must be remembered that the gain to the settler is not to be measured by the increased advantage which the railroad gives to the new land through which it is built, but by the difference in advantage which that land offers over the land on which he would otherwise have settled. Thus we cannot estimate the gain from the building of the Northern Pacific road to the people now settling along its route in Minnesota and Dakota by the saving in the cost of transportation of the produce of that land; for

losers by the amount of the additional price which: they must pay for their land, for they would have had a 'railroad anyhow.

And this point where the gain of settlers ceases, and the loss of settlers commences, is very much nearer the beginning of settlement—that is to say, there are fewer gainers and more losers, than might at first glance be supposed. For if there were no land grants at all, the land would be open to settlers as homesteads, or at \$1.25 per acre, and therefore the number of actual settlers which would justify the

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had the road not been projected, they would not have settled there, but would have settled in Iowa or Nebraska, where railroads are already built; and thus the gain they derive from the building of the Northern Pacific is not to be measured by the increased advantage which the railroad gives for the cultivation of the land on which they are settling, but by the advantage which the railroad gives that land over land in Iowa or Nebraska, on which they would otherwise have settled.

At first look, it would appear that all the people who go where a new railroad is built must gain something that they could not gain elsewhere, otherwise they would not go there. This is doubtless true as regards such gain as inures to the individual without regard to other individuals, but not always true as regards such individual gain as is also a gain to the community. For some part of the population which accompanies the building of a railroad through an unsettled country comes to minister to the needs and desires of those who build it, and is merely to be regarded as an appendage of the building force, and with many of the others the expectation of advantage is prospective and speculative. They settle in the new country which the road is opening up, not because their labour will yield them a larger return than in other places to which they might go, but because they can get choice locations or a larger amount of land, which population afterwards to come will make valuable. That is, the gain, which they expect is not from the increased productivity of their own labour, but from the appropriation of some portion of other people's labour—and is not a gain to the community, though it may be a loss.

construction of a non-land-grant railroad would be very much smaller than that which would suffice to furnish a land-grant railroad with a paying business, as the prospective increase during and upon the completion of the road would be very much greater.

So therefore, when, by giving a land grant, we get a railroad to precede settlement, if the first settlers gain at all, the others lose. The gain of the first is lessened by their having to pay double price for their lands; the loss of the others is mitigated by no gain. So that, as far as settlers are concerned, we are sacrificing the future for the present; we are taxing the many for the very questionable benefit of the few. And even in the case of the gainers, their first advantage, in having a railroad before its natural time, is offset by the subsequent retardation of settlement in their neighbourhood, which the land grant causes.

For if the first effect of the land grant is to hasten settlement by getting a railroad built, its second effect is to retard it by enhancing the price of lands. Illinois, where the first railroad land grant was made, may in a year or two after have had more people, but for years back her population has certainly been less because of it. For nearly half a million acres—one fifth of this grant—remained unoccupied in 1870, the company holding it at an average price of \$13 per acre. If this land could have been had for \$1.25 per acre, it would have been occupied years ago. This is the case wherever land grants have been made, and long before the Territories, in which we are now giving away 25,000 acres per mile for the building of railroads, are one tenth settled, we will be asked to give away like amounts of other unappropriated territory (if there is any by that time left) in order to furnish "cheap homes to the settlers!"

Considering all the people who are to come upon our now unoccupied lands, weighing the near future with the present, is it not evident that the policy of land grants is a most ruinous one even in theory—even when we get by it that which we bargain to get? Let us see how it affects the community at large in the present.

Where a land grant is necessary to induce the building of a road, it is because the enterprise itself will not pay—that is to say, at least, that it will not yield as large a return for the investment as the same amount of capital would yield if invested somewhere else. The land grant is a subsidy, which we give to the investors to make up this loss.

Is it not too plain for argument, that where capital is invested in a less remunerative enterprise than it otherwise would be, there is a loss to the whole community? Whether that loss is made up to the individuals by a subsidy or not, only affects the distribution of the loss among individuals—the loss to the community, which includes all its individuals, is the same.

But it will be said: Though this may be true so far as the direct returns of the railroad are concerned, there are other advantages from railroad building besides the receipts from fares and freights. The owners of the land through which the road passes, the producer and the consumer of the freight which it carries, and the passenger who rides upon it, are all benefited to an amount far exceeding the sums paid as fares and freight. When we give a land grant, we merely give the railroad company a share in these diffused profits: which will make up to it the loss, which would accrue were it confined to its legitimate share. Thus: Here is a railroad, the business of which would not pay for building it for five years yet. The loss to the unsubsidized company, which would build it now and run it for five years, would be \$10,000,000. But the gain to landowners and others would be \$100,000,000. Now, if by a land grant or otherwise, we secure to the railroad company a share of this collateral gain, amounting to \$20,000,000, the railroad company will make a profit of \$10,000,000, instead of a loss of \$10,000,000, by building the road, and others would make a profit of \$80,000,000.

But it must be remembered that every productive enterprise, besides its return to those who undertake it, yields collateral advantages to others. It is the law of the universe—each for all, and all for each. If a man only plants a fruit tree, his gain is that he gathers its fruit in its time and

its season. But in addition to his gain, there is a gain to the whole community in the increased supply of fruit, and in the beneficial effect of the tree upon the climate. If he builds a factory, besides his own profit he furnishes others with employment and with profit; he adds to the value of surrounding property. And if he builds a railroad, whether it be here or there, there are diffused benefits, besides the direct benefit to himself from its receipts.

Now, as a general rule, is it not safe to assume that the direct profits of any enterprise are the test of its diffused profits? For instance: It will pay to put up an ice-making machine rather in New Orleans than in Bangor. Why? Because more people in New Orleans need ice, and they need it more than those in Bangor. The individual profit will be greater, because the general profit will be greater. It will pay capitalists better to build a railroad between San Francisco and Santa Cruz than it will to build a like railroad in Washington Territory. Why? Because there are more people who will ride, and more freight to be carried, on the one than on the other. And as the diffused benefit of a railroad can only inure from the carrying of passengers and freight, is it not evident that the diffused benefit is greater in the one case than in the other, just in proportion as the direct benefit is greater?

In the second place, in any particular case in which we have to offer a subsidy to get a railroad built, the question is not, shall we have this railroad or nothing?—but, shall we have this road in preference to something else?—for the investment of capital in one enterprise prevents its investment in another. No legislative act, no issue of bonds, no grant of lands, can create capital. Capital, so to speak, is stored-up labour, and only labour can create it. The available capital of the United States at any given time is but a given quantity. It may be invested here or it may be invested there, but it is only here or there that it can be invested. Nor is there any illimitable supply abroad to borrow from. The amount of foreign capital seeking investment in the United States is about so much each year; and if by increasing our offers we get any more, we must pay more,

not merely for the increased amount, which we get, but for all which we get.

To recur, now, to our former example: Here is a railroad through an unsettled country, which to build now would, relying upon its direct receipts, entail a loss of \$10,000,000, the diffused benefits of which may be estimated at \$100,000,000. Here is another railroad which it would take the same capital to build, which, in the same time, would yield a direct profit of \$5,000,000, and the diffused benefits of which it is fair to presume might be expressed by \$300,000,000. Now if we offer to the builders of the first road a land grant which will enable them to obtain one fifth of the diffused benefits of the road, we could induce them to build that road rather than the other for they would make twice as much by doing so. But what would be the net result to the community? Clearly a loss of \$215,000,000. That is to say: By offering a land grant we could induce capitalists to build a road in Washington Territory, rather than between San Francisco and Santa Cruz. But if we did do so, the people between San Francisco and Santa Cruz would lose far more than the capitalists and the Washington Territory settlers would gain; the people of the Pacific Coast, as a whole, and the United States, as a whole, would be poorer than if we had left capital free to seek the investments which would of themselves return to it the largest profits.

The comparison between an individual and the nation is fallacious. The one is a part, the other is the whole. The individual lives but a few years, the lifetime of the nation is counted by centuries. It may profit an individual to induce people to settle or capital to be invested in certain places; the nation can only profit by having its population and its capital so located and invested that the largest returns will be realized. It may profit an individual to sacrifice the near future to the present, but it cannot profit a nation.

As concerns the statistics by which the benefits of land-grant railroads are attempted to be shown, it must be remembered, first, that the population of the United States is growing at the rate of a million per year, and next, that increase in the value of land is not increase in wealth.

That whatever population railroads have brought to new States and Territories is dispersion, not increase, is proven by the fact that the population of the United States is not increasing faster than it did before railroad building commenced, while the slightest consideration of economic laws shows that whatever gain has resulted from their building is at the expense of a greater gain which would have resulted from the investment of the same capital where it was more needed—in fact, that there is no gain, but a loss. We have been supposing that land grants secure the consideration for which they are given—the building of roads before they would otherwise be built; but this is far from being always the case. With the exception, perhaps, of the little Stockton and Copperopolis road, the California grants have not hastened the building of railroads, but have actually retarded it, by retarding settlement. The fact is, that in nearly all cases these land grants are made to men who do not propose, and who have not the means, to build the road. They keep them (procuring extensions of time, when necessary<sup>4</sup> until they can sell out to others who wish to build, and who, on their part, generally delay until they can see a profit in the regular business.

To sum up: When we give a land grant for the building of a railroad, we either get a railroad built before it would be built by private enterprise, or we do not.

If we do not, our land is given for nothing; if we do, capital is diverted from more to less productive investments, and we are the poorer for the operation.

In either case the land grant tends to disperse population; in either case it causes the monopolization of land; in either case it makes the many poorer, and a few the richer.

I have devoted this much space to answering directly the argument for railroad land grants, because they are constantly urged, and are seldom squarely met, and because so long as we admit that we may profit by thus granting away

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<sup>4</sup> Congress, in 1870, actually passed a bill extending the time for the completion of the first twenty miles of Western road to which a land grant was made in 1853.

land in "reasonable amounts," we shall certainly find our lands going in "unreasonable amounts." But surely it requires no argument to show that this thing of giving away from twelve to twenty-five thousand acres per mile of road in order to get people to build a railroad for themselves is a wicked extravagance for which no satisfactory excuse can be made. This land, now so worthless that we give it away by the million acres without a thought, is only worthless because the people who are to cultivate it have not yet arrived. They are coming fast -we have seen how fast. While there is plenty of uncultivated land in the older States, we are giving away the land in the Territories under the plea of hastening settlement, and when the time comes that these lands are really needed for cultivation, they will all be monopolized, and the settler, go where he will, must pay largely for the privilege of cultivating soil which since the dawn of creation has been waiting his coming. We need not trouble ourselves about railroads; settlement will go on without them-as it went on in Ohio and Indiana, as it has gone on since our Aryan forefathers left the Asiatic cradle of the race on their long westward journey. Without any giving away of the land, railroads, with every other appliance of civilization, will come in their own good time. Of all people, the American people need no paternal Government to direct their enterprise. All they ask is fair play, as between man and man; all the best Government can do for them is to preserve order and administer justice.

There may be cases in which political or other non-economic reasons may make the giving of a subsidy for the building of a road advisable. In such cases, a money subsidy is the best, a land subsidy the worst. But if the policy of selling our lands is continued, and it is desirable to make the payment of the subsidy contingent upon the sale of the land, then the proceeds of the land, not the land itself, should be granted.

There is one argument for railroad land grants, which I have neglected to notice. Senator Stewart pleads that these grants have kept the land from passing into the hands of speculators, who would have taken more than the railroad

companies, and have treated the settlers less liberally than the companies. Perhaps he is right; there is certainly some truth in his plea. But if he is right, what does that prove? Not the goodness of railroad grants; but the badness of the laws, which allow speculation in the public lands. <sup>5</sup>

## II - THE LANDS OF CALIFORNIA

### HOW FAR LAND MONOPOLISATION HAS ALREADY GONE.

IN all the new States of the Union land monopolisation has gone on at an alarming rate, but in none of them so fast as in California, and in none of them, perhaps, are its evil effects so manifest.

California is the greatest land State in the Union, both in extent (for Texas owns her own land) and in the amount of land still credited to the Government in Department reports. With an area of 188,981 square miles, or, in round numbers, 121,000,000 acres, she has a population of less than 600,000—that is to say, with an area twenty-four times as large as Massachusetts, she has a population not half as great. Of this population not one third is engaged in agriculture, and the amount of land under cultivation does not exceed 2,500,000 acres. Surely land should here be cheap, and the immigrant should come with the certainty of getting a homestead at Government price! But this is not so. Of the 100,000,000 acres of public land which, according to the last report of the Department, yet remain in California (which of course includes all the mountains and sterile plains), some 20,000,000 acres are withheld from settlement by railroad reservations, and millions of acres more are held under unsettled Mexican grants, or by individuals under the possessory laws of the State, without colour of title. Though here or there, if he knew where to find it, there may be a little piece of Government land left, the notorious fact is that the immigrant coming to the State today must, as a general thing, pay their price to the middle-

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men before he can begin to cultivate the soil. Although the population of California, all told—miners, city residents, Chinamen and Diggers—does not amount to three to the square mile; although the arable land of the State has hardly been scratched (and with all her mountains and dry plains California has an arable surface greater than the entire area of Ohio), it is already so far monopolised that a large part of the farming is done by renters, or by men who cultivate their thousands of acres in a single field. For the land of California is already to a great extent monopolised by a few individuals, who hold thousands and hundreds of thousands of acres apiece. Across many of these vast estates a strong horse cannot gallop in a day, and one may travel for miles and miles over fertile ground, where no plough has ever struck, but which is all owned, and on which no settler can come to make himself a home, unless he pay such tribute as the lord of the domain chooses to exact.

Nor is there any State in the Union in which settlers in good faith have been so persecuted, so robbed, as in California. Men have grown rich, and men still make a regular business of blackmailing settlers upon public land, of appropriating their homes, and this by the power of law and in the name of justice. Land grabbers have had it pretty much their own way in California—they have moulded the policy of the general Government; have dictated the legislation of the State; have run the land offices and used the courts. Let us look briefly at the modes by which this land monopolisation has been carried on.

### THE MEXICAN GRANTS.

CALIFORNIA has had one curse which the other States have not had<sup>6</sup>—the Mexican grants. The Mexican land policy was a good one for a sparsely settled pastoral country, such as California before the American occupation. To every citizen who would settle on it, a town lot was given; to every citizen who wanted it, a cattle range was granted. By the

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<sup>6</sup> The Territory of New Mexico is afflicted in the same way.

terms of the cession of California to the United States it was provided that these rights should be recognised.

It would have been better, far better, if the American Government had agreed to permit these grant-holders to retain a certain definite amount of land around their improvements, and compounded for the rest of the grants called for by the payment of a certain sum per acre, turning it into the public domain. This would have been best, not only for the future population of California, but for the grant-holders themselves as the event has proved.

Or, if means had been taken for a summary and definite settlement of these claims, the evils entailed by them would have been infinitesimal compared with what have resulted. For it is not the extent of the grants (and all told the bona fide ones call for probably nine or ten million acres of the best land of California), which has wrought the mischief, so much as their unsettled condition—not the treaty with Mexico, but our own subsequent policy.

It is difficult in a brief space to give anything like an adequate idea of the villainies for which these grants have been made the cover. If the history of the Mexican grants of California is ever written, it will be a history of greed, of perjury, of corruption, of spoliation and high-handed robbery, for which it will be difficult to find a parallel.

The Mexican grants were vague, running merely for so many leagues within certain natural boundaries, or between other grants, though they were generally marked out in rough fashion. It is this indefiniteness, which has given such an opportunity for rascality, and has made them such a curse to California, and which, at the same time, has prevented in nearly all cases their original owners from reaping from them any commensurate benefit. Between the Commission which first passed upon the validity of the grants and final patent, a thousand places were found where the grant could be tied up, and where, indeed, after twenty-three years of litigation the majority of them still rest. Ignorant of the language, of the customs, of the laws of the new rulers of their country, without the slightest idea of technical subtleties and legal delays, mere children as to business—

the native grant-holders were completely at the mercy of shrewd lawyers and sharp speculators, and at a very early day nearly all the grants passed into other hands.

### HOW THE GRANTS FLOAT.

As soon as settlers began to cultivate farms and make improvements, the grants began to float. The grant-holders watched the farmers coming into their neighbourhood, much as a robber chief of the Middle Ages might have watched a rich Jew taking up his abode within striking distance of his castle. The settler may have been absolutely certain that he was on Government land, and may even have been so assured by the grant-holder himself; but so soon as he had built his house and fenced his land and planted his orchard, he would wake up some morning to find that the grant had been floated upon him, and that his land and improvements were claimed by some land shark who had gouged a native Californian out of his claim to a cattle-run, or wanting an opportunity to do this, had set up a fraudulent grant, supported by forged papers and suborned witnesses. Then he must either pay the blackmailer's price, abandon the results of his hard labour, or fight the claim before surveyor-general, courts, commissioner, secretary, and Congress itself, while his own property, parcelled out into contingent fees, furnished the means for carrying the case from one tribunal to another, for buying witnesses and bribing corrupt officials. And then, frequently, after one set of settlers had been thus robbed, new testimony would be discovered, a new survey would be ordered, and the grant would stretch out in another direction over another body of settlers, who would then suffer in the same way, while in many cases, as soon as one grant had been bought off or beaten away, another grant would come, and there are pieces of land in California for which four or five different titles have been purchased.

