

Locke and Property Rights

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JOHN LOCKE and John Maynard Keynes both failed to perceive a simple truth, though it cried out from their own writings. This kind of failure has hampered the thinking of men on crucial occasions in modern history and this thinking is on the subject of land tenure.

In this article the author first examines the philosophy of Locke. His article on Keynes will appear in our next issue.

USING GOD and the natural law doctrine as the basis of his argument, Locke analysed—and justified—private property in “life, liberty and estate.” In doing so, in the short text of his second *Treatise on Civil Government*, he succeeded in laying the ideological foundations of one of the most damaging sophisms in philosophical thought. The clues are in these passages:

“Though the earth and all inferior creatures be common to all men, yet every man has a *property* in his own *person*. This, nobody has any right to but himself. The *labour* of his *body* and the *work* of his hands, we may say, are properly his. Whatsoever, then, he removes out of the state that nature hath provided and left it in, he hath mixed his labour with it, and joined to it something that is his own, and thereby makes it his property.”

Here we have the basis of the labour theory of value.

“But the chief matter of property being now not the fruits of the earth and the beasts that subsist on it, but the earth itself, as that which takes in and carries with it all the rest, I think it is plain that property in that too is acquired as the former.”

Here we have the key factor which in the pioneering days of the North American continent influenced the debate on what form of land tenure should prevail.

“I think it will be but a very modest computation to say that of the products of the earth useful to the life of man, nine-tenths are the effects of labour: nay, if we will rightly estimate things as they come to our use and cast up the several expenses about them, what in them is purely owing to nature and what to labour, we shall find that in most of them ninety-nine hundredths are wholly to be put on the account of labour.”

Here we can perceive the confusion from which only Henry George was able to distil sense, while other economists got lost in a maze of contradictions in trying to reconcile the irreconcilable⁽¹⁾. For, whether it be one per cent in one case or ten per cent in the other, the value created by the equation labour + land = wealth is certainly attributable to an element other than the individual efforts of labour.

Again and again, Locke pays lip service to the common ownership of all that nature has provided, yet compromises by dictating exclusive ownership for anyone who has “mixed his labour” on land. Again

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and again he demonstrates his confusion:

“’Tis labour, then, which puts the greatest part of value upon land, without which it would *scarcely* be worth anything . . .”

“ . . . nature and the earth furnished on the *almost* worthless materials as in themselves.” (This, of course, is to confuse value in use with value in exchange ⁽²⁾).

Locke, in spite of his acknowledgement of equal rights in land, failed to perceive any mechanism, like a tax on land rent, which would ensure that the returns to land would be recovered for the benefit of all men, while securing for individuals the important security of possession which would enable them to invest capital and maximise production.

Locke’s description of a positive “is” attitude was transmuted into a normative “ought” attitude by the framers of the great constitutions. His influence on the authors of the American Declaration of Independence (1776) was enormous, for they incorporated the “inalienable rights” into that document; and we find “imprescriptible natural rights” in the French Declaration on the Rights of Man (1789). On the basis of such polarising beliefs grew modern Western philosophy and action, culminating in the United Nations’ 1948 Universal Declaration of Human Rights.

What happened after Locke is well documented in the history books. Europe was already on the wrong path, as it were, but there was hope for better development of land tenure in the New World. The land that then abounded was apportioned off to immigrants,

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who arrived by the boat load. Locke had said that, in these conditions, men were by right able to appropriate land as private property, but he failed to spell out what would happen when the land ran out.

The immigrants were not interested in future problems. Their concept of liberalism insisted that families own their own farms. And as Herman Finer says (*Theory and Practice of Modern Government*)⁽³⁾: " . . . government was conducted by elected assemblies representative of agrarian interests. These began to govern in their own interests, putting off payment of debts and issuing paper money."

This practice has caused confusion of tragic proportions. Today, in the U.S.A., hungry people pay taxes to the government to pay the farmers not to produce

food. Subsidies are claimed, as if by right, to uphold the tradition of "liberalism," so as to ensure that the farmers can stay on their land. The multifarious conflicting policies are sapping the energies of the people. As Heady and Burchinal's *Goals and Values in Agricultural Policy*⁽⁴⁾ shows:

"Our present agricultural and food policy structure abounds with elements which conflict as ends or as means of attaining a particular objective. On the one hand we have programmes which pay farmers to use inputs which increase output . . . on the other hand, we have used direct payments to farmers to lessen land and related inputs as a means of decreasing output."

The anomaly centres around the persisting influence of the farmers' lobby, which demands a secure market and price for its products at the expense of the public purse. This enables an estimated two million inefficient farmers to stay put, when they might otherwise have to sell up—which, to Americans, would be the antithesis of the philosophy of their pioneering forefathers—and it maintains and enhances the value of land.

Bertrand Russell and Elie Halevy trace the other extreme of Locke's influence through Thomas Hodgskin, the London economist, directly to Marx. This is the justification of private property derived from a man's right to the produce of his own labour. Halevy in his biography of Hodgskin, considers the inconvenient gap in Locke's analysis:

"Locke's theory makes justification of the ownership of land difficult, but as has been shown, 'there is no other wealth in the world but what is created by labour, and by it continually renewed. This principle, now universally acknowledged, makes the right of property appear more absolute and definite than it was in Mr. Locke's comprehension, because the right to own land is in fact only the right to own what agricultural or other labour produces'."

The notion that land can derive value other than from the specific efforts of an individual is negated, thus producing the ready-made theory which would recommend itself to the proletarian masses: that only labour produces value. By eliminating the claims to wealth by anybody other than workers, we are told, we ensure justice to those who produce the wealth.

Those who would imagine that this is all of purely historical curiosity should immediately disabuse themselves of the idea. For, as Doreen Warriner shows in her newly published book *Land Reform in Principle and Practice*⁽⁵⁾, America and Russia through the bribery of foreign aid, are competing with each other to impose their own ideologies on the emerging nations of Asia and the Third World.

Land reform to these poverty-stricken peoples (up to two-thirds of the world's population) is crucial; but the people are denied the democratic right to social change because so much economic (and therefore political) power lies in the hands of the large land owning families.

Miss Warriner adjudicates on the competing ideologies by observing that "English common sense always suggests a compromise: grant individual ownership, but provide some form of organisation to channel investment and market the produce, thus linking increased inputs with higher outputs and greater incentives to sell."

Should we really compromise the new opportunities for constructing land tenure rights based on justice that Asia, Africa, and South America offer?

(1) *The Science of Political Economy*, Henry George. Robert Schalkenbach Foundation, New York.

(2) *Ibid.*

(3) Methuen & Co., 1932

(4) Iowa State University Press, 1961.

(5) Clarendon Press, reviewed in last month's LAND & LIBERTY