

as the rates rise and lash against the housing of the people. So we have, one after another, these fanciful expedients which do everything but look in the right direction—namely, to abolish all taxation of houses and other buildings, to cease assessing them at all, and to obtain the public revenue by rates and taxes assessed upon the value of the land alone. Listening to Mr. Eve, any really knowledgeable person, admiring his forthrightness as he issued his challenge, “*This Act will not work*,” could say in all sincerity—surely, if the land-value policy were a dog it would bite him! Perhaps something of the sort may even have happened and Mr. Eve, as a member of a certain Interdepartmental Enquiry Committee, may be near to the conclusion, by such hostages as he has lately given, that the “practicability and desirability” of Site

Value Rating is not quite so disputable as some people seem to think.

The present writer attended the Conference as representative of the United Committee for the Taxation of Land Values and had the opportunity of entering the discussion with a statement which may have helped a little toward that conviction, at least in some quarters of that body of trained specialists.

But whatever may be Mr. Eve's hesitation in crossing the stream, the paper in his hands was an excellent passport. We hope it may be published in pamphlet form and gain a wider publicity, for (to vary our metaphor) it will be grist to the mill of those who do see and do preach the true alternative to the present rating system.

A. W. M.

COMPULSORY INSURANCE AND THE INDIVIDUAL

THE general attitude towards the National Insurance Act, now brought into operation, seems to be that of accepting the inevitable. There is little or no enthusiasm, much indifference, some criticism; the deep misgivings felt by a considerable minority do not get beyond private conversation. The Opposition Press is mainly concerned with partisan criticism of details, scarcely with principles or ultimate consequences. Yet this Act marks a great stage in the drift towards the totalitarianism against which we were asked to fight in 1939, and which we are told now threatens us from the Kremlin. More than twenty million people not previously regimented in this way will now be brought within the Minister's stupendous power. Many of these had been previously regimented by Big Business, with its atmosphere of time-sheets, clockings-in and clockings-out, and the extra regimentation will be no novelty; but to the three million or so “self-employed” and “non-employed” the close grip of the State machine will represent a new element in the factors governing their daily lives. The very rich, secure in the advantages a monopolist society always offers to their kind, will remain undisturbed by the obligation to pay a tribute no higher than that imposed on the comparatively poor; experienced State-scrourgers will, of course, make their dispositions to secure the lion's share of the £264 millions of public money allocated to subsidise the scheme; but all those who have striven to maintain some measure of independence on small or moderate incomes will encounter physical difficulty as well as suffer moral defeat.

In these circumstances any reflecting person will not be misled into discussion about mere details of administration. Any centralised coercive system must propose to classify men and women into groups according to income, occupation or physical and mental capacity, and the directors of the system must assume these distinctions to be clearly decided. In practice everyone knows that the divisions between these categories are no more distinct than the colours in Turner's picture of *A Sea Serpent in a Fog*, but it would be a mistake to suppose that this difficulty would cause any scheme to break down. For this reason the Individualists' reiterated claim that “The State can't do it” seems a dangerous form of argument. Any group in possession of enough power to coerce must also have enough power over propaganda to do much persuasion. Given sufficient power on one side and sufficient compliance on the other almost any coercive system can be made to work well enough to enable propaganda to assure the masses that it is a success. Bribery always

accompanies State coercion and contemporary democracies seem disposed to believe almost anything they are bribed to believe—especially, as in the present instance, when the propaganda of the Opposition never challenges the principle of the measure. If immediate success is to be the only criterion of coercive administration the bureaucrats need not worry.

Earlier measures of State paternalism have been in operation long enough to enable the organisers to gain experience, and it is not impossible for them to have discovered that the very anomalies of the system can be made to assist their designs. “I don't mind very much if they tell me lies,” said Doctor Keate, the notorious headmaster of Eton. “After all, it's a sign of respect.” To reduce boys to lying, he found, enabled him to discipline them more easily. Can we be sure adults are quite different?

Under the new Act a self-employed person earning less than £104 per annum is exempt from contributions. Above that income he must pay 6s. 2d. per week. Thus every self-employed person earning between £104 and £120 will be worse off than if he earned £104 only. It is ridiculous to suppose that such people will not conceal their gains, just as it is preposterous to expect every smallholder, street trader and window cleaner to keep accurate accounts and to be able to forecast his income exactly. The same open deception is to be practised regarding pensioners who earn over twenty shillings by working in any one week; they are supposed to report this “crime” in order that their State pension may be proportionately reduced. We do not cite these particulars as censuring the designers of the scheme, we cite these—and no doubt many others could be found—as illustrating the anomalies that must inevitably occur when the State departs from its true sphere of maintaining justice and instead endeavours to usurp the functions of natural law and the voluntary sympathy and co-operation of men and women. The deceptions we have mentioned will be tolerated by the administrators of the Act, although they may find it necessary to “make examples” of some who, in their arbitrary judgment, abuse this toleration. For the same reasons the National Socialists and Communists found concentration camps unavoidable. The vast majority of deceivers will remain undisturbed physically. They will not remain undisturbed mentally and morally, however. Whatever propensity they may have had for lying and deception will be intensified, and their example will affect the general standard. More important still,

their attitude towards officialdom will tend to become cringing, in case they are found out; and every man who has ever filled in an official form asking for some kind of benefit, exemption, relief or priority rises from the task with something of the same feeling. For no man can be absolutely sure that he fits *exactly* into some category of a complicated Act which it is almost impossible for him to have mastered in every detail.

