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## The Challenge of our Times

We must not delude ourselves with the belief that the great battle now going on between the dictatorships and the so-called democracies is merely a matter of the nominal form of government. It is not. The difference is much more fundamental. Opposing and diametrically opposite philosophies confront one another. The contest is between the philosophy of dictatorship and the philosophy of freedom. Irrespective of the name we give our form of government, or the method by which we choose its administrators, the philosophy of freedom cannot be realised unless the world recognises the common rights of men in the resources of nature, unless it recognises the right of every people to trade with other peoples, unless it safeguards the individual rights of life, liberty and property and unless it insures tolerance of opinion. These principles are the essential life-giving attributes of freedom: without them there can be no civilisation in the sense in which that term is used by a free people.

The modern world is so closely knit together by reason of the new inventions which have eliminated distance and made communication easy, that a world divided against itself cannot stand.

The most serious threat to democracy which exists is that the democracies themselves have not as yet achieved social justice for their own people. If they would achieve it, they would have nothing to fear from the dictatorship states.

## False Claims and False Tactics

We certainly cannot claim to have achieved social justice. True, we offer many advantages over what the despotisms offer, but in any country people will submit to regimentation and political and social despotism rather than go without food and shelter. In such circumstances, ignorant of the value of the liberty they surrender, they will sell their birthright for a mess of pottage.

Instead of addressing ourselves seriously to the task of establishing social justice—the most momentous task which has ever confronted this country in all its history—we have wasted our energies and resources in adopting shallow and superficial measures not in harmony with the realities of social life and which ignore its natural laws; erecting great bureaucracies which have attempted to regiment our people, while the mass of regulations which they have prescribed have served only to demoralise industry, prevent its recovery and obstruct the co-operation between labour, capital and consumer which the interests of all require.

## Marxism Rejected

Machiavelli and Hobbes in their writings expressed the foundations for despotism, and disclosed the cruelties, subterfuges and deceptions by which alone a despotism can be achieved.

Marx and Lenin, because of their belief that the rights of the individual were fictional rather than real, built upon those principles of Machiavelli and Hobbes which constitute the foundation of the modern totalitarian state. The whole idea of the totalitarian state, rests upon a disregard of fundamental human rights and the substitution of an autocratic will for the encouragement of individual initiative among the people. The tragic menace implicit in the despotism of the totalitarian state, which makes it an offence to God and man, is its claim of absolutism to crush the individuality and destroy the conscience of men.

The principles of freedom enunciated by Henry George are utterly inconsistent with the Marxian greed which ends in state socialism or in the totalitarian state, in principle identical with it. Indeed, the great French economist, Charles Gide, in his lecture on the co-operative programme, contrasts a voluntary co-operative system, which retains individual initiative as the basis of all economic activity and preserves the spontaneity and inexhaustible reserves of invention and creation, with state socialism, which is proving daily more sterile both in economic production and in affording protection to public and private freedom.

## Equal Liberty and Equal Rights

If the world of to-morrow is to be a civilised world, and not a world which has relapsed into barbarism, it can be so only by applying the principles of freedom.

The first principle is, that men have equal rights in natural resources, and that these rights may find recognition in a system which gives effect to the distinction between what is justly private property because it has relation to individual initiative and is the creation of labour and capital, and what is public property because it is either a part of the natural resources of the country, whose value is created by the presence of the community, or is founded upon some governmental privilege or franchise.

It is strange that the state, which has assumed all sorts of functions which it cannot with advantage perform, still persists in neglecting a vital function which it should and can perform—the function of collecting

public revenues, as far as possible, from those who reap the benefits of natural resources. In view of public and social needs, it is remarkable that no effort has been made by governments to reduce the tax burdens on labour and capital, which are engaged in increasing production, by transferring them to those who restrict production by making monopoly privileges special to themselves.

