

## THE ETHICS OF SOCIAL WELFARE

THE ENGINEERS' Study Group on Economics consists of a body of men and women engaged in an investigation of the steps necessary to abolish poverty, and "to discover economic arrangements which would lighten labour, increase leisure, deepen and widen liberty, minimize friction." Their work to which they are so earnestly devoted is conducted by various sections and has had the attention and assistance of many authorities and many schools of thought. The Ethical Section, in the course of its study of basic principles, has issued the following questionnaire:

1. What are the principal tenets, laws, commandments, obligations, duties or requirements to be complied with (a) by the individual? (b) by the Group or Nation?
2. Is it possible to give a concise statement of the Basic Principle to which such obligations are related?
3. What reward can be promised or suggested as a result of compliance with the above—
  - (a) to individuals?
  - (b) to the Group or Nation?

In the following spheres of human activities :—I. Economics ; II. Finance ; III. Social ; IV. Cultural ; V. Physical ; VI. Spiritual.

One of the replies submitted on behalf of the Henry George point of view is that by Mr W. R. Lester, M.A., which is here reprinted, with permission of the Section.

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After due deliberation I have come to the conclusion that answers to the questionnaire can best take the form of a short comprehensive statement which so far as possible provides answers to most of the questions asked. Henry George presented his social philosophy as a connected whole in a reasoned way which it would be hard to break up into compartments in the attempt to answer separately each of the questions. I therefore make the following short statement in the belief that a presentation of Henry George's views as to what constitutes an equitable distribution of wealth, in which each man shall receive reward in measure as he renders useful service, covers most of the ground necessary.

From what follows it will be seen that the social philosophy of Henry George is dominated by the conception of freedom and conformity to the natural order. He cites the words of de Laveleye and in all he writes takes them as his guide: "There is in human affairs one order which is best. That order is not always the one which exists; but it is the order which should exist for the greatest good of humanity. God knows it and wills it; man's duty it is to discover and establish it."

Henry George laid down two basic principles, both of which he claimed to be self-evident:—

(1) That all men have *equal* rights to the use and enjoyment of the elements provided by Nature.

(2) That each man has *exclusive* right to the use and enjoyment of what is produced by his own labour or acquired in free exchange for it. In a word, that what a man makes is his own.

These two basic laws or principles supply, George claimed, the foundation on which may be built an equitable society in which each and every producer will reap reward in measure as he renders useful service and in which therefore the distribution of wealth will be entirely just.

If we subscribe in theory to these two principles, the first problem presenting itself to us is how, in practice, to determine what each man produces by his individual labour, and George was persuaded that, provided the problem is dealt with radically, there is no difficulty in determining this.

Property is of two kinds: firstly, that which rightfully belongs to the individual, and secondly, that which rightfully belongs to the community. The first step is to draw the line between them and George does so in the following way. In the early stages of civilization when men work in approximate isolation and each is in great degree a self-sufficing unit, the production of wealth is low. But in measure as they come to live in communities and resort to division and specialization of labour, production rises and wealth increases. This associated effort and division of labour results in greater wealth production *without greater effort on the part of any individual*, for the increased wealth comes from a source quite distinct from the activities of any individual. It arises solely from men's obedience to their social instincts—from working together in association instead of in isolation. This increased wealth—the product of co-operative as distinct from individual labour—is, George claims, rightfully due to society as a whole and not to any individual. How are we to determine its amount?

The answer brings us to the core of George's teaching, and discloses a fundamental law of Nature both beautiful and benevolent to neglect which is to court disaster. This law is that when men live apart, or nearly so, land has no selling value, but so soon as they come to live in communities and specialize their labour, it acquires a selling value which steadily and inevitably increases as communal life becomes more perfect. The significant fact is that this value attaching to land reflects as in a mirror the stage of advancement attained and community's capacity for wealth production.

This value of land comes into being with the community, grows with the community, and disappears with the community. It rises and falls as the arts, the sciences and the powers of production rise and fall. Here then is the communal fund which if justice is done should be appropriated by the community and used to defray the expenses of public services from which every member of the community benefits. The appropriation of this great fund by individuals is the gravest of all the mistakes made by society and is, in George's belief, the prime source of the distresses from which we suffer to-day.

From this it follows that to ascertain the amount of socially created wealth we have but to value all land both in town and country apart from every improvement due to the work of men's hands. The amount of the communal fund being thus determined, it can be turned into the public treasury by imposing taxation on those who now appropriate it (whether in town or country), in proportion as they do so. Thus, through valuation of land, we segregate the share of production due to the community, and through taxation we turn this share into the public treasury—that is, socialize it.

When this is done, what remains of the total wealth produced is that which individuals bring forth by their labours and in proportion as they do so it constitutes their rightful remuneration. Putting the matter in another way, George's claim was that to assert the right of men collectively to the common fund as reflected in the value or rent of land and of men individually to their own earnings, all we need do is to call on those who have exclusive use of land to pay its rent or land value into the public purse. For any one of them to enclose land, the common heritage, saying "This is mine," without compensating the community which gives him the privilege of excluding his fellows, is a fundamental denial of justice. But when he comes to

terms with the community by payment of rent into the common purse, *he earns the right to exclusive use of the common inheritance and to full private property in what remains of the product after rent to the community is paid.* Thus did George reconcile the right of the individual to undisturbed exclusive occupation of land, with the right of the community to the rent of land, the communal fund.