The ruling of the courts has been, that so long as the grants had not been finally located, their owners might hold possession within their exterior boundaries and eject settlers. Thus, if a grant is for one league, within certain natu-

ral boundaries, which include fifty, the claimant can put settlers off any part of the fifty leagues.

Whenever any valuable mine or spring is discovered in the neighbourhood of any of these grants, then the grant jumps. If they prove worthless, then it floats back again. Thus the celebrated Mariposa claim, after two or three locations in the valley, was finally carried up into the mountains, where it had as much business as it would have had in Massachusetts or Ohio, and stretched out into the shape of a boot to cover a rich mining district. Among the property given to John Charles Frémont and his partners, by this location, was the Ophir mine and mill, upon which an English company had spent over \$100,000, after assurances from the Mariposa people that the mine was outside their claim. In the southern half of California, where these grants run, there has been hardly a valuable spring or mine discovered that was not pounced upon by a grant. One of the latest instances was the attempt to float the Cuyamaca grant over the new San Diego mining district, and to include some sixty-five mines—one of them, the pioneer, on which \$200,000 has been expended. Another was the attempt to float a grant over the noted Geyser Springs, in Sonoma county. In both these cases the attempt was defeated, General Hardenburgh refusing to approve the surveys. In the latter case, however, it was dog eat dog, the great scrip locator, W. S. Chapman, having plastered Sioux warrant over the wonderful springs. He has since obtained a patent, though I understand that somebody else laid a school-land warrant on the springs before Chapman.

### HOW THE GRANTS ARE STRECHED OUT

HARDLY any attention seems to have been paid to the amount of land granted by the Mexican authorities. Though, under the colonisation laws, eleven leagues (a Mexican league contains 4,438 acres) constituted the largest amount that could be granted, many of these grants have been confirmed and patented for much more (in the teeth of a decision of the United States Supreme Court), and under others yet unsettled, much larger amounts are still held. Grants for

one league have been confirmed for eleven. Claims rejected by the Commission have been confirmed by the District Courts, and claims rejected by other decisions of the Supreme Court have been got through by the connivance of law officers of the Government who would suffer the time for appeal to lapse or take it so that it would be thrown out on a technicality.

As for the surveys they might almost as well have been made by the grant-holders themselves, and seem, as a general thing, to have run about as the grant-holders wished. The grants have been extended here, contracted there, made to assume all sorts of fantastic shapes, for the purpose of covering the improvements of settlers and taking in the best land. There is one of them that on the map looks for all the world like a tarantula—a fit emblem of the whole class. In numbers of cases, the names of which might be recited, grants of four leagues have been stretched in the survey to eight; grants of two leagues to six; grants of five to ten; and in one case it has been attempted to stretch one league to forty. In one case, the Saucal Rejondo, where a two-league grant had been confirmed to five, and a survey of 22,190 acres made, a new survey was ordered by a clerk of the surveyor-general, and a survey taking in 25,000 acres more of United States land covered by settlers *was made and fixed up in the office*; and it was not until after some years of litigation before the Department that this fact was discovered. In some cases speculators who were "on the inside" would buy from a Spanish grantee the use of the name of his claim, and get a new survey which would take in for them thousands of acres more. The original claimant of Rancho la Laguna asked for three leagues, or 13,314 acres; the survey was made and confirmed for 18,000. Afterwards it was set aside, on the pretence that the Santa Barbara paper, in which the advertisement of survey had been published, was printed for part of the time in San Francisco, and a survey taking in 48,703 acres made, which, after being rejected by Commissioner Edwards, was patented by Commissioner Wilson. The Rancho Guadaloupe, a grant of 21,520 acres, was surveyed for 32,408 acres in

1860, the survey approved, a patent issued, and the ranch sold. Now the new owner, supported by an affidavit from the surveyor that objection was made to the 32,000 acre survey in 1860 by the two Mexican owners (one of whom died in 1858), is trying to get a new survey confirmed which takes in 11,000 acres more. The survey of Los Nogales was made in 1861, under a decree for one league and no more, and now an application for a new survey, which will include 11,000 acres more is being pushed. The land is covered by settlers.

### THE BIG GRAPE-VINE RANCHO.

PERHAPS the most daring attempt to grab lands and rob settlers under pretence of a Mexican grant—so daring that it has almost a touch of the comic—is the case of Los Prietos y Najalayegua, which was shown up first in a little pamphlet by James F. Stuart, of San Francisco, and afterwards in Congress by Mr. Julian, to whom the settlers of California are indebted for many signal services. In Santa Barbara county there is living an old Mexican, named Jose Dominguez, on whose little ranch grows an immense grape-vine. In the old times Dominguez had petitioned for another tract of land of about a league and half, but he neglected to comply with the conditions, and sold it for the sum of one dollar. In fact he seems to have sold it twice. Finally the claim passed into the hands of Thomas A. Scott, the Pennsylvania railroad king, and Edward J. Pringle, of San Francisco. It had never been presented to the United States Commission, and was consequently barred. But in 1866 a bill confirming the grant, and accompanied by a memorial purporting to be from Dominguez, but which Dominguez swears he never saw, was introduced by Mr. Conness, and slipped quietly through, under pretence of giving the old man, with his sixty children and grandchildren, the big grape-vine which his mother had planted.

The bill was assisted in the House by the reading of a letter from Mr. Levi Parsons, in which a visit to the Mexican Patriarch and his great grape-vine, the only support of a greater family, was most touchingly described, and the in-

tervention of Congress asked as a matter of justice and humanity. Then came the survey; and the speculators, emboldened by their success with Congress, went in for a big grab, taking in the modest amount of 208,742 acres<sup>7</sup>—a pretty good dollar's worth of land, considering that it included many valuable farms and vineyards. They asked too much, for an outcry was made and a resurvey was ordered, which is now pending.

### BOGUS GRANTS.

THE real grants have been bad enough, the bogus grants have been worse. Their manufacture commenced early—the signatures of living ex-Mexican officials being sometimes procured. Of this class was the famous Limantour claim to a great portion of San Francisco. It was finally defeated, but not until a large amount had been paid to its holders, and enormous expenses incurred in fighting it. Many of these claims have been pressed to final patent, land settlers driven from their homes by sheriff's posses or the bayonets of the United States troops. Others have only been used for purposes of blackmail, the owners of threatened property being compelled to remove the shadow from their title when obliged to borrow or to sell, and finding it cheaper to pay the sums asked than to incur the expense of long and tedious litigation, many steps in which had to be taken in Washington.

Thanks to the possessory law of the State, as interpreted by State courts, where the holders of a bogus claim secure possession they have been all right as long as they could delay final action. After the action of the District Court five years are allowed for appeal to the Supreme Court, and then a smart attorney can easily keep the case hanging from year to year. In one case where a modest demand for some forty leagues was rejected, because in forging the Mexican seal on the grant, the head of the cactus-mounted

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<sup>7</sup> The survey was not strictly official, though made by a United States Deputy, he having reported that the calls were uncertain, and the grantees asking a survey according to their views.

eagle had been carelessly put where his tail ought to be, the appeal has been kept at the foot of the docket for years, while the claimants are enjoying the land just as fully as if they had paid the Government for it, and are actually selling it to settlers, who know the claim to be fraudulent, at from \$2 to \$10 per acre. If the supreme Court ever does reach the case, the appeal will be dismissed. A new motion will then be made, and finally, when all the law's delays are exhausted, the settlers will have to pay the Government \$1.25 per acre for the land. Meantime they can get it only by paying his price to the holder of this notoriously fraudulent claim.

It has at all times been within the power of Congress to end this uncertainty as to land titles, and settle these Mexican claims. There has been a great deal of legislation on the subject, but somehow or other it has always turned out for the benefit of the land grabbers. Modes of procedure have been changed; cases have been thrown from the courts into the land offices; from the land offices back to the courts, and then from the courts back to the land offices again. Always some excuse for delay; always some loophole in the law, through which the land grabber could easily pass, but in which the settler would be crushed. The majority of these Mexican grants are yet unsettled. Their owners do not want them settled so long as they can hold thousands of acres more than they have a shadow of claim to, and delay as much as possible. These are cases where the last step to secure patent can be taken at any time, by the making of a motion or the payment of a fee; but which are suffered to remain in that condition, while in the meantime the claim holders are selling quitclaim deeds to settlers, for land which their patents would show they do not own.

### THE PUEBLO OF SAN FRANCISCO.

FOR the injuries which these Mexican grants have done to California, the Mexican land policy is not responsible. That merely furnished the pretext under cover of which our policy has fostered land monopolisation. What of the Mexican policy was bad under our different conditions, we have made

infinitely worse; what would still have been good, we have discarded. The same colonisation laws under which these great grants were made gave four square leagues to each town in which to provide homes for its inhabitants, the only conditions being good character and occupancy. The American city of San Francisco, as the successor of the Mexican pueblo, came into a heritage such as no great city of modern times has enjoyed—land enough for a city as large as London, dedicated to the purpose of providing every family with a free homestead. Here was an opportunity to build up a great city, in which tenement houses and blind alleys would be unknown; in which there would be less poverty, suffering, crime and social and political corruption than in any city of our time, of equal numbers. This magnificent opportunity has been thrown and with the exception of a great sand bank, the worst could be found, reserved for a part, and a few squares reserved for public buildings, the heritage of all the people of San Francisco has been divided among a few hundred. Of the successive steps, culminating in the United States law of 1866, by which this was accomplished, of the battles of land grabbers to take and to keep, and of the municipal corruption engendered, it is not worth while here to speak. The deed is done. We have made a few millionaires, and now the citizen of San Francisco who needs a home must pay a large sum for permission to build it on land dedicated to its use ere the American flag had been raised in California.

#### THE RAILROAD GRANTS OF CALIFORNIA.

THE grants made to railroads of public lands in the State of California are: The grant to the Western Pacific and Central Pacific, of ten alternate sections on each side per mile (12,800 acres), made to half that amount in 1862, and doubled in 1864; the grants to the Southern Pacific and to the California and Oregon, of ten alternate sections on each side, with ten miles on each side in which to make up deficiencies, made in 1866; the grant to the Stockton and Copperopolis, of five alternate sections on each side, with twenty miles on each side in which to make up deficiencies,

made in 1867; the grants to the Texas Pacific<sup>8</sup> and to the connecting branch of the Southern Pacific, of ten alternate sections on each side, with ten miles for deficiencies, made in 1871. A grant was also made in 1866 to the Sacramento and Placerville road, but the idea of building the road was abandoned, and the grant has lapsed.

Upon the map of California (see frontispiece) the reservations for these grants are marked in red. This marking does not show the exact limits of the reservations, as they follow the rectilinear section lines, which it is, of course, impossible to show on so small a scale—nor are the routes of the roads precisely drawn. But it gives a perfectly correct idea of the extent and general course of these reservations. The exhibit is absolutely startling—a commentary on the railroad land-grant policy of Congress to the force of which no words can add. Observe the proportion which these reservations bear to the total area of the State, and observe at the same time the topography of California—how the railroad reservations cover nearly all the great central valleys, and leave but the mountains, and you may get an idea of how these reservations are cursing the State.

It is true that the companies do not get all of the land included in these reservations, nor even half of it; but for the present, at least, so far as the greater part of it is concerned, they might as well get it all. Pre-emption or homestead settlers may still go upon the even sections, but the trouble is to find them. The greater part of this land is unsurveyed, or having been once surveyed, the vaqueros, who share in the prejudices of their employers against settlers, have pulled up the stakes, and the settler cannot tell whether he gets on Government or on railroad land. If on Government land, he is all right, and can get 80 acres for \$22, as a homestead; or 160 acres for \$400 by pre-emption. But it is an even chance that he is on railroad land, and if so, he is at the mercy of a corporation which will

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<sup>8</sup> Between the line of the road and the Mexican boundary this company gets all the public land.

make with him no terms, in advance. Settlers will not take such chances.

These railroad grants have worked nothing but evil to California. Though given under pretext of aiding settlement, they have really retarded it. Of all the roads ever subsidised in the United States, the Central Pacific is the one to which the giving of a subsidy is the most defensible.

But so large was the subsidy, in money and bonds, that the road could have been built, and would have been built, just as soon without the land grant. The Western Pacific land grant became the property of a single individual, who did nothing towards building the road—the company that did build the road (the Central) buying the franchise minus the land grant. The Southern Pacific land grant has actually postponed the building of a road southward through California, and had the grant never been made, it is certain that an unsubsidised road would already have been running farther into Southern California than the land-grant road yet does. Of the California and Oregon land grant, the same thing may be said. The Stockton and Copperopolis grant was made in 1867, but the building of the road has only been commenced this year. And it is exceedingly probable that had this land been open to settlers, the business, actual and prospective, would by this time have offered sufficient inducements for the building of the road. All these land grants, with the exception perhaps of that from the Eastern boundary to San Diego, and with the exception of the Western Pacific grant, are owned by a single firm, who also own all the railroads in California, having bought what they did not build.

It is generally argued when land grants are made, that it is to the interest of the companies to sell their lands cheaply, because settlement will bring them business. But the land-grant companies of California seem in no hurry to sell their lands, preferring to wait for the greater promise of the future. Neither the Southern Pacific nor the California and Oregon will make any terms with settlers until their lands are surveyed and listed over to them. It is, of course, to their interest to have the Government sections settled

first, and to reserve their own land for higher prices after the Government land is gone. The Central Pacific advertises to sell good farming land for \$2.50 per acre; but when one goes to buy good farming land for that price, he finds that it has been sold to the Sacramento Land Company, a convenient corporation, which stands to the company in its land business just as the Contract and Finance Company did in the building of the road.

#### PRIVATE ENTRY AND SCRIP LOCATIONS.

LARGE bodies of the public lands of California were offered at public sale long before there was any demand for them. When the failure of placer mining directed industry towards agriculture, and the beginnings of the railroad system led to hopes of a large immigration, these lands were gobbled up by a few large speculators, by the hundred thousand acres. The larger part of the available portion of the great San Joaquin Valley went in this way, and the process has gone on from Siskiyou on the north to San Diego on the south.

According to common report, the speculators have received every facility in the land offices. While the poor settler who wanted a farm would have to trudge off to look at the land himself, the speculator or his agent had all the information which could be furnished. Land, which had never been sold or applied for, would be marked on the maps as taken, in order to keep it from settlers and reserve it for speculators; and in some cases, it is even said that settlers selecting land and going to the Land Office to apply for it, would be put off for a few minutes while the land they wanted would be taken up in behalf of the speculator, and then they would be referred to him, if they desired to purchase.

A great deal of this land has been located with the Agricultural College scrip of Eastern States, bought by the speculators at an average of about fifty cents per acre, in greenbacks, when greenbacks were low, and sold or held at prices varying from \$4 to \$20 per acre, in gold. Whole townships have been taken up at once in this way; but the law was amended in 1867, so that only three sections in the

same township can now be located with this scrip. The Agricultural scrip of California has been sold at about \$5 per acre, having special privileges.

The Act of last year, making this California scrip locatable on unsurveyed land, within railroad reservations, etc., is a good sample of the recklessness of Congressional legislation on land matters. It is so loosely drawn that by the purchase of forty acres a speculator can tie up a whole township. The Land Agent of the University has only to give notice to the United States Register that he has an application for land (without specifying amount or locality) in a certain township, and the Register must hold the plats of survey for sixty days after their return. Should a pre-emptor go on before this time, there is nothing to prevent the speculator from swooping down upon him and asserting that his farm is the particular piece of ground he wanted. Happily, nearly all this scrip will be used for locating timber land, for which the scrip of other States is not available, as it can only be located on surveyed land, and the surveyed timber land has long since been taken up.

Besides the Agricultural scrip, a large amount of Half Breed scrip has been located by speculators. This scrip was issued to Indians in lieu of their lands, and was made by law locatable only by the Indians themselves, and though the speculators pretended to locate as the attorneys of the Indians, the location was illegal. However, it was made, and patents have been issued.

In this way millions of acres in California have been monopolised by a handful of men. The chief of these speculators now holds some 350,000 acres, while thousands and thousands of acres which he located with scrip or paid \$1.25 per acre for, have been sold to settlers at rates varying from \$5 to \$20 per acre, the settlers paying cash enough to clear him and leave a balance, and then giving a mortgage for and paying interest on the remainder; and a large quantity of his land is rented—cultivators furnishing everything and paying the landlord one fourth of their crop.

And as has been the case in all the methods of land monopolisation in California, these scrip locations have been

used not only to grab unoccupied lands, but to rob actual settlers of their improved farms. In one instance a large scrip speculator got a tool of his appointed to make the survey of a tract of land in one of the southern counties which had been long occupied by actual settlers. This deputy surveyor persuaded the settlers that it would be cheaper for them to get a State title to their lands than to file pre-emption claims, and they accordingly proceeded to do this. But as the clock struck nine, and the doors of the Land Office in San Francisco were thrown open on the morning the plats were filed, another agent of the speculator entered with an armful of scrip which he proceeded to plaster over the settlers' farms.

