

# LAND & LIBERTY

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## The Light That Failed

NOWHERE has the practical application of socialism ever matched its dream. Where socialism has failed to achieve its ideals the blame has been put on everything but the nature of socialism itself. Foreign enemies, traitors at home, bad harvests, maladministration have each in turn been blamed. With high hopes, governments of revolutionary movements, once victory has been secured, have tried to lead their countries to prosperity. Many have become corrupt in the process, while others have become so preoccupied with maintaining their power and fighting battles against rival factions and counter-revolutionaries, that time, money and effort have been dissipated—hindering not advancing prosperity. But even where governments have had the complete support of the people, socialism has brought disappointment, frustration, bitterness and disillusion. The only wonder is that people anywhere maintain any faith in socialism at all. But perhaps after all one should not wonder, for what is the alternative to socialism? Few victims of socialism would prefer to be the victims of an oppressive landlord class as were many of their fathers or grandfathers, yet to them this *is* the only alternative.

The latest dreaming towers to come tumbling down have been those of Dr. Castro, whose grand plan to put Cuba on its feet again through a record production of sugar has proved a pathetic failure. In spite of massive efforts to drive and cajole the Cuban population to achieve the goal he had set, the people have not responded.

Writing in the *Daily Telegraph*, August 20, Dr. W. D. Ryder, who worked in Castro's Cuba for several years, says "Acute demoralisation has set in everywhere. The economic cost of the fiasco has been high, because output and services of all kinds have

been disrupted for the sake of the sugar harvest. Mobilisation of the population caused universal domestic upheaval and interrupted education to an unprecedented degree. Dr. Castro blamed the people as a whole for the catastrophe, saying that their slackness and absenteeism had much to answer for. He did not add, of course, that these very real shortcomings were partly the product of the official labour ideology, which requests the people to work as long and as hard as their consciences dictate, but not to expect extra reward for working better than the next person."

Whatever the Cuban people's opinion of socialism, their reaction to it is clear but since there is no outlet for criticism or protest, alternatives to socialism are not likely to be aired, particularly as political restriction has been consistently increased for several years.

What can a country do in this position? What can Castro do now? Even supposing Castro to be among the disillusioned, to bluntly admit the failure of socialism would be to invite a counter-revolution.

It is more likely that the people will be further regimented for their "own good" if not for the good of the existing government, but any hope that this will ultimately bring the millenium must be tinged with heavy doubt as a result of past experience.

That there is a way out which does not involve a return to American economic domination nor a return to monopoly capitalism and landlordism, and which at the same time avoids all the evils of socialism, has yet to be made clear to Castro and to other socialist idealists.

It is a solution that is not a compromise. Rather is it a solution in another dimension. It is essential in any system of government that the people's self-interest and self-respect be harnessed. Otherwise prosperity will decline, not grow. Government directives and government planning in the economy together with high taxation operates against self-interest and self-respect even where there exists a residue of free market practice. A free economy, low taxation, and the abolition of legal privileges on the contrary engender self-respect and harness for the good of the community the self-interest of all individuals. Economic self-interest has nothing whatever to do with selfishness in spite of socialistic twistings of Adam Smith's famous dictum. Selfishness can be fostered or discouraged by economic conditions; economic self-interest is a universal law.

Dealing with the problems of exploitation and of taxation need not involve conflict with the nature of man. Exploitation can be removed by the simple process of removing the legal privileges—licences, monopolies, cartels, protection, subsidies etc.—which allow some men to live at the expense of others. The problem of taxation can best be dealt with not by taxing the fruits of men's labour or the earnings of capital, but by deriving required revenues from the passive source of wealth—land. Such revenues should perhaps not be regarded as a tax at all but rather as a payment to the state for the privilege of

exclusive use of natural resources, whether for the extraction of minerals or as sites for the promotion of industry and trade or for any other purpose. This would bring to mankind the *ideals* of socialism without the trappings, disincentives and oppression which invariably accompany its practice.

Perhaps the greatest barrier to the acceptance of this way out is the fact that it means accepting free enterprise. But so closely has free enterprise been linked with exploitation, slums, unemployment, poverty, etc., that it is not surprising that it is dismissed in whatever context it is found.

Perhaps with the repeated failures of socialism, men will eventually turn their minds to the only real alternative, but we need to re-define free enterprise so that it no longer means what many defenders of the *status quo* mean—monopolies, cartels, government privileges, protectionism—in short corrupt *laissez faire*, but the real free enterprise that can come only if we free land, free trade and free men.

## News and Comment

### **GROWTH WITHOUT REALLY TRYING**

**H**AYS WHARF, the docking and transport company, have riches locked away in their books of account. They are likely to be dug out if a take-over bid for their property is successful. Of course, the riches are not actually in the books. The books simply reveal where they lie: that is in some twelve acres of former dock land between Tooley Street and the Pool of London and in another thirteen acres close by. The Hays Wharf directors plan to release the company's property values as they really are and not as shown in the books. The key to these treasures will be in the shape of planning permission to develop. At first the labour majority on the borough council were opposed to any redevelopment other than council flats or light industry, but consideration of their rate income is causing them to change their mind. The firms moving their factories from Southwark have left dilapidated buildings, many of them gutted, and although half rates are levied on these shells, the income is derisory since the valuation is what that particular property would let for in its present condition! No wonder redevelopment is looked upon with favour, for under our crazy rating system rates apply only when actual use is made of the land and not on its potential. Says the *Daily Mail* (August 18), "What all this makes Hays Wharf worth is at present taxing some of the best minds in the property game. Twenty-five acres in the City