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The Vital Importance of
the Economic Laws of
Distribution to National
and Local Government

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The two main functions of National and Local Government are firstly to observe laws and secondly to make laws. The laws of a community may be placed into three categories—(1) Natural law; (2) Common law; (3) Statute law. The more important of these two functions is the observance by the representatives of the people of these three classes of law, for only by such observance can stable government exist and justice and equity for the people obtain. The law comprising the first and second categories existed long before any Parliament or governing authority came into being, common law having for its basis the recognition by the community of the necessity for a definition (either correct or otherwise) of the various rights and responsibilities of the individuals comprising such community. As for Statute Law little need be said at this stage.

The natural laws which govern society do not owe their existence to any government but begin to operate as soon as society is formed and as the primary necessities of mankind are food and perhaps shelter the basic natural laws are those relating to the production and distribution of those necessities. These natural laws are the very basis of society and the very basis of government; no other system of law can exist without them, for it is upon natural law that all other laws are superimposed, hence the vital necessity of these economic laws to any or all systems of government.

These natural laws govern society from the mightiest ruler to the meanest villain, but it will be observed that they govern society to lesser or greater degrees, and under our present system the more intense is the operation of these natural laws, so the more intense becomes our system of Government just as in the case of scales the more weight on the one side so the greater weight is needed on the other to

create a balance. The laws of production and distribution of wealth have operated ever since man sought food and shelter, but government is a comparatively recent institution in man's history, the beginning of which may be traced to the discovery of the presence of barley on the banks of the Nile in Upper Egypt about 4000 B.C. Why should the discovery of barley under such circumstances be the cause of the institution of a system of government? Primitive man took no thought of the morrow. He roamed about the earth living on such food—roots and berries, grubs, shellfish, eggs and meat—as he found, but made little or no attempt either to store up food or to increase the same by agriculture or cattle breeding. Such natural men were in fact mere food-gatherers. Civilization began when they became food-producers, that is farmers who cultivated cereals and bred cattle. Before this men lived much in the same way as apes do. They built no houses and did not wear clothes. Apart from the family they had no social organisation and neither arts nor crafts beyond the making of hunting implements. Sir George Elliott Smith says: "What was it then, it may be asked, that brought to an end this era of the simple life with its complete freedom"? From the evidence at our disposal there seems to be little doubt that the presence of a natural crop of barley on the banks of the Nile in Upper Egypt was the predisposing factor in starting the vast revolution in the affairs of mankind which prepared the way for the creation of civilization. At a time which we may tentatively estimate at 4000 B.C., the people who appreciated the fortunate chance which provided them with this abundant and ready-made supply of food adopted a settled mode of life".

We see from this that these people by their dependence upon the barley crop became anchored to a particular locality and they assumed a settled mode of life. Population increased and cultivation of arts and crafts began. Here in the valley of the Nile began a social organisation which has grown to the complex system of to-day. Here began the first system of government. It may be interesting to contemplate as to why the beginning of a settled mode of life should be contemporaneous with the commencement of a system of government. Was it not because the natural laws of production and distribution of wealth became more intense in their operation? Was it not because the means by which they chose to live was limited and there was at once a necessity to secure to the people their natural rights to that fertile valley or more prob-

ably to suppress the reactions of those people to the initial attempts to deprive them of those natural rights? Perhaps in this cradle of civilization was the beginning of exploitation. Perhaps government of some kind was necessary in order to permit some to exploit more than others. I suspect the latter. No doubt the strong claimed the land upon which the barley grew and then forced the weak to reap it for them. What a different world it might have been to-day had the early government of Egypt had a knowledge of the economic laws of distribution. How vital to that government was a knowledge of such law. Either the use or abuse of these laws was the very reason for the existence of government. Natural law is the very basis of government.

To-day the operation of the natural laws of production and distribution of wealth is very intense through the vast increase in population and the introduction of improved methods of production. Our system of government is also very intense, but just as a settled mode of life meant the necessity for government so an intensification of such mode means an intensification of government. Many people abuse our governments and our politicians, but the main explanation of their actions and inaction is ignorance of natural law. Socialism is the result of a genuine desire of honest men to correct the evil results of a system without themselves being aware of the faults underlying such system. Some of the early Socialists in England were intellectual men such as Snowdon and George Bernard Shaw, but the majority were not. They merely saw the terrible effect of exploitation, they saw the poverty and crime, the appalling housing conditions, they saw a tremendous rise in production and trade and saw no corresponding rise in wages. Some claimed to understand the arguments of Henry George but considered that his remedy did not go far enough. All of them had a genuine desire to raise the standard of living and working conditions of the people and notwithstanding the unwieldy, wasteful, crude and ignorant methods adopted by them for so doing they have to a certain degree succeeded but not without a great intensification of government. Of what vital necessity to those men was a knowledge of the natural laws of distribution. What an easier task it would have been and what greater result would have obtained. Let us examine some of the efforts to correct the faults in our economic system. Firstly wages—we have a cumbersome system of arbitration for the regulation of hours of work and wages. What need would there be for

any award if those who govern us knew that wages are governed by the margin of production? What man would be involuntarily overworked if he received the wealth he produced and was free to employ himself when and where he wished? What battle would be fought if we realised that by permitting others to share our natural resources we would ourselves be better off? What tariff would exist if we understood that we should accept payment for our exports? What crime would be committed were poverty made unnecessary? The ignorance of natural law has brought into being an army of non-producers whose very existence depends on an underlying fault in our social structure. Hordes of tax-gatherers to draw water from the wrong well. Armies of police to control those prevented from working or forced by poverty and ignorance to trespass upon the rights or wrongs of others. Thousands of lawyers to defend ancient rights and privileges. Millions of troops to protect those who have from those who have not and to satisfy the lust of those whose power has been obtained by crafty salesmanship and by playing upon ignorance of natural law.

When the present catastrophe comes to an end a great search will begin, some will search for new and better methods of exploitation, many will search for employment and so also will many search for truth. Never in world history was the knowledge of the natural laws of distribution more vital to national and local government than now, and never than now was the lack of such knowledge more dangerous.

The moral of this paper, which was read for the particular benefit of persons concerned in National or Local Government, is that no matter how good the intentions of the persons concerned in government may be their task is bound to be a failure unless they understand the natural laws which govern society. It is the object of the N.S.W. School of Social Science to promote this knowledge. Write to the School—Box 666 F.F., G.P.O., Sydney, or Box 67 P.O. Newcastle, for further particulars.