

The Single Tax, December, 1901

DEMOCRACY versus SOCIALISM.* (Second Notice).

*DEMOCRACY versus SOCIALISM: A Critical Examination of Socialism as a Remedy for Social Injustice, and an Exposition of the Single Tax Doctrines. By Max Hirsch (Melbourne). Published by Macmillan & Co., London. Price, 10/- net.

By L.H. Berens

"Two kinds of co-operation are possible. One is the cooperation of many men, who, for the time, abandoning most of their mental activities, obey the will of one man in their physical exertions, leaving mental guidance to the one. This is the compulsory co-operation at which Socialism aims. The other is a voluntary co-operation, where every man more or less utilises both his physical and mental powers in the production of goods, which, through the act of exchange, shall satisfy the desires of all of them. This is the capitalistic system, world-wide in its extension, upon which our civilisation is based. While socialistic, i.e., enforced, co-operation tends to the repression of the mental energies of most of the co-operators, this voluntary co-operation tends to excite them, and thus, in its results, no less than in its character, far surpasses the former. Capitalistic production, so contemptuously called chaotic and anarchic by the men who cannot conceive of any co-operation except that which is enforced, and of which the lowest savage is capable, is, in reality, the most marvellous system of co-operation which the human mind can conceive: a voluntary world-wide co-operation of independent units which alone has enabled mankind to raise itself above a state of savagery, which has enormously increased the sum of human happiness, and which, when freed from the incubus of monopolism which the interference of the State has grafted on it, will lift mankind above want and the fear of want into a sphere of, as yet, unimaginable intellectual and moral activity."

This bold defence of the capitalistic or commercial system, which we could not refrain from quoting in full, well defines the essential difference between Mr.

Hirsch's social philosophy and that held by the average Socialist. In his somewhat chivalrous defence of that which is so often wantonly and ignorantly attacked, Mr. Hirsch is still always careful to point out its present lamentable shortcomings, and also to lay bare the causes to which alone they are attributable. Thus, when ably defending Individualism against the charge of being the cause of "the industrial evils which disgrace our civilisation," he says—

"The prevailing condition of the vast majority of every people, so far from being that at which Individualism aims, is practically identical with that which Socialism proposes to make general. They are not free to choose their own occupations, because in the one direction private ownership of land, in the other the cost of a suitable education, closes many occupations to the masses of the people ; they have no full and equal opportunity, frequently no opportunity at all, for the exercise of all their faculties for the same reasons; and private ownership of land and monopolies deprives them of the beneficial results of their acts, and reduces their reward to below the value of the services which they render. Individual freedom exists, but far from being equal and general, it is confined to a small minority of every people, to whom the rest have been subjected and made tributary by organised society—the State. Organised society having established these infractions of equal rights, likewise now maintains them, and it is, therefore, social action, the unjust action of the State, which is responsible for the evils which flow from them. Not such approach to Individualism as has arisen in the slow evolution of the social organisation, but the survival of primitive Socialism, is the cause of existing social injustice."

ESSENTIAL DIFFERENCES – DEMOCRACY AND SOCIALISM

The essential difference between Individualism and Socialism, or rather Democracy and Socialism, is well summarised by our author in the following telling words :—

"Socialism, denying the existence of individual, natural rights, seeks to reconstruct society in a direction opposite to its past evolution : to make the individual absolutely subservient to the State : to deprive him of his equal right with all others of exercising his natural faculties as he will, and to compel him to exercise them in such manner, time, and place as he is directed : to annul his right to benefit by his own beneficial acts : and to allot him a reward bearing no reference to the service rendered by him.

"Individualism (or Democracy), affirming the existence of equal natural rights, seeks the further evolution of society in the direction of its past evolution until society shall have become fully subservient to the welfare of the individuals composing it: seeking to attain such general welfare through the removal of the remaining infractions of the natural and equal rights of all individuals—'the freedom of each to exercise all his faculties as he wills, provided he infringes not the equal freedom of any other' : the right of each to the fullest opportunities for the exercise of his faculties, limited only by the equal rights of all others: and the unlimited right of each to benefit by his own beneficial acts, reward being proportioned to service rendered."

SHORTCOMINGS PRESENT SOCIAL ORGANISATION.