It still remains to be determined how this share of the product due to individual producers as a whole ought to be apportioned among them. George had unbounded faith in the beneficent workings of the natural order, *provided it be allowed to operate free from obstruction or interference*, and here, true to his principles, he held that if once we remove from the body politic those privileges and monopolies (of which private appropriation of land rent is the chief) whereby some gain wealth

without equivalent rendering of service, the working of the market under the influence of free supply and free demand will automatically apportion reward to individuals according to the service rendered by each. This is the natural function of the free market which the market of to-day fails to perform because it is not free. It fails because it is distorted by privileges and monopolies, enabling some to take out more than they put in, thus leaving others to put in more than they take out. Because of monopoly and privilege, the market of to-day does not perform its natural function of apportioning reward according to service rendered. Rid it of these distorting factors; let it function in liberty, and George was firmly convinced it would automatically act so as to apportion to every producer, high and low, reward according to the useful service he renders his fellow man.

## WHAT IS MORAL REARMAMENT ?

WHAT, we may ask, is the inner meaning of that rather cryptic expression "Moral Rearmament," which forms the text of some recent pamphlets, magazine articles and platform speeches? It is obvious that the words carry a mysteriously soothing message to the ears of many war-weary souls, suggesting as they do that our fears and terrors and the difficulties of international diplomacy may all be allayed and settled by purely spiritual means. They also call to mind the beautiful imagery of St Paul: "The whole armour of God," "The sword of the spirit," "The helmet of Salvation," "The breastplate of righteousness," and "Feet shod with a preparation of the Gospel of Peace." But, pragmatists as we all are, more or less, we are moved to ask the surely pertinent question as to what difference it will make in our actions or attitudes if on the one hand we accept this motto or war-cry, or if on the other hand we disregard it. In plain words what does it mean? Dr Frank Buchman or Mr H. W. Austin could probably enlighten us.

Meanwhile reflection seems to reveal a fundamental incongruity between the terms of the expression, and this is perhaps the reason why its sponsors do not wed them by the use of a hyphen. "How can two walk together unless they be agreed?" asked the wise man of old and left his question unanswered. If he lived to-day and asked himself how to make morality and armament keep step with each other, he would probably be baffled as we are. For the Moral Imperative, though it may begin its education of the Spirit on the lowly ground of a mere recognition of honesty as the best policy, tends always to rise to successively higher levels: trustfulness, kindly feelings, generosity and unselfishness; and reaches its highest manifestation in good-will to all mankind. Armament, on the other hand, follows a downward path. It begins in suspicion, it begets envy and jealousy, it vitiates the power of the judgment, it gravitates to the lower levels of uncharitableness and ill-will, and ultimately to hatred. How can it be possible to find any point at which two such disparate sentiments can be brought into touch? Like oil and water, they may be enclosed within the same container, but can never coalesce. To find a moral approach to the question of our attitude to armaments, we must look in a different direction.

That most lovable of philosophers, William James of Harvard, wrote an essay on "A moral equivalent of war," contending that all the alleged benefits of military training can be secured by recruiting our young men to take part in the necessary though arduous and disagreeable vocations that our social life involves, such as road-making, navvying, and even chimney-sweeping

and the cleaning of sewers. If our friends had woven their arguments and written their theses around the idea of "a moral substitute for armaments," even such friendly criticism as is offered above would have been avoided, and a more direct appeal made to the hearts and consciences of all who believe as Christians and rationalists that such a substitute is discoverable.

Whether this substitute when found can be expected to take definite form as an organization or to use material means in giving effect to its principles, it is difficult to imagine. If we ask with what weapons or moral substitutes for weapons we are to attack the embattled forces of unreason, ill-will and suspicion, we ought to be told plainly that there are none—other than their opposites and natural antidotes—sweet reasonableness, goodwill and trustfulness. While hesitating to trust ourselves in such a seemingly precarious and hitherto untried position we may make the discovery that there is an *antecedent condition* which is absolutely necessary to the efficient functioning of these immaterial weapons. That condition is that we shall be in a position to face the enemy not only with pure hearts but with clean hands. We must have expunged from our record all the injustices and offences against our fellow men that still stand to our charge. We must have earned for ourselves that most invaluable of credentials, a collective conscience void of offence. and then, we may perhaps hear from far across the centuries a not unfamiliar voice, saying: "And if thou bringest thy gift to the altar and there rememberest that thy brother hath ought against thee, leave there thy gift before the altar, go and be reconciled to thy brother, then come and offer thy gift."

This, then, is the searching question. Have our brothers ought against us? Have we established economic justice within our own borders? Can the finger of scorn no longer be pointed at us and our army of unemployed men and hungry families? Must we still blush in confessing that we have built up our economic system on a principle that condemns the majority of our people to perpetual poverty and insecurity? Are we prepared now to do what this paper has been urging month by month for over forty years—to restore to our disinherited brethren their rightful share in the bounty of the earth? Until we have done this we cannot expect the spiritual weapons we have been offered to do their work effectively. When, however, we *have* expiated our past injustices in the way we know of, we shall, in the words of Rabbi Ben Ezra, be

"Fearless and unperplexed when we wage battle next  
What weapons to select, what armour to indue."

ALEX MACKENDRICK.