Land and Freedom

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Comment and Reflection

AMONG the explanations of the cause of the depression one that recurs most frequently is the World War. It is heard in speeches in Congress, in editorials, and often in the more thoughtful dissertations of prominent writers. Thus Mr. J. G. Lockhart in a recent work entitled "The Peace Makers," says: "The world did not fully recover from the Napoleonic Wars until a full generation had passed and the middle of the nineteenth century had been reached," and then he follows with the lesson from analogy that "we may not expect full recovery until about the year 1954."

JUST how wars work to produce depressions we are not informed, nor is any effort made to clear up the matter, beyond the remark casually let drop by Mr. Lockhart that "war is an expensive process." An analogy that seems to have been completely forgotten is the prosperity that followed our own Civil War, which would seem to require some counter explanation. The theory falls to the ground the moment it is examined.

FOR one thing, such explanation is too easy. We are, as a matter of fact, living in a constant depression—low wages, industrial insecurity and mass poverty. These are accentuated by periods of more acute distress which go under the name of "depressions." The times that we are out of these depressions are infrequent enough and to call them periods of prosperity is an abuse of language. With the masses of men there are always depressions. There are no times of prosperity—there are only times of less acute distress, less wide-spread poverty.

ARE such theories conscious attempts to evade inevitable conclusions following a closer analysis? We think not. They are born of a superficial analysis of the social problem, and an ignorance of economic factors. That escape out of the depression must wait until 1954, that not until then may we overcome the disastrous effect of a war that ended in 1918, will seem fantastic on reflection. For however great was the destruction of wealth resulting from the World War, a period of ten years would have more than sufficed for the replacement of that loss.

WHAT these theories naively ignore, are of course the economic factors. The very instant the flags are furled and peace declared, these economic factors, rudely interrupted by the chaos of conflict, begin their work. Mr. Lockhart writes as follows: "History, if we omit the rare and incalculable interference of the abnormal, is the product not of a few spectacular actions, but of innumerable events, unnoticed but irresistable in cumulations."

THE problem is incorrectly stated. History is not governed by the "interference of the abnormal," nor yet by "innumerable events," but by law, among which is the working of economic factors. These "innumerable events" are not the cause of social dislocations, but are the effect of the ignoring of natural laws. Wars themselves are the effects. What we amusingly call peace are only wars disguised. Nations that arm themselves with hostile tariffs are not only preparing for war—actually they are at war. And their conflicts of diplomacy are but one remove from armed conflict.

AFTER war, as after the World War, to which is erroneously attributed the depression, economic trends are once again in full swing. The same old round is to be traversed again. The same old stumbling blocks to progress remain. The same slow impoverishment of the workers that results from the taking of private wealth for public purposes and the gradual encroachment of speculative rent, paralyzing labor and capital, go on as before. These forces are at all times sufficient to account for the stagnation of industry without recourse to imaginary theories to account for periods of depression which differ from the normal only in intensity. The phenomena we observe, low wages, poverty, unemployment are the resultants of a denial of the natural order and not of the merely temporary dislocations caused by wars from which we soon recover, going from the horrors of war into the horrors of peace, which are only a little less devastating.

IT is safer as a mode of reasoning leading to sound conclusions, to consider economic theories in accordance with the economic facts, or in other words using the factors that belong to that special domain. If what

we know as economic laws work the same under the same conditions; if we deny men's right to the use of the earth; if, recognizing trade as a part of production, we nevertheless strangle trade by tariffs and taxes, we have a sufficient explanation of poverty and human misery without the resort to any other theory to account for what we see. Yet the proneness to consider theories of economic facts while ignoring economic factors is responsible for much unreason. We shall never get far until we look upon political economy as a science and consider it in the terms that belong to it.

THESE terms and relations are simple enough. Nothing indeed can be simpler. If land is a place to get things out of that we know by the name of wealth, and the earth is the only reservoir of human needs, by what natural law do we pay others for the permission of access to it? What is property? What is wealth? What are wages? Correct answers to these questions comprise all that need be known as political economy. All that is needed now is not to write books about it unless it is for the purpose of clearing away cobwebs. Henry George has written it in a great book which only an insane man would hope to improve upon, and in writing this book he has probably condemned a million other books, written or to be written, to a merited oblivion.

WE can never cease to be amazed at the difficulty men and women find in the comprehension of natural laws. It would seem they are about the last things they recognize—certainly the last things they are able to reason about. Yet the failure to apprehend them lies at the basis of nearly all our troubles. That the relations of men are subject to mechanical devices is the fundamental error of the Socialists. It is also at the basis of the Roosevelt fallacies, now in partial eclipse. The laws of cooperation and competition work such wonders when left to themselves that it would seem they could not be wholly overlooked. The need of reconciling human relations to these laws would seem to be obvious enough. But so little are men willing to trust these laws that laissez faire has come to be regarded as a horned beast. The industrial body must be treated to potions and plasters and the natural powers of recovery are never called into play. Even medicine has made more advances than that.

IT is quite impossible to catalogue the various explanations and remedies offered for the depression. Some of the "remedies" are incredibly silly because the diagnosis is almost invariably at fault. We have examined the war theory, but what shall be said of another rather numerous group who look to wars as the source of prosperity, thus reversing the theory that wars are responsible for depressions. The technocrats have had their day and have faded out of the picture. Overpopulation and overproduction have done some service. There still lingers the notion, no less vague and indistinct than a host of others, that the machine age is responsible for the times through which we are passing, and that really nothing can be done about it unless we accept government ownership of the means of production.

