"No amount of tinkering with the free market by experts in prescriptive economics, by politicians who aim at protecting vested interests, by do-gooders who wish to level out society by taxing the rich to help the poor, will ever achieve their end. They are even more likely to achieve the opposite."

The Impotence

of 4--

FRANK MCEACHRAN



an aeroplane. More fundamental than these are certain faculties which nature bestows which are the very basis of life. For example we are born able to breathe and with a circulatory blood system over which we have little control. Children do not have to learn to breathe nor to circulate their blood, and in fact any attempt to control would probably end in disaster. There might of course be occasional obstructions where the surgeon might have to step in, but even here, as in the case of a broken leg or arm, the doctor is only, as it were, restoring the natural order. In other words the human race, by virtue of the evolutionary process, comes into the world equipped with the necessary means to live and, as I have argued in Freedom-The Only End does not need, indeed does not suffer the interference of men. apart from exceptional cases.(1) We are in fact impotent to meddle with evolution successfully and if we do interfere we do it at our peril. Now the point that has escaped the attention of most people is that this situation is also true of the human social level in so far as there too, is a structure

real circumstances under which human society arises and the laws to which it must perforce submit. It is not of much use trying to explain the true meaning of laisserfaire, because the discredit which now appertains to the doctrine has made the term, for our generation at least, a dirty word. Nor is it of much use to counter with the argument that State-ridden societies such as Russia, China and the Iron Curtain countries have been less successful than the capitalist countries in satisfying people's material and non-material desires. The socialists as a rule will not believe it, and are quite persuaded that communist governments do tend to favour the poor against the rich and help the weak against the strong. Even if it is admitted that these governments have not always been successful (to put it mildly), they feel sure that if they and men like them took charge, with all their overflowing good intentions, the State would not go wrong; this could not happen to them. Now this brings us to the important but not usually understood theme of human impotence, of which there is one good exemplar and many bad ones. We know that in human life

THE GREAT difficulty the advo-

when talking to convinced socia-

lists, lies in the fact that the latter

are intellectually committed to the

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cates of laisser-faire (in its un-

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there are certain things which nature does for man and certain things men have to do for themselves. We are supplied by nature with legs and arms, eyes and ears, but we have to learn to walk and to swim, to ride a bicycle or pilot

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with laws to observe which are not man-made but belong to the natural order, not prescriptive but descriptive, (like the laws of any other science) and if we fail to adjust ourselves to them we meddle to our own ultimate ruin.

At the base of the economic structure are the two primary factors of production — land and labour supplemented by their offshoot the labour saving tools we call capital. Corresponding with these now three factors of production are the channels through which wealth is distributed, Rent for land, Wages for labour and Interest for capital.

It is inherent in the social structure that the economic rent of land should acrue to society as a whole, there being no possible justification for excluding any person or group; that wages go to the individual as worker and interest to the individual as capitalist. There is thus one collectivist element i.e. land rent, and two which are individualistic i.e. wages and interest. Behind this lies the free and natural market which by competition and supply and demand. decides what the level of production and exchange shall be. And no amount of tinkering with this situation by experts in prescriptive economics, by politicians who aim at protecting vested interests, by do-gooders who wish to level out society by taxing the rich to help the poor, will ever achieve their end. They are even more likely to achieve the opposite. The world is so constituted, socially and economically, that if you allow the natural law to function then you will get not only a free society but a rich one and a just one, in which, in the long run, revolution and war would make no sense, and in which, to return to our first analogy, men would breathe freely. It

⁽¹⁾ Freedom—The Only End - Johnson Publications, available from Land & Liberty Press.

is no exaggeration to say that all the seemingly intractable economic problems of modern society born both of the social maladjustments referred to and of the very misguided attempts to deal with them, would disappear.

The appalling state in which the world now finds itself is due as much to the interference of gov-



ernments as to the incompetence of men. We might even say the over-competence of governments, for, unaware of their own impotence, by sustaining land monopoly, imposing taxation, tariffs, subsidies, controls, etc., on an unwilling society, they have brought about such a disorganisation of society that economic collapse might well be the final outcome.

