

CONFUSIONS OF PLANNERS AND ANTI-PLANNERS

A RECENT cartoon in the *News Chronicle* showed the Anti-Planner as a repulsive travesty of Rodin's "Thinker" — adorned with the top hat of Pluto-Democracy—watching the rise of that chaos which we are assured by so many authorities is the only alternative to Planning. This attack from the "Left Wing" had been anticipated, however, only the previous day by the Conservative *Evening Standard*, which had depicted the Anti-Planner as a brutal type of hypocrite, under the cloak of concern for self-reliance, longing for conditions when helpless and ragged queues can be seen outside Labour Exchanges.

The average man might feel suspicious that both political wings should be anxious to establish in his mind an aversion to all who do not support economic planning; but the masses do not usually read both sides with critical attention, and vituperation is certainly an effective method of propaganda against a small minority as it deters all waverers who dread unpopularity. Nevertheless, the recent increase of such cartoons suggests that there exists more reluctance towards Planning than popular newspapers allow space to express. Should this reluctance ever affect circulation we may expect some better balanced controversy, and for rational discussion the pamphlet by Mr. George Winder* deserves closer study as an able and concise statement of the Anti-Planners' case.

Socialists and Conservatives

With regard to the more direct type of State co-ordination, Mr. Winder takes the Agricultural Marketing Acts of 1931 as tangible examples of economic planning in which both Left and Right have had a practical opportunity of demonstrating the principle, for these Acts were passed by the Labour Government of 1931 and confirmed and strengthened by its Conservative successor. "The Federation of British Industries competes with the extreme views of the Socialist Party in repudiation of free enterprise." The time is long past, if it ever began, when Planning was confined to the Left.

Marketing Boards as a Type

The Marketing Acts were suggested, according to Mr. Winder, by the contemporary achievements of the Planning experts to whom prostrate American agriculture fell an easy victim after 1929. These experts were slaughtering breeding stock, ploughing up hundreds of thousands of acres of crops, and, apart from wholesale bribery of farmers (with other people's money) not to produce, were generally conducting operations like a German army retreating from an occupied country.

It is shown not only how the Marketing Acts achieved similar if less spectacular results, and created privi-

leged classes of producers, but also how they have entailed the abandonment of safeguards which a thousand years of experience have taught us are essential to personal liberty. Furthermore, he asserts, "the defects which we see appearing under the Agricultural Marketing Boards arise from the very nature of all Planning. Under a planned economy these disadvantages will be magnified a thousand-fold." In support of this assertion some striking extracts from leading Planners have been assembled to show that they themselves virtually recognise Planning to be incompatible with liberty and democracy as we know them. Planning is indeed a menace.

In conclusion, Mr. Winder is confident that "the whole demand for a planned economy would disappear like an evil miasma if, after this war, we restored the expanding world economy which political folly after the last war rendered unworkable."

Mere Negation Will Not Do

We doubt if any serious advocate of the planned economy could assert with confidence that the criticisms of this pamphlet are fairly met by the general propaganda on his side of the question. Yet these criticisms touch fundamental points on which a free people should demand satisfaction before giving up as much of their lives into the direction of others as Planning demands, and this pamphlet is a valuable reminder of the danger.

Nevertheless we are left wondering if this criticism of Planning is all that the situation requires. Now, of all times, a negative argument is not sufficient. The Planners have almost a monopoly of the Press; their assertions that Anti-Planning is instigated only by vested interests aiming at a mere return to the past must be met before the public will seriously consider any objections to economic planning.

Incomplete Analysis

To an unfavourably disposed reader it might appear that Mr. Winder attributes to 1914 a perfection of social conditions which did not exist, that he admits Big Business to be the only alternative to Planning, and that by omitting to consider the relation of physical planning to the planned economy he avoids consideration of industry's prime necessity, seeing that it is on land that all production must take place and from which all the materials of production must originally be drawn.

"In the case of land, competition is quite effective in insuring that it is used for its most productive purpose, but there are cases where owing to a shortage in the supply of land or natural resources monopolies may occur." Such is Mr. Winder's only direct reference to this subject. He considers such monopolies should be controlled, but are too few "to justify a general departure from the principles of competition." As in so many economic treatises, when the question of land tenure occurs there are signs of hesita-

tion; the subject is skirted; its implications are not followed up.