Mr. Hirsch formulates the shortcomings of the State as it exists to-day in the following paragraph, which we quote with special pleasure, as it will show the uninitiated how far earnest Individualists find themselves able to support many radical reforms often regarded as essentially "socialistic." He says—

"Individualism, regarding the State as a means towards an end—holding that end to be, not the greatest happiness of the greatest number, but the greatest possible happiness of all the members of the State ; holding, further, that this end can be subserved by the State in no other way than by the maintenance of 'the freedom of every one to do all he wills, provided he infringes not the equal freedom of any other'—accuses the State of sins of omission as well as sins of commission. Interfering where its interference infringes upon the equal rights of all. It fails to carry on some of the industries which rest upon special privileges, and to procure

adequate compensation for the community with regard to others; it fails to establish equal opportunities of justice by making judicial trials free of charge; it fails to procure equal opportunities for the acquisition of knowledge by making education free in all its branches. In these and in hundreds of minor ways the State has so far failed to assume the functions incumbent on it for the maintenance of equal rights and freedom, while in many other ways—the most important alone have been excluded—it has assumed functions which unjustly curtail individual freedom and establish inequality of rights."

CAUSES--PREVAILING SOCIAL INJUSTICE.

Thus, like ourselves, Mr. Hirsch realises to the full that

"To the creation of legal privileges, especially to the privilege of private ownership of the only source of wealth, the land, upon and from which all men must live, must, therefore, be traced the industrial and social injustice which disfigures our civilisation, and not, as Socialism posits, to the private ownership of real capital and the private ownership of non-privileged industries."

And that

"Social injustice, therefore, prevails, not on account, nor in spite of Individualism, but through the absence of Individualism, through the active and passive disregard of equal individual freedom by the State. The removal of social injustice, therefore, is not to be obtained by still further interference with equal individual freedom, and still less by the abolition of individual freedom which Socialism contemplates. It can be obtained only by the removal of all interference with individual freedom which exceeds that necessary for the maintenance of equal freedom for all."

THE CAUSE OF ALL THE TROUBLE.

In the closing part of his powerful, logical, and timely book, our author thus summarises the fundamental wrong of our present civilisation, the direct source, cause, and origin of the social and industrial injustice which stunts and disfigures it, and is to day hindering all further social progress—

"All men have equal rights to the use of land, and each of them is entitled to the exclusive possession of all the wealth which his labour produces or his services procure, provided he infringes not the equal rights of all others. Disregard of the equal right to land necessarily involves violations of the unequal right to wealth. Social injustice in the production and distribution of wealth thus arises from the disregard of the equal rights of all men to the use of the earth. Hence social justice cannot be achieved till, through the recognition of the equal rights of all to the use of land, each of them is made free to produce as much wealth as his capacity and industry enable him; and till, through the abolition of all private monopolies and of the taxation of justly acquired wealth, each is secured in the exclusive possession of all the wealth which his labour produces or his services procure through free contract with its producers."

THE DEMANDS OF JUSTICE.

Mr. Hirsch then formulates the demands of Justice, to promote which is the most sacred duty of every ethical-minded man, in the following masterly manner, which we need scarcely say we gladly welcome and cordially endorse: —

"All men and women being members of a social body—the sole object for which a social body exists being to secure the greatest aggregate sum of happiness to its members : such happiness being unobtainable except through the establishment and maintenance of justice : justice demanding the recognition of the equal rights of all to the use of land, and the individual right of each to the produce of his labour—it is the paramount duty of every social body to frame and enforce regulations which will safeguard these rights for every one of its members."

He then continues—

"That the land of civilised nations is now owned by some to the exclusion of others, that, consequently, the equal rights of the majority of members of every State are violated, cannot affect this duty. Were men now for the first time confronted with the question how land shall be dealt with, were a body of men now to discover an uninhabited and fertile island, the rights of each of them would be no greater and no less than the rights of those who live in countries where all the land is held as private property. For violation of rights does not abolish or even lessen rights. All the difference that can be claimed is that the establishment of justice would inflict no hardship in the former cases, while in the latter case it might inflict hardship upon some of the persons who profit and have profited by existing injustice. On the other hand, however, it must not be forgotten that the continuance of private ownership of land, and consequential injustice, inflicts hardship, and inevitably much greater hardship, not only once, but perpetually, on those far more numerous persons who are injured by it. All that can be claimed on behalf of those who profit by social injustice, therefore, is that the injustice shall be removed in a manner which, while inflicting no avoidable hardship upon them, shall not needlessly prolong or aggravate the hardship of the victims of social injustice. Hence the substitution of the equal rights of all for the unequal rights of some to the land, having as its aim the greatest production and the just distribution of wealth, must be effected in a manner which will avoid all unnecessary hardship to both classes."

