

letter from the editor

Current political discussion has a distinct flavour of unreality about it. The debate about whether to stay in the EU or not is devoid of any real content. Either side is trying to appeal to the selfishness of the voter, while the question of justice, the real question, is never raised at all. Strictly speaking, in terms of the land question, it makes little difference whether we stay in the EU or not. The only question left to consider is whether remaining or leaving will do most to mitigate the consequences of the private appropriation of the natural revenue from land, the usurious employment of money, and the commodification of labour. These are the three interconnected causes of poverty and also of the abuse of the environment. They are the three injustices that all liberal democracies are compelled to struggle with in one way or another. Yet, given the general acceptance of these three misappropriations, the only thing that can be done is to try to mitigate their inevitable consequences.

The purpose of government is to ensure that all activity in a society serves the common good, including its economic activity. This purpose is hampered, however, by the prevailing theory that 'the market' runs itself, that it is most efficient and beneficial if left to the play of competition. It is a 'survival of the fittest' concept of economics, where the strongest eliminate the weakest through a kind of natural selection, a theory which Henry George strongly opposed in the social doctrines of Herbert Spenser. In the eighties it was called 'rationalisation' or 'trickle down' theory. If the economy is understood in this way any government that seeks the common good will appear to work in opposition to the self-organising market. Laws and regulations appear as interventions into the natural state of affairs represented by market forces. And so there are calls for less government.

The notion that the state is by nature in conflict with commerce conceals the deeper truth about the three causes of poverty. It is further strengthened by the general notion that the individual and society are also naturally opposed to or in tension with one another. The ideal of human rights also seems to presuppose an inherent conflict between the individual, the government and the economy. Thus society is conceived as permanently in conflict with itself.

This division between the wellbeing of the community as a whole and the economy has its roots in the earliest theories of economics which treat the market as separate from community, and as a morally neutral mechanism, governed solely by the law of supply and demand. In this way the economy is broken off from all human cus-

toms, the seasons and culture, as Fred Harrison observes in his latest book reviewed in this issue of Land&Liberty. All natural exchanges between people are driven out by the impersonal exchanges of the market which serves only profit or private gain. The market, thus conceived, is nothing other than a machine driven by endless desires, and therefore with no natural social purpose or moral limits. It is this mechanistic notion of the economy that the classical economists called 'natural law'. The ancient ethical conception of natural law as 'inherent justice' and 'due proportion' is thus replaced with a pseudo-scientific conception of society where all its operations can be reduced to impersonal mechanisms and mathematical formulations.

This means that creation of wealth is no longer governed by what the community needs to sustain itself, but wholly by the desire for profit. Thus commodities are produced solely for a return on them, and no longer because they are valuable or useful in themselves. The farmer is controlled by the supermarket and compelled to farm in ways he knows are harmful to the soil and cruel to animals. The labourer spends his days making things he has no interest in. He is just a part of the great machine, usually working for an anonymous employer. Right at the heart of this reduction of human work to impersonal labour, and the separation of the economy from the community, lies the private appropriation of land and the claim on its rent. It is primarily the misappropriation of this community revenue that creates and maintains the division between the market and government. Rent is an economic expression of the community and the common good, and of natural law in the ancient ethical sense. It is the natural tax. Permitting this collective benefit to be appropriated by private individuals or speculators indicates a blindness to the fundamentally ethical dimension of economics, and the relation of society to nature. The failure to see this fundamental injustice obliges governments to impose moral restraints upon the market in order to mitigate the poverty and many other injustices it causes. This necessarily leads to greater and greater bureaucracy as governments and international law seek to regulate the abuses that this mechanistic conception of the market inevitably invites. And this in turn makes government itself as impersonal as the market.

No economic theory can make people more moral or less selfish. Nevertheless the basic truth that the land, labour, and money are not commodities to be bought and sold for profit shows that there can be a just basis for the economy in a society that is in harmony with nature, the common good, and individual freedom.



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