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MUST WE LIVE UNDER A COERCIVE SOCIAL ORDER ?

PUBLISHED IN 1937 by George Allen & Unwin, London, Walter Lippman's *The Good Society* is one of the great books of our times. It is not one that should just have its vogue for as long as this or that book on politics or sociology may continue to enjoy notice until another in the same field takes its place. It belongs to the permanent text books and guides of the student and reformer for his better education and enlightenment on present day discussions and trends. It is not putting it too high to say that not since *Progress and Poverty* was published has a more revealing light been shed on the stage of human endeavour and perplexity. But if it were to be available for the average student, we could plead with the publishers for a popular and cheap edition the author abridging if need be to keep down the cost. The alternative, short of purchasing the book at its 10s. 6d. price, is to obtain it on loan, and whoever can influence public libraries should see that it is there.

Since our review of the book (*Land & Liberty*, August, 1938), we have wished to use it again by quotations from its pages, for what is said so well; the difficulty was always to know where to start and where to leave off. But there are passages so pertinent to the situation of to-day that we print them now with acknowledgments to both author and publisher.

The plan of the work, Mr Lippman explains in his Introduction, divides itself into two parts. The first is an analytical examination of the theory and practice of the movement which has, since about 1870, been attempting to organize a directed social order. In the second half he seeks to find out why the development of the liberal doctrine was arrested and why liberalism lost its influence on human affairs—to find out what is the inwardness of the liberal conception of life, what is the logic of its principle and the grammar of its intuition, and to indicate certain vital points where, because the liberals failed to develop the promise of liberalism, they ceased to interpret experience and to command the interest of the people. Here he says, modestly, "I attempt a task which is, I fear beyond my powers—a difficult and ambitious essay, and I do not offer it as a complete solution; someone else may find in it a clue that will lead him further." The search, he says, is worth much trouble for at the end of it men may find again the conviction of their forefathers, that progress comes through emancipation from—not the restoration of—privilege, power, coercion, and authority. And further, in this Introduction, there is the foretaste of the critical examination of that which must lead to this conviction:

Everywhere the movements which bid for men's allegiance are hostile to the movements in which men struggled to be free. The programmes of reform are everywhere at odds

with the liberal tradition. Men are asked to choose between security and liberty. To improve their fortunes they are told that they must renounce their rights. To escape from want they must enter a prison. To regularize their work they must be regimented. To obtain greater equality they must have less freedom. To have national solidarity they must oppress the dissenters. To enhance their dignity they must lick the boots of tyrants. To realise the promise of science they must destroy free inquiry. To promote the truth they must not let it be examined. These choices are intolerable."

The following passages are taken respectively from pages 127-130 and pages 387-389 of the book with headings we have put to them ourselves:—

Power and Privilege

The people have been taught by the collectivists to believe that the government can and should make them richer. The farmers and wage earners who come asking for tariffs, bounties, monopoly in their markets, fixed prices for their goods and services, are merely following the example of the manufacturers who told them that protection produces prosperity and that concentrated corporate control produces stability and security. In a society which has adopted the collectivist view, there is a standing invitation to everyone to devise some method by which the authority of the government can be used to improve his income. For that reason the great teacher of collectivism has not been Karl Marx; it has been the example set by the men who, in the course of more than sixty years, have successfully invoked for their own profit the assistance of the state. It is not the socialist propaganda which has converted the nations; it is the practice of gradual collectivism which has caused the people to think that if some can be enriched by the action of the state, then all might be enriched by it.

The older doctrine was that wealth is increased by labour, enterprise, and thrift, and that the way to a just distribution of income is through the repeal of privileges. It has been overwhelmed by the practical demonstration that some men prosper greatly when the government assists them. So the people have had it fixed in their minds that the state possesses a magical power to provide an abundant life. They have come gradually to think that their expectations may be as great as their government is powerful; that the stronger the government, the more certainly it can satisfy their heart's desires. After a while, when the doctrine is completely dominant in the popular mind, a point is reached where men cease to feel that there is any vital connection between production and consumption, between work and wealth. They

believe instead that the vital connection is between wealth and the power of the state. It is no longer labour, but the law, the force of the state, the might of the government, that is looked upon as the source of material well-being.

The belief in this miracle is due to an optical illusion. The power of the state, as such, produces nothing: it can only redistribute that which has been produced. Even if the state runs a farm, as in Russia, or a hydroelectric plant, as at Muscle Shoals, the wealth created comes not from the government's power to command and coerce, forbid and defend, but from labour, invention, and the resources of nature. The reason why the state *appears* by exercising power to create wealth is that it can enrich *some* members of the community.

It is an old illusion. On the River Rhine, the most important trade route of Central Europe, there were, in the twelfth century, nineteen stations at which tolls had to be paid. They were collected by armed forces gathered about the castles whose ruins still delight the tourist. Twenty-five more tolls were added in the thirteenth century and by the end of the fourteenth century their number had grown to approximately sixty-two or sixty-four. (Eli F. Heckscher's *Mercantilism*, Vol. I, p. 57.)