#### MANAGEMENT OF THE CALIFORNIA STATE LANDS.

WE have seen what Federal legislation has done to inflict the curse of land monopoly upon California. Let us now see what has been done by the State herself. We shall find that reckless as have been the dealings of the general Government with our lands, the dealings of the State have been even worse.

And here let it be remarked that for most of these wrong acts of the Federal Government, the people of California are themselves largely responsible. For the public manifestation of a strong sentiment here could not have failed to exert great influence upon Congress. But, for instance, instead of objecting to railroad grants, we have, for the most part, hailed them as an evidence of Congressional liberality; and when the Southern Pacific had once forfeited its grant, the California Legislature asked Congress to give it back without suggesting a single restriction on the sale or management of the lands. In 1870, a bill actually passed the House reserving the public lands of California for homestead entry, as the lands of the Southern States had been reserved, but it went over in the Senate on the objection of Senator Nye, of Nevada. There is little doubt that the manifestation of a strong desire on our part would, at any time, secure the passage of such a bill.

The specific grants made to California, in common with other land States, which have been before enumerated, amount to an aggregate of 7,421,804 acres—an area almost as large as that of Massachusetts and Connecticut combined. Besides these grants; all the swamp lands are given to the State for purposes of reclamation, of which 3,381,691 acres have already been sold—about all there is.

These large donations have proved an evil rather than a benefit to the people of California; for in disposing of them, the State has given even greater facilities for monopoly than has the Federal Government, and the practical effect of the creation of two sources of title to public land has been to harass settlers and to give opportunity for a great deal of robbery and rascality.

The land policy of the State of California must be traced through some thirty-five or forty Acts, in whose changes and technicalities the non-expert will soon become bewildered. It is only necessary here to give its salient features.

It must be understood in the first place that the only grant of specific pieces of land is that of the 16th and 36th sections of each township. When these are occupied or otherwise disposed of, other sections are given in lieu of them. These lieu lands, as well as the lands granted in specific amounts, the State has had the privilege of taking from any unappropriated Government land, the ownership of the swamp lands being decided by the nature of the land itself. With this large floating grant, as it may be termed, the general policy of the State has been, not to select the lands and then to sell them, but in effect to sell to individuals its right of selection.

Now, under the general laws of the United States, until land is offered at public sale, there is no way of getting title to it save by actual settlement, and then in tracts of not over 160 acres to each individual. And though since 1862 the pre-emption right has applied to unsurveyed lands, yet until land is surveyed and the plats filed, the settler can make no record of his pre-emption.

To this land thus reserved by the general laws for the small farms of actual settlers, the State grants gave an op-

portunity of obtaining title without regard to settlement or amount-an opportunity which speculators have well improved. In defiance of the laws of the United States, and even of the Act admitting California into the Union, the State at first sold even unsurveyed land, a policy which continued until the courts declared it illegal in 1863. In 1852, to dispose of the 500,000 acre grant (which the Constitution of the State gave to the School Fund), warrants were issued purchasable at \$2 per acre in depreciated scrip, and locatable on any unoccupied Government land, surveyed or unsurveyed. These warrants, however, were not saleable to anyone person in amounts of more than 640 acres, and the buyer had to make affidavit that he intended to make permanent settlement on the land. But as the warrants were assignable, and affidavits cheap, these restrictions were of but little avail. Passing for the most part into the hands of speculators, the warrants enabled them to forestall the settler and even in many cases to take his farm from him; for though by the terms of the law the warrants could only be laid on unoccupied land, yet when once laid, they were prima facie evidence of title, and the difficulty could be got over only by collusion with county officers and false affidavits. These school-land warrants have been a terror to the California settler, and many a man who has made himself a home, relying upon the general laws of the Federal Government, has seen the results of his years of toil and privation pass into the hands of some soulless cormorant, who, without his knowledge, had plastered over his farm with school-land warrants. The law under which the warrants were issued was repealed in 1858, and the policy adopted of settling the State title to applicants for land, in amounts not to exceed 320 acres to each individual, at the rate of \$1.25 per acre, payable either in cash, or twenty percent in cash, and the balance on credit with interest at ten per cent. The 16th and 36th sections, or the lands in lieu of them, were at first given to the respective townships, to be sold for the benefit of the Township School Fund; but were afterwards made saleable as other lands for the benefit of the General Fund.

The swamp lands were from the first made saleable in tracts not exceeding 320 acres to each person, for \$1 per acre, cash or credit, the proceeds to be applied to the reclamation of the land, under regulations varied by different laws, from time to time. This was virtually giving them away-the true policy; but the trouble is that for the most part they have been given to a few men.

Up to 1868, the State had always, in words at least, recognised the principle that one man should not be permitted to take more than a certain amount of land; but by the Act of March 28th, of that year, which repealed all previous laws, and is still, with some trifling amendments, the land law of the State, all restrictions of amount, except as to the 16th and 36th sections proper, were swept away; and with reference to those lands, the form of affidavit was so changed that the applicant was not required to swear that he wanted the land for settlement, or wanted it for himself. This Act has some good features; but from enacting clause to repealing section, its central idea seems to be the making easy of land monopolisation, and the favouring of speculators at the expense of settlers. In addition to sweeping away the restrictions as to amount and to use, it provided that the settlers upon the 16th and 36th sections should only be protected in their occupancy for six months after the passage of the Act, after which the protection should only be for sixty days; and changed the affidavit previously required, from a denial of other settlement to a denial of valid adverse claim. Under this provision a regular business has been driven in robbing settlers of their homes. Unless a new law is very generally discussed in the newspapers (and land laws seldom are) it takes a long time for the people to become acquainted with it; and there were many settlers on State land who knew nothing of the limitation until they received notification that somebody else had possession of a clear title to their farms. Did space permit, numbers of cases of this kind of robbery might be cited-some of them of widows and orphans, whose all was ruthlessly taken from them; but I will confine myself to one case of recent occurrence, where the looked-for plunder is unusually large.

The town of Amador, and the very valuable Keystone Mine, are situated on the east half of a 36th section. The survey which developed this fact was only made in the early part of the present year. The Deputy Surveyor, who was evidently in the plot, returned to the United States Land Office the plat of the township, with the mine and the town marked in the west half. Application was at the same time made to the State Surveyor-General, in the name of Henry Casey, for the east half. In regular course~ the Surveyor-General sent the application to the United States Land Office, whence it was returned, with a certificate that the land was free; whereupon, the Surveyor-General approved the application, and twenty-five cents per acre was paid the State. And thus for \$80 cash, and \$32 per annum interest, a little knot of speculators have secured title to the Keystone Mine, worth at least a million dollars, and the whole town of Amador, besides.

And as further evidence of the recklessness of California land legislation, and of the lengths to which the land grabbers are prepared to go, two facts may be cited: The last Legislature, instead of repealing or removing the objectionable features from this Green law, actually passed a special bill legalising all applications for State lands, even where the affidavits by which they were supported did not conform to the requirements of the law, either in form or in substance. After this had been passed, on the last day of the session a bill was got through and was signed by the Governor, designed to restrict applicants for lieu lands to 320 acres. But after the Legislature had adjourned, when the Act came to be copied in the Secretary of State's office, 10, and behold! it was discovered that the engrossed and signed copy did not contain this provision.

Yet, to understand fully what a premium the State has offered for the monopolisation of her school lands, there is another thing to be explained. To purchase land of the State, an application must be filed in the State Land Office, describing the land by range, township and section, and stating under what grant the title is asked. This application must be accompanied by a fee of five dollars. The Surveyor-

General then issues a certificate to the applicant, and sends the application to the United States Land Office, for certification that the land is free, before he approves the application and demands payment for the land. If there be no record in his office of pre-emption, homestead or other occupation, the United States Register thereupon marks the land off on his map, but he does not certify to the State Surveyor-General until he gets his fee. The State Surveyor-General has no appropriation to pay the fee, although the present incumbent asked for one in his first report; and so the payment of the fee and the return of the United States certificate depend upon the applicant, whose interest it is, of course, not to get lit until he wishes to pay for his land. And thus, by the payment of five dollars, a whole section of United States land can be shut up from the settler. There are 1,244,()96 acres monopolised in California to-day in this way. "For thousands and thousands of the acres which are offered for sale on California and Montgomery streets there is no other title than the payment of this five dollars. When the immigrant buys of the speculator for two, five, ten or twenty dollars an acre, as the case may be, then the speculator goes to the United States Land Office, pays the Register's fee, gets his certificate and the State Surveyor General's approval, and pays the State \$1.25 per acre; or, if with the immigrant he has made a bargain of that kind, he pays twenty-five cents per acre, and leaves his purchaser to pay the dollar at some future time, with interest at ten per cent.

#### SWAMP LAND GRABBING.

AND as the speculator has had a far better opportunity in dealing with the State than with the United States, there has been every inducement to get as much land as possible under the jurisdiction of the State, by declaring it swamp land. The certificate of United States officers as to the character of the land has not been waited for; but the State has sold to every purchaser who would get the County Surveyor to segregate the land he wanted, and procure a couple of affidavits as to its swampy character. Probably one half of

the land sold (or rather given, as the money is returned) by the State as swamp, is not swamp at all, but good dry land, that has been sworn to as swamp, in order to take it out of the control of the pre-emption laws of the United States. The State has been made the catspaw of speculators, and her name used as the cover under which the richest lands in California might be monopolised and settlers robbed. The seizure of these lands of the State (or rather by speculators in the name of the State) is for the most part entirely illegal; but by the Act of 1866, previous seizures were confirmed, and the land grabbers of California, though Mr. Julian occasionally makes them some trouble, have powerful friends in Washington, and unless energetic remonstrance is made, generally get what they ask. This swamp land grant has not yielded a cent to the State, but it has enabled speculators to monopolise hundreds of thousands of acres of the most valuable lands in California, and, of course, to rob settlers. For the settler, though he has a right under United States laws, can get no record nor evidence of title until his land is surveyed and the plats filed. In the meantime, if the speculator comes along and can get a couple of affidavits as to the swampy character of the settler's farm, he has been able to buy the title of the State. Lands thousands of feet above the level of the sea have been purchased as swamp; lands over which a heavily loaded wagon can be driven in the month of May; and even lands which cannot be cultivated without irrigation.

Sierra Valley is in Plumas county, in the very heart of the mountains. Standing on its edge, you may at your option toss a biscuit into a stream, which finally sinks in the great Nevada Basin, or into the waters, which join the Pacific. When the snow melts in the early spring, the mountain streams, which run through the valley, overflow and spread over a portion of the land; but after a freshet has passed, water has to be turned in through irrigating ditches to enable the lands to produce their most valuable crop, hay. The valley is filled with pre-emption and homestead settlers, who, besides their own homes and Improvements, have built two churches and seven schoolhouses. Many of their

farms are worth \$20 per acre. The swamp land robbers cast their eyes' on this pretty little valley and its thrifty settlement, and the first thing the settlers knew their farms had been bought of the State as swamp lands, and the United States was asked to list them over. Energetic remonstrance was made, and the matter was referred by the Department to the United States Surveyor General to take testimony. His investigation has just been concluded, and the attempted grab has probably failed. But in hundreds of cases, similar ones on a smaller scale have succeeded.

Another recent attempt has been made to get hold of 46,000 acres adjoining Sacramento. This land was formerly overshadowed by the rejected Sutter grant, and for some time has been all pre-empted. Something like a year ago it was surveyed and the plats returned to the United States Land Office, with this land marked as swamp; applications being at the same time made to the State for the land. The ex-Surveyor-General, Sherman Day, signed the plats, and the land had actually been listed over by the Department, when a protest was made and forwarded to Washington, accompanied by his own personal testimony, by the new Surveyor-General, Hardenburgh, who, having been long a resident of Sacramento, knew the character of the land. This forced the suspension of the lists, very much, it seems, to the indignation of the Acting Commissioner of the General Land Office, W. W. Curtis, who wrote a letter to the Surveyor-General, which has been published in the newspapers (which is a curiosity of official impudence), and which betrays a very suspicious anger with what the Acting Commissioner seems to consider the interference of the Surveyor-General.

Mr. Julian, in his speech entitled "Swamp Land Swindles," has detailed how a party of speculators, one of whom was ex-State Surveyor-General Houghton, and another the son of the then United States Surveyor-General Upson, got hold of sixteen thousand acres in Colusa (as to the dry character of which he gives affidavits), under the swamp-land laws, by having the survey of two townships made and approved in a few days, just before the map of the Califor-

nia and Oregon Railroad Company was filed. These swamp-land speculators are in many cases attempting to shelter themselves behind the growing feeling against railroad grants; but bad as the railroad grants are, the operations of these speculators are worse. The railroad companies can only take half the lands; the speculators take it all. The railroad companies cannot easily disturb previous settlers; but the speculators take the settler's home from under his feet.

### WHO HAVE OUR LANDS.

THE State Surveyor-General ought to give in his next report (and if he does not the Legislature ought to call for it) a list of the amounts of State lands taken in large quantities by single individuals (with their names) under the Act of 1868. Such a list would go far to open the eyes of the people of California to the extent their State Government has been used to foster the land monopoly of which they are beginning to complain. Yet such a list would not fully show what has been done, as a great deal of land has been taken by means of dummies. Of the 16th and 36th sections proper, to which even now one individual cannot apply for more than 320 acres, one speculator has secured 8000 acres in Colusa county alone. Among those who have secured the largest amount from the State, either in their own names or as attorneys for others, are W. S. Chapman, George W. Roberts, ex-Surveyor-General Houghton, John Mullan, Will S. Green, H. C. Logan, George H. Thompson, B. F. Maulden, I. N. Chapman, Leander Ransom, N. N. Clay, E. H. Miller and James W. Shanklin. The larger amounts secured by single individuals range from 20,000 acres to over 100,000.

### WHAT SHOULD HAVE BEEN DONE.

THE true course in regard to State lands is that urged upon the Legislature by the present Surveyor-General in his first annual report-to issue title only to the actual settler who has resided on the land three years, and who has shown his intention to make it his home by placing upon it at least

\$500 worth of improvements.<sup>9</sup> Had this course been adopted from the start, California would today have had thousands more of people and millions more of property. Had it even been adopted when urged by General Bost, over half a million acres of land would have been saved to settlers—that is to say, four thousand families might have found homesteads in California at nominal rates—at rates so much lower than that which they must now pay that the difference would more than have sufficed for all the expenses of their transportation from the East.

To amend our policy in regard to sales of State land now, is a good deal like locking the stable door after the horse is stolen. Still it should be done. Our swamp lands are all gone, and the most available of the school lands have gone also. Yet there may be a million acres of good land left. These we cannot guard with too jealous care.

#### THE POSSESSORY LAW.

BUT the catalogue of what the State of California has done towards the monopolisation of her land does not end with a recital of her acts as trustee of the land donated her by the general Government. Besides giving these lands for the most part to monopolists, she has, by her legislation, made possible the monopolisation of other vast bodies of the public lands. Under her possessory laws before alluded to, mil-

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<sup>9</sup> In his biennial message to the same Legislature (the last) Governor Haight speaks in the same strain. He says: "Our land system seems to be mainly framed to facilitate the acquisition of large bodies of land by capitalists and corporations, either as donations or at nominal prices. It is to be regretted that the land granted by Congress to railroad corporations had not been subject to continued pre-emption by settlers, giving to the corporation the proceeds at some fixed price, and it would have been much better for the State and country if the public lands had never been disposed of except to actual settlers under the pre-emption law."

lions of acres are shut out from settlement, without their holders having the least shadow of title. It is Government land, but unsurveyed. The only way of getting title to it is to go upon it and live; but the laws of California say that no one can go upon it until he has a better title than the holder—that of possession. Tracts of from two to ten thousand acres thus held are common, and in one case at least (in Lake county) a single firm has 28,000 acres of Government land, open by the laws of the United States to pre-emption settlers, enclosed by a board fence, and held under the State laws. It is these laws that enable the Mexican grant owners to hold all the land they can possibly shadow with their claims, and that offer them a premium to delay the adjustment of their titles, in order that they may continue to hold, and in many cases, to sell, far more than their grants call for.

#### HOW A LARGE QUANTITY OF PUBLIC LAND MAY BE FREED.

A LARGE appropriation for the survey of the public lands in California, managed by a Surveyor-General who really wished to do his duty,<sup>10</sup> would open to settlers millions of acres from which they are now excluded by railroad reservations or the monopolisation of individuals. If our Representatives in Congress desire to really benefit their State, they will neglect the works at Mare Island, the erection of public buildings in San Francisco, and the appropriations for useless fortifications, until they can get this.