OBJECTIONS ANSWERED.

Our author then proceeds to indicate the method of application of the fundamental and far-reaching reform he advocates, the taxation of land values and of all monopolies of public services not owned by the State—to show its sufficiency, and to defend it against the well-known attacks of the learned, disinterested, and impartial men of the Liberty and Property Defence League, and the similar, but feeble, objections recently raised by some combative Socialists. His arguments against any system of land nationalisation by purchase seem to us so masterly as likely to convince, at least, the thoughtful of those who cling to this

dangerous compromise with the demands of justice ; while his careful exposition of the great difference, both in principle and results, between a tax on rents and the taxation of land values will, we think, be instructive even to many advanced Single Taxers. His defence of the Single Tax philosophy and method leaves, we need scarcely say, absolutely nothing to be desired.

THE ETHICS OF COMPENSATION.

Though we feel we have somewhat trespassed on the patience of our readers by the long and numerous quotations we have felt ourselves compelled to lay before them, we cannot refrain from here quoting his summary on the ethics of compensation. He says—

"The arguments on which the demand for compensation is based are untenable. But it is not a question of argument; it is one of sentiment. Men hesitate before adopting a truth fully; they desire compromise with error. Could not existing injustice be removed without depriving its beneficiaries of the advantage which they derive from it? This, unconsciously, perhaps, is the desire of those who, recognising existing injustice, and desiring its abolition, nevertheless claim that compensation must be paid to those who benefit from it. This desire cannot be fulfilled. Justice in the distribution of wealth cannot be achieved without reducing the amount of wealth which goes to those who receive more than their just share. Reward cannot be proportioned to service as long as some receive rewards for which no service has been rendered. As fire and water cannot mingle, so it is impossible to combine the removal of injustice with compensation to those who benefit by injustice. Those who advocate the one thereby oppose the other."

CONCLUSION.

Mr. Hirsch devotes the closing chapter of his masterly work to showing, by numerous quotations, that "from the father of modern Socialism downward, thinking men among the Socialists have been unable to close their eyes to the fact that social injustice, the subjection of labour, and the exploitation of labour have

as their cause and origin private ownership of land. They admit that were land free and equally accessible to all, labourers would be free to enjoy the wealth which they make. They, therefore, also admit that capital is powerless for evil in the absence of land monopoly." "Why, then, are they Socialists?" Mr. Hirsch pertinently asks. "Why do they insist upon the necessity of measures which they themselves thus declare to be unnecessary, and which, as has been shown here, are fraught with the utmost danger to society? Is it that the Single Tax doctrine is too simple to satisfy for long the craving for extended action which possesses so many men ? Can it be that the truth, the light of which occasionally illuminates their thoughts, cannot be retained by minds enamoured of the fascinating occupation of devising vast projects for the regeneration of mankind? Whether this be the true explanation or not, this much is certain, that these Socialists themselves bear witness to the sufficiency of the Single Tax system for the attainment of the ultimate objects at which Socialists aim, and which Socialism cannot attain." Leaving this most suggestive question to be answered by his readers according to their knowledge and predilections, Mr. Hirsch concludes his masterly work with the following passage, with which, after cordially thanking and congratulating him on his able and powerful contribution to the social and economic science of to day, this long, but yet insufficient, notice of his labours may fittingly close:—

THE CENTRAL TRUTH

"Social well-being is not to be found outside of the happiness of those who constitute society; their happiness cannot be achieved by any one but themselves— by each for himself. All that the State can do is but negative - -to prevent any one from invading and curtailing another's happiness, or the opportunity for producing his own happiness, to which he is entitled. Equal rights and equal opportunities, these the State can secure. Beyond this, not only can it do nothing, but every step beyond involves a curtailment of opportunities for the happiness of all and an infringement of the equal rights of some. This truth, so clear, so simple, so obvious, must guide all attempts at social reforms. To have overlooked it is the central error of Socialism—the point where its teaching leaves the path which, leading upwards and ever upwards, must ultimately lift mankind to the greatest heights attainable by it—where it enters upon the path which,

leading downwards and ever downwards, must deprive mankind of all the progress which it has wrung from the pain and suffering of untold generations."