

18th-century squirearchy had hardly broken down before its place was taken by the new bureaucratic paternalism. At most there was a short interregnum during which the incipient working-class movements are found demanding that King Log should be replaced by King Stork, that the government should take over the price and wage fixing system which had collapsed in the hands of the J.P.s. Meanwhile the great enclosure movement was going on, to prevent even the breath of freedom from reaching the nostrils of the working classes. 'When the common lands are enclosed' we read in a Board of Agriculture report on Shropshire, dated 1794, 'That subordination of the lower orders of society which in the present time is much wanted' will be 'considerably secured.' And the common lands were, accordingly, enclosed.

And if *laissez-faire* had a short run in this country it was hardly even tried elsewhere. Socialist experiment trod hard on the heels of liberation movements, whilst Louis Napoleon and Bismarck provided precedents for practically everything the present British Government is doing, from popular education to nationalisation of the railways; from social insurance to town and country planning.

The New World offers little relief to this dark picture. It is appropriate that Gibbon Wakefield's 'Letter from Sydney' was written from inside a jail. And the Government followed the jailbird's advice, extending to the unoccupied lands of Australia and New Zealand a system of monopoly as damaging to liberty as any bolts and bars. By establishing its sovereignty over all unoccupied land and keeping the price artificially high it secured 'for capitalists of every description, without cost, as many labourers as they wish to employ' (together with a nice pool of unemployed to draw upon, we may presume). The quotation is from the report of the South Australian Commissioners to the Colonial Secretary in 1836.

Is it not clear that had men not been entrapped by the land monopoly, 19th-century history would have been very different; that the industrial changes, which were bound to come, would have been absorbed without social distress; that free men simply would not have entered such coal mines as actually came into existence, let alone allowed their wives and children to go down them; that they would not have put up, for a day, with the wage rates which came to prevail in the new industries? Yet it is this period, when men were less free than the serfs of the middle ages that is thought of as a period of *laissez-faire* by our modern legislators (repeating, alas, the lessons learnt from our modern school-masters). It is the complete confusion of mind in which unfreedom is called freedom which results in the socialist blather of the present day.

A hundred years ago the policy was deliberately adopted of turning the mass of mankind into operatives, interested not in production but in wages. Can we now complain when the operatives reject the idea that industry must suit the consumer or go without customers; or when they flock into non-productive occupations like the civil service unaware altogether of its parasitic nature? Should we not weep rather than laugh when an honest housewife from the Labour back benches describes the establishment of a national electricity monopoly as 'the democratisation of electricity?' A free market would of course distribute everything in its due proportion and 'planning' is quite unnecessary; but the market the wage-earner thinks of as free—the market of the 19th century—was one to which he always came with an empty purse.

Stories of the brave days of British industrial pioneering, so full of improvisation, confidence and vigour; stories of the astronomical figures of present day American production, cannot but make one's mouth water as the pontifical inefficiencies of Whitehall cut us off from one amenity after another. But it is futile to object to this or that error of the politicians if we are not prepared to condemn as well the entire monopolistic background which governs their historical thinking. The 19th

century was a century of monopoly just as much as the 20th, but there were different beneficiaries. It talked of liberty, but was not just.

'Your enemies have called your bluff; for in your city Only the man behind the rifle had free will.'

And now the 'man behind the rifle' is a trade union official.

J.R.M.S.

BEVERIDGE DISPROVED BY EVENTS

LIBERAL PARTY politicians who took their cue—to their own undoing—from the teachings of Lord Beveridge and accepted his 'planned economy' are well confirmed in their growing disillusionment by the striking article which Mr. Oscar A. Hobson, the financial editor, had in the *News Chronicle*, February 17. We quote some of the material passages:

'The present crisis has provided the country with a valuable, if painful, lesson on the economics of full employment. It has demonstrated the inadequacy of many of the ideas put forward during the war by Lord Beveridge and others, which now hold the field in determining Government policy.'

'The lesson of the crisis is that industry is an organism and that full employment is a matter of preserving its rhythm or balance. The Beveridge thesis that full employment is dependent on the maintenance of outlay (public or private) on a scale sufficient to pay wages at current rates to all workers desiring jobs is shown to be superficial and inadequate. Mr. Dalton's recent assertion that there will be no 'financial crisis' is shown to be a vain and empty boast.'

'Industry has broken down in spite of there being plenty of money to employ the whole population. Its breakdown is for the moment more complete (though we hope it will be much briefer) than any financial crisis ever produced. Its completeness is due to an egregious ministerial blunder. But in a less extreme form it would have come anyhow. It would have come because industry had got out of balance. . . .

'The crisis is the price we have to pay for structural defects in many industries. Lord Beveridge and his school have, of course, recognised that such defects can cause unemployment. But they regarded structural or frictional unemployment as relatively unimportant. Now we see that it can be all-devouring and devastating. . . .

'What then, is the practical lesson of the crisis? Surely that we must revise our present ideas of the proper relationship of Government and industry. . . . Either we must be prepared to accept a ruthless totalitarian system of comprehensive central planning of production (and by necessary consequence, consumption) and thoroughgoing compulsion of all the factors of production, including labour, or we must work back towards the Liberal system which is traditional to us.'

'That system assigns important economic powers and duties to the central Government . . . but except in extreme emergency it does not empower the Government itself to conduct industry or to compel industry to work according to a prescribed pattern. It does not admit the right of Government to plan production centrally and enforce its plan by compulsion, because it does not believe in the capacity of Government to plan successfully the economic activities of a free society.'

'Our present troubles are due basically to trying to work a hybrid system. The planning failure which caused them is no mere accident, no flash in the pan. Such failures will be inevitable and constant so long as we persist with a system which is neither flesh nor fowl.'

The fallacies of this Beveridge doctrine were exposed quite convincingly in our pamphlet *The Problem of Employment Beveridge Fails to Solve It*, price 6d.

ANNA GEORGE DE MILLE

As we go to press we learn with deep regret of the death, in New York, March 17, of Anna George de Mille, daughter of Henry George. The world movement is bereaved of one of its most eminent and devoted servants. We convey to Agnes de Mille (25, East 9th Street, New York, 3) her sister Margaret and all relatives our sincere sympathy in their loss.