And one of the first acts of the next Legislature should be to limit the possessory law to 160 acres, which would be a quick method of breaking up possessory monopolisations. In the meantime there is a remedy, though a slower and more cumbrous one. At the last session of Congress an Act was passed (introduced by Mr. Sargent) authorising the credit to settlers, on payments for their lands, of money advanced for surveying them. Here is a means by which, with

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<sup>10</sup> And we seem to have secured one in the present Surveyor-General

combined effort, a large amount of public land may be freed. Let a number of settlers, sufficient to bear the expense, go upon one of these large possessory claims. If ejected, let them deposit the money for a survey with the United States Surveyor-General, and the moment the lines are run and the plats are filed they have a sure title to the land.

### MORE MONOPOLISATION THREATENED— FOOD AND WATER.

THERE is little doubt that one of the greatest attempts at monopolisation yet made in California would have followed the passage of Sargent's bill for the sale of the Pacific Coast timber lands, which was rushed through the House at the last session, but was passed over by the Senate, and which has been re-introduced. These timber lands are of incalculable value, for from them must come the timber supply, not of the Pacific States alone, but of the whole Interior Basin, and nearly all the Southern Coast. The present value of these lands when they can be got at, may be judged by the fact that there are single trees upon the railroad lands which yield at present prices over \$500 worth of lumber. Under this bill, these lands would have been saleable at \$2.50 per acre. The limitation on each purchaser to 640 acres would of course amount to nothing, and within a short time after the passage of the bill, the available timber lands would have passed into the hands of a small ring of large capitalists, who would then have put the price on lumber at what figure they pleased. The amount of capital required to do this would be by no means large when compared with the returns, which would be enormous, for though some estimates of the timber lands of California go as high as 30,000,000 acres, the means of transportation as yet make but a small portion of this available. And it would be only necessary to buy the land as it is opened, to virtually control the whole of it. There is, however, a good deal to be said in favour of the sale of these lands, and some legislation is needed, as there is a great deal of land of no use but for its

timber, but upon which individuals cannot cut, except as trespassers, while the railroad company in the

Sierras, having been given the privilege of taking timber off Government land for construction, has a monopoly there, and is clearing Government land in preference to its own. If waste could be prevented, it would perhaps be best to leave the timber free to all who chose to cut, on the principle that all the gifts of nature, whenever possible, should be free. This is problematical, perhaps impossible. If so, the plan proposed by Honourable Will S. Green, of Colusa, seems to be the best of those yet brought forward; that is, to sell the lands only to the builders of saw-mills, in amounts proportioned to the capacity of the mill. At all events, almost anything would be better than the creation of such a monstrous monopoly as would at once have sprung up under the Sargent bill—a monopoly which would have taxed the people or California millions annually, and would have raised the price of timber on the whole coast.

It is not only the land and the timber, but even the water of California that is threatened with monopoly, as by virtue of laws designed to encourage the construction of mining and irrigation ditches, the mountain streams and natural reservoirs are being made private property, and already we are told that all the water of a large section of the State is the property of a corporation of San Francisco capitalists.

## THE EFFECT OF LAND MONOPOLISATION IN CALIFORNIA.

IT is not we, of this generation, but our children of the next, who will' fully realise the evils of the land monopolisation which we have permitted and encouraged; for those evils do not begin to fully show themselves until , population becomes dense.

But already, while our great State, with an area larger than that of France or Spain or Turkey—with an area equal to that of all of Great Britain, Holland, Belgium, Denmark and Greece combined—does not contain the population of a third-class modern city; already, ere we have commenced to manure our lands or to more than prospect the treasures of our

hills, the evils of land monopolisation are showing themselves in such unmistakable signs that he who runs may read. This is the blight that has fallen upon California, stunting her growth and mocking her golden promise, offsetting to the immigrant the richness of her soil and the beneficence of her climate.

It has already impressed its mark upon the character of our agriculture-more shiftless, perhaps, than that of any State in the Union where slavery has not reigned. For California is not a country of farms, but a country of plantations and estates. Agriculture is a speculation. The farm-houses, as a class, are unpainted frame shanties, without garden or flower or tree. The farmer raises wheat; he buys his meat, his flour, his butter, his vegetables, and, frequently, even his eggs. He 'has too much land to spare time for such little things, or for beautifying his home, or he is merely a renter, or an occupant of land menaced by some adverse title, and his interest is but to get for this season the greatest crop that can be made to grow with the least labour. He hires labour for his planting and his reaping, and his hands shift for themselves at other seasons of the year. His plough he leaves standing in the furrow, when the year's ploughing is done; his mustangs he turns upon the hills, to be lassoed when again needed. He buys on credit at the nearest store, and when his crop is gathered must sell it to the Grain King's agent, at the Grain King's prices.

And there is another type of California farmer. He boards at the San Francisco hotels, and drives a spanking team over the Cliff House road; or, perhaps, he spends his time in the gayer capitals of the East or Europe. His land is rented for one third or one fourth of the crop, or is covered by scraggy cattle, which need to look after them only a few half-civilised vaqueros; or his great wheat fields, of from ten to twenty thousand acres, are ploughed and sown and reaped by contract. And over our ill-kept, shadeless, dusty roads, where a house is an unwonted landmark, and which run frequently for miles through the same man's land, plod the tramps, with blankets on back -the labourers of the California farmer-looking for work, in its seasons, or toiling back

to the city when the ploughing is ended or the wheat crop is gathered. I do not say that this picture is a universal one, but it is a characteristic one.<sup>11</sup>

It is not only in agriculture, but in all other avocations, and in all the manifestations of social life, that the effect of land monopoly may be seen—in the knotting up of business into the control of little rings, in the concentration of capital into a few hands, in the reduction of wages in the mechanical trades, in the gradual decadence of that independent personal habit both of thought and action which gave to California life its greatest charm, in the palpable differentiation of our people into the classes of rich and poor. Of the "general stagnation" of which we of California have been so long complaining, this is the most efficient cause. Had the unused land of California been free, at Government terms, to those who would cultivate it, instead of this "general stagnation" of the past two years, we should have seen a growth unexampled in the history of even the American States. For with all our hyperbole, it is almost impossible to overestimate the advantages with which nature has so lavishly endowed this Empire State of ours. "God's Country," the returning prospectors used to call it, and the strong expression loses half of its irreverence as, coming over sagebrush plains, from the still frost-bound East, the traveller winds, in the early spring, down the slope of the Sierras, through interminable ranks of evergreen giants, past laughing rills and banks of wild flowers, and sees under their cloudless sky the vast fertile valleys stretching out to the dark blue Coast Range in the distance. But while nature has

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<sup>11</sup> An old Californian, a gentleman of high intelligence, who has recently travelled extensively through the State upon official business, which compelled him to pay particular attention to the material condition of the people, writes: "The whole country is poverty-stricken; the farmers shiftless, and crazy on wheat. I have seen farms cropped for eighteen years with wheat, and not a vine, tree, shrub or flower on the place. The roads are too wide, and are unworked, and a nest for noxious weeds. The effect of going through California is to make you wish to leave it, if you are poor and want to farm."

done her best to invite newcomers, our land policy has done its best to repel them. We have said to the immigrant: "It is a fair country which God has made between the Sierras and the sea, but before you settle in it and begin to reap His bounty, you must pay a forestaller roundly for his permission." And the immigrant having far to come and but scanty capital, has as a general thing stayed away.

### THE LANDED ARISTOCRACY OF CALIFORNIA.

THOUGH California is a young State; though she is a poor State, and though a few years ago she was a State in which there was less class distinction than in any State in the Union, she can already boast of an aristocracy based on the surest foundation-that of landownership.

I have been at some trouble to secure a list of the large landowners of California, but find exact and reliable information on that point difficult to obtain. The property of most of the largest landowners is scattered through various counties of the State, and a comparison of the books of the various assessors would be the only means of forming even an approximate list. These returns, however, are far from reliable. It has not been the custom to list land held by mere possessory title, and the practice of most of the assessors has been to favour large landholders. The Board of Equalisation have ferreted out many interesting facts in this regard, which will probably be set forth in their coming report. Some remarkable discrepancies, of which the proportion is frequently as one to ten, are shown between the assessors' lists and the inventories of deceased landowners. In San Luis Obispo, one of the largest landowners and land speculators in the State returns to the assessor a total of 4366 acres. Reference to the United States Land Offices shows that he holds in that county, of United States land, 43,266 acres.

The largest landowners in California are probably the members of the great Central-Southern Pacific Railroad Corporation. Were the company land divided, it would give them something like two million acres apiece; and in addi-

tion to their company land, most of the individual members own considerable tracts in their own name.

McLaughlin, who got the Western Pacific land grant, has some three or four hundred thousand acres. Outside of these railroad grants, the largest single holder is, probably, Wm. S. Chapman, of San Francisco, the "pioneer" scrip speculator, who has some 350,000 acres; though ex-State Surveyor-General Houghton is said by some to own still more. Ex-United States Surveyor-General Beals has some 300,000 acres. Across his estate one may ride for seventy-five miles. Miller & Lux, San Francisco wholesale butchers, have 450,000. Around one of their patches of ground there are 160 miles of fence. Another San Francisco firm, Bixby, Flint & Co., have between 150,000 and 200,000 acres. George VV. Roberts & Co. own some 120,000 acres of swamp land. Isaac Friedlander, San Francisco grain merchant, has about 100,000 acres. Throckmorton, of Mendocino, some 146,000; the Murphy family of Santa Clara, about 150,000; John Foster of Los Angeles, 120,000; Thomas Fowler, of Fresno, Tulare and Kern, about 200,000. Abel Stearns, of Los Angeles, had some 200,000 acres, but has sold a good deal. A firm in Santa Barbara advertises for sale 200,000 acres, owned by Philadelphia capitalists.

As for the poorer members of our California peerage—the Marquises, Counts, Viscounts, Lords and Barons—who hold but from 80,000 to 20,000 acres, they are so numerous, that, though I have a long list, I am afraid to name them for fear of making invidious distinctions, while the simple country squires, who hold but from five to twenty thousand acres, are more numerous still.

These men are the lords of California—lords as truly as ever were ribboned Dukes or belted Barons in any country under the sun. We have discarded the titles of an earlier age; but we have preserved the substance, and, though instead of "your grace," or "my lord," we may style them simply "Mr.," the difference is only in a name. They are our Land Lords just as truly. If they do not exert the same influence and wield the same power, and enjoy the same wealth, it is merely because our population is but six hun-

dred thousand, and their tenantry have not yet arrived. Of the millions of acres of our virgin soil which their vast domains enclose, they are absolute masters" and upon it no human creature can come, save by their permission and upon their terms.<sup>12</sup> From the zenith above, to the centre of the earth below (so our laws run), the universe is theirs.

It must not be imagined that these large landholders are merely speculators—that they have got hold of land for the purpose of quickly selling it again. On the contrary, as a class, they have a far better appreciation of the future value of land and the power, which its ownership gives, than have the people at large who have thoughtlessly permitted this monopolisation to go on. Many of the largest landholders do not desire to sell, and will not sell for anything like current prices; but on the contrary are continually adding to their domains. Among these, is one Irish family, who have seen at home what the ownership of the soil of a country means. They rent their land; they will not sell it; and this is true of many others. Sometimes this indisposition to sell is merely the result of considerations of present interest. As for instance: An agent of a society of settlers recently went to a large landholder in a southern county, and offered him a good price for enough land to provide about two hundred people with small farms. The landholder refused the offer and the agent proceeded to call his attention to the increase in the value of his remaining land, which this settlement would cause. "It may be," said the landholder, "but I should lose money. If you bring two hundred settlers here, they will begin agitating for a repeal of the fence law, and will soon compel it by their votes. Then I will be obliged to spend two or three hundred thousand dollars to fence in the rest of my ranch, and as fences do not fatten cattle, it will be worth no more to me than now."

Let me not be understood as reproaching the men who have honestly acquired large tracts of land. As the world goes, they are not to be blamed. If the people put saddles

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<sup>12</sup> They are coming. According to Government statisticians, California will, in 1890, contain population of 3,500,000.

on their backs, they must expect somebody to jump astride to ride. If we must have an aristocracy, I would prefer that my children should be members of it, rather than of the common herd. While as for the men who have resorted to dishonest means, the probabilities are that most of them enjoy more of the respect of their fellows, and its fruits, than if they had been honest and got less land.

The division of our land into these vast estates derives additional significance from the threatening wave of Asiatic immigration whose first ripples are already breaking upon our shores. What the barbarians enslaved by foreign wars were to the great landlords of ancient Italy, what the blacks of the African coast were to the great landlords of the Southern States, the Chinese coolies may be, in fact are already beginning to be, to the great landlords of our Pacific slope.

### **III - LAND AND LABOUR.**

#### **WHAT LAND IS**

LAND, for our purpose, may be defined as that part of the globe's surface habitable by man—not merely his habitation, but the storehouse upon which he must draw for all his needs, and the material to which his labour must be applied for the supply of all his desires, for even the products of the sea cannot be taken, or any of the forces of nature utilised without the aid of land or its products. On the land we are born, from it we live, to it we return again—children of the soil as truly as is the blade of grass or the flower of the field.

#### **OF THE VALUE OF LAND.**

THOUGH land is the basis of all that we have, yet neither land nor its natural products constitute wealth. Wealth is the products—or to speak more precisely, the equivalent of labour. That which may be had without labour has no value, for the value of any object is measured by the labour for

which it will exchange.<sup>13</sup> And when in speaking of "natural wealth," we mean anything else than the general possibilities which nature offers to labour, we mean such peculiar natural advantages as will yield to labour a larger return than the ordinary, and which are thus equivalent to the amount of labour dispensed with; that is, such natural objects or advantages as are scarce as well as desirable. If I find a diamond, I may not have expended much labour, but I am rich because I have some thing which it usually takes an immense amount of labour to obtain. If I own a coal mine which is valuable, it is because other people have not coal mines, and cannot obtain fuel with as little expenditure of labour as I can, and will therefore give me the equivalent of more labour for my coal than I have to bestow to get it. If diamonds were as plenty as pebbles, they would be worth by the cart load just the cost of loading and hauling. If coal could everywhere be had by digging a hole in the ground, the possession of a coal mine would make nobody rich.

And so it is with land. It is only valuable as it is scarce. Land (of the average quality) is not naturally scarce, but abundant, and it may be doubted whether there is any country, even the most populous, where the soil could not easily support in comfort all the people, though the law of diminishing return, as laid down by the English economists, is doubtless true. But the density of population permits other economies which go far to make up for, and which, probably, in a right social state would fully make up for, any increase in the amount of labour necessarily devoted to agricultural production.

But land is a fixed quantity, which man can neither increase nor diminish, and is therefore very easily made artificially scarce by monopolisation. And artificial scarcity arising from unequal division produces the same effect as real scarcity in giving land a value. There is no scarcity of building lots in San Francisco, for there is room yet within the settled

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<sup>13</sup> I use the word value throughout in the sense in which it is used by the writers on political economy—that of exchangeable power, not of utility.

limits for ten thousand more houses. But if I want to put up a house I must pay for the privilege, just as if there were more people wanting to put up houses than there is room to put them up on.

And the value of land is the power which its ownership gives of appropriating the labour of those who have it not; and in proportion as those who own are few, and those who do not own are many, so does this power which is expressed by the selling price of land increase. We speak of railroads raising the value of land by reducing the time and cost of transportation. But If we analyse the operation by imagining the construction of a railroad through a country in which there are few settlers and land can be had for the taking, we will see that the direct effect of the railroad or other improvement which increases the value of the product of land is to increase the value of labour—or to speak more precisely, of the value of labour and capital, in the relative proportions determined by the circumstances which fix the shares of each and that it is only when the land is so far monopolised as to enable the landowners to appropriate to themselves this benefit that the value of land is increased. No matter how few people there might be, if the land were all in private hands the owners might appropriate to themselves the whole benefit. This is the result in a country like England, but in a new country, those owners having more land than they can work or desire to work, will, in selling or renting their lands, yield some of the new advantage in order to induce people to take their surplus land. It will be said: If the value of land is the power which its ownership gives of appropriating the labour of others, so it is the value of everything else, from a twenty-dollar piece to a keg of nails. But in this is the distinction: The twenty-dollar piece or the keg of nails are themselves the result of labour, and when given for labour the transaction is an exchange. Land is not the result of labour but is the creation of God, and when labour must be given for it the transaction is an appropriation. In the one case labour is given for labour; in the other labour is given for something that existed before labour was.

## OF THE VALUE OF LAND AND THE COMMON WEALTH.

AND thus we see that the value of land, being intrinsically merely the power, which its ownership gives to appropriate the fruits of labour, is not an element of the wealth of a community. This principle is as self-evident as that two and two make four, yet we seem to have lost sight of it altogether. All over the country the increase in the value of land is cited as an increase of wealth. Year after year we add up the increased price which land will bring, and exclaim, Behold how rapidly the United States is growing rich! Yet we might with equal propriety count the debts, which men owe each other, in estimating the assets of a community. The increased price of his land may be increased wealth to the owner, because it enables him to obtain a larger share in the distribution of its products, but it is not increased wealth to the community, because the shares of other people are at the same time cut down. The wealth of a community depends upon the product of the community. But the productive powers of land are precisely the same whether its price is low or high. In other words, the price of land indicates the distribution of wealth, not the production. The manner of distribution certainly reacts on production, and so the price of land indirectly and gradually affects the wealth of the community; but this effect is the reverse of what seems generally imagined. High prices for land tend to decrease instead of adding to the wealth of a community. For high priced land means luxury on the one side, and low wages on the other. Luxury means waste, and low wages mean unintelligent and inefficient labour.