The Positive Case

As land can never be "supplied" by human agency there must be a "shortage" wherever economic rent arises. As almost all land has a rental value the shortage and consequent monopoly is not rare, as Mr. Winder suggests, but universal, and its control by the State would involve in fact a complete departure from the principles of competition. If he had given more consideration to the solution of this question, Mr. Winder might have provided a key to elucidate other parts of this pamphlet which do not carry full conviction.

For example, the explanation of the causes which led up to the great economic depression do not explain how previous depressions occurred—for they did occur, under falling as well as rising tariffs and restrictions long before 1914—nor does any part of the pamphlet explain the origin of the deep and increasing social distress which evoked schemes of a planned economy long before 1914. When such writers as Ramsay Muir and Walter Lippman place the turning point of liberal democracy not at 1914 or 1931 but between 1860 and 1880 it is evident that we must deal with deeper causes of economic distress than those which Mr. Winder has described. The conditions of August, 1914, arose from previous tendencies just as those of September, 1939, arose from previous tendencies. To return to 1914 would lead us again to 1939 unless we corrected some fundamental defect operating at both periods.

Where Bismarck Led

Long before 1914 the most advanced countries discovered that the masses were too economically helpless to pay for their children's schooling or to provide for themselves during periods of unemployment. Confronted with this situation, Bismarck adopted the expedient of compulsion and State subsidy instead of the remedy of an extension of liberty. To compel the people to send their children to schools which the State provided (and directed) and to compel them to contribute to insurance schemes which the State controlled was a solution applauded by the Left as well as the Right, and which other countries soon emulated. But the assumption had been made that without the intervention of State machinery the wealth which the masses produced could not be well enough distributed to provide these essential conditions of life. No natural co-ordination of distribution was admitted. The first step to economic planning had been taken. Although none to-day would advocate an immediate reduction of "social services" the Anti-Planners cannot ignore the connection between Planning and "social services" which the masses themselves feel strongly if not clearly.

Popular economic ideas have always associated the grim ugliness of our towns and the shameful desecration of

*The Menace of the Planned Economy. The Society of Individualists, 154 Fleet Street, E.C. 4. Price 6d.

our countryside with "free competition." But as a fact, the privilege of destroying the beauty and amenities which we must necessarily all enjoy in common is the very reverse of the equal opportunity which free competition implies. Yet its advocates almost always seem reluctant to discuss this aspect of free enterprise. The feeling inevitably arises that they are indifferent to the non-material necessities of life.

Assert Individual Rights

No advocate of a great cause touching the hearts and interests of men—and free enterprise is surely such a cause—should allow himself to be confined to the immediate polemics of the subject. He should never neglect an appeal to the generous feeling and enlightened enthusiasm which is always struggling for expression, and which constitutes perhaps the strongest force in every beneficent social movement. By such neglect how many sensitive and generous natures, concerned more with the needs of the spirit than of the flesh, may not have been drawn away by the facile attractions of economic planning from their true task of asserting the essential individual rights which are as necessary to man's highest intellectual development as to his material gain?

If, in his reference to land tenure and the big combines, Mr. Winder had been less hesitant and more diligent in tracing all implications to a logical conclusion, he might have made his case more logically complete as well as more attractive to those unable to believe that 1914 was a kind of millennium.

Enterprise was not Free

The truth is that "free enterprise," either in 1914 or at any other time in modern society has never been free, for the ultimate source of all production—the land, has always been a private monopoly. Industry, unless it is wealthy enough, as the big combines are wealthy enough, to buy up the monopoly for itself must always struggle against this burden. Modern conditions obscure the significance of this toll upon industry which constantly mounts with the capacity of the victim to pay. When a superficial burden is imposed and industry breaks down it is the superficial burden which appears to have caused the collapse and any expedient however impracticable or destructive of liberty is entertained by the disinherited masses who feel that their freedom is no freedom.

