



HIJACKED
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Hijacked is a political and economic history of England which is significantly informed by the work of Henry George and Michael Hudson.

It is a story of civil and economic regress as new forms of domination are bravely but ineffectually resisted. It begins with a description of life in Anglo-Saxon England. Life in this feudal society appears here to have been economically and politically liberal. Most wealth was held in common, poverty was rare, women had significant leadership roles and economic status. This golden age comes to an abrupt end in 1066. Life after 1066 is characterised by the spread of enclosures followed by terrible hunger, endless suffering, and desperate protests which were brutally repressed.

Burgoyne notes that the events of these uprisings are not widely known. Popular history today consists of the succession of monarchs interspersed by wars, with scant focus on the economics of unrest. He reveals that this is the result of political decisions taken as part of 17th century education reforms. Specific references to events, and their causes, were virtually written out of the history books which became the basis of history lessons in the new grammar schools. Burgoyne shows that even where the uprisings were publically recognised, they were described as “rebellions”, their perpetrators described in the broadest terms as advocates for “a fairer society”. Having overcome popular resistance, the mercantile takeover of common land, banking and parliament continues apace into the 18th century. Aside from huge economic gains for the very few, for the majority industrialisation amounted to the mechanised production of pain and suffering.

Before his account of the backlash against industrialised poverty, Burgoyne pauses to declare that he is not a Marxist. This is necessary because throughout *Hijacked*, Burgoyne attributes

blame for injustice and inequity at the feet of big organisations, government or the church. He does on occasion admit that some authorities acted responsibly, while at the same time honours, titles, positions of responsibility as well as land were acquired by usurpers of all kinds. New lords replaced old lords. Machiavellian industrialists bought out the older, socially responsible aristocracy. Some lords were benign and others were evil. Some Aristocrats cared for the common good. Some companies competed with others to provide the best towns or villages for their workers. Unlike Karl Polanyi's *Great Transformation*, a history of the same period, Burgoyne does not account for these differences, nor for the conflicts between authorities. Ultimately, Burgoyne produces a narrative which reads as a conspiracy of “authority” against “the people”.

Amid all this, Henry George stands out like a beacon of compassionate, rational intervention in the dark history of a nation's factious decline into industrial barbarity. Burgoyne notes how George saw clearly the cause of socio-economic failure, but “treaded carefully” and sought to unite people under a common concern for justice and the good, rather than divide them and ferment class war. Nonetheless, Burgoyne somewhat skips over the details of George's policy proposal in which the Single Tax is used to fund all public services, rendering all other taxes unnecessary and unjust. Instead he focuses on the troubles of the reform in Parliament. An event he uses as an opportunity to return to his anti-establishment theme: that the powerful (in this case the Lords) are in an evil conspiracy against the people and against democracy itself.

The following four chapters tell of post-WWII British economy, a period which will culminate in a political economy he calls “casino capitalism”. The author analyses the impact of the World Trade Organisation and the International Monetary Fund, and other international organisations. They manipulate the global economy in favour of rent-seeking corporate interests, at the expense of the people's economic interest. Multinational organisations conspire with governments to privatise and financialise the public realm, resulting in high national debts and the apparent necessity for austerity, such as followed the 2008 financial crash. Alongside a useful catalogue of quotes from interesting economists and politicians, Michael Hudson's analysis does most of the work explaining the dysfunction at the heart of the late modern economy. Accordingly, we find that taxation is moved away from assets, onto production and consumption. The author also adopts Hudson's characterisation of the European Union as a pernicious institution which operates against national interests. Burgoyne says the Union was, from its inception a “cartel”, set up by “Brussels bureaucrats” who “had a complete disdain for democracy”.

After bringing the reader up to the present day, the author proposes eight reforms which he hopes will restore justice and prosperity. The proposals are a combination of monetary and taxation reform, combined with proposals to renationalise public services. His main tax reform proposal is an “Earth Resource Tax”. This would combine a land tax with taxes on pollution. In his view, it is “inevitable” that such a tax will be widely adopted. When adopted, he says, it “will constitute the waking up of humanity to its birthright.” He rightly surmises that this tax (insofar as it incorporates a land tax) would make housing more affordable and free up capital, now absorbed in land speculation, for investment in other enterprises. However, there are a significant problems with the Earth Resource Tax.