The genuine economic tradition is not Proudhon, Karl Marx and Lenin, but Adam Smith, Ricardo and Henry George. We may add that one lasting contribution of the Russian Writer Solzhenitsyn, author of The Gulag Archipelago, will be found to have been made to the world in his assertion that things went wrong in Russia not with Stalin, nor even with Lenin, but with Karl Marx himself who first really set the world afire with the belief, totally erroneous, that the State, by nationalizing the "means of production" rationalise economics and bring into the world the just society.

The sort of argument we are following sets a natural limit to what the State should do and this is precisely what the world has forgotten. Our doctrine is a tremendous one of negation, which says to the State "so far and no further." On the economic level the sole business of the State is to collect the rent of land, known technically as the economic rent, and nothing more, because this is the material basis of a just society.

At the present moment the State collects much more, whether in the shape of taxes direct or indirect through the central government, or in the shape of rates by county authorities. It collects enormous sums to pay enormous bills, and repays enormous sums in "redistribution" in attempts to make good its neglect to implement equal rights to land rent and to make good the appropriations of privilege and monopoly. It employs in so doing a gigantic body of bureaucrats who might well have been engaged in the actual production of wealth and services. As the poet says:

"They fight by shuffling papers, they have bright dead alien eyes, They look on our labour and laughter as a tired man looks at flies."(2)

The point at issue as regards human impotence is that the laws of economics themselves tell the State how far it should go, just as the waves, according to the legend, told King Canute. If the market were really free and all forms of production and communication were run by individual enterprise, the State would be able to get down to what is really its sole business, the establishment of justice, the maintenance of law and order. The rent of land of course would be much smaller than the enormous taxation of the modern State, but then the rôle of the State would be far more limited. Thus the claim of Albert Jay Nock in his book Our Enemy The State(3) "That society would rise to its highest level of power, the State sink to its lowest," would come into its own at long last. We could then talk of the state without a capital letter, because it would have become what the liberals of the nineteenth century meant by government, and not a State, a very different conception.

Christ laid down on a famous occasion that men should render unto Ceasar the things that are Caesar's and unto God the things which are God's. Translated into modern terms this means that there are spheres of life and action with which the State should not concern itself, a doctrine which, as

(2) G. K. Chesterton-Poems.

we know, has only too often been flouted, both in past years in Europe and in contemporary times in most of the Iron Curtain countries. Gradually society in Western Europe achieved toleration in religious matters and later in matters of art and literature, freedom of the press dating in England from the end of the eighteenth century. Thus we can say that in Western countries in modern times it has been more or less firmly established that religion and matters of conscience should be left to the individual and the same to a very large extent in the sphere of art. This is not the case, as we know in the Iron Curtain countries, where the power of the State has invaded both religion and art and sadly curtailed activity in many spiritual spheres. Now a sphere of life which has almost equal importance with religion and art is that of education and here we have seen, in the last century, the growth of the doctrine that education is the concern of the State and not of the individual and this not only in communist countries. This is a fundamental error, although not without its raison d'être. In the poverty stricken conditions of the Western world during the last century it is obvious that without State interference a multitude of people would have received no education at all, just as in the case of medicine they were frequently deprived for reasons we have amply explained. State education in Western Europe is, of course, not fundamentally a means of propaganda as it has become in the communist countries, but we ought not to forget that the liberal attitude depends in the last resort on the liberal tradition of private education. This should operate as a warning about the sort of atmosphere which might later develop if, through the abolition of free education, the liberal tradition might be forgotten. The story is well known of a Soviet delegation to Westminster, the leader of which asked the Minister of Education what general line the State imposed on the teaching, say-of a revolutionary like Shelley. The answer, which the Soviet delegates would not believe, was "no line at all." Long may this attitude prevail.

⁽³⁾ The Caxton Printers Ltd., Col. Iwell, Idaho 1946.