

**THE FUNDAMENTAL FALLACY OF
SOCIALISM; AN ESSAY ON THE
QUESTION OF LANDOWNERSHIP,
COMPRISING AN AUTHENTIC ACCOUNT
OF THE FAMOUS MCGLYNN CASE**

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The Fundamental Fallacy of Socialism; an Essay on the Question of Landownership, Comprising an Authentic Account of the Famous McGlynn Case by Arthur Preuss

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ARTHUR PREUSS

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AN ESSAY ON THE QUESTION OF
LANDOWNERSHIP

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OF THE FAMOUS MCGLYNN CASE

EDITED BY

ARTHUR PREUSS

EDITOR OF THE CATHOLIC FORTNIGHTLY REVIEW

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PREFACE TO THE SECOND EDITION

In republishing these papers in book-form, my object, as intimated in the "Introductory Notice" to the first edition, was to render the cause of truth and justice a service by correcting some of the erroneous notions that are current among us, chiefly in consequence of the famous McGlynn case. The sale of one thousand copies of this little volume within a twelve-month, and some of the criticisms which it elicited, have confirmed me in the view that the publication was not inopportune. So far as necessary my critics have been or will be answered in the pages of the CATHOLIC FORTNIGHTLY REVIEW, where these papers originally saw the light. I trust this second, revised edition will stir up still more discussion; for in view especially of the continued spread of Socialist errors (agrarian and others), the subject of land-ownership is well worthy of serious study.

ARTHUR PREUSS.

St. Louis, Jan. 1, 1909.

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I

TWO RIVAL THEORIES

Who owns the land? To this question two answers are given: The land is the common property of all men, or the land of each country belongs to the whole people of that country as their common property. This is the answer of Communists, Socialists and Agrarians. The rest of mankind deny this common landownership and maintain that the land is owned in severalty, either by individuals or by corporations. The best known and most enthusiastic advocate of common landownership is Henry George; the most prominent defender of private ownership in land is Pope Leo XIII.

The teachings of Henry George are chiefly comprised in his *Progress and Poverty* and in his *Open Letter to Pope Leo XIII.*; those of Leo XIII. in his Encyclical "Rerum Novarum," of May 15th, 1891.

Henry George considers private property in land to be the ultimate root and source of the social evils which are so keenly felt and so bitterly deplored by all. The real cause of the evil being ascertained, the true remedy is obvious: we must abolish private property in land and substitute common ownership. But is the abolition of private landownership in harmony with natural justice? It is, because private ownership of land is essentially and irremediably wrong and unjust.

How can private property in land be done away with? Will its abolition not cause a disturbance in all social conditions, which would be worse than the misery of which we now complain? We need not fear: no violent measure is required to bring about the desired change. We will leave every landowner in the quiet "possession" of all he has; but for the privilege of possessing land and of enjoying the blessings of such "possession," we will make him pay the State or the community a "land tax," equal to the profit which accrues from land as such, regardless of labor and improvement ("land rent," "land value"). In this manner we shall really make all land common property. For, the individual "possessor" of a particular piece or tract of land, who pays the State

for the use of such land, is in reality nothing more than a tenant of the State or the community.

This is, in substance, the reasoning of Henry George. Leo XIII., on the other hand, makes the lawfulness and justice of private ownership in land as well as in chattels the thesis which he proposes to demonstrate in the first part of his Encyclical and, at the end of his argumentation, lays it down as an essential basis for all true social reform, that private property, landed property included, must be kept inviolate. Hence it is clear that the teachings of Henry George and those of Leo XIII. are diametrically opposed. Nevertheless, it will be interesting and instructive to see this opposition more in detail. Let us, therefore, review some striking assertions which occur in the VII. book of *Progress and Poverty*, headed: "The Justice of the Remedy," and contrast them with the corresponding utterances of the Pontiff.¹

Henry George writes: "To affirm the rightfulness of property in land, is to affirm a claim which has no warrant in nature . . ." (p. 242). "Whatever may be said for the institution of private property in land, it is plain that it cannot be defended on

¹Our quotations from *Progress and Poverty* are taken from the 4th edition, 1880, "Lovell's Library."

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the score of justice" (p. 243). "The recognition of individual proprietorship of land is the denial of the natural rights of other individuals—it is a wrong which must show itself in the inequitable division of wealth" (p. 245).

The Pope writes: "The remedy which they (the Agrarian Socialists) propose, is manifestly repugnant to justice, because the right of having private property (in land as well as in chattels) is a right granted to man by nature." Again, "It must be possible for man to acquire as property not only the fruits of the earth, but the very soil itself. . . . Nature must have given to man a stable and never-failing store-house, from which he may expect never-ending supplies. But such never-ending supplies nothing can afford except the earth with its abundance and fertility."

Henry George says: "The Almighty, who created the earth for man and man for the earth, has entailed it upon all 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, natural justice can recognize no right in one man to