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The Supplementary Budget—How Progress is Impeded—Poverty or Plenty: Mr Colin Clark's Omissions—More Examples of Land Prices—Taking Over Neglected Farms—Idle Resources and Idle Labour

## THE PURSUIT OF LIBERTY

*We are glad to give the following further extract from Mr Walter Lippman's book "The Good Society," again with acknowledgments to the author and to the publishers, Messrs George Allen & Unwin, London.*

WHEN THE Inquisitors summoned Galileo before them, they told him he must not find that the earth revolves around the sun. Galileo had been observing the heavens through a telescope: he had become convinced that the evidence warranted his conclusion. But the Inquisitors did not look through the telescope. They knew all about astronomy from reading the Bible. So against Galileo's telescope the Inquisitors employed another instrument: the rack. And by the rack, which could inflict pain on the astronomer's body, they undertook to cure the astronomer of his scientific error. Thus they prohibited the exploration of the heavens by the exercise of their physical power.

But the rack is not an instrument for exploring the heavens. A concentration camp is not a political seminar. Burning men at the stake is not a mode of religious revelation. Firing squads are not commissions for observing and analyzing the economic situation. Censorship is not testimony and argument. As regards the intrinsic issues, these exercises of power are nothing but senseless interference, sheer brute irrelevance like the incursion of a herd of wild asses. What Galileo needed was the criticism of other astronomers: what he suffered was the meddling of powerful ignoramuses. Galileo was unfree to be an astronomer because these ignoramuses insisted on weighting the scales with the terror of prisons, torture chambers, and the stake; he had to take his astronomy from men who had never studied it. . . .

Thus we may think of the creative, the productive, and the adaptive energies of mankind as struggling to release themselves from the entanglements and perversions, the exploitation and the smothering, the parasitism and the obfuscation and the discouragement of aggressive, acquisitive, dogmatic, and arbitrary impulses. Men are moved to plant, but the seeds bear fruit with difficulty, so rank are the weeds which choke them. The cutting back of the weeds, the clearing of little spaces in which good things can grow, has been the task of human emancipation. Its method is to restrain arbitrariness. But its object is to disengage the human spirit in order that it may flourish. . . .

Men have never yet known but a little of such freedom. And they cannot hope to imagine what they have never yet known. But they have known enough of freedom to know that the arbitrary power of men over men is parasitical, that it perverts, that it sterilizes and corrupts. . . .

The essence of the matter is that arbitrariness is a disturbing

intrusion in the creative life of mankind. It may be a mere annoyance, like the buzzing of a fly around the nose of a philosopher; or it may be like a great catastrophe, say an earthquake, which stops his work by bringing down the house around his ears. We can appreciate the real energy of freedom if we think of men, working, studying, collaborating but beset by conquerors, exploiters, adventurers—by men who do not work, but appropriate the work of others; who do not produce, but take tolls; who do not invent, but impose prejudices; who do not create, but coerce those who do. The pursuit of liberty is the affirmation of those who produce the really good things of life. . . .

The man who has built himself a castle above the highway in order that he may exact a toll from the merchants on their way to market acquires wealth not by producing it but by seizing it. His predatory incursions arbitrarily yield the returns which would otherwise go to invention, industry, and thrift. But for his castle and his armed bands he would be poorer than the passing merchant whom he despoils: because he is more powerful but is unrestrained, he reaps a greater reward from highway robbery than other men can make by producing wealth. Thus the ideal of equal rights for all and special privileges for none is inseparable from the pursuit of liberty. A free society is one in which inequalities in the condition of men, in their rewards, and in their social status do not arise out of extrinsic and artificial causes—out of the physical power to coerce, out of legal privilege, out of special prerogative, or out of fraud, sharp practice, necessitous bargaining. . . .

To the liberal mind the notion that men can authoritatively plan and impose a good life upon a great society is ignorant, impertinent, and pretentious. It can be entertained only by men who do not realize the infinite variety of human purposes, who do not appreciate the potentialities of human effort, or by men who do not choose to respect them.

The liberal state is to be conceived as the protector of equal rights by dispensing justice among individuals. It seeks to protect men against arbitrariness, not arbitrarily to direct them. Its ideal is a fraternal association among free and equal men. To the initiative of individuals, secure in their rights and accountable to others who have equal rights, liberalism entrusts the shaping of the human destiny. It offers no encouragement to those who dream of what they could make of the world if they possessed supreme power. . . . It relies upon the development of the latent faculties of all men, shaped by their free transactions with one another. Liberalism commits the destiny of civilization, not to a few

finite politicians here and there, but to the whole genius of mankind. This is a grander vision than that of those who would be Caesar and would set themselves up as little tin gods over men. It is a hope engendered in the human heart during the long ages in which the slowly emerging impulses of civilization, beset by barbarism, have struggled to be free.

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NOTE.—Mr Walter Lippman's references to the liberal state and liberalism are of course not to be associated with partizanship for any existing political party. He is expound-

ing a social philosophy. His attitude to the merely political is distinctly expressed in the introduction to his book where he says: "The doctrine that has come down from Adam Smith and the great liberals of the eighteenth century has in our times become the intellectual defence of much injustice and oppression. In Herbert Spencer's old age, liberalism had become a monstrous negation raised up as a barrier against every generous instinct of mankind. . . . I seek to find out why the development of the liberal doctrine was arrested and why liberalism lost its influence on human affairs."

