

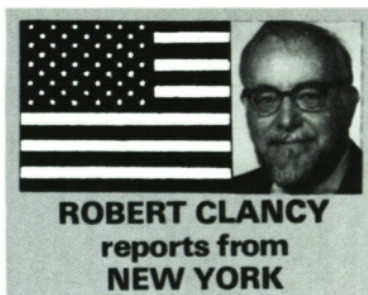
1982 marks the centennial of the birth of Franklin D. Roosevelt, the most influential American President of the 20th century. (Two other notables who changed the course of culture were also born in 1882: James Joyce and Igor Stravinsky; and two who changed history died that year: Charles Darwin and Giuseppe Garibaldi.) And 1982 is the 50th anniversary of Roosevelt's election to the Presidency. Thus there is occasion for a revaluation of his impact on history.

Elected during the worst part of the worst depression in modern times, Roosevelt started with the call that helped lift the nation's mood, "The only thing we have to fear is fear itself." Then he and his "brain trust" embarked on a series of experiments not really knowing where they would lead. These emergency trial-and-error measures were supposed to be for a temporary crisis situation – but they have evolved into the solidly entrenched welfare state that we have today, which includes payments to the unemployed and the elderly, support for generations of "welfare families," medical and educational expenditures, etc.

Roosevelt was elected for an unprecedented four terms and died early in his fourth term as World War II was nearing its end. During his Presidency, the conservative opposition denounced his programmes and policies as "socialistic" and "anti-free-enterprise." Today historians contend that Roosevelt saved capitalism as the country was on the verge of revolution.

SINCE Roosevelt, Democratic and Republican Presidents have come and gone, but the welfare state has stayed and continued to grow, and so has deficit financing (Roosevelt started out with the ideal of a balanced budget).

Today we have Ronald Reagan, who has avowed that he would turn back the tide of big government, high taxes and profligate spending. He proposes a cut in tax rates – but there is a catch to it. Believing that America has fallen behind Russia in arms build-up,



Ignore the rhetoric – New Deal aid has hooked our entrepreneurs

the Reagan programme calls for bigger military spending with cuts in social programmes – and a deficit.

The biggest tax breaks are for the upper income brackets, on the supply-side theory that their tax savings will be ploughed into industry, thus creating jobs. But a serious recession has spoiled the scenario and Reagan has lost much support. Not only liberals but conservatives are critical, and Reagan in turn has scolded industry and financial markets for not responding to his cures and incentives. Almost the only full-fledged backer of Reaganomics left in Congress is Jack Kemp.

Ironically, Reagan is theoretically giving private enterprise what it has for years been saying it wants – lower taxes, less government, fewer regulations. What has instead developed is that private enterprise, in spite of the rhetoric, has become used to and dependent on government involvement and does not really want it to go away. The same is true, of course, of the millions who receive government "aid" in one form or another.

Reagan has gained the reputation of offering "welfare for the rich" and of being insensitive to the needs of the poor – a charge which

offends him. He avows that he himself has come from a poor background and that he understands very well the problems of the poor.

Roosevelt, on the other hand, came from a wealthy patrician background, yet he gained wide acceptance and trust as the friend of the "common man," while the upper strata of society reviled him, and he himself denounced the "economic royalists" and "robber barons."

This is a paradox that has appeared before. Thomas Jefferson came from the Virginia aristocracy, yet was understood to be the champion of democracy and equal rights for all men. Alexander Hamilton, who rose from lowly origins, favoured the wealthy classes and wanted to throw the balance of influence their way. An interesting problem in psycho-history.

Still, Reagan – along with the two other living Republican ex-Presidents, Ford and Nixon – has participated in the centennial praise of Roosevelt, and he has even likened himself to the famous New Dealer.

THE NEW DEAL that was wrought in the Roosevelt era has become more embedded than even its opponents might have realized. It was supposedly because of mounting opposition to endless welfare and public debts that Reagan was elected, as he often reiterates. But the people and the economy have become so habituated to the pervasiveness of government that when the reality of its withdrawal approaches, they view this with alarm.

All this has been intensified and complicated by a deepening recession – which was the cause of the start of the New Deal in the first place.

One thing Roosevelt and Reagan have in common is that both missed the basic cause of economic problems in inflated land values. Roosevelt considered it imperative to restore and maintain high land values, this being his idea of an important index of recovery. Reagan, when he was Governor of California, was approached about land value taxation as a measure against land speculation, and his reaction was that he saw nothing wrong with making a profit in land (as indeed he has done).

Cont. on P.79

BRAVO BENN?

Robert Jenkins, *Tony Benn: A Political Biography*, Writers and Readers Publishing Co-operative, £6.95, 293 pages.