Thus the very anomalies of coercive administration, by the deceptions they make inevitable, serve the underlying purpose of those who love power for its own sake. And this process did not start with the National Insurance Act; it started with the first Custom House.

Government agencies, conveniently silent about the subsidies, give the impression that this scheme is not an addition to taxation and that "it" will pay for itself. That sounds like some miraculous machine but, in fact, the "it" is just the same person who pays for everything else a Government does; and whether a person is forcibly relieved of his earnings under the title of taxes or contributions the difference to him is the same. The Act does not relieve people from providing for themselves, it only forces them to provide for an army of officials as well. The activity of these officials could be justified only by their convincing us that nature has somehow robbed the majority of men and women of the capacity to support themselves, so that their only hope is to take forcibly from those to whom nature has been more generous. But even if this monstrous condition could be proved it would condemn the method of the Act which obliges the self-employed barrow-boy with £105 per annum to pay more than the highest paid company director in Great Britain. In fact, no attempt whatever has been made to establish any justification under natural law for this vast extension of State compulsion which is already having the effect of discouraging voluntary co-operation in schemes of mutual aid. We know how much the practice of such organisations has helped citizens to work together in the spirit that is the foundation of all real democracy; we shall probably learn how much coercive charity can distort and discourage that spontaneous and generous charity which sweetens and sanctifies natural human relations.

In a truly free society, with life so much easier and relieved of those burdens and frustrations that produce as well as poverty so much bitterness even in domestic life—in such conditions men and women would be both willing and able to relieve the misfortunes of their kinsfolk and neighbours to a degree that would render much public charity unnecessary; but none would be likely to question the right of society as a whole to give generously to those few lacking friends or natural protectors. And with government reduced to its proper functions and society receiving its natural revenue the means to supply such charity would be easily available. The present regime of coercive charity is supported by all the political parties and all the propaganda of radio, Press and pulpit, but if one strips all this propaganda of its woolly thinking and well-meaning fatuity we can see what such measures really amount to: a vast subterfuge to turn the eyes of the people from the real causes of poverty, insecurity and economic helplessness. And the first, original and basic cause is the denial of natural opportunity to use land.

There are many reasons why this great pious fraud should be accepted by that majority whose desire for ease, material success or immediate security is stronger than their concern for the ultimate good of mankind. In the first place, it saves them the trouble of thinking. This

is what other peoples have done, it might be said, and why shouldn't we do likewise? It is true that Milton warned his countrymen, "Let not England forget her precedence of teaching nations how to live," but it is so much easier to assume that the examples and warnings of our national teachers and heroes apply to their own times only—our times being so enlightened, peaceful and happy that the lessons do not apply. As well might one imagine all the bishops who recently witnessed the dramatic version of *Pilgrim's Progress* standing in the dock beside John Bunyan!

But there is another and perhaps more powerful reason for shirking enquiry into the fundamental causes of the ills of society. The material conditions of a monopolist society in themselves discourage the practice of independent thinking as well as appreciation of a high purpose in human life and imaginative sympathy with millions whom we can never know. All thought and feeling tends to become limited to concern for material security which so often depends upon the favour of others. It is not selfishness only that induces so many of the well-off to ignore social ills; they probably fear poverty even more than the poorer classes who know it better. And how many of the poorer classes have not a vague feeling that they also depend upon some kind of privilege for the slight measure of security or comfort they enjoy and that to eliminate all privilege would leave them utterly defenceless? To all affected by these influences the National Insurance Act is an easy way out.

But there is no mechanical principle which forces mankind to degenerate. Each generation starts with the same advantages of innate character and can profit by good examples as well as yield to bad influences. The refusal to submit to an unjust law has on occasion produced astonishing results and it is not impossible that the breed of Eliot, Hampden and Bunyan may still survive.

F. D. P.

ANSWERS TO FREEDOM QUESTIONNAIRE

(page 158.)

- (1) In the Anglo-French commercial treaty of 1860 Richard Cobden secured agreement to a clause ensuring that if either the French or British Government should subsequently, in negotiating a treaty with any other government, fix a lower duty for any commodity than that under the 1860 treaty, then the duty under the 1860 treaty should be lowered to the same level. Other governments in their treaties with each other copied this "most favoured nation clause" and it tended to extend freer trade in an ever-widening circle until the slump of 1873.
- (2) In his speech on Economic Reform (1780) Burke condemned Income Tax as flagrantly unjust, "a fine paid by industry and merit" to divert public attention from the real causes of distress. He was immediately concerned with the salaries of State employees, but his remark, "An equal tax upon property is reasonable," shows that he had in mind the general principles of taxation. And even Lord North and a Parliament of landowners shared Burke's opinion. In 1793, when William Pitt introduced Income Tax to pay for war on the French Republic, he did not attempt to defend the principle; his measure was frankly an expedient