JUST when the "machine age" began there seems to be some uncertainty. But considered rationally it must have had a beginning. The substitution of a spade for a stick in digging potatoes seems like the commencement of the so-called "machine age," but we cannot be quite certain of that. The substitution of the sewing machine for the needle might set a definite beginning for the machine age, but again we cannot be too sure. For the needle is a kind of machine. Anything that fortifies the hand, or substitutes mechanical appliance for physical labor, or adds to it, is a machine, and the process of such substitution is as old as the cave man, or older. When men talk of a machine age they are talking of civilization and processes coeval with the appearance of man on the planet. If the relation of man to land is understood there is no problem here. Every invention, every advance in the processes of production under normal relations, with free access to land, increases the opportunities for the production of wealth.

IT is the closing of natural resources, the blackmail laid upon industry by those who contribute nothing to industry, the ever increasing tribute demanded of labor and capital, that bedevils the process and leads the intellect astray. Once the factors in this very simple problem are understood it becomes no longer complicated. It is no longer a money question. It is no longer something that calls for planning—the plan is already made. It is no longer a question of too many people in the world—nature saw to that when the world was created. It is no longer a question of overproduction—too many good things for too many people in the world, a mathematical contradiction which we hear from the same lips. All these strange absurdities prevail and would require the pen of a Dean Swift to fitly characterize.

WE hear it said that "our industrial system has broken down." In one sense it has—in another and more important sense it has not. It is not necessary to rebuild the industrial system. Let us leave that to our ingenious friends, the Socialists, and their brothers, the social planners at Washington. If they would but recognize that what appears to be the breakdown of the system is not due to any inherent defects in the system itself, but to *a dislocation of the factors*. These factors

have been ignored—their proper functioning in the industrial system misapplied. There is nothing the matter with the system itself if these functions are recognized for what they are, and the office they fill and the work they do, properly apportioned. The industrial system has apparently broken down because the factors have not been recognized for what they are by those whose duty it is to teach, the statesmen and politicians, and the heads of our institutions of learning from which only occasionally a lucid voice is forthcoming.

THE notion that we need a central regulating power over industry explains the opposition to the Constitution and its interpretation by the Supreme Court in the recent N.R.A. decision. Paul Blanchard in a recent number of *The Forum* complains that the Constitution hampers progress because "it prevents a central control of our economic life and a unified system of labor laws." For our part we would be quite as distrustful of unified control of our economic life by politicians temporarily in power as in the hands of the nine able gentlemen who constitute the Supreme Court. As a matter of fact, the Constitution is more flexible than "unified control" in the hands of a strong administration. It has been amended twenty-one times in 150 years. It is far from being a static instrument since it provides for its own modification by direct amendment. And we were told years ago by Peter Finley Dunne, somewhat cynically, that decisions of the Supreme Court "follow the election returns." So we may rest in that assurance if all else fails us.

BUT the very centralized powers for which Mr. Blanchard contends are a danger more imminent and perilous than any possible usurpation of power by the Supreme Court. We would not lightly ignore certain considerations, but some thoughtful men are saying that a dictatorship has been averted by the Supreme Court decision. We will not go so far as to assert this, but certain recent developments in the process of vesting in the Executive unusual powers have held a menace which it were wise not to underestimate.

NO doubt the power of forty-eight states to legislate in their own way on all matters which are not interstate opposes an obstacle to "unified control of labor," and we for one are glad of it. We would rather bear the possible inconveniences, if there are any, in favor of the forty-eight experiment stations in the legislatures of forty-eight states. It seems to us that democracy has a better fighting chance. We are glad that the Supreme Court stands as a guardian over the rights of the states. We have forty-eight times more faith in the emulative example of half a hundred legislatures competing for adventure in social progress than a centralized government at Washington, however sloppily benevolent.

WE have made some progress in economic thought. No complaint that unemployment arises from laziness or improvidence is likely to be heard again. Nor is it probable that any great paper like the *Chicago Tribune* will again advance the giving of arsenic to the unemployed, the tramp or the striker. Strikes have become almost popular and unemployment too familiar a phenomenon. No future president of a great railroad system will advocate that strikers crying for food should be given "rifle diet and see how they like that kind of food." No, newspapers and railroad officials have grown if not more humane at least more cautious. So much has been gained for the cause of sanity and a calmer outlook upon the social problem.

HOW little we can depend on the teachings of so-called radical journals like *The Nation* is shown by their attitude toward the Supreme Court decision. *The Nation* says: "The President cannot complain about his luck. The Supreme Court has given him a new chance to assert his leadership after he himself has forfeited many golden opportunities. We think that he now has the best issue of his career." If *The Nation* really understood the economic issues involved it would hail the Supreme Court decision on the N.R.A. as a great step in the preservation of our liberties. We have no grave objection to amending the Constitution in a way that will restrict its power over national legislation. But that merely looks to a possible improvement of the instrument itself, and the Constitution provides the method of procedure. It is unfortunate that the issue should be presented at this time when the decision is in accordance with the best traditions of a liberty-loving people.

IF there is need for an amendment to the Constitution it is a pity that the chief protagonists of such change should be those who have shown small comprehension of American traditions. We should far rather trust the future of this republic with the men composing the Supreme Court than with Franklin Delano Roosevelt and those comprising the milk and water socialistic school of *The Nation* and *The New Republic.* There is, we believe, little to choose between Mr. Roosevelt and Mr. Villard. Neither school to which these men belong has the faintest conception of natural law in wealth distribution, and both seem to think that laissez faire and the operation of free competition disastrous in their results. Neither school has the faintest conception of human liberty. *The Nation* has done some good service on occasions for the defense of human rights, but what man's fundamental rights are is left to conjecture.