

PEOPLE AND PROGRESS

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The human mind is something that is formed in a mould designed by the culture in which it passes its early years. Attitudes and reactions are merely reflections of those observed around; and this is a good thing because such a mental stance has obviously resulted in the continuity of existence of the surrounding culture.

However, the mind is not passive, but inter-reacts with other minds, modifying by slow degrees the intellectual climate to result in social change. Innovative thinking is not possible to everyone but appears confined to a small proportion of intellectuals who will become leaders if they achieve acceptance of their novel incursions into the realms of ideas. If their ideas do not win acceptance, then these innovators will remain obscure and of little influence.

Our culture may change for the better with the change of outlook or it may change for the worse. All depends upon the quality of accepted innovative thought. Before acceptance we should ask: - "Is the thought logical, - i.e. based upon valid premises, correctly reasoned, and validated through adequate observations, or is it mere superstition, i.e. a belief based upon inadequate proof?" Innovation per se is not socially beneficial. When brought about by whim and spread by emulation alone, it is unlikely to be beneficial, but when based upon logic and adequately proved, only benefit can accrue. (We are assuming of course that no-one would want to use knowledge to harm society of which he is a part.)

If we give a little more thought to innovation and innovators we are struck by the great mental capacity required to advance logical thought but one small step. Intellectual giants like Newton who not only pioneered reasoning on gravity, but who also invented a system of mathematics dealing with the changing quantities he had to study, are not to be found in every generation of the human race, and so it is to be expected that it is indeed a great achievement if ordinary mortals are able to break out of the shell limiting their intellect when they are presented with one great innovative truth.

Moreover, it should not cause any wonder if an intellectual giant, having freed himself of socially generated mental fetters regarding one matter, should fail to avoid popularly accepted superstition in another matter. We do not expect the athlete who wins the pole-vault to excell at the shot-put.

As a tool of innovative thought we must appreciate the role of language. Few people have realised the simple truth that when we think, we verbalise our thoughts. Mentally we put words to our ideas, and collate and compare in the process known as thought. It follows that if our verbalisation is imperfect, our thinking is likely to be inadequate. We need only think of certain religious cults in which the constant repetition of a certain word or phrase, - Praise the Lord, or Hare Krishna, - causes suspension of thought in its victims. Conversely, if our verbalisation is precise and of an adequate vocabulary, our thought processes are likely to be unfettered and effective.

In rational thought, vocabulary is of prime importance yet modern society is composed chiefly of people both literate and illiterate who give no thought to the accuracy of their words. Poetically words do not need to have a precise connotation. "Hearts that once spaniel'd me at heels" may be resonant and evocative of far-flung imagery. When Shakespeare wrote those words he expected us

to realise that the heart was representative of the whole person who has feelings of loyalty. We react by accepting Shakespeare as the world's greatest playwright because he could cause our imagination to wander by using imprecise words.

However, the wandering mind is not engaged in logical thought. It is liable to go astray, and our minds do go astray whenever we give our attention to radio or television. Blithely the announcer says such nonsense as "Asia cannot feed her starving millions." No-one is ever heard to complain that Asia is a geographical location, and that the people who live there feed themselves when allowed to, by applying their labour to Asia. At another time we may hear "China now thinks that Mao was mistaken" - a totally nonsensical statement. Only the individual can think. Even if we form a committee, all the members cannot think in unison. Far from the people of China thinking in unison, the truth is that some have one opinion, some another, some think for themselves, some accept opinion without thought, and many could not care less.

The thrust of the foregoing is to make the point that if we are ever to achieve the almost superhuman task of making advances in human knowledge or even accepting an advance someone else has made, we must think straight, we must be meticulous about the exactitude of our language and the proper progression of the thought-processes in which they are employed.

Henry George made a great stride forward when he perceived economic rent as a factor which controls all economic relationships. He showed how its misappropriation always equates an advancing power to produce wealth with a depressing of the condition of the poorest while it elevates the wealthiest just as though the effect of progress is to drive a wedge through the middle of society. He showed how the speculative variations in economic rent were an adequate cause of the boom-slump cycle. He, as no other before him showed the destructive effect of taxation by one means or another, of the individual's wages.

George gave us the key to a sound understanding of the principles of economic science. His logical mind set him apart from contemporary exponents of the dismal science, but there were some areas in which he saw the possibility of further advance but did not proceed being busy in promoting acceptance of his principal discoveries. For instance he appears to have accepted reluctantly the tripartite division of the distribution of wealth taught by the current political economy, yet in Progress and Poverty he wrote, "In truth the primary division of wealth in distribution is dual, not tripartite."

Unfortunately some Georgists refuse to take a step that obviously Henry George was upon the point of taking, so let us see what progress has been made by other thinkers. To go back to first principles, private property can arise only from the individual's right to himself and the exercise of his faculties. Private property must originate in labour. It must be called wages. Loring D. Beckwith of Stockton, California used to say that rent is the "wages" of society. He saw that the primary distribution of wealth and services is into wages for individual labour, and rent for social labour. If we were careful of the language we use we should never say that to capital goes interest. Capital is a dead thing, or in its living forms unproductive. Capital cannot have property. As well may Asia be unable to support her starving millions. It may be countered that it is the capitalist who receives. If so it should be pointed out that ownership is not a productive state. Nature takes no account of men's "rotten deeds and parchment bonds". What is called interest is a secondary channel of distribution.

