

Location Value



The community creates and sustains location value. Businesses and residents use the landed gifts of God or Nature (climate, fertile soil, waterways, minerals, etc.) to create this value. It is a whole that is bigger than the sum of its parts.

Population density is both a cause and effect of increased location value. Technological progress is both a cause and effect of increased location value. Abundant business and employment opportunities, enhanced choice, and product availability are both causes and effects of increased location value. Diverse choices in entertainment, places of worship, friends, and associations are all causes and consequences of increased location value.

Because location value is a complex calculus of subjective desire over a diverse population, it cannot be measured outside a market. Transactions for location, such as purchasing land for a factory or restaurant, will have a material effect on location value.

Because every location is unique and there is a wide variance of subjective value placed on a given site, and because location value is dynamic, it is not easy to extrapolate any helpful information from a transaction for location.

Location has no objective value. While a particular business might have an accurate way to measure the value of a specific site, another company or individual will value it quite differently. Location value is either subjective or microeconomic.

Because most effects are themselves causes of increased location value, the natural dynamic is for location value to grow forever, providing significant benefit to humanity. However, some advantage is lost, even in prosperous communities, because individuals siphon off location value for personal gain by collecting the [ground rent](#) on location value they had no hand in creating.

Is this theft of community-created value the root of social and economic injustice?



Were 100 people left on Earth, neither Fifth Avenue in New York nor Rodeo Drive in Beverly Hills would have any location value. Should 90 of those 100 people be clustered in Urbana, Illinois, survivors would flee the fashion outlets and abandoned luxury condominiums on Fifth Avenue, risking life and limb to find their way to Urbana, Illinois.

The claim that theft of community-created value is the primary root of social and economic injustice is not a cry for class warfare, nor is it an assumption in the proposed remedy. A second wrong is not demanded as vengeance for the first.

After all, most of us either own a small amount of land or wish we could. We expect most legally holding claims on community-created value only to surrender those claims in exchange for rich compensation. This becomes more likely, given the probability that those claims will ultimately become worthless.



Land has an arbitrarily high subjective value and potentially infinite worth. Many have killed and died for it.