## OF THE VALUE OF LAND AND THE VALUE OF LABOUR.

THE value of land and of labour must bear to each other an inverse ratio. These two are the "terms" of production, and while production remains the same, to give more to the one is to give less to the other. The value of land is the power, which its ownership gives to appropriate the product of labour, and, as a sequence, where rents (the share of the landowner) are high, wages (the share of the labourer) are

low. And thus we see it all over the world, in the countries where land is high, wages are low, and where land is low, wages are high. In a new country the value of labour is at first at its maximum, the value of land at its minimum. As population grows and land becomes monopolised and increases in value, the value of labour steadily decreases. And the higher land and the lower wages, the stronger the tendency towards still lower wages, until this tendency is met by the very necessities of existence. For the higher land and the lower wages, the more difficult is it for the man who starts with nothing but his labour to become his own employer, and the more he is at the mercy of the landowner and the capitalist.

#### OF SPECULATION IN LAND.

THE old prejudice against speculators in food and other articles of necessity is passing away, for more exact habits of thought have shown that where speculators do not control all the sources and means of production (which is impossible as to most things in this age of the world<sup>14</sup>, and speculation does not become monopoly, instead of causing scarcity, it tends to alleviate it; and this, on the one side, by giving notice of the impending scarcity, and thus inducing economy, and on the other by stimulating production.

But land not being a thing of human production, speculation in land cannot have this result. A country may export people, but it cannot import land. Whatever be the price put upon it, the number of acres in any given place is just so many, with just such capabilities. And though high prices for land may lessen the demand by driving people farther away, this is not economy, but waste, as the labour of a diffused population cannot be so productive as that of a more concentrated population, combined action cannot be so effective and economical, and exchanges must be much more

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<sup>14</sup> Possible as to some things. The Rothschilds and the Bank of California control the quicksilver production of the world and sell quicksilver in China cheaper than in California, where it is produced.

difficult and at a greater cost. It is sometimes said (and the English landlords piously believe that in raising their rents to the highest figure they are doing their best for their fellow-men) that the increase in the price of land leads to increased thoroughness of cultivation, yet how can that be when the increase in the price of land must take from the means of the cultivator, either by reducing his capital when he buys, or by reducing his earnings when he rents?<sup>15</sup> That the two things go together is undoubtedly true; but it seems to me that the increased thoroughness of cultivation is due to the increased pressure of population—to higher prices for produce and lower prices for labour rather than directly to the increased price of land.

There is another attribute in which land differs from things of human production. It is imperishable. The speculator in grain must sell quickly, not merely because he knows another crop will soon come in, but because his grain will spoil by keeping; the speculator in a manufactured article must also sell quickly, not merely because the mills are at work, but because the articles in which he is speculating will spoil or go out of fashion. Not so with land. The speculator in land can wait; his land will still be there as good as ever. If he dies before he reaps the benefit, the land will be there for his children.

Thus land, being a thing of limited quantity, of imperishable nature and of unchanging demand, is a thing in which there are more inducements for speculation than in any-

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<sup>15</sup> It may be said (and it is probably to some extent true in new countries) that where land is low a man will buy as much as he can; where land is higher, and he must take less for the same money he will cultivate it better. But if a man takes more than he can well use, this in itself is speculation, and another remedy should be looked for than the increase of speculation. Whereas, if by high prices a man is driven to (bestow the same labour on a smaller piece of ground than he would with greater profit expend on a larger piece—the increased thoroughness of cultivation reduces production instead of increasing it—is an evil, not a benefit.

thing else. And being, not the result of human labour but the field for human labour, the increased price caused by speculation is a tax for which there can be no beneficial return. Speculation in land is, in fact, but a shutting out from the land of those who want to use it, until they agree to pay the price demanded—the land speculator is a true "dog in the manger." He does not want to use the land himself, but he finds his profit in preventing other people from using it. The speculator knows that more people are coming, and that they must have land, and he gets hold of the land which they will want to use, in order that he may force them to pay him a price for which he gives them no return—that is, that he may appropriate a portion of their labour. Our emigrating race may be likened to a caravan crossing the desert, and the land speculator to one of their number who rides a little in advance, taking possession of the springs as they are reached and exacting a price from his comrades for the water which nature furnishes without price.

#### OF PROSPECTIVE VALUE AS AFFECTING THE PRESENT VALUE OF LAND

ACCORDING to the doctrine of rent advanced by Ricardo and Malthus, and generally accepted by the best authorities on political economy, the value of land should be determined by the advantages, which it possesses over the least advantageous land in use. This would be true, though subject to the modifications arising from custom and the inertia of population, were it not for the influence which prospective value exercises upon present value. Where speculation in land is permitted—more so, where it is encouraged, as it is with us—the prospective value of land (the incentive to speculation) must exercise a very great influence upon the present value of land, and the value of land be determined, not by its actual advantages over the poorest land in use, but by its advantages, prospective as well as actual, over land which offers just sufficient prospective advantage to make its possession desirable. The prices of land in the United States to-day are not warranted by our present population, but are sustained by speculation founded upon

the certainty of the greater population which is coming. Every promise, every hope, is discounted by land speculation. And land being indestructible and costing less to keep than anything else (for the taxes on unimproved land are generally lighter than on anything else), and being limited in amount (so that no increase in price brings about increase in supply), these anticipations form a firm basis for price. Land has no intrinsic value. It is not like a keg of nails, which costs about so much to produce, and the price of which cannot therefore, go much above or fall much below that point. It is worth just what can be had for it. If a man must have land where speculative prices rule, he must pay the price asked, and the price he pays is the gauge by which all the surrounding holders measure the value and assess the price of their lands. One rise encourages another rise, and the course of prices is up and up, so long as there is expectation of future demand. And whenever a temporary panic comes, the land prices recover as quickly as it is natural for hope to reassert itself in the human breast. A great singer buys a lot in a little Illinois town and real estate advances fifty per cent.; a train of cars comes to Oakland, and for miles around land cannot be bought for less than a thousand dollars an acre; a few men in San Francisco say to each other that the city is sure to be the second on the continent, and straightway the hill-tops for long distances are being bought and sold at rates which would be exorbitant if San Francisco really contained a million people, and he who wants a piece of land to use must pay the speculative price. We are thus compelled to pay in the present, prices based on what people will be compelled to pay in the future.

#### OF SPECULATION IN LAND, AND THE SUPPLY OF CAPITAL,

WE frequently hear it said: "Times are hard because land speculation has locked up so much capital." Now it is evident that no amount of buying and selling in a community can lock up capital, and the direct effect of a rise in land values, is to alter the distribution of wealth, not to affect its amount. But to some extent the same effect is produced as

would be by the locking up of capital. When a rise in land values takes place, certain men find themselves much richer, without any addition to the capital of the community having been made. Some of these will employ part of their new wealth in unproductive uses—in building finer houses, buying diamonds for their wives, or travelling in the East, or in Europe. This reduces the supply of productive capital. At the same time the profits of land speculation, and the new security which the rise in values gives, will increase the number of borrowers, and competition between them will have a tendency to keep up rates of interest. But a fall in land prices does not at once increase the available supply of capital, as capitalists are made timid, and there is a tendency to hoard rather than lend.

#### OF THE NECESSARY VALUE OF LAND.

WHERE the monopolisation of land is not permitted, where a man can only take land which he wants to use, unused land can have no value—at least, none above the price fixed by the State for the privilege of occupying it. But as land becomes occupied, most of it would acquire a value—either from the possession of natural advantages superior to that still unoccupied, or from its more central position as respects population. This we may call the necessary or real value of land, in contradistinction to the unnecessary or fictitious value of land which results from monopolisation. To illustrate: If, on the outskirts of San Francisco, anyone who wished to build a house might take a lot from the unused ground, outside land would be worth nothing, but Montgomery or Kearney street property would still be very valuable, as, being in the heart of the city, it is more convenient for residences or more useful for business purposes. The difference, however, between this necessary value of the land of the United States and the aggregate value at which it is held must be most enormous, and the difference represents the unnecessary tax which land monopolisation levies upon labour.

## OF PROPERTY IN LAND.

THE right of every human being to himself is the foundation of the right of property. That which a man produces is rightfully his own, to keep, to sell, to give, or to bequeath, and upon this sure title alone can ownership of anything rightfully rest. But man has also another right, declared by the fact of his existence—the right to the use of so much of the free gifts of nature as may be necessary to supply all the wants of that existence, and as he may use without interfering with the equal rights of anyone else, and to this he has a title as against all the world.

This right is natural; it cannot be alienated. It is the free gift of his Creator to every man that comes into the world—a right as sacred, as indefeasible as his right to life itself.

Land being the creation of God and the natural habitation of man, the reservoir from which man must draw the means of maintaining his life and satisfying his wants; the material to which it was pre-ordained that his labour should be applied, it follows that every man born into this world has a natural right to as much land as is necessary for his own uses, and that no man has a right to any more. To deny this is to deny the right of man to himself, to assert the atrocious doctrine that the Almighty has created some men to be the slaves of others.

For, to permit one man to monopolise the land from which the support of others is to be drawn, is to permit him to appropriate their labour, and, in so far as he is permitted to do this, to appropriate them. It is to institute slavery.

For whether a man owns the bodies of his fellow beings, or owns only the land from which they must obtain a subsistence, makes but little difference to him or to them.

In the one case it is slavery just as much as the other.

And of the two forms of slavery, that which pretends to the ownership of flesh and blood seems to me, on the whole, far the more preferable. For in England, where the monopolisation of land has reached a point which gives to the mere labourer a share of the product of his labour just sufficient to maintain his existence, the landowner gets from the labourer all that any master can get from his slave,

while he is not affected by the selfish interest which prompts the master to look out for the wellbeing of his slave, and is not influenced by those warmer feelings which any ordinarily well-disposed man feels towards any living thing of which he claims the ownership, be it even a dog. For in free, rich England of the Nineteenth Century—England, whose boast it is that no slave can breathe her air—England, that has spent millions of pounds for the abolition of slavery in far-off lands, and that sends abroad annually hundreds of thousands of pounds for the conversion of the heathen—the condition of the agricultural labourer is to-day harder, more hopeless and more brutalising than that of the average slave under any system of slavery which has prevailed in modern times. And, going even further, I do not believe that the cold-blooded horrors brought to light by the various Parliamentary Commissions which have investigated the condition of the labouring poor of England, can be matched even by the records of ancient slavery, under which system slaves were sometimes fed to fishes, or tortured for sport, or even by the annals of Spanish conquests in the New World. Certain it is that the condition of the slaves upon our Southern plantations was not half so bad as that of the land monopoly slaves of England. Legrees there may have been in plenty, but I have yet to hear of the Legree who worked children to physical and moral death in his fields, or ground them, body and soul, in his mills.

There is in nature no such thing as a fee simple in land. The Almighty, who created the earth for man and man for the earth, has entailed it upon all the generations of the children of men by a decree written upon the constitution of all things—a decree which no human action can bar and no prescription determine. Let the parchments be ever so many, or possession ever so long, in the Courts of Natural Justice there can be but one title to land recognised—the using of it to satisfy reasonable wants.

Now, from this, it by no means follows that there should be no such thing as property in land, but merely that there should be no monopolisation—no standing between the man who is willing to work and the field which nature offers for

his labour. For while it is true that the land of a country is a free gift of the Creator to all the people of that country, to the enjoyment of which each has an equal natural right, it is also true that the recognition of private ownership in land is necessary to its proper use—is, in fact, a condition of civilisation. When the millennium comes, and the old savage, selfish instincts have died out in men, land may perhaps be held in common; but not till then. In our present state, at least, the "magic of property which turns even sand into gold" must be applied to our lands if we would reap the largest benefits they are capable of yielding—must be retained if we would keep from relapsing into barbarism.

And a full appreciation of the value of landownership tends to the same practical conclusion as the considerations I have been presenting. If the worker upon land is a better worker and a better man because he owns the land, it should be our effort to make this stimulus felt by all—to make, as far as possible, all land-users also landowners.

Nor is there any difficulty in combining a full recognition of private property in land with a recognition of the right of all to the benefits conferred by the Creator, as I will hereafter attempt to show.

We are not called upon to guarantee to all men equal conditions, and could not if we would, any more than we could guarantee to them equal intelligence, equal industry or equal prudence; but we are called upon to give to all men an equal chance. If we do not, our republicanism is a snare and a delusion, our clatter about the rights of man the veriest buncombe in which a people ever indulged.

## **IV - THE TENDENCY OF OUR PRESENT LAND POLICY.**

### **WHAT OUR LAND POLICY IS.**

Is our land policy calculated to give to all men an equal chance? We have seen what it is—how we are enabling speculators to rob settlers; how we are by every means enhancing the tax which the many must pay to the few; how

we are making away with the heritage of our children, and putting in immense bodies into the hands of a few individuals the soil from which the coming millions of our people must draw their support. If we continue this policy a few years, the public domain will all be gone; the homestead law and the pre-emption law will remain upon the statute books but to remind the poor man of the good time past, and we shall find ourselves embarrassed by all the difficulties which beset the statesmen of Europe—the social disease of England; the seething discontent of France.

Was there ever national blunder so great—ever national crime so tremendous as ours in dealing with our land? It is not in the heat and flush of conquest that we are thus doing what has been done in every country under the sun where a ruling class has been built up and the masses condemned to hopeless toil; it is not in ignorance of true political principles and in the conscientious belief that the God-appointed order of things is that the many should serve the few. We are monopolising our land deliberately—our land, not the land of a conquered nation, and we are doing it while prating of the equal rights of the citizen and of the brotherhood of men.

#### THE VALUE OF OUR PUBLIC DOMAIN.

THIS public domain that we are getting rid of as recklessly as though we esteemed its possession a curse, can never be replaced, nor are there other limitless bodies of land, which we may subdue. Of the whole continent, we now occupy nearly the whole of the zone in which all the real progressive life of the world has been lived. North of us are the cold high latitudes, south of us the tropical heats. The tablelands of Mexico and the valleys of the Saskatchewan and Red rivers, which comprise almost all of the temperate portions of the continent yet unoccupied by our race, are of very small extent when compared with the vast country we have already overrun, and when our emigration is compelled to set upon them will be filled as we now populate a new State.

It is not pleasant to think of the time when the public domain will all be gone. "This will be a great country," we

say, "when it is all fenced in." Great it will be—great it must be, in arts and arms, in population and in wealth. But will it be as great in all that constitutes true greatness? Will it be such a good country for the poor man? Will there be such an average of comfort and independence and virtue among the masses? And which to me is the important fact—that I am one of a nation of so many more millions, or that I can buy my children shoes when they need them? "The greatest glory of America," says Carlyle, "is that there every boot-black may have a turkey in his pot." We shall be credited with no such glory when the country is all "fenced in" as we are now rapidly fencing it.

From this public domain of ours have sprung and still spring subtle influences which strengthen our national character and tinge all our thought. This vast background of unfenced land has given a consciousness of freedom even to the dweller in crowded cities, and has been a well-spring of hope even to those who never thought of taking refuge upon it. The child of the people as he grows to manhood in Europe finds every seat at the banquet of life marked "taken," and must struggle with his fellows for the crumbs that fall, without one chance in a thousand of forcing or sneaking his way to a seat. In America, whatever be his condition, there is always more or less clearly and vividly the consciousness that the public domain is behind him; that there is a new country where all the places are not yet taken, where opportunities are still open; and the knowledge of this fact, acting and reacting, penetrates our whole national life giving to it generosity and independence elasticity and ambition.

Why should we seek so diligently to get rid of this public domain as if for the mere pleasure of getting rid of it? What have the buffaloes done to us that we should sacrifice the heritage of our children to see the last of them extirpated before we die? Are the operatives of New England, the farmers of Ohio, the mechanics of San Francisco better off for the progress of this thing which we call national development—this scattering of a thousand people over the land which would suffice for a million; this fencing in for a dozen

of the soil to which tens of millions must before long look for subsistence?

All that we are proud of in the American character, all that makes our condition and institutions better than those of the older countries, we may trace to the fact that land has been cheap in the United States; and yet we are doing our utmost to make it dear, and actually seem pleased to see it become dear, looking upon the lien which the few are taking upon the labour of the many as an actual increase in the wealth of all.

### NO TENDENCY TO EQUALISATION.

NOR can we flatter ourselves that the inequality in condition, which we are creating will right itself by easy and peaceful means. It is not merely present inequality, which we are creating, but a tendency to further inequality. When we allow one man to take the land which should belong to a hundred, and give to a corporation the soil from which a million must shortly draw their subsistence, we are not only giving in the present wealth to the few by taking it from the many, but we are putting it in the power of the few to levy a constant and an increasing tax upon the many, and we are increasing the tendency to the concentration of wealth not merely upon the land which is thus monopolised, but all over the United States.