The Cause of Depressions

Before 1914 the natural co-ordination of production could not function in its entirety, for it was subjected in all advanced countries to the control of private monopoly at the source of all production. An expanding world economy, however, was possible because a large part of the earth's surface was still unmonopolised. The expansion was by no means harmonious or constant. Depressions convulsed the civilised world at intervals throughout the nineteenth century, due both to the increase of land monopoly in the new countries as well as in the old, and to the protective measures dictated by economic ignorance. That these protective measures alone were

not the sole cause is shown by the fact that depressions occurred even when tariffs were not rising. As more and more of the earth's surface became monopolised, the depressions deepened and the protective expedients became more totalitarian and destructive of those rights and liberties human progress had won so painfully. The social malaise has played into the hands of the militant demagogues, as it has always done. Subordination of the individual to the State has led to war, as it has always done and will always do so long as there can be rival states. Some alliance of dominant states may impose a forced stagnation for a time; but a pessimist might easily see the shape of future conflict even before the conclusion of the present war. No easy road to peace can be found by delegating individual responsibility to the State. The urge to war can be arrested only by the urge towards enlightened assertion of individual right.

In these conditions it is incumbent upon us to face the fact that all the earth's surface is now virtually monopolised. The refuge for free enterprise is not at the ends of the earth, it lies under our feet—if only we can change the laws which deny us access to natural opportunity. Must private monopoly give place to State monopoly, or to equal freedom? If the Anti-Planners take up *this* challenge their opponents would find it very much more difficult to identify Anti-Planning with Privilege.

F. D. P.

NEWS NOTES AND COMMENTS

Mr. Douglas Macdonald has been elected chairman of the Scottish Liberal Federation in succession to the late Lord Meston. Mr. Macdonald has been actively associated with Liberal politics in Scotland for the past twenty-five years, and for the past ten years has been chairman of the Western section of the Federation. His greatest interest in public affairs is the advocacy of the Taxation and Rating of Land Values and Free Trade, having for long occupied a leading position in the Henry George Freedom League, which incorporates the Scottish League for the Taxation of Land Values, of which he is an hon. vice-president. He contested the Tradeston division of Glasgow as a Parliamentary candidate on two occasions. He is a trustee and ex-chairman of the Glasgow Liberal Club and a member of the Scottish Advisory Committee of the Ministry of Information.

The sympathy of all his colleagues and co-workers goes to Mr. Fred Skirrow, Secretary of the Yorkshire League, in the bereavement he has sustained by the death of Mrs. Skirrow, which occurred last month at their home, River View, Utley, nr. Keighley, Mrs. Skirrow having been seriously ill for many months. She was her husband's loyal partner in his many

years' devotion to the Henry George cause.

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A Special Committee on Post-War Planning, appointed by the Glasgow City Council, has criticized the Uthwatt Report as inadequate in its recommendations, particularly in relation to local authority acquisition of urban sites, and added that representation should be made to the Government that proper planning called for "public ownership of the whole area of the city." The minute was considered by the Council at its meeting on 11th November, when it was moved by Councillor Elger from the Labour benches that the phrasing should be altered to a demand for "public ownership of land." The objection was voiced that nationalization of land would involve delay in getting ahead with urgent development after the war, and that it was not a practicable proposition as an operation in State finance; but the motion was carried by 62 votes to 39. The Council in their resolution have misrepresented the views of the great bulk of Glasgow ratepayers, who have testified time and again, and repeatedly taken the lead in the municipal agitation, that the way to development was not by land purchase but by the taxation and rating of land values. The matter is so competently

discussed in the United Committee's leaflets on the Labour Party and the Liberal Assembly on the Uthwatt Report that we feel every member of the Glasgow City Council should have a copy of each.

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Testimony to the increase in farm rents—for the benefit of landowners—is provided in two recent decisions of the Scottish Land Court which, under the crofter legislation (now embodied in the Small Landholders and Agricultural Holdings, Scotland, Act, 1931), is bound on demand for arbitration to fix fair rents for a period. The farms in question are in Sutherlandshire, the landowners asking for revision. The rents of the Clydeshall, Rosebank and Clashmore farms had been £189; they were raised to £235 a year. The rent of the Ardallie and Dalorae farm was raised from £50 to £75 a year. When the Land Court first began its work, and for many years after the passing of the original Crofters Act in 1886, it brought considerable relief to landholders by reductions in rent. But circumstances have changed; rents *have gone up* by virtue of all that has been done to subsidise agriculture. The question remains: to whom does the rent of land (its rent apart from buildings and other improvements) rightfully belong? Surely neither to landlord nor