

DIVIDE AND CONQUER?

A MODERN DAY FABLE WITH A STRATEGIC MORAL
BY GAVIN PUTLAND

Once upon a time, there was a world inhabited by workers, employers, and robbers. The workers and their employers were good citizens, and they created much wealth by their hard work and wise management. But as every good citizen went home with his well-earned wages or profits, he was confronted by a series of robbers. One robber would say, "Give me 50 dollars, or you shall not pass this way." Another would say, "Give me your coat, or you shall not pass this way." Sometimes the good citizen would yield to the robber's demand.



For those interested in checking out more of Gavin's work, go to his excellent website: www.users.bigpond.com/putland

But if the robber demanded too much, the good citizen would simply take a longer way home. In this manner, the robbers on the way were prevented from taking too much, and every good citizen approached the door of his house with most of his wages or profits intact.

But there the good citizen was attacked by one final robber, the mysterious Great Robber, who was stronger than all the others, and who stood in

the very doorway of every good citizen's house so that the good citizen could not pass by another way. The Great Robber would say, "Give me everything you have, save your working clothes and one loaf of bread, or

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you shall not enter." Moreover, whenever an employer tried to leave his office he was confronted by the same Great Robber, who stood at the exit and said, "Give me all your gains, save the going rate of interest on your capital, or you shall not return." So the good citizens, having been diligent and wise, were treated as sluggards and fools, for the fruits of their diligence and wisdom were taken away by robbers.

The police hunted some of the robbers and arrested a few of them. But most of the robbers, including the Great Robber, had no reason to fear the police, because their robbery was perfectly legal. These robbers used some of their ill-gotten gains to employ lobbyists, place advertisements, endow professorships, fund "research programs" and "institutes", support political candidates, and take over newspapers and publishing houses. By such organs of propaganda, they convinced the good citizens that most forms of robbery were services to the community, for which the robbers should be richly rewarded. Only the most violent forms of robbery, which were usually committed by the poorest robbers, remained illegal. But the legal robbers actually wanted a few forms of robbery to remain illegal, so that, by denouncing the illegal robbers and drawing attention to them, the legal robbers could

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divert public resentment away from themselves.

The legal robbers not only escaped arrest, but also paid far less tax than they could have; indeed, they often paid less tax than a worker or employer would have paid if he could earn such a high income, which he could not. The taxes on workers and employers raised the prices of their products, causing workers to demand higher wages. But whenever they received higher wages, prices rose again. So the central bankers said, "Let us raise interest rates and force employers out of business. Then there will be a shortage of jobs, and no worker will demand higher wages lest his job be taken by another." So some of the workers were unable to find jobs and became beggars. But the legal robbers, by means of their lobbyists and advertisements and "research papers" and political speeches and editorials, convinced the good citizens

that the beggars were really robbers, so that public resentment was directed toward the beggars and away from the legal robbers.

However, the legal robbers did not entirely escape censure. From time to time, great writers condemned activities that they regarded as robbery. Thus a certain Dr Smith attacked the robbery which he called mercantilism, and which later thinkers called protectionism. But when governments followed Smith's advice, the lot of the good citizens did not improve. Later, a certain Dr Marx alleged that employers, whom he called capitalists, were robbers. After Marx died, his movement overthrew the governments of many nations and imposed his ideas by force. But eventually his system collapsed, forcing many of his followers to admit that employers were not robbers after all.

Shortly after Marx's death, while the good citizens were still wondering why Dr Smith's prescriptions did not seem to work, a certain Mr George offered an answer. Unless we first

defeat the Great Robber, said Mr George, nothing will improve the lot of the good citizen: "So long as this last robber remains, what will it benefit such a man to drive off any or all of the other

robbers?... They are the lesser robbers, and to drive them off is only to leave more for the great robber to take."

The solution, said George, was to abolish taxes on workers and employers and to tax the Great Robber for each doorway that he occupied. Abolition of taxes on workers and employers would ensure full employment, while the Great Robber, being forced to vacate some of the doorways, would not be able to take so much from the workers and employers whose doorways he still occupied, because these workers and employers would have somewhere else to go.

The followers of Mr George never became as powerful as those of Dr Marx. One obvious reason was that the Great Robber's propagandists accused the Georgists of being Marxists, although George himself had described Marx as "the Prince of muddleheads". Another obvious reason was that the Marxists accused the Georgists of being capitalists, Marx himself having described George as "capitalism's last ditch".

But the main reason, according to a certain Dr Putland, was the tactics of the Georgists themselves. He chided the Georgists, saying: "In the abstract, you agree with George that all our efforts are in vain unless we defeat the Great Robber. In practice, however, you attack every robber in sight, great

or small, as if you could defeat them all at once. You've been doing this for 120 years and what have you achieved? How can you defeat all the robbers who together have almost the whole world's discretionary income at

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suddenly do the right thing simply because it is right? Have you never heard of Original Sin? Have you never considered the behavioural implications of Darwinian natural selection?"

Putland concluded: "We must join forces with the lesser robbers to wage a propaganda war against the Great Robber. When the Great Robber's gains are taxed away, the market will divide the spoils between the lesser robbers, the workers, and the employers. The benefit to workers and employers is what we want, while the benefit to the lesser robbers is the price of getting what we want. This is as much as we can accomplish. If we hold out for more, we will accomplish nothing."

Some Georgists heeded Putland's advice. Other denounced him for "treachery" and "duplicitous". Still others suspended judgment, waiting to see what the end would be.

Putland went out in search of one of the robbers who had accosted him in the past, and on finding him strode up to him with such unaccustomed boldness that the robber almost fled.

their disposal? How can you implement your program when no one in a position of influence has a vested interest in supporting it? Do you think all the robbers will

"Look, I don't exactly approve of what you're doing," said Putland, trying to be diplomatic. "But that shadowy character who stands in your doorway when you go home is making far more money by doing far worse things."

"He takes more from me than I take from any one person," the robber answered with a nod, "but only a fraction of my total takings. Still, I'd be glad to get rid of him."

"In that case," said Putland, "you have a common interest with the workers

and employers in your street, who have to pay him the same amount from smaller incomes, so that they can barely survive. Their interest is stronger than yours, but otherwise the same. Moreover, if they can get rid of the joker in the doorway, they will be able to pay you much more, and willing to pay you at least a little more, to pass your way."

The robber's face lit up. "Well!" he said, "I never thought of that..."

"So let me make a deal with you," said Putland. "Pay me a small fraction of your takings and I'll become your public relations officer. Whenever you are criticized in the press, I'll deflect the heat away from you and toward the joker in the doorway, pointing out that whatever is taken back from you will simply leave more for him. If I can turn the workers and employers against him, there'll be more loot for them and for you. What do you say?"

And the other Georgists, following Putland's example, offered their services to other lesser robbers.

And they all lived tolerably – not perfectly happily, but more happily than before – ever after.

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