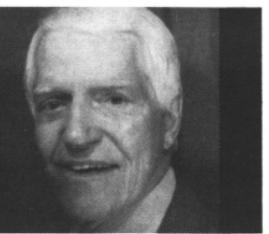


LETTERS

YOUR VIEWS
edited by
JERRY STOVIN



Socialism is alive and kicking

THERE IS, TODAY, a certain fashion in some quarters to write-off Socialism as having no political significance. Although, in Britain, there has never been any strong political backing for a Socialist Party by name, nothing could be further from the truth in terms of active politics. Socialism is a political philosophy which was developed after the French Revolution along the lines of Saint-Simon and Fourier who emphasised *associative enterprise* rather than direct state control (c.f. New Labour below). Marx and Engels dissociated themselves from this utopian view and sought to turn Socialism into a revolutionary force. Leadership in thought then passed to Germany, where the first major socialist party was founded by Lasalle. In the last decade of the C19th, its counterparts were to be found in Britain and Russia, but the attempted internationalisation (First and Second Internationals) collapsed through discord.

British Socialism (with its origins in welfare-minded industrial entrepreneurs and Robert Owen with his co-operatives) was deeply sceptical of Marxism and generally held to democratic practices. It tried to use the Trade Unions as its real source of power, eventually entering and trying to influence the Labour Party. In Germany, Socialism was seen as a prop for Nationalism: and Bismarck, whilst not a Socialist, recognised the anti-Liberal and paternalistic affinity of Socialism and "Toryism", and aided by "the Prussian



FEATURE LETTER by ROY MARTIN

schoolmaster" (state education was for the state), set the notion of the corporate state and its industrial army.

Socialism has always been somewhat vague in its mode of achievement as well as meaning. It has covered the whole range from Marxism to so-called Humanistic

Liberalism. It is this vagueness which has enabled Socialism to be pursued by indirect community control and why, today, we have reached the position about which Hayek so clearly warned, and epitomised by the dedication "To the Socialists of all Parties", in his *Road to Serfdom*. The Liberals lost their way after WW1 by pursuing state paternalism – a poor second to Labour – and the Conservatives accepted the Welfare State and similar paternalistic reforms, after WW2, because they did not significantly disturb their real economic basis – indeed, they saw gain from it.

More recently, the Labour Party, after ousting its militant left wing under Kinnoch and dropping nationalisation under Blair, went for the option of indirect state control. The present Government is courting the big corporations and landowners for the control they have (compare the support for aristocrats and Junkers in Germany of the thirties), setting up a multiplicity of agencies and task forces with powers to intervene but unaccountable to Parliament, reducing the Trade Unions (the core of Old Labour), pursuing economic planning by interference in the market place with subsidies, tariffs, licensing and by controlling the money supply and the interest rates, using the welfare system to make the individual state dependent, applying unprincipled arbitration throughout, nurturing collectivism, directing values and morals and preaching "political correctness" (Nazi Kultur?).

This is Socialism in all but name and the antithesis of so-called Western Capitalism, which is defined by the belief that unchecked, by taxation or otherwise, capital led to the optimal development of the economy. It was Hitler's method after crushing the Communists and uniting the Socialists of all classes. He achieved the political rebirth of the German nation by making government 'big business', protecting landed privilege, disarming the Trade Unions, throwing off the Versailles Treaty, and bidding for what Germany wanted most and still does – "lebensraum".

Indirect control, by ostensible privatisation, becomes the more efficacious way of maintaining Socialism and state supremacy by avoiding the blame for much of what goes wrong. For example, Blair has freed the Treasury of blame for monetary policy by detaching it from its previous partnership with the Bank of England and making the latter solely responsible, whilst knowing perfectly well that it will keep to the same fiscal

The terms of free trade

Sir, Free trade means unimpeded trading conducted by willing participants. It is not free as in the case of free lunches. Trading refers to exchanges done in services rendered or in manufactured products.

Georgists are not anarchists. We recognise that the role of government is to collect the economic rent of natural resources within its jurisdiction and to safeguard the person and property of its citizens. This includes a vigilance for any-

thing which might endanger public health.

If anyone wants a better term than 'free trade' it had better be good. "Fair trade" won't do. It is as vague as beauty being with-in the eye of the beholder!

Some Georgists waste a lot of valuable time and effort arguing over semantics. Do the conservationists hold self-examination sessions over the meaning of the word "environment"?

Mr Lefmann (*L&L*, Spring 2000) states that

"freedom for giant international companies means less freedom for producers, traders and consumers" but forgot to include his evidence. It was just another version of the "big is bad" script run by the disillusioned socialists.

The WTO Seattle demonstrations were no more than a manifestation of the public ignorance of basic economics. It ain't us that's got it wrong!

Frederick J Auld
Dodges Ferry
Tasmania