

**SOCIAL STRUGGLES: THE FUNDAMENTAL
FACTS AND PRINCIPLES RELATIVE TO VALUES,
PRICES, MONEY AND INTEREST;
NATIONAL BANKS, FRANCHISES, THE SILVER
QUESTION, SOCIALISM, CAPITAL AND LABOR,
AND BUSINESS DERANGEMENT, PP.452-489**

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JOHN PHILIP PHILLIPS

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BY

JOHN PHILIP PHILLIPS.

Whatever cannot bear investigation has no right to exist.

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DEDICATION.

TO THE
MEN WHOSE STEADFAST VALOR HAS BEEN OUR NATIONAL RELIANCE
IN TIMES OF WAR, AND WHOSE PATIENT INDUSTRY HAS EVER
BEEN OUR SUPPORT; TO THOSE WHOSE BUSINESS AND
DAILY BREAD ARE VITALLY AFFECTED BY FLUCTUA-
TIONS IN PRICES, WAGES AND INTEREST;
TO THE FARMERS, MECHANICS AND OTHER
HONEST CREATORS OF WEALTH, THIS
WORK IS RESPECTFULLY DEDICATED.

CHAPTER XX.

Is it a Crime to own Land?—Let us Think for Ourselves.—From whence does Land derive Value?—Land has no Intrinsic Value.—Value of New York Land.—The Value of Land Depends upon Conditions.—The Value of a Certain Piece of Land is not Identical with that of the Work Performed Thereon.—Rights in Property.—Why Possession of a Certain Piece of Land is Desired.—Why Absolute Ownership of Personal Property is Desired.—Why Absolute Ownership of Real Estate is Desired.—If the present Owners of Land Retained Possession as tenants, how State Ownership, without Compensation, would produce Injustice.—Private Ownership of Things.—Rise of Land in Value.—Some Facts Concerning Real Estate.—How Great Fortunes are Usually Made.—Has a Person a Right to Inherit Land?—Aversion to Land Ownership.—How shall Choice of Lands be Made?—An Impracticable Scheme.—The True Principles of Taxation.—Folly of Invariable Taxes.—Land Titles.—Preservation of Liberty.

No matter how widely extended nor deeply seated the ill effects of a vicious system of taxation, a currency whose use occasions great fluctuations in prices, inequitable grants of privileges, franchises and patents, and kindred governmental errors may be, they rarely attract the attention of agrarian agitators. It requires less thought to ascribe all social evils to one thing than to examine the actual sources of those evils.

It has been said that as land is not a product of human exertion, no one can have a right to the individual ownership of any portion of it; that land was created by the Deity as a free and valuable gift to all his creatures and that therefore, like the air and sunshine, all persons have an equal, natural-born right to its ownership and enjoyment. It is also said that the intention of the Creator was to provide land for the common use of all, and that this intention is defeated if the ownership of land does not exist in those for whom it was created, to-wit: all persons; in other words, the State. It follows that the State is merely

a perpetual trustee for all the people and has no right to give, grant, or sell the ownership of land to any person whatsoever; and that therefore, as a grant or sale of land by the State has no warrant in natural justice, all titles and evidences of individual ownership of land, under and by any State authority, are null and void.

From the foregoing premises is deduced the statement that private ownership of a piece of land, no matter how small its size, is an infringement of the natural right of every person to be and remain a common owner of all the land; and that any person who pretends to such ownership by virtue of any claim or title whatsoever, and forcibly maintains such pretense, commits an act as criminal as he that forcibly enslaves his fellow-man. One is a robber of land, the other a robber of personal liberty. It is also held that the aforesaid natural right in the common ownership of land is an inalienable one; that no matter what written deed or covenant a person may solemnly sign, he and his descendants and all his fellow-beings still of right remain the joint owners of all the land in the State precisely the same as if no such pretended and fraudulent sale of land had been made.

Moreover, it is said that land owners are a class with special and unjust privileges which enable them to derive a revenue from public property and grow rich by the toil of others.

The logical conclusion of the foregoing train of argument is then reached, to-wit: that as the State is the rightful and perpetual owner of all the land within its borders, it should at once exercise this right by requiring all occupants of land to pay rent therefor to the State, this rent being the full rental value of such land. It is assumed that this procedure would so enrich the commonwealth that no taxes of any kind whatsoever would be required. All taxation would thus be placed upon land, thereby creating so onerous a burden that many who now own and occupy real estate would be forced to abandon its possession. The State would thus soon have the disposal of "Free Land";

that is, any one could have its possession and use by paying the annual rental thereof.

In other words, it is held that the State should at once treat all persons who claim individual title to land as criminals, and, by taxation to the full amount of rent derivable therefrom, virtually confiscate such titles for the public benefit.

It is likewise held that, as all individual titles to land outrage natural justice, the State would be under no moral obligation whatever to make compensation to those who now claim its ownership. However, as a matter of expediency and convenience, it is suggested that they be not ejected from the premises, but allowed to retain possession upon annual payment of their full rental value. The foregoing measure would also expunge all property now existing in form of mortgages on real estate. Ownership of a piece of land would then resemble ownership of a four-per-cent. government bond, the principal of which was never due and upon which an annual tax of four per cent. was laid.

LET US THINK FOR OURSELVES.

The intimate familiarity with the secret thoughts and purposes of the Most High, enjoyed by those who proclaim the foregoing doctrines, has been denied us. Nevertheless, we can consider some facts and principles relative to real estate.

As it has been said that individual ownership of land is as wrong as individual ownership of sunshine, let us, in the outset, note the wide distinction between those two things.

Sunshine needs no trustee, guardian, nor owner. Neither care nor labor need be bestowed upon it. Human exertion can neither improve nor injure the flood of light and warmth which, from a far distant sphere, comes streaming alike upon sterile wastes and cultivated lands, upon desolate regions and populous cities. But the earth, originally a wilderness, is susceptible of improvement by human labor:

may more, labor upon land is absolutely essential to man's existence and development.

FROM WHENCE DOES LAND DERIVE VALUE?

In Chapters VII. and VIII. we found that the idea of value—that is, the amount of advantage or benefit which it is supposed will be conferred by the ownership of a certain thing—does not depend simply and solely on the intrinsic qualities of that thing. Those qualities are only one of the factors which create the result we call “value.” The amount of value which the ownership of a thing possessing definite intrinsic qualities brings and carries with it, depends entirely upon the circumstances and conditions in and under which such thing and the owner thereof are placed and situated.

In other words, while each and every different thing on earth possesses intrinsic qualities more or less peculiar to itself, Value is not one of those inherent qualities. All things possess certain *inside*, or inherent, qualities, the value of which, at a particular time and place, are determined by their *outside*, or external, relations to mankind and to other things.

Value is an extrinsic result of conditions, and may be defined as a judgment and appraisal of the importance of owning or using one thing, relative to the importance of owning or using the object of comparison, at a given time and place and under certain circumstances. A statement of such a comparison is a statement of value.

The natural law which creates and governs value exempts nothing whatsoever from its perpetual influence. No matter what possesses it, value is always an external relation of one thing to another, usually estimated by numerically comparing the extent to which its ownership or possession will presumably gratify human desires or supply human wants with the extent to which some other thing will perform a similar function. We estimate and state value by a numerical ratio simply because that is the only universal method by which the relative importance of all things can be compared.