### The Freedom of Trade

The second principle is the freedom of trade among the nations—not free trade introduced over-night, but freedom of trade as an end toward which the nations should move. When Henry George wrote his great work on *Protection or Free Trade*, he demolished the protectionist argument and in chapter after chapter he showed the absurdities to which the protectionist principle led if carried to its logical conclusion. But even he, penetrating as his vision was, could not foresee that mankind was heading for a world order of economic nationalism, and isolation, based upon the principle of protection carried to its utmost extreme. And yet that is precisely the doctrine which is now currently accepted. If it becomes general, it can serve only to sow the seeds of destruction of that measure of civilisation which we now have and force a lowering of the standard of living throughout the world.

There are two ways by which the people of one nation can acquire the property or goods of the people of another nation. These are by war and by trade. There are no other methods. The present tendency among civilised people to outlaw trade must drive the states which prescribe such outlawry to acquire the property and goods of other peoples by war. Early in man's struggle for existence the resort to war was the common method adopted. With the advancement of civilisation men resorted to trade as a practical substitute for war. The masses of men wish to trade with one another. The action of the states alone prevents them from so doing. In prohibiting trade, the state gives an importance to territorial boundaries which would not exist if freedom of trade existed. By accentuating the importance of mere boundary disputes, rather than assuring the right of peoples to trade with one another, the nations put the emphasis upon the precise issue which is, itself, one of the most prolific causes of war.

### No Regimentation ; No Monopolies

All the great modern states have turned away from freedom of trade, and indeed, from trade itself, forbidding their people the right to earn their own livelihood and to associate freely with one another in industry. In order to accomplish this end they are compelled to regiment the lives of their people under state bureaucracies and this can be accomplished only by a despotic state. If the powers of the modern states are to be augmented by conferring upon them the right to run all industry, despotism is inevitable. A dictator may, by reducing the standard of living and regimenting the people, run all industry within the state over which he rules, but a democracy, which, if it is to be true to itself, must preserve individual initiative, cannot do so without transforming itself into a dictatorship.

Henry George believed in an order of society in which monopoly should be abolished as a means of private profit. The substitution of state monopoly for private

monopoly will not better the situation. It ignores the fact that even where a utility is a natural monopoly which must be operated in the public interests, it should be operated as a result of co-operation between the representatives of labour, capital and consumers, and not by the politicians who control the political state.

We should never lose sight of the fact that all monopolies are created and perpetuated by state laws. If the states wish seriously to abolish monopoly, they can do so by withdrawing their privileges; but they cannot grant the privileges which make monopoly inevitable and avoid the consequences by invoking anti-trust laws against them.

These monopolistic privileges are of course disguised under many different forms, but the task of ascertaining what they are, and their true value, is a task within the competency of government if it really desires to accomplish it.

### The World of To-morrow

The issue is vital to the welfare of mankind. The conclusion of the coming struggle cannot be forecast with certainty. Often before in the world's history, opposing and mutually destructive philosophies of life have clashed. One of these ways of life must prevail over the other. If the rule of despotism shall triumph by the use of modern armaments—and if it triumphs it can only be by resort to these agencies of destruction, because the rule of reason and justice is necessarily outlawed in every despotism—then the light of our civilisation may be extinguished and mankind may for a long night relapse into barbarism.

But if we shall be true to the philosophy of freedom; if we shall make our democracies in fact democratic, so that they shall express and recognise the principles of freedom, no dictatorship can prevail over us or destroy our civilisation.

The World of To-morrow? These words by Henry George ring as true to-day as when they were written: "If, while there is yet time, we turn to Justice and obey her, if we trust Liberty and follow her, the dangers that now threaten must disappear, the forces that now menace will turn to agencies of elevation. Think of the powers now wasted; of the infinite fields of knowledge yet to be explored; of the possibilities of which the wondrous inventions of this century give us but a hint. With want destroyed; with greed changed to noble passions; with the fraternity that is both of equality taking the place of the jealousy and fear that now array men against each other; with mental power loosed by conditions that give to the humblest comfort and leisure; and who shall measure the heights to which our civilisation may soar. Words fail the thought!"