## HOW PROGRESS IS IMPEDED

An Australian Note—By S. V. Larkin

THE PROFOUND influence of George's writings in the eighties of last century, combined with his lecturing campaign in Australia, not only aroused a tremendous emotional enthusiasm, but educated public opinion in fundamentals as it had never been educated before. Largely owing to the particular background, George's influence was probably more pronounced in New South Wales than in other parts of Australia, and the seed fell upon more fertile soil. But, I am afraid it must be admitted that George's initial influence has largely spent itself, or has been overwhelmed by more powerful influences. The emotionalists were quickly carried away by fresh emotions. The consummation of Federation, dominated as it was from the beginning by the pernicious influence of Protection—a soil in which Marxian ideas always seem to flourish—was the most serious blow that George's influence sustained. With the ever-increasing restrictions, prohibitions, regulations and interferences which is the history of Federation to date—interferences and manipulations which only demand more and more interferences and manipulations—the idea that there are any economic laws or principles has been gradually fading away and the whole economic system is being patched up from day to day by all manner of improvisations and make-shifts. It is little wonder, therefore, that we have all sorts of ancient fallacies, dressed up in new disguises, daily paraded before us to the utter bewilderment of a people apparently unable to reason or relate cause and effect.

Oscar Geiger's son, Dr George R. Geiger, too, has clearly recognised the essential need of getting down to fundamentals. His last contribution to enlightenment, *The Theory of the Land Question*, was written with the object of "increasing awareness to the implications of the Land Question." The major reason for writing this book, he says, "is the conviction that the blurring of the fundamental differences between land and capital is the chief reason for the flagrant neglect of the real meaning and urgency of the land question." Anyone connected with this movement will at once thoroughly understand what Dr Geiger means. The effect of this obscurantism, of the past half century particularly, is to be seen everywhere—in the books that pour forth from monetary cranks and self-styled economists, in the press, in parliament, and in the pulpit.

The teaching of fundamentals seems to have been abandoned. Catch cries and an incomprehensible jargon have taken its place. A generation has grown up ignorant of principles. The mercantile superstition, which it was once thought Adam Smith had slain, flourishes to-day as in its palmiest days. Malthusianism, too, is far from dead. Instead of principles, the talk now is of "categories," "marginal wants," "degrees of wants," "increments of satisfaction," "submarginal saturation points," "curves of desire meeting in an equilibrium," and so on. Nothing can be done without masses of statistics, the all-time study of trends, the concoction of index numbers, and elaborate post-mortems. The only principle recognised—if it can be called a

principle—is that of adopting one or other of schemes suggested by a multitude of insistent urgers yelling: "Try this" or "Try that." These trials are what are generally and portentously announced as "the advances on all fronts."

In taxation, incidence is not considered. No knowledge is displayed beyond the collection of a fund. The good old rule is: "Taxation by seizure"—estimate what you want and then go after it. The bewildering array of taxation codes are an unholy mess of complexity—the natural result of the Donnybrook doctrine: "Wherever you see a head, hit it." As an American professor once said: "If all the economists in the country were laid end to end—they'd never reach a decision." How could they, when they have first to work out such elaborate and complicated schemes of rebates, bonuses, subsidies, and all that kind of thing? The fantastic castles they build collapse with every fresh batch of statistics and charts they prepare. All values to them are social values. There is, to them, no difference between the value of land and the value of other things, and consequently there is, to them, no difference between land and things produced from land. Indeed, they seem to be oblivious to the existence of land.

Such is the irony of things that the task we have, all the time, is to draw the average person's attention to the "ground under his feet"—to try to make him realise he is a land animal! He seems to have lost all sense of its existence, though he lives on it and from it all the days of his life. Even the professional economic astrologer, if you can wake him out of his dreams or drag him from his absorbing study of trends, will as likely as not wearily observe that while land, in George's time, was an important factor, it is now relatively of little importance—we have progressed so fast! After all, I suppose, it is a pity to disturb the experts while concocting a "Planned Economy," as it is only likely to delay them in tackling their next big job: "Planned Astronomy." Sisera would never be above tackling the job of regulating and controlling the stars in their courses.

All this obscurantism and muddlement has had appalling results, whether or not it is the delusion that comes with advancing years, that things are not like what they were 30 or 40 years ago, I am of the opinion that, so far as an understanding of principles is concerned, those of a generation or so back were much in advance of those of the present day. More attempts seemed to have been made then to bring questions to the touchstone of principle than is the case to-day. But, in any case, I do not think it will be seriously disputed that there is, to-day, a distressing lack of any idea of fundamentals, the world over. The familiar demand of the raucous interjector at political meetings is: "Give us your policy," and the response generally forthcoming is the promise of the Sun, Moon and all the rest of the stellar furnishings, to be financed by an expansion of bank credit, or something after that style.

Now, in my opinion, the question of policy, to us at any rate, is of secondary importance to an understanding of principles. If principles are properly grasped, the remedy