"I am an unrepentant believer in free enterprise. I have failed to discover, in a long and diligent search, any material benefit which has ever reached mankind except through the agony of individual enterprise. I therefore regard the whole movement for creating wealth through political agencies as a snare and a delusion"

— Ernest John Pickston Benn, 1925

ANTHONY Wedgwood Benn is a radical non-conformist politician, now ex-minister of a former Labour Government. His biographer, Robert Jenkins, is a Conservative Catholic accountant, a merchant banker and supporter, presumably, of the present British Government.

If the precept that opposites attract has any value, the opposition of subject and biographer would seem to be confirmed in the present volume. This is a fascinating and carefully researched analysis of the political foundation of the Benn family saga, culminating in its present populist aristocrat who has been driven by noblese oblige and a non-conformist conscience into the career of a latter day Gracchi.

The career of Anthony Wedgwood Benn is a classic example — if the matters drawn to our attention by Mr. Jenkins can be taken at their face value — of the Lysenkian theory that environment is more important than heredity.

Sprung from the loins of liberal popular radical and patriotic British non-conformist stock, Anthony Wedgwood Benn represents a drastic falling away from the essence of radical politics.

While he may plaintively cry for an explanation for the co-existence of wealth and poverty, his uncle, in one paragraph, explains the delusion of all those who seek a state socialist answer to the injustices of the world.

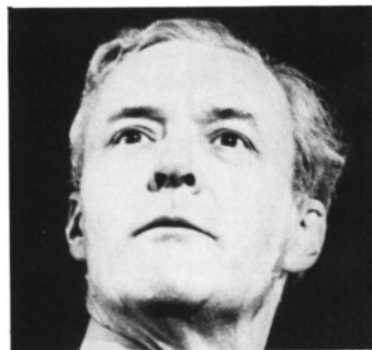
More importantly, as Mr. Jenkins shows, it was Tony Benn's grandfather, John "Bravo" Benn, who as representative of the progressive party on the first London County Council elected under the Local Government's Act of 1888 carried out a substantial, radical reform of the municipal government of the

Kingdom's capital city. While Mr. Jenkins is full of praise for the liberal John Benn, he neglects to record the fundamental plank of the progressive party which helped win it the first council election in London, namely the taxation of vacant land.

It is a shame that, rather than looking to his own roots and studying the career of his grandfather, the present representative of the Benn family in the politics of the UK allows himself to be seduced by all the trendy environmental and ecological jingles. Mr. Jenkins clearly portrays the weakness in Mr. Benn's character which leads him to embrace urgent and infallible solutions, solutions which his career have proved to be passing thoughts without substance. The ends which Mr. Benn embraces are laudable and his conscience is beyond reproach. Mr. Jenkins unconsciously reveals, by his careful accumulation of detail of political crisis after political crisis in the affairs of his subject, how a facile reaction to outside events divorced from a reasonable world view, based on a consistent philosophy, will lead to mere fashion and dilettantism.

While recommending Mr. Jenkins' biography, there is one reader who has most to learn from perusing this biography. One can only hope that Tony Benn, by reading the first chapter "The Inheritance of Dissent", will be persuaded to search deeply into the archives of his grandfather and come to a simple and logical explanation about an economic system which permits human need to co-exist with 30 million unemployed people in the industrialised world. His grandfather was driven by conscience and an understanding of the principles which govern land, labour and capital, principles which he could only have absorbed from close and reasoning attention to the theories and solutions promulgated by Henry George, which are part of the political heritage of that time.

If now Tony Benn, while repudiating his aristocratic antecedents, would embrace his true political inheritance, we may one day be able to cry, as Gladstone did of his grandfather: "Bravo Benn!"



● TONY BENN

HOOKED ON AID

Cont. from P. 80

In Reagan's administration, the welfare state is much bigger than it was in Roosevelt's day, and if it is brought down, it will not be by much; pressure from all sides will prevent that.

The ideal of a free market and a free economy, little government and low taxes is often invoked but it is not within sight. So long as people feel the edge of insecurity, restricted opportunities, periods of recession and unemployment, they will cling to the welfare state, onerous and cumbersome though it is.

The growth of the welfare state leads to an intolerable state socialism and the reduction of the welfare state leads back to the intolerable business cycle. We are "between a rock and a hard place," unless our leaders seek a more fundamental solution that begins with reducing land monopoly and speculation and opening up natural opportunities. Then may we welcome freedom and find that it can go hand in hand with prosperity.

Roosevelt missed this lesson and opportunity, and Reagan is evidently going to miss it. Can we hope for a future leader who will grasp it?

THE MALAYSIAN Government's Capital Issues Committee (CIC) has tightened the rules for approving land acquisitions by publicly-listed companies.

Approval will not now be given where development has not started or not expected to contribute to earnings of the acquiring company in the current financial year.

The CIC is alarmed at the widespread practice of over-valuing land in company books to create surpluses which are then used to make bonus issues.

More recently, unacceptable valuation practices have been employed by companies which have revalued their land and then exchanged their assets for shares in publicly-listed companies.

Herbert Meyer on the history of a controversial family