Many of these stations belonged to the Duchy of Cleves, and they were known as the "treasure." Now these tolls added nothing, of course, to the wealth of Europe, but they greatly enriched those who took the tolls. In this example, which is typical of all privileges, political force did not produce the "treasure." It exacted treasure from those who had produced it. The optical illusion arises because men mistake for the production of wealth the enrichment of those who take the tolls.

The popular belief in the efficacy of the state has its empirical support in the fact that under various forms of protection and privilege, such as tariffs, bounties, franchises, patent monopolies, and concentrated corporate control, many have undoubtedly been enriched. If they, why not others? Thus the unprivileged come forward demanding privileges too—privileges to compensate them, to give them parity with, to give them equality of bargaining power with, to give them protection from, those who enjoy the favours that the state bestows. For the inner principle of gradual collectivism—and its radical fallacy—is that it does not dismantle the castles on the Rhine and abolish the privileged toll stations; it attempts—vainly—to turn every cottage into a castle with a toll station of its own.

The attempt to universalize privileges, to create privileges for everyone, puts the stamp of official approval on everyone's expectation that the state can ensure his prosperity. At the same time, the measures of the collectivist policy, tariffs, bounties, fixed wages, fixed prices, guaranteed incomes, and the like, have the general effect of enhancing the real costs of production, of reducing the real efficiency of capital and labour, of subsidizing the high-cost producer at the expense of the low-cost. Thus, on the one hand, the state raises the people's expectations, and, on the other hand, it reduces their productivity. The state is expected to perform the miracle of providing everyone with a large and stable income—\$200 a month under the Townsend Plan*—by universalizing the privileges of not producing as much wealth as efficiently as possible.

Thus it has come about that under gradual collectivism the struggle for power has become ever more intense. As men learn that their fortunes depend increasingly upon their political position, the control of the authority of the state becomes a prize of infinite value. But because the multiplication of the privileges restricts the production of wealth and perverts its distribution, the standard of living does not rise in proportion to the expectations which have been aroused by the example of those who are enriched by privileges.

*Under this plan persons over sixty years of age would be forbidden to produce and compelled to consume.

Thus, as gradual collectivism advances, the competitive struggle for privileges is exacerbated. It culminates in the condition now prevailing, where the internal conflict is transformed into a conflict for the redistribution of national power and privilege throughout the world.

The Will to be Free

Measured by the creeds that have the greatest vogue, the reaction against freedom is almost everywhere triumphant. Yet though the reaction is popular, and the masses applaud it, the reactionaries have been winning the battles and losing the war. The people have been promised abundance, security, peace, if they would surrender the heritage of liberty and their dignity as men. But the promises are not being kept. In the ascendancy of collectivism during the past seventy years mankind has gone deeper and deeper into disorder and disunion and the frustration of its hopes. Because it is entirely incompatible with the economy by which men earn their living, collectivism does not work. Because it dismisses the lessons of long experience in regulating the diversity of human interests by law, it is incapable of regulating the modern social economy. Because it resurrects a primitive form of human polity, it revives the ancient parochial animosities of mankind. Because it affronts the essential manhood of men, it is everywhere challenged and resisted. Though collectivist theory is the fashionable mode in contemporary thought and guides the practice of contemporary politicians, its triumph is in fact a disaster in human affairs.

Though it is momentarily triumphant, it is a failure, and must fail, because it rests upon a radically false conception of the economy, of law, of government, and of human nature. But while it is possible to lead mankind by error into disaster, suffering is a hard school in which men do learn to perceive the truth. If the collectivist doctrine conformed to the data of experience and the needs of men, it would not be necessary to administer collectivism by drilling the people, sterilizing them against subversive ideas, terrorizing, bribing, enchanting and distracting them. The ants live successfully, it would seem, in a collectivist order: there is no evidence that they require ministers of propaganda, censors, inquisitors, secret police, spies, and informers, to remind them of their collectivist duties. But men do not conform to this scheme of things. Though they have been known to accept servitude submissively and even gratefully, they are in some deep sense different from horses, cows, and domesticated fowl. They persist in troubling the serenity of their masters, having in them some quality which cannot be owned. The lord can count upon his cattle. But he is never so sure of his helots. There is never the same certainty in his sovereignty.

For human beings, however low and abject, are potentially persons. They are made in a different image. And though, as Jan Smuts has said, "personality is still a growing factor in the universe and is merely in its infancy," (*Holism and Evolution*, p. 297), it asserts itself and will command respect. Its essence is an energy, however we choose to describe it, which causes men to assert their humanity, and on occasion to die rather than to renounce it. This is the energy the seers discerned when they discovered the soul of man. It is this energy which has moved men to rise above themselves, to feel a divine discontent with their condition, to invent, to labour, to reason with one another, to imagine the good life and to desire it. This energy must be mighty. For it has overcome the inertia of the primordial savage.

Against this mighty energy the heresies of an epoch will not prevail. For the will to be free is perpetually renewed in every individual who uses his faculties and affirms his manhood.

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