Even if the large bodies of land, which we are giving away for nothing, or selling to speculators for a nominal price, are subdivided and sold for small farms, the mischief we have done is not at an end. The capital of the settlers has been taken from them, and put in large masses into the hands of the speculators or railroad kings. The many are thereafter the poorer; the few thereafter the richer. We have concentrated wealth; that is, we have concentrated the power of getting wealth. We have set in operation the law of attraction—the law that "unto him that hath shall it be given," and never in any age of the world has this law worked so powerfully as now.

It must not be thought that because we have no laws of entail and primogeniture the vast estates which we are cre-

ating will in time break up of themselves. There were no laws of entail and primogeniture in ancient Rome where the monopolisation of land and the concentration of wealth went so far that the empire, and even civilisation itself, perished of the social diseases engendered. It is not the laws of entail and primogeniture that have produced the concentration of wealth in England, which makes the richest country in the world the abode of the most hopeless poverty. In spite of entail and primogeniture, wealth is constantly changing from hand to hand, but always in large masses. The richest families of a few centuries back are extinct, the blood of the noblest of a comparatively recent time flows in the veins of people who live in garrets and toil in kitchens. And the same causes which have reduced the 374,000 landholders of England in the middle of the last century to 30,000 now are working in this country as powerfully as they are working there. Wealth is concentrating in a few hands as rapidly in New York as in London; the condition of the labouring classes of New England is steadily approximating to that of Old England.

Nor, if we are to have a very rich class and a very poor class, is there any particular advantage in the fact that one is constantly being recruited from the other, though there are people who seem to think that the fact that most of our millionaires were poor boys is a sufficient answer to anything that may be said of the evils of a concentration of wealth. As wealth concentrates, the chance for any particular individual to escape from one class to another becomes less and less, until practically worth nothing, while there is nothing in human nature to cause us to believe, and nothing in history to show that members of a privileged class are less grasping because they once belonged to an unprivileged class. Nor, after wealth has become concentrated, is there any tendency in this changing of the individuals who hold it to diffuse it again. The social structure is like the flame of a gas-burner, which retains its form though the particles which compose it are constantly changing.

## THE TENDENCY TO CONCENTRATION.

THERE is no tendency yet to the breaking up of large land-holdings in the United States; but the reverse is rather the case. The railroad lands are not being sold anything like as fast as they are being granted, and large private estates are increasing instead of diminishing. It is true that tracts bought for speculation are frequently cut up and sold, but it will generally be found that others are at the same time secured farther ahead, though not always by the same parties. And as wealth concentrates, population becomes denser, and the advantages of landownership greater, the tendency on the part of the rich to invest in land increases, and the same cause, which has so largely reduced the number of landowners in Great Britain is put in operation. Already the custom of renting land is unmistakably gaining ground, and the concentration of landownership seems to be going on in our older States almost as fast as the monopolisation of new and goes on in the younger ones.<sup>16</sup> And

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<sup>16</sup> "Our farms in older States instead of being divided and subdivided as they ought to be, are growing larger and more unwieldy. The tendency of the times is unquestionably towards immense estates, each with a manorial mansion in the center and a dependent tenantry crouching in the shadow."—North American Review, 1859.

"A non-resident proprietary like that of Ireland is getting to be the characteristic of large farming districts in New England, adding yearly to the nominal value of leasehold farms, advancing yearly the rent demanded, and steadily degrading the character of the tenantry, until, in the place of the boasted intelligence of rural New England, a competent authority can to-day write: I The general educational condition of the farm laborer is very low, even below that of the factory operative; a large percentage of them can neither read nor write."—New York World, May, 1871, in an article on the returns for New England of the Census of 1870.

"The part of the report [Massachusetts Bureau of Labor Statistics], however, which of all is, in our opinion, the most remarkable, is that relating to agriculture in Massachusetts. It may be summed up in two words: rapid decay. Increased nominal value of land, higher rents, fewer farms occupied by owners; diminished product, general decline of prosperity, lower wages; a more ignorant popu-

at last the steam plough and the steam wagon have appeared—to develop, perhaps, in agriculture the same tendencies to concentration, which the power loom and the triphammer have developed in manufacturing.

We are not only putting large bodies of our new lands in the hands of the few; but we are doing our best to keep them there, and to cause the absorption of small farms into large estates. The whole pressure of our revenue system, National and State, tends to the concentration of wealth and the monopolisation of land. A hundred thousand dollars in the hands of one man pays but a slight proportion of the taxes which are paid by the same sum in the hands of fifty; a hundred thousand acres owned by a single landholder are assessed but for a fraction of the amount assessed upon the hundred thousand acres of six hundred farms. Especially is this true of the State of California, where the large landholders are frequently assessed at the rate of one dollar per acre on land for which they are charging settlers twenty or thirty, and where the small farmer sometimes pays taxes at a rate one hundredfold greater than his neighbour of the eleven league ranch. Our whole policy is of a piece—everything is tending with irresistible force to make us a nation of landlords and tenants—of great capitalists and their poverty-stricken employees.

The life of all the older nations shows the bitterness of the curse of land monopolisation; we cannot turn a page of their history without finding the blood stains and the tear marks it has left. But never since commerce and manufactures grew up, and men began to engage largely in other occupations than those connected directly with the soil, has it been so important to prevent land monopolisation as now. The tendency of all the improved means and forms of pro-

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lation, increasing number of women employed at hard outdoor labor (surest sign of a declining civilization), and steady deterioration in the style of farming—these are the conditions described by a cumulative mass of evidence that is perfectly irresistible, and that is unfortunately only too strongly confirmed by such details of census statistics as have been so far made public."—New York Nation, June, 1871.

duction and exchange—of the greater and greater subdivision of labour, of the enslavement of steam, of the utilisation of electricity, of the ten thousand great labour-saving appliances which modern invention has brought forth, is strongly and more strongly to extend the dominion of capital and to make of labour its abject slave. Once to set up in the business of making cloth required only the purchase of a hand loom and a little yarn, the means for which any journeyman could soon save from his earnings; now it requires a great factory, costly machinery, large stocks and credits, and to go into business on his own account one must be a millionaire. So it is in all branches of manufacture; so, too, it is in trade. Concentration is the law of the time. The great city is swallowing up the little towns; the great merchants driving his poorer rivals out of business; a thousand little dealers become the clerks and shopmen of the proprietor of the marble-fronted palace; a thousand master workmen, the employees of one rich manufacturer, and the gigantic corporations, the alarming product of the new social forces which Watt and Stephenson introduced to the world, are themselves being welded into still more titanic corporations. From present appearances, ten years from now we shall have but three, possibly but one railroad company in the United States, yet our young men remember the time when these giants were such feeble infants that we deemed it charity to shelter them from the cold, and feed them, as it were, with a spoon. In the new condition of things what chance will there be for a poor man if our land also is monopolised?

Of the political tendency of our land policy, it is hardly necessary to speak. To say that the land of a country shall be owned by a small class, is to say that that class shall rule it; to say—which is the same thing—that the people of a country shall consist of the very rich and the very poor, is to say that republicanism is impossible. Its forms may be preserved; but the real government, which clothes itself with these forms, as if in mockery, will be many degrees worse than an avowed and intelligent despotism.

## V - WHAT OUR LAND POLICY SHOULD BE.

### HOW WE SHOULD DISPOSE OF OUR NEW LAND.

WHEN we reflect what land is; when we consider the relations between it and labour; when we remember that to own the land upon which a man must gain his subsistence is to all intents and purposes to own the man himself, we cannot remain in doubt as to what should be our policy in disposing of our public lands.

We have no right to dispose of them except to actual settlers—to the men who really want to use them; no right to sell them to speculators, to give them to railroad companies or to grant them for agricultural colleges; no more right to do so than we have to sell or to grant the labour of the people who must some day live upon them.

And to actual settlers we should give them. Give, not sell. For we have no right to step between the man who wants to use land and land which is as yet unused, and to demand of him a price for our permission to avail himself of his Creator's bounty. The cost of surveying and the cost of administering the Land Office may be proper charges; but even these it were juster and wiser to charge as general expenses, to be borne by the surplus wealth of the country, by the property which settlement will make more valuable. We can better afford to bear the necessary expenses of the Land Office than we can the expense of keeping useless men-of-war at sea or idle troops in garrison posts. When we can give a few rich bankers twenty or thirty millions a year we can afford to pay a few millions in order to make our public lands perfectly free. Let the settler keep all of his little capital; it is his seed wheat. When he has gathered his crop, then we may take our toll, with usury if need be. And we should give but in limited quantities.

For while every man has a right to as much land as he can properly use, no man has a right to any more, and when others do or will want it, cannot take any more without infringing on their rights. One hundred and sixty acres is too much to give one person; it is more than he can cultivate; and our great object should be to give everyone an

opportunity of employing his own labour, and to give no opportunity to anyone to appropriate the labour of others. We cannot afford to give so much in view of the extent of the public domain and the demand for homes yet to be made upon it. While we are calling upon all the world to come in and take our land, let us save a little for our own children. Nor can we afford to give so much in view of the economic loss consequent upon the dispersion of population. Four families to the square mile are not enough to secure the greatest return to labour and the least waste in exchanges. Eighty acres is quite enough for anyone, and I am inclined to think forty acres still nearer the proper amount.

There should be but this one way of disposing of the agricultural lands. None at all should be given to the States, except such as was actually needed for sites of public buildings; none at all for school funds or agricultural colleges. The earnings of a self-employing, independent people, upon which the State may at any time draw, constitute the best school fund; to diffuse wealth so that the masses may enjoy the luxury of learning is the best way to provide for colleges.

### SOME OBJECTIONS.

IT will be said: If the public land is to be morselled out in this way, what is to be done for stock ranches and sheep farms? There will be the unused land, the public commons. Let the large herds and flocks keep upon that, moving farther along as it is needed for settlement. But there would be plenty of stock kept on eighty-acre or even forty-acre farms. In Belgium each six-acre farmer has his cow or two of the best breed, and kept in the best condition.

And it may be said: There is some land, which requires extensive work for its reclamation. Capital cannot be induced to undertake this work if the land be given away in small pieces. But if capital cannot, labour can. The most difficult reclamation in the world—that of turning the shifting sands of the French sea-coast into gardens has been done by ten- and twelve-acre farmers. Observe that it is proposed to give the lands only to actual settlers. Is there any

of our land which requires for its reclamation greater capital than that involved in the labour of sixteen men to the square mile, working to make themselves homes? The cost of reclaiming the swamp lands of California, which has been made an excuse for giving them away by the hundred thousand acres, does not in most cases equal the cost of the fencing required on the uplands. Let men be sure that they are working for themselves, give them a little stake in the general prosperity, and labour will combine intelligently and economically, enough.

#### HOW SETTLEMENT WOULD GO ON.

UNDER such a policy as this, settlement would go on regularly and thoroughly. Population would not in the same time spread over as much ground as under the present policy; but what it did spread over would be well settled and well cultivated. There would be no necessity for building costly railroads to connect settlers with a market. The market would accompany settlement. No one would go out into the wilderness, to brave all the hardships and discomforts of the solitary frontier life; but with the foremost line of settlement would go church and schoolhouse and lecture-room. The ill-paid, overworked mechanic of the city could find a home on the soil, where he would not have to abandon all the comforts of civilisation, but where there would be society enough to make life attractive, and where the wants of his neighbours would give a market for his surplus labour until his land began to produce; and to tell those who complain of want of employment and low wages to make for themselves homes on the public domain would then be no idle taunt.

Consider, too, the general gain from this mode of settlement. How much of our labour is now given to transportation, and wasted in various ways, because of the scattering of our population, which land grabbing has caused?

## SOMETHING STILL MORE RADICAL NEEDED.

BUT still the adoption of such a policy would affect only the land that is left us. It would be preventive, not remedial. It would still leave the great belts granted to railroads, the vast estates such as those with which California is cursed, and the large bodies of land which everywhere have been made the subject of speculation. It would leave, moreover, still in full force, the tendency, which is concentrating the ownership of the land in a few hands in the older settled States. And further than this, I hardly think, agitate as we may, that we can secure the adoption of such a preventive policy until we can do something to make the monopolisation of land unprofitable. What we want, therefore, is something, which shall destroy the tendency to the aggregation of land, which shall break up present monopolisation, and which shall prevent (by doing away with the temptation) future monopolisation. And as arbitrary and restrictive laws are always difficult to enforce, we want a measure which shall be equal, uniform and constant in its operation; a measure which will not restrict enterprise, which will not curtail production, and which will not offend the natural sense of justice.

When our 40,000,000 of people have to raise \$800,000,000 per year for public purposes<sup>17</sup> we cannot have any difficulty in discovering such a remedy, in the adjustment of taxation.

## A LESSON FROM THE PAST.

LET us turn for a moment from the glare of the Nineteenth Century to the darkness of medieval times. The spirit of the Feudal System dealt far more wisely with the land than the system which has succeeded it, and rude outcome of a barbarous age though it was, we may, remembering the difference of times and conditions, go back to it for many valuable lessons. The Feudal System annexed duties to privileges. In theory, at least, protection was the corollary of allegiance, and honour brought with it the obligation to a

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<sup>17</sup> Estimate of Commissioner Wells.

good life and noble deeds, while the ownership of land involved the necessity of bearing the public expenses. One portion of the land, allotted to the Crown, defrayed the expenses of the State; out of the profits of another portion, allotted to the military tenants, the army was provided and maintained; the profits of a third portion, given to religious uses, supported the Church and relieved the sick, the indigent and the wayworn, while there was a fourth portion, the commons, of which no man was master, but which was free to all the people. The great debt, the grinding taxation, which now falls on the labouring classes of England, are but the results of a departure from this system. Before Henry VIII suppressed the monasteries and enclosed the commons there were no poor laws in England and no need for any; until the Crown lands were got rid of there was no necessity for taxation for the support of the Government; until the military tenants shirked the condition on which they had been originally permitted to reap the profits of landownership, England could at any time put an army in the field without borrowing and without taxation; and a recent English writer has estimated that had the feudal tenures been continued, England would have now had at her command a completely appointed army of six hundred thousand men, without the cost of a penny to the public treasury or to the labouring classes. Had this system been continued the vast war expenses of England would have come from the surplus wealth of those who make war; the expenses of government would have borne upon the classes who direct the Government; and the deep gangrene of pauperism, which perplexes the statesman and baffles the philanthropist, would have had no existence. England would have been stronger, richer, happier. Why should we not go back to the old system, and charge the expenses of government upon our lands?

If we do, we shall go far towards breaking up land monopoly and all its evils, and towards counteracting the causes now so rapidly concentrating wealth in a few hands. We shall raise our revenues by the most just and the most

simple means, and with the least possible burden upon production.

#### TAXATION OF LAND FALLS ONLY ON ITS OWNER.

THERE is one peculiarity in a land tax. With a few trifling exceptions of no practical importance it is the only tax, which must be paid by the holder of the thing taxed. If we impose a tax upon money loaned, the lender will charge it to the borrower, and the borrower must pay it, otherwise the money will be sent out of the country for investment, and if the borrower uses it in his business he, in his turn, must charge it to his customers or his business becomes unprofitable. If we impose a tax upon buildings, those who use them must pay it, as otherwise the erection of buildings becomes unprofitable, and will cease until rents become high enough to pay the regular profit on the cost of building and the tax besides. But not so with land. Land is not an article of production. Its quantity is fixed. No matter how little you tax it there will be no more of it; no matter how much you tax it there will be no less. It can neither be removed nor made scarce by cessation of production. There is no possible way in which owners of land can shift the tax upon the user. And so while the effect of taxation upon all other things is to increase their value, and thus to make the consumer pay the tax—the effect of a tax upon land is to reduce its value—that is, its selling price, as it reduces the profit of its ownership without reducing its supply. It will not, however, reduce its renting price. The same amount of rent will be paid; but a portion of it will now go to the State instead of to the landlord. And were we to impose upon land a tax equal to the whole annual profit of its ownership, land would be worth nothing and might in many cases be abandoned by its owners. But the users would still have to pay as much as before—paying in taxes what they formerly paid as rent. And reversely, if we were to reduce or take off the taxes on land, the owner, not the user, would get the benefit. Rents would be no higher, but would leave more profit, and the value of land would be more.

## LAND TAXATION THE BEST TAXATION.

THE best tax is that which comes nearest to filling the three following conditions:

That it bear as lightly as possible upon production.

That it can be easily and cheaply collected, and cost the people as little as possible in addition to what it yields the Government.

That it bear equally—that is, according to the ability to pay.

The tax upon land better fulfils these conditions than any tax it is possible to impose.

1.—As we have seen, it does not bear at all upon production—it adds nothing to prices, and does not affect the cost of living.

