

The Defences of Private Property by Leo XIII 'On The Condition of Labour'

By Richard Bell

I don't claim to have the understanding of George's works to allow me the privilege of instructing others.

I am however speaking from the point of view of one, like many of you, who having heard the basic ideas explained in various courses the Association conducts and like everyone here I seek a clearer understanding of works of Henry George.

In discussions with many people the question always arises as to how George's ideas could be applied in modern society. That is what people want explained once they begin to grasp the idea there are possible alternatives to the situations they have come to see as unacceptable aspects of how society is organised.

In the work under discussion this weekend "The Condition of Labour" Henry George clearly answers that concern but in a way that we of this modern era are mostly unfamiliar.

What is seen as sophistication in today's society rather leaves out the role of a creator and that there is a creator's plan for mankind. That is unless you are speaking within the confines of a religious organisation.

Whenever the discussion of ideas gets difficult the rejoinder is often "Let's not get into religion, politics (implied with what is economic ideas)". People can get heated and almost come to blows in these discussions.

It is unfortunate that the interpretation of politics and economics is usually confused by the vast array of misinformation the media happens to highlight that day. These are issues are relished by the bumptious shock jocks of talkback radio.

Opinions as well are crafted by a bewildering array of electronic systems and of course the daily newspapers and evening TV sound bites & hype. While confusion reigns as it now does over many important issues then reason can wait.

Even now there are some who have yet to be brought to account for how they wielded their hold on economic power and got away with telling us that the causes

of the GFC were too difficult for mere mortals to come to terms with while all the time greed became legal and new terms like derivatives took hold and the financial world ended up with speculating on speculation.

This should have been more properly examined by the “Fourth Estate” but how could such even exist with the corporate world having such a firm hold on all media.

What is so refreshing about “The Condition of Labour” is that not only does it outline Henry George’s ideas, giving insight into his philosophy, it also lays down a clear indication that in dealing with the ideas of politics and economics one needs also to come to grips with the underlying important moral principles.

The excellence of language, the clarity of thought and the sound grasp of moral principles are evident throughout the work. In the letter to the Russian writer Tolstoy Henry George says “I had realized that to do what I felt called on to do, I must put behind me all aspiration for position or wealth, and have never swerved from that” This is an impressive commitment.

The Condition of Labour is a reply to Pope Leo’s Encyclical dealing with the shocking social conditions experienced by the poor of that time.

Leo XIII brought normality back to the Church after the tumultuous years of Pius IX. Leo's intellectual and diplomatic skills helped regain much of the prestige lost with the fall of the Papal States. He tried to reconcile the Church with the working class, particularly by dealing with the social changes that were sweeping Europe. The new economic order had resulted in the growth of an impoverished working class, with increasing anti-clerical and socialist sympathies. Leo helped reverse this trend and worked to encourage understanding between the Church and the modern world. Leo's social teachings were based on the Catholic premise, that God is the Creator of the world and thus its Ruler. Eternal law commands the natural order to be maintained, and forbids that it be disturbed; men's destiny is far above human things and beyond the earth.

“The Condition of Labour” is George’s response to the Pope’s Encyclical emphasising the importance of Private Property in the affairs of man.

To this encyclical Henry George addresses concerns in how the Pope sees solutions to the problems of the age saying “There are considerations you have

unfortunately overlooked in your condemnations of the poverty suffering and seething discontent pervade the Christian world.

At the time the Pope remarks “The danger that passion may lead ignorance in a blind struggle against social conditions rapidly becoming intolerable”.

As regards the Pope’s view of Private Property George points out that “this like much else that Your Holiness says is masked in the use of indefinite terms ‘private property’ and ‘private owner’, a want of precision in the use of words has doubtless aided in the confusion of your own thought but the context leaves no doubt that by ‘private property’ you mean private property in land and by ‘private owner’ you mean the private owner of land”.

George reminds the Pope of the need to recognise the role of God, the creator, or nature in men’s life. In doing so he clearly puts the proposition that man is God’s creature and his life is provided for by God.

George develops his view as he explains to the Pope the fallacies of the Pope’s encyclical.

He reiterates the Pope’s own words “Nature (God) owes to man a storehouse that shall never fail the daily supply of his daily wants and this he finds in the inexhaustible fertility of the earth”.