Among those who appreciated this truth were Andrew MacLaron and R.R. Stokes who founded the School of Economic Science teaching that interest arises not from production, but from an obligation created by a Debtor-creditor relationship. A defense of the payment of interest because of the reproductive capacity of living forms of capital leads its advocates into a foolish position at times, as when they speak about putting cattle into a field and allowing them to increase. Cattle must be provided with water by labour; the bull-calves must be castrated, heifers assisted to calve; minerals must be provided, and when the fall arrives, the declining pasture must be replaced by hay until the following April. All this help is provided by labour. Without it that bull and cow turned into pasture would soon be dead.

Just as Henry George, by clarifying the meaning of the term "wealth" made it possible to gain a clearer perception of economic truth, so Beckwith refined the terms "moral" and "morality", enabling the mind to appreciate the distinction between the individual field and the social field, - and after all, that is what Georgism is all about. Accepting only the definition of "describing relationships between individuals in the matter of how we think, feel, and behave one toward the other," Beckwith pointed out that only individuals can think, feel, and act, and that those who allege that society is bound by the moral law must ipso facto regard society as a sentient and active person, - the ludicrous position adopted by the newsreader who says "China now thinks that Mao was mistaken." It is evident that social problems must be problems in some discipline, and the only logical sphere is that of natural law. Moral problems may be solved by reforming the character of people, but to solve problems in natural law we should not waste our time trying to make people over in our predetermined pattern, - an impossible task, but rather, realising that natural law acts in the same way for saint and for sinner, we should seek social reform by concentrating upon problems in social science. Conforming with natural law, we can have good social conditions with human beings as imperfect as they are at present, just as we can conform with the natural laws relating to their construction.

Accepting Beckwith's refinement, the task of social reform does not seem hopeless. Once the basic laws of nature which govern society are understood sufficiently, people will demand right social action out of enlightened self interest.

Perhaps the greatest divisive controversy between Georgists has been the methods of implementing the basic reform in land tenure. While in the twenties and thirties many people were making the taxation of land values an issue in politics, there were people like J.W. Graham Peace and R.L. Outhwaite in England who were opposed to the use of that term and urged Georgists to take a step forward by discarding the term "taxation". Among the Justice Party in Denmark similar thinking prevailed. Their reasoning was as follows:

- (a) A tax is a burden. The imposition of a tax is tacit recognition that the person taxed owns that which is taxed. In relation to rent, neither statement is true. It is not burdensome to pay the economic rent of one's holdings to the public. The holder is already in possession of community-created advantages. In law, as in justice, land cannot be owned.
- (b) A tax is unpopular. People try to evade it. If the only terms on which people may have security of tenure of an area are the payment of its rent to society and good stewardship, people will gladly offer to pay. When Henry George wrote Progress and Poverty, taxation was light and it created little outcry. Since the thirties, taxation has been all-pervasive. It has become crippling and the public is in revolt against its present levels.

- (c) Taxation discourages industry. The collection of ground-rent liberates initiative and energy.

The Danish Justice Party did not advocate taxation. Their demand was for Grundskyld, or ground-dues. Beckwith added another thought; "Land has no value, it is only the title that has value." he would repeat. This statement is worthy of some thought. One group in the U.S. used to advocate the public collection of the Vol-matic revenue, i.e. the rent of sites which is voluntarily paid to the public treasury as the condition of occupancy of particular lots, and which is automatically adequate. Vol from voluntary, plus matic from automatic gives us "volmatic".

Henry George said that it did not matter if people regarded land as property if they had to pay their ground-dues to the public, - leave them the shadow if the public has the substance. But that is not quite an honest attitude. Georgists should aim to destroy the fallacy of land-ownership, and strangely enough it is environmental groups who have never heard of Henry George who are expounding the idea that land occupancy is only a form of stewardship, - that land should be held in trust for futuro generations. Two apparently random groups in British Columbia have issued such statements. There is also a Land-trust movement at work in the Canadian Prairie provinces where a young man who is not a millionaire cannot make a start in farming. These people seek leasehold tenures at a practical rent.

Beckwith never tired of pointing out that land is not property. He emphasised the fact that the term "real estate" means "royal estate" just as Montreal means Mount Royal. Real estate and Crown land are synonymous terms. He pointed to the residual powers of the public under the principle of Eminent Domain to be found in the U.S. and Canada as well as in most other countries which had accepted the English system of law as a base for their own. Eminent Domain denies private property in land by making it possible for the community to resume title to any area of land at any time without compensation if necessary. Georgists who do anything to reinforce the idea that land is property are behaving in a way that is reactionary to all that George stood for. They lag behind people who have not had the benefit of reading Progress and Poverty, but who realise from first principles that human beings can only be tenants of the earth.

Let us not persuade ourselves that we have the sum total of economic science in our grasp. Rather let us leave our minds open to reason, reason that operates in precise terms, for "Mind is the instrument by which man advances. Though he may not by taking thought add one cubit to his stature, man may be taking thought extend his knowledge over the universe and his power over it, in what, so far as we can see, is an infinite degree. The narrow span of life allows the individual to go but a short distance, but though each generation may do little, yet generations succeeding to gain of their predecessors, may gradually elevate the status of mankind, as coral polyps, building one generation upon the work of the other, gradually elevate themselves from the bottom of the sea.

Mental power is, therefore, the motor of progress, and men tend to advance in proportion to the mental power expended in progression - the mental power which is devoted to the extension of knowledge, the improvement of methods, and the betterment of social conditions."