2.—As it does not add to prices, it costs the people nothing in addition to what it yields the Government; while as land cannot be hid and cannot be moved, it can be collected with more ease and certainty, and with less expense than any other tax.

3.—A tax upon the value of land is the most equal of all taxes, not that it is paid by all in equal amounts, or even in equal amounts upon equal means, but because the value of land is something which belongs to all, and in taxing land values we are merely taking for the use of the community something which belongs to the community, which by the necessities of our social organisation we are obliged to permit individuals to hold. Of course, in speaking of the value of land, I mean the value of the land itself, not the value of any improvement which has been made upon it—I mean what I believe is sometimes called in England the unearned value of land.

From its very nature it must be apparent that property in land differs essentially from other property, and if the principles I have endeavoured to state in the third section of this paper are correct, it must be evident that it is not unjust to impose taxes upon land values, which are not imposed on other property. But as the proposition may be somewhat startling, it may be worthwhile to dwell a little on this point.

## OF THE JUSTICE OF TAXING LAND.

HERE is a lot in the central part of San Francisco, which, irrespective of the building upon it, is worth \$100,000. What gives that value? Not what its owner has done<sup>18</sup> but the fact that 150,000 people have settled around it. This lot yields its owner \$10,000 annually. Where does this \$10,000 come from? Evidently from the earnings of the workers of the community, for it can come from no where else. Here is a lot on the outskirts. It is in the same condition in which nature left it. Intrinsically it is worth no more than when there were but a hundred people at Yerba Buena Cove. Then it was worth nothing. Now that there are 150,000 people here and more coming, it is worth \$3000. That is, its owner can command \$3000 worth of the labour or of the wealth of the community. What does he give for this? Nothing; the land was there before he was. Suppose a community like that of San Francisco, in which land, though in individual hands as now, has no value. Suppose, then, that all at once the land was given a value of, say, \$150,000,000, which is about the present value of land in San Francisco. What would be the effect? That a tax, of which \$150,000,000 is the capitalised value, would be levied upon the whole community for the benefit of a portion. There would be no more in the community than before, and no greater means of producing wealth. But of that wealth, beyond the share, which they formerly had, the landowners would now command \$150,000,000. That is, there would be \$150,000,000 less for other people who were not landholders. And does not this consideration of the nature and effect of land values go far to explain the puzzling fact that notwithstanding all the economies in production and distribution which a dense population admits, just as a community increases in population and wealth, so does the reward of the labourer decrease and poverty deepen? One hundred men settle in a new place. Land has at first little or no value. The net result of their labour is divided pretty equally between them. Each one gets pretty nearly the full value of his contribution to the general stock.

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<sup>18</sup> Though he may have done some part, as in grading, etc.

The community becomes 100,000. Land has become valuable, its value perhaps aggregating as much as the value of all other property. The production of the community may now be more per capita for each individual who works, but before the division is made, one half of the product must go to the landholders. How then can the labourer get so much as he could in the small community?

Now in this view of the matter—considering land values as an indication of the appropriation (though doubtless the necessary appropriation) of the wealth of all; considering land rentals as a tax upon the labour of the community, is not a tax upon land values the most just and the most equal tax that can be levied? Should we not take that which rightfully belongs to' the whole before we take that which rightfully belongs to the individual? Should we not tax this tax upon labour before we tax productive labour itself?

That the value of our land, even the "necessary value" which it would have when stripped of speculative value, would easily bear the whole burden of taxation, there can be no doubt. The statistics are too confused and too unreliable to enable us to judge accurately of the value of land as compared with the value of other property; but we have high authority for the belief that the value of our land is equal to the value of all other property, including the improvements upon it. The New York Commissioners for the Revision of the Revenue Laws?—David A. Wells, Edwin Dodge and George W. Cuyler, the first named of whom, as United States Special Commissioner of the Revenue, has had better opportunities for studying all matters connected with taxation than any other man in the United States?—say in their report, rendered this year: "A careful consideration and study of the nature and classification of property inclines the Commissioners to indorse the correctness of an opinion which appears to have been originally proposed by a financial writer of New York [George Opdyke] as far back as 1851, viz.: 'That universally the market value of the aggre-

gate of land and that of the aggregate of productive capital are equal."<sup>19</sup>

And it may be here remarked that these New York Commissioners in their elaborate report recommend the total abolition of the tax on personal property on the ground (which has been proved in every State in the Union, and, in fact, by every nation of ancient or modern times) that it is utterly impossible to collect it with any degree of fulness and anything like fairness, and that the attempt to do so results in injury both to the material and the moral interests of the community. They propose instead of the tax on personal property, to tax every individual on an amount three times as great as the annual rental of the house or place of business he occupies, and present a strong array of reasons to show that this would be a much more equitable and pro-

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<sup>19</sup> By "productive capital" Opdyke means all property other than land. In his Treatise on political Economy he says: "The statistics presented by assessments of property for the purposes of taxation invariably exhibit the estimated value of land and its meliorations under the head of 'real estate,' and the estimated value of all other productive capital under the head of 'personal estate.' Thus divided, we may readily infer that the value of real estate greatly exceeds that of personal estate, and so these statistics invariably indicate. But if we take the estimate for any given village, town or city, and from the gross value of the real estate deduct the value of the buildings, and add to it the personal estate, we shall then find them equal, provided the assessment has been correctly made, which, by the way, very rarely occurs."

After citing examples from New York and Cincinnati, he goes on to say: "It is thus of all other cities, towns and villages throughout the civilized world; and it is thus in all agricultural districts, but in these land and its meliorations are so much more intimately blended that we cannot perceive the facts so readily. The truth is, the market value land is merely the reflection of the value of the productive capital placed upon it and its immediate vicinity. It has no real value of its own; it costs nothing to produce; but since the laws have endowed it with the vital principle of wealth by subjecting it to individual ownership, it can no longer be obtained without giving in exchange for it an equivalent portion of the capital present and designed to concur with it in the production of wealth."

ductive mode of taxation. Better still, for the reasons I have given, to abandon the attempt to tax personal property or anything in lieu of it, and to put the bulk of taxation entirely on land values. Nevertheless, after all that can be said, it must be confessed that there would be some slight injustice in doing so. I had ten thousand dollars, let us say, which I might have put out at high interest, or invested in my business. Supposing the existing policy would be continued, I bought land with it, calculating that in a few years, when population became greater, people would be glad to buy it of me for a much higher price, or give me one fourth of the crop for the privilege of cultivating it. You now impose taxation, which will lower the value of my land. If you do this, you make my speculation less profitable than others I might have gone into, and thus do me injustice, for you gave me no notice. This is true, and it is this consideration which makes men like John Stuart Mill shrink from the practical application of deductions from their own doctrines, and propose that in resuming their ownership of the land of England, the people of England shall pay its present proprietors not only its actual value, but also the present value its prospective increase in value. But if we once do a public wrong, we can never right it without doing somebody injustice. England sought to right the wrong of slavery without injustice to the slaveholders who had invested their capital in human flesh and blood. She succeeded by making them pecuniary compensation; but in doing this she did a worse injustice to her own white slaves on whom the burden of the payment has been imposed. And by shrinking from doing this slight injustice which would affect but very few people in the community, and those most able to stand it, we continue a ten thousand fold greater injustice; and the longer we delay action, the greater will be the injustice which we must do.

#### OF SOME EXEMPTIONS, AND SOME ADDITIONS.

FOR the purpose of making it still more sure that taxation should not bear heavily upon anyone; for the purpose of still further counteracting the tendency to the concentra-

tion of wealth, and for the purpose of securing as far as possible to every citizen an interest in the soil, there should be a uniform exemption to a small amount made to each landholder—perhaps a smaller amount in the cities, where land is only used for residences and business purposes, than in the country, where labour is directly applied to the land. Those whose land did not exceed in value this minimum would have no taxes to pay; those whose land did, would pay upon the surplus. This would reverse the present effect of our revenue system, and tend to make the holding of land in large bodies less profitable than the holding of it in small bodies.

And while, perhaps, it might not be wise to attempt to limit the accumulations of any individual during his lifetime, or at any rate it is not yet necessary to try the experiment, there should be a very heavy duty, amounting to a considerable part of the whole, levied upon the estates of deceased persons, and in the case of intestates the whole should escheat to the State where there were no heirs of the first or second degree.

There is still another source from which a large revenue might be harmlessly drawn—license taxes upon such businesses as it is public policy to restrict and discourage, such as liquor selling, the keeping of gambling houses (where this cannot be prevented), etc. All other taxes of whatever kind or nature, whether National State County, or Municipal, might then be swept away.

### THE EFFECTS OF SUCH A CHANGE.

CONSIDER the effects of the adoption of such a system:

The mere holder of land would be called on to pay just as much taxes as the user of land. The owner of a vacant city lot would have to pay as much for the privilege of keeping other people off it till he wanted to use it as his neighbour who has a fine house upon his lot, and is either using or deriving rent from it. The monopoliser of agricultural land would be taxed as much as though his land were covered with improvements, with crops and with stock.

Land prices would fall; land speculation would receive its death-blow; land monopolisation would no longer pay. Millions and millions of acres from which settlers are now shut out would be abandoned by their present owners or sold to settlers on nominal terms. It is only in rare cases that it would pay anyone to get land before he wanted to use it, so that those who really wanted to use land would find it easy to get.

The whole weight of taxation would be lifted from productive industry. The million dollar manufactory, and the needle of the seamstress, the mechanic's cottage, and the grand hotel, the farmer's plough, and the ocean steamship, would be alike untaxed. All would be free to buy or sell, to make or save, unannoyed by the tax-gatherer.

Imagine this country with all taxes removed from production and exchange! How demand would spring up; how trade would increase; what a powerful stimulus would be applied to every branch of industry; what an enormous development of wealth would take place. Imagine this country free of taxation, with its unused land free to those who would use it! Would there be many industrious men walking our streets, or tramping over our roads in the vain search for employment? Would we hear much of stagnation in business, and of "over production" of the things that millions of us want? Consider the enormous gain which would result from leaving capital and labour, untrammelled by tax or restriction, to seek the most remunerative fields; the enormous saving which would result from the settling of people near each other, as they would settle, if anyone could get enough unused land for his needs, and it would pay nobody to get any more. Consider the effects of this policy on the distribution of wealth-directly, by reversing the effect of taxation, which is now to make the poor poorer, and the rich richer; indirectly, by freeing and cheapening land, and thus putting labour in a position to make better terms with capital. And consider how equalisation in the distribution of wealth would react on production-how it would lessen the great army of involuntary idlers; how it would increase the vigour and industry and skill of workers; for

poorly rewarded labour is poor labour all the world over, and the greater its reward, the greater the efficiency of labour. Consider, too, the moral effects: Sharp alternations of wealth and poverty breed vice and crime, as surely as they breed misery. Personal independence is the foundation of all the virtues. Deep poverty brutalises men. Where it exists, the preacher will preach in vain; and the philanthropist will toil in vain; they are dumping their good words and good deeds into such a Slough of Despond as Pilgrim saw.

#### WHO WOULD GAIN AND WHO WOULD LOSE.

THAT the policy proposed would be to the advantage of all who do not hold land is clear enough. But it must not be imagined that all who hold land would lose. On the contrary, the large majority of landholders would be gainers. Whether a landholder would gain or lose, would depend upon whether his interest as a landholder, which would be adversely affected, was greater or less than his other interests, which would be beneficially affected. The man who owns a house and lot of equal value would have less taxes to pay if taxation were taken off of buildings and put on land, as the aggregate value of land is greater than that of buildings. His homestead would sell for less than before, but the money it sold for would buy just as good a house and lot as before; so that, if his intention is to always keep a homestead, he would not lose anything by the shrinkage in its value; or even if it was not, he would not have to keep it long before his gain on taxes would make up for the loss in value. While, if he was a mechanic, engaged in or connected with any of the building trades, he would gain in more constant work and better wages by the stimulus which the exemption of improvements from taxation, and the reduction in the value of land would give to building. Or If he kept a store, or was engaged in any business or profession, he would gain by the quickened growth and increased activity of the community.

And if taxes were removed from everything but land (with the exceptions and exemptions I have before indicated) the gain would be largely greater. Let the farmer, the

mechanic, the manufacturer, or the business man, who is also a landowner, calculate how much he pays of the taxes which enter into the cost of everything he buys, or in any way uses and how much he loses by the restrictive effect which those taxes have upon all industry and business. Then let him set against this amount, which he now pays and loses, the additional amount which he would pay as taxes on land, or which he would lose by the reduction of its value, were all taxes placed upon land. Did they make this calculation, three out of every four of those who own land would see they would be gainers. For as yet the class whose other interests are subordinate to their interest in the high value of land is really small. And it must be remembered that were our whole revenue raised by a direct land tax, the amount taken from the people in order to give the same amount to the Government would be very much smaller than now, and that there would be a positive increase in wealth, a large share of which would go to the landowners who would have additional taxes to pay.

#### WHAT CAN BE DONE AT ONCE.

THE more the matter is considered, the more, I think, it will appear that all our taxation, or at least the largest part of it, should be placed upon land values. By doing so we would substitute the best possible revenue system for our present cumbrous, unjust, wasteful and oppressive modes of taxation; we would, without resort to special and arbitrary laws, prevent and break up land monopolisation, and we would, at the same time, and in the same simple, just way, do a great deal to counteract the alarming tendency to the concentration of wealth in a few hands, which is now so apparent.

Nevertheless, the application of this remedy is not yet practicable. We are so used to look upon land as upon other property, so accustomed to consider its enhancement in value as a public gain, that it will take some time to educate public opinion up to the proper point to permit this; and even then there will be constitutional difficulties to be removed.

But in the meantime, we can do something to check the progress of land monopolisation, and even to break it up. So far as the General Government is concerned, we can insist that no more land grants be made on any pretext or for any purpose; but that all of the public domain still left to us shall be reserved for the small farms of actual settlers. We can go further, and demand that something be done to open to settlers the great belts, which have been already handed over to railroad corporations. These grants, in the first place, outraged natural justice, and Congress had no more right to make them than Catherine of Russia had to give away her subjects to her paramours and courtiers, or than the Pope had to divide the Southern Hemisphere between the Spanish and the Portuguese. We should be perfectly justified in taking this land back, throwing it open to settlers upon Government terms, and paying the companies the Government price. Such an operation would largely increase our debt, but the money would be well expended. If this cannot be done, the land can at least be immediately surveyed, so that settlers can find the Government sections, and the right of the Companies to land reserved for them be declared subject to State taxation.

In this monopoly-cursed State of ours, we may at once do a great deal to free our land. By restricting possessory rights to the maximum amount allowed by the General Government to pre-emptors, and by demanding payment for the large tracts now held by speculators under five-dollar certificates, or the payment of twenty per cent. of the purchase money, the Legislature could, in the first week of its session, throw open to settlers some millions of acres now monopolised.<sup>20</sup> And millions of acres more would be forced into market if its holders were only compelled to pay upon their land the same rate of taxation levied upon other property. The Board of Equalisation created by the last Legislature is endeavouring to secure the proper assessment of

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<sup>20</sup> Under the decisions of the Department, land within the exterior limits of Spanish grants, and included in railroad reservations, does not go to the Railroad Company when the grant is confined to its real limits, or is rejected, but becomes open to settlement.

these large tracts; but the law under which it works is defective, and the Constitutional requirement of the election of County Assessors is very much in the way of a thorough reform, perhaps makes it impossible. But as under our Constitution, as interpreted by the Supreme Court, all property must be taxed equally, we can do no more than this to break up large estates until the Constitution is amended.

### THE NECESSITY OF A RADICAL REMEDY.

THERE are many who will think that if we do these things, or even if we merely do something to check the grosser abuses in the disposition of our new land, we shall have done all that is necessary. I wish to call the attention of those who thus think to a certain class of facts:

There is a problem which must present itself to every mind which dwells upon the industrial history of the present century; a problem into which all our great social, industrial, and even political questions run—which already perplexes us in the United States; which presses with still greater force in the older countries of Europe; which, in fact, menaces the whole civilised world, and seems like a very riddle of the Sphinx, which fate demands of modern civilisation, and which not to answer is to be destroyed—the problem of the proper distribution of wealth.

How is it that the increase of productive power and the accumulation of wealth seem to bring no benefit, no relief to the working classes; that the condition of the labourer is better in the new and poor country than in the old and rich country; that in a country like Great Britain, whose productive power has been so enormously increased, whose surplus wealth is lent to all the world, and whose surplus productions are sent to every market, pauperism is increasing in England, while one third of the families of Scotland live in a single room each, and one third more in two rooms each?<sup>21</sup> How is it, though within the century steam machinery has added to the productive force of Great Britain a

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<sup>21</sup> Census of 1861. See Journal of Statistical Society, vol. 32. 119

power greater than that of the manual labour of the whole human race, that the toil of mere infants is cruelly extorted—that cultivation in the richest districts is largely carried on by gangs of women and children, in which mere babies are worked under the lash; that little girls are to be found wielding sledge hammers, and little boys toiling night and day in the fearful heat of glass furnaces, or working to the extreme limit of human endurance in fetid garrets and damp cellars, at the most monotonous employments—children who work so early and work so hard that they know nothing of God, have never heard of the Bible, call a violet a pretty bird, and when shown a cow in a picture, think it must be a lion;<sup>22</sup> children whose natural protectors have been changed by brutalising poverty and the want that knows no law, into the most cruel of taskmasters?