George says “Man is a land animal“. It still remains true that we are all land animals and can live only on land. Man can live only on land and from land, since land is the reservoir of matter”

As the term “land” covers Air, Water, Mineral Resources etc. he defines man in this way in order to develop the premise of man’s economic relationship to land.

Men by the use of their own powers are entitled to the enjoyment of the results. The use of these powers arises naturally giving a right of private ownership of the things produced by their labour.

The only full and complete right of property then attaches to things produced by labour.

George goes on to develop the idea that such a right cannot attach to things created by God.

Examples are given as follows: fish from ocean.. right of property to that fish but not cannot obtain a similar right of property to the ocean;windmill right to what the windmill produces but does not give a right to the wind that drives it; man has a right to grain he produces but not to the soil from which it grows or the sunshine that grows the grain; ...a right to the product of his labour but not to what is provided by God.

All may use what is provided by God but none may claim a right of property to what is provided by God.

From this comes the question then how can we understand whether there is any right to ownership of land.

George deals with this dilemma by saying as to the right to land there is a right to the things produced by labour but this right cannot attach to land.

(Very important distinction often overlooked when we attempt to come to grips with these ideas)

He then makes the important distinction that man can attach to land a right of possession.

Regulations for the best use of land may be fixed by human laws but such regulation must conform to the moral law and must secure to all equal participation in God's general bounty.

The idea is further developed:-

As men begin to cultivate the ground and expend their labour in permanent works, private possession of land on which labour is thus expended is needed to secure the right of property in the products of labour.

The salient point being that "Private Possession" is required in order to secure the benefit of their labour.

The one is limited the other unlimited;

The purpose of the one is to secure the other.

God's laws do not change though their applications may alter with altering conditions. The same principles of right and wrong that hold when men are few also hold amid large populations and complex industry.

In cities of millions the division of labour has gone so far as men are scarcely aware that we are all land animals and can live only on land and that land is God's bounty to all of which no one can be deprived without being murdered and no one can be compelled to pay another without being robbed.

Even in a state where industry and improvements have made the need for land widespread there is no difficulty in conforming the right to possession with the equal right to use of land.

George explains - for as soon as any piece of land will yield to the possessor a larger return than similar land a value attaches to it which is seen when it is sold or rented.

Thus the value of the land itself irrespective of any improvements on it always indicates the precise value to which all are entitled in its use.

He develops this theme:-

As land animals man can live only on land. Where civilisations grow and flourish. Here he gives the example of man in his earliest state. In the primitive situation where man is dependent on hunting fishing etc. private possession is not necessary, whereas when man begins to form communities and societies then different forces arise.

The distinction comes when George talks about the right of possession in things created by god being very different in the right of possession in things created by labour.

No one can be deprived without being murdered no one can be compelled to pay another without being robbed.

God has given the material to labour and this material is land. Men are equally entitled to the use of land and any adjustment that denies this use of land is morally wrong.

There arises a right of ownership of things produced by labour a right which the possessor may transfer but to deprive him of it without his will is theft. This right of property is the only full and complete right of property. It attaches to things produced by labour but cannot attach to things produced by God. Examples - fish, ...windmill, ...grain and sunshine.

To attach to things provided by god the same right as things produced by labour is to deny and impair the true right of property.

As to the use of land - while the right of ownership that justly attaches to things produced by labour cannot attach to land - there may attach to land a right of possession. For who would sow if not assured of the exclusive possession needed for him to reap.

As men begin to cultivate the ground and expend their labour in permanent works private possession of land on which labour is thus expended is needed to secure the right of property in the products of labour.

This right of private possession in things created by God is very different from the right of private ownership in things produced by labour. The one is limited the other unlimited.

The purpose of the one, the exclusive possession of land, is merely to secure the other the exclusive ownership of the products of labour and it can never rightfully be carried so far as to impair or deny this.

While anyone may hold exclusive possession of land so far as it does not interfere with the equal rights of others he can rightfully hold it no further.

The contention thus made that private property in land is from nature not from man has no other basis than the confounding of ownership with possession and the ascription to property in land of what belongs to its contradictory property in the proceeds of labour.