Firstly, it is not clear how marrying land tax to an “effluent tax” would make it more popular compared to other taxes such as VAT. Secondly, rather than taxing pollution it would be better to minimise or eliminate it through regulations, and fund green alternatives out of general taxation. That way we would not make the mistake of taxing “sins”, as George warned us against.

Taxing a sin is counterproductive, and also it encourages avoidance. It is regressive because the cost is simply added to the cost of production. It is also immoral because it effectively legitimises an immoral activity. Ironically it would mean the worst polluters would become society’s greatest benefactors. They would therefore be economically and “morally” justified because pollution would directly fund public services. This is despite the fact that they would effectively be paying for the services utilised to counteract the effects of pollution! Further, it would make government dependent for its income on behaviour which damages the health of its citizens. Reliance on an Earth Resource Tax could in effect encourage polluting industries to become too big to fail.

It remains to be seen if a “grass-roots movement operating independently of leaders” will “rise up and demand change” as the author predicts. To that end, it is notable that insufficient attention is given to successful reforms, such as those that were passed with the People’s Budget, or those which constituted the cross party post-war consensus. In both cases, governments significantly reduced unjust inequality, the public sector was generously provisioned, taxation encouraged production, housing was cheap and banking was highly regulated. Of the latter case Crosland, in 1952, could claim:

The most characteristic features of capitalism have disappeared – the absolute rule of private property, the subjection of all life to market influences, the domination of the profit motive, the neutrality of government, typical laissez-faire division of income and the ideology of individual rights

These events should be significant for Burgoyne, since they are the kind of reforms he calls for. It appears their absence is due to the fact that they do not fit his anti-establishment narrative. 📌

BOOKS WORTH READING

The Gift of Science: Leibniz and the Modern Legal Tradition by Roger Berkowitz traces the shift in the understanding of the nature of law which took place between the seventeenth and nineteenth centuries when legal thought became subject to positivism. What in jurisprudence is termed ‘legal positivism’ is an attempt to completely codify law. This divorces law from ethics, and it pursues administrative efficiency rather than true remedy. For example, traditionally if a farmer poisoned the land of another farmer he would give remedy by restoring the soil to good use. But a modern positivist remedy would be to enforce financial compensation. This manner of remedying has led to industries building in compensation to their costs, and so passing them on to their customers. Real justice, in the traditional sense, is never actually done. Instead justice becomes commodified. This is an important book because the way we conceive law determines the kind of society we ultimately create.



BOOKS WORTH READING (CONT.)

Another fine book that anyone interested in the history of the land question will wish to read is *The Scottish Clearances: A History of the Dispossessed* by the acclaimed historian T. M. Devine (Allen Lane, 2018). This book clearly succeeds all the previous books on the clearances, in particular *The Highland Clearances* by John Pebble, which is a romanticised version of history. Devine has researched the original historical documentation in great detail. He argues that the clearances took place in the lowlands as well as the highlands.

Of particular interest for Land&Liberty readers is the chapter ‘Transformation and Landlordism’. Here Devine shows how a small minority of landlords controlled over 90% of the land and that their “degree of control over the land was matched by a virtual monopoly of political power”. He argues that the Scottish philosophers of the Enlightenment “helped to give intellectual credibility to a system of government dominated by a tiny propertied oligarchy”. The great thinkers of the time “Adam Smith, David Hume, Adam Ferguson, William Robertson...never questioned an established order founded on the belief that only those with a firm and secure stake in landed property could be trusted to govern the country with prudence”. 📌

HGF BRIEFING NOTES

FRIDAY MEETINGS AT MANDEVILLE PLACE

The regular and popular Friday Meetings continue at Mandeville Place throughout the spring.

The meetings are all courtesy of The School of Economic Science.

The afternoon group centres around *Protection and Free Trade* by Henry George; a title increasingly relevant in light of both Brexit and an ever-increasing risk of future trade war between the United States and China. The afternoon group is presented by Tommas Graves, and will also deviate slightly from *Protection and Free Trade* by covering interesting subjects such as the fine poetry of Alexander Pope along with recently discovered material including George’s address to trade unions and the writings of commentators who offered critiques of George.

George’s important work *Social Problems* is the main focus of the evening group. The presenter is Honorary President David Triggs.

It is also worth noting that this study group can be attended via internet connection. Please see the HGF newsletter for details in regards to this.

ONLINE NEWSLETTER

Land&Liberty readers interested in the upcoming activities arranged by the Henry George Foundation can be updated via e-mail after subscribing to the HGF newsletter:

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