Why is it that in the older parts of the United States we are rapidly approximating to the same state of things? Why is it that, with all our labour-saving machinery, all the new methods of increasing production which our fertile genius is constantly discovering—with all our railroads, and steamships, and power looms, and sewing machines, our mechanics cannot secure a reduction of two hours in their daily toil; that the general condition of the working classes is becoming worse instead of better; and the employment of women and children at hard labour is extending; that though wealth is accumulating, and luxury increasing, it is becoming harder and harder for the poor man to live?

A very Sodom's apple seems this "progress" of ours to the classes that have the most need to progress. We have been "developing the country" fast enough. We have been building railroads, and peopling the wilderness, and extending our cities. But what is the gain? We count up more millions of people, and more hundreds of millions of taxable property; our great cities are larger, our millionaires are more numerous, and their wealth is more enormous; but are the masses of the people any better off? Is it not so notoriously true that we accept the statement without ques-

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<sup>22</sup> Report Children's Employment Commission.

tion, that just as population increases and wealth augments—just in proportion as we near the goal for which we strive so hard, poverty extends and deepens, and it becomes harder and harder for a poor man to make a living?

That the startling change for the worse that has come over the condition of the masses of the United States in the last ten years is attributable in some part to the destruction caused by the war, and in much greater part to stupid, reckless, wicked legislation, there can be no doubt. The whole economic policy of the General Government—the management of the debt and, of the currency, the imposition of a tariff which is oppressing all our industry, and actually killing many branches of it, the immense donations to corporations—has tended with irresistible force, as though devised for the purpose, to make a few the richer and the many the poorer; to swell the gains of a few rich capitalists, and make hundreds of thousands of willing workmen stand with idle hands.

But beneath and beyond these special causes, we may see, as could be seen before the war had given the money power an opportunity and excuse for wresting the machinery of Government to its own selfish ends, the working of some general tendency, observable all over the world, and most obvious in the countries which have made the greatest advances in productive power and in wealth.

What is the cause or the causes of this tendency? If we say, as many of the economists say, that it is overpopulation in England—that the working classes get married too early and have too many children—what is it in the United States? If we say that in the United States it is solely due to special conditions, what is it in Australia and other countries of widely differing circumstances?

Now, although there are undoubtedly other general causes, such as the tendency of modern processes to require greater capital and rarer administrative ability, to offer greater facilities for combination, and give more and more advantage to him who can work on a large scale; yet if the principles previously stated are correct, are we not led irresistibly to the conclusion that the main cause of this general

tendency to the unequal division of wealth lies in the pursuance of a wrong policy in regard to land—in permitting a few to take and to keep that which belongs to all; in treating the power of appropriating labour as though it were in itself labour-produced wealth? Is not this mistake sufficient of itself to explain most of the perplexing phenomena to which I have alluded?

When land becomes fully monopolised as it is in England and Ireland—when the competition between landusers becomes greater than the competition between landowners, whatever increase of wealth there is must go to the landowner or to the capitalist; the labourer gets nothing but a subsistence. Amid lowing herds he never tastes meat; raising bounteous crops of the finest wheat, he lives on rye or potatoes; and where steam has multiplied by hundreds and by thousands manufacturing power, he is to clad in rags, and sends his children to work while they are yet infants. No matter what be the increase in the fertility of the soil, no matter what the increase in product, which beneficent inventions cause, no matter even if good laws succeed bad laws, as when free trade succeeds protection, as has been the case in Great Britain, all the advantage goes to the landowner; none to the landless labourer, for the ownership of the land gives the power of taking all that labour upon it will produce, except enough to keep the labourer in condition to work, and anything more that is given is charity. And so increase in productive power is greater wealth to the landowner—more splendour in his drawing rooms, more horses in his stables and hounds in his kennels, finer yachts, and pictures and books—more command of everything that makes life desirable; but to the labourer it is not an additional crust.

And where land monopolisation has not gone so far, steadily with the increase of wealth goes on the increase of land values. Every successive increase represents so much, which those who do not produce may take from the results of production, measures a new tax upon the whole community for the benefit of a portion. Every successive increase indicates no addition to wealth, but a greater difference in

the division of wealth, making one class the richer, the other the poorer, and tending still further to increase the inequality in the distribution of wealth—on the one side, by making the aggregations of capital larger and its power thus greater, and on the other, by increasing the number of those who cannot buy land for themselves, but must labour for or pay rent to others, and while thus swelling the number of those who must make terms with capital for permission to work, at the same time reducing their ability to make fair terms in the bargain.

Need we go any further to find the root of the difficulty? to discover the point at which we must commence the reform which will make other reforms possible? And while, on the one hand, the recognition of the main cause of the inequality in the distribution of wealth, which is becoming a disease of our civilisation, condemns the wild dreams of impracticable socialisms, and the impossible theories of governmental interference to restrict accumulation and competition and to limit the productive power of capital, by discovering a just and an easy remedy; on the other hand, the spread of such theories should admonish those who consider the remedy of a common-sense policy in regard to land as too radical, of the necessity of making some attempt at reform. This great problem of the more equal distribution of wealth must in some way be solved, if our civilisation, like those that went before it is not to breed seeds of its own destruction. In one way or another the attempt must be made—if not in one way, then in another. The spread of education, the growth of democratic sentiment, the weakening of the influences which lead men to accept the existing condition of things as divinely appointed, insure that, and the general uneasiness of labour, the growth of trade-unionism, the spread of such societies as the International prove it! The terrible struggle of the Paris commune was but such an attempt.<sup>23</sup> And in the light of burning Paris we may

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<sup>23</sup> And this French struggle also shows the conservative influence of the diffusion of landed property. The Radicals of Paris were beaten by the small proprietors of the provinces. Had the lands of France been in the hands of a few, as the first revolution found it,

see how it may be that this very civilisation of ours, this second Tower of Babel, which some deem reaches so far towards heaven that we can plainly see there is no God may yet crumble and perish. How prophetic, in view of those recent events, seem the words of Macaulay, when, alluding to Gibbon's argument that modern civilisation could not be overturned as was the ancient, he declared that in the very heart of our great cities, in the shadow of palaces, libraries and colleges, poverty and ignorance might produce a race of Huns fiercer than any who followed Attila, and of Vandals more destructive than those led by Genseric.

### THE PAST AND THE FUTURE OF THE NATION.

FIVE years must yet pass before we can celebrate the hundredth anniversary of the Republic. A century ago, as the result of nearly two hundred years of colonisation, the scarce three million people of the thirteen colonies but fringed the Atlantic seaboard with their settlements. Pittsburg was to them the Far West, and the Mississippi as little known as is now the great river that through a thousand miles of Arctic solitudes rolls sluggishly to its mouth in our newly acquired Northern possessions.

Looking back over the history of the great nations from whom we derive our blood, our language and our institutions, and a hundred years seems but a small span. A hundred years after the foundation of the city, and Rome had scarce begun her conquering mission; a hundred years after the Norman Invasion, and the England of the first Plantagenet differed but little from the England of the Bastard.

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the raising of the red flag on the Hôtel de Ville would have been the signal for a Jacquerie in every part of the country. So conscious are the extreme reds of the conservative influence of property in land that they have for a long time condemned as a fatal mistake the law of the first Republic which provided for the equal distribution of land among heirs, not because it has not improved the condition of the peasantry, but because the improvement in their condition and the interest which their possession of land gives them in the maintenance of order dispose them to oppose the violent remedies which the workmen of the cities think necessary.

How wondrous seems our growth when compared with the past! So wondrous, so unprecedented, that when the slow lapse of years shall have shortened the perspective, and when, in obedience to altered conditions, the rate of increase shall have slackened, it will seem as though in our time the very soil of America must have bred men.

We have subdued a continent in a shorter time than many a palace and cathedral of the Old World was a-building; in less than a century we have sprung to a first rank among the nations; our population is increasing in a steady ratio; and we are carrying westward the centre of power and wealth, of luxury, learning and refinement, with more rapidity than it ever moved before.

We look with wonder upon the past. When we turn to the future imagination fails, for sober reason with her cold deductions goes far beyond the highest flights that fancy can dare, and we turn dazzled and almost awestruck from the picture that is mirrored. Judging from the past, in all human probability there will be on this continent a century from now, four or five, perhaps five or six, hundred million English-speaking people, stretch from the isothermal line which marks the northern limit of the culture of wheat, to the southern limit of the semi-tropical climate—four or five hundred million people, with the railroad, the telegraph, and all the arts and appliances that we now have, and with all the undreamed-of inventions which another century such as the past will develop. Beside the great cities of such a people, the Paris of to-day will be a village, the London a provincial town, and to the political power which will grow up, if these people remain under one government, to great nations of Europe will occupy such relative positions as the South American States now hold to the great Republic of the North.

Yet we should never forget that we have no exemption from the difficulties and dangers which have beset their peoples, though they may come to us in somewhat different guise. The very rapidity of our growth should admonish us that though we are still in our youth, our conditions are fast changing; the very possibilities of our future warn us that

this is the appointed theatre upon which the questions that perplex the world must be worked out, or fought out. What good, or what evil, we of this generation do, will appear in the next on an enormously magnified scale. The blunders that we are carelessly making, saying "these things will right themselves in time," will indeed right themselves; but how? How was the wrong of slavery righted in the United States? The whole history of mankind, with its story of fire and sword, of suffering and destruction, is but one continued example of how national blunders and crimes work themselves out. On the smaller scale of individual life and actions, the workings of Divine justice are sometimes never seen; but sure, though not always swift, is the Nemesis that with tireless feet follows every wrong-doing of a people.

The American people have had a better chance and a fairer field than any nation that has gone before. Coming to a new world with all the experiences of the old; possessed of all the knowledge and the arts of the most advanced of the families of men, the temperate zone of an immense continent lay before them, where, unembarrassed by previous mistakes, they might work out the problem of human happiness by the light of the history of two thousand years. Yet nobly and well as our fathers reared the edifice of civil and religious liberty, true ideas as to the treatment of land, the very foundation of all other institutions, seem never to have entered their minds. In a new country where nothing was so abundant as land, and where there was nothing to suggest its monopolisation, the men who gave direction to our thought and shaped our polity shook off the idea of the divine right of kings without shaking off that of the divine right of landowners. They promulgated the grand truth that all men are born with equal rights to life, liberty, and the pursuit of happiness, without promulgating the doctrines in respect to land which alone could maintain those rights as a living reality; they instituted a form of government based on the theory of the independence and virtue of the masses of the people without imposing those restrictions upon land monopolisation which alone can keep the masses virtuous

and independent. They laid the foundations for a glorious house; but they laid them in the sand.

Already we can see that the rains will come, the winds will blow. We see it in the increase of the renting system in agriculture; in the massing of men in the employ of great manufacturers; in the necessity under which thousands of our citizens lie of voting, and even of speaking on political matters, as their employers dictate;<sup>24</sup> in the marked differentiation of our people in older sections into the rich and the poor; in the evolution of "dangerous classes" in our large cities; in the growth of enormous individual fortunes; in the springing up of corporations which dwarf the States, and fairly grapple the General Government; in the increase of political corruption; in the ease with which a few great rings wrest the whole power of the nation to their aggrandisement.

Go to New York, the greatest of our American cities, the type of what many of them must soon be, the best example of the condition to which the whole country is tending—New York, where men build marble stables for their horses, and an army of women crowd the streets at night to sell their souls for the necessities which unremitting toil, such as no human being ought to endure, will not give them—where a hundred thousand men who ought to be at work are looking for employment, and a hundred thousand children who ought to be at school are at work. Notice the great blocks of warehouses, the gorgeousness of Broadway, the costly palaces which line the avenues. Notice, too, the miles of brothels which flank them, the tenement houses, where poverty festers and vice breeds, and the man from the free open West turns sick at heart; notice in the depth of winter the barefooted, ragged children in the press of the liveried equipages, and you will understand how it is that republican government has broken down in New York; how it is that republican government is impossible there; and how it is that the crucial test of our institutions is yet to come. If you say that New York is a great seaport, with different condi-

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<sup>24</sup> See Reports Massachusetts Bureau Labour Statistics.

tions from the rest of the country, go to the manufacturing towns, to the other cities, and see the same characteristics developing just in proportion to their population and wealth. And while we may see all this, we are doing our utmost to make land dear, giving away the public domain in tracts of millions of acres, drawing great belts across it upon which the settler cannot enter; offering a premium by our taxation for the concentration of landownership, and pressing with the whole weight of our revenue system in favour of the concentration of wealth.

### HOW A GREAT PEOPLE PERISHED.

IN all the history of the past there is but one nation with which the great nation now growing up on this continent can be compared; but one people which has occupied the position and exerted the influence which, for good or evil, the American people must occupy and exert—a nation which has left a deeper impress upon the life of the race than any other nation that ever existed; whose sway was co-extensive with the known world; whose heroes and poets, and sages and orators, are still familiar names to us; whose literature and art still furnish us models; whose language has enriched every modern tongue, and though long dead, is still the language of science and of religion, and whose jurisprudence is the great mine from which our modern systems are wrought. That a nation so powerful in arms, so advanced in the arts, should perish as Rome perished; that a civilisation so widely diffused should be buried as was the Roman civilisation, is the greatest marvel which history presents. To the Roman citizen of the time of Augustus or the Antonines, it would have appeared as incredible, as utterly impossible that Rome could be overwhelmed by barbarians, as to the American citizen of to-day it would appear impossible that the great American Republic could be conquered by the Apaches, or the Chinooks, our arts forgotten, and our civilisation lost.

How did this once incredible thing happen? What were the hidden causes that sapped the strength and ate out the heart of this world-conquering power, so that it crumbled to

pieces before the shock of barbarian hordes? A Roman historian himself has told us. "Great estates ruined Italy!" In the land policy of Rome may be traced the secret of her rise, the cause of her fall. "To every citizen as much land as he himself may use; he is an enemy of the State who desires any more," was the spirit of the land policy which enabled Rome to assimilate so quickly the peoples that she conquered; that gave her a body of citizens whose arms were a bulwark against every assault, and who carried her standards in triumph in every direction. At first a single acre constituted the patrimony of a Roman; afterwards the amount was increased to three acres and a half. These were the heroic days of the Republic, when every citizen seemed animated by a public spirit and a public virtue which made the Roman name as famous as it made the Roman arms invincible; when Cincinnatus left his two-acre farm to become Dictator, and after the danger was over and the State was safe, returned to his plough; when Regulus, at the head of a conquering army in Africa, asked to be relieved, because his single slave had died, and there was no one to cultivate his little farm for his family.

But, as wealth poured in from foreign conquests, and the lust for riches grew, the old policy was set aside. The Senate granted away the public domain in large tracts, just as our Senate is doing now; and the fusion of the little farms into large estates by purchase, by force and by fraud went on, until whole provinces were owned by two or three proprietors, and chained slaves had taken the place of the sturdy peasantry of Italy. The small farmers who had given her strength to Rome were driven to the cities, to swell the ranks of the proletarians, and become clients of the great families, or abroad to perish in the wars. There came to be but two classes—the enormously rich and their dependents and slaves; society thus constituted bred its destroying monsters; the old virtues vanished, population declined, art sank, the old conquering race actually died out, and Rome perished, as a modern historian puts it, from the very failure of the crop of men.

Centuries ago this happened, but the laws of the universe are to-day what they were then.

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I have endeavoured in this paper to group together some facts which show with what rapidity, and by what methods, the monopolisation of our land is going on; to answer some arguments which are advanced in its excuse; to state some principles which prove the matter to be of the deepest interest to all of us, whether we live directly by the soil or not; and to suggest some remedies. That land monopolisation when it reaches the point to which it has been carried in England and Ireland is productive of great evils we shall probably all agree. But popular opinion, even in so far as any attention has been paid to the subject, seems to regard the danger with us as remote. There are few who understand how rapidly our land is becoming monopolised; there are fewer still who seem to appreciate the evils which land monopolisation is already inflicting upon us, or the nearness of the greater evils, which it threatens.

And so as to the remedy. There are many who will concede that the reckless grants of public land should cease, and even that the public domain should be reserved for actual settlers, but who will be startled by the proposition to put the bulk of taxation on land exclusively. But the matter will bear thinking of. It is impossible to overestimate the importance of this land question. The longer it is considered, the broader does it seem to be and the deeper does it seem to go. It imperatively demands far more attention than it has received; it is worthy of all the attention that can be given to it.

To properly treat so large a subject in so brief a space is a most difficult matter. I have merely outlined it; but if I have done something towards calling attention to the recklessness of our present land policy, and towards suggesting earnest thought as to what that policy should be, I have accomplished all I proposed.

HENRY GEORGE.

SAN FRANCISCO, July 27, 1871.