

The Reign of Natural Law

An Allegory of a Kingdom

By HENRY WARE ALLEN

I. PROSPERITY

THERE was once a king who ruled so wisely that his kingdom became famous for the happiness and prosperity of his people. In this kingdom there was no real poverty and consequently but little crime. Employment was so abundant and well paid that none were idle excepting those who chose to be so. There was neither poverty nor fear of poverty and as a result, both Capital and Labor were liberated to the fullest extent for employment in the creation of wealth and for the satisfying of those greater needs which come with an advancing civilization. There was a steady increase in salaries and wages, accompanied by a steady decrease in the cost of living. This resulted from improved methods of production and transportation, and everyone benefited accordingly.

The wise ruler of this kingdom had planned so well that no taxes of any kind whatsoever were levied against industry or the finished products of industry. Capital and Labor were alike treated as beneficent factors for prosperity and were never subjected to the penalizing effects of taxation. The direct result of this regime was encouragement to all the activities in which Capital and Labor were involved. Unparalleled progress in building, manufacturing, the arts and sciences, and improvements naturally resulted from this freedom.

Justice, the most God-like of all the virtues, was the test which had been applied in every part of the great plan adopted by the king, and accordingly it was decreed that the full reward of labor of every kind should be given to him who labored, and without the penalizing influence of enforced contribution to the public treasury. He well knew that misery would surely follow the imposition of taxes upon the people, and had, therefore, devised a seemingly mysterious plan which enabled them to live happily without the payment of any taxes whatsoever. He knew that revenue would be required for the customary expenses of government just as food would be needed by every living animal, but by the exercise of the power which he possessed, he was able to provide for this revenue without the imposition of taxes upon anyone. This revenue was derived from ground rent. It was a community fund created automatically by the industry of all; it therefore belonged to all, and was rightfully used for the payment of all community or government expenses. It should be understood that ownership and use by the community of economic or ground rent which is purely the product of population, the pres-

ence of a community, is in perfect harmony with the individualism of democracy and is in no way to be confused with the philosophy of communism. This source of public revenue was negligible where population was sparse, but was great where population was dense. It was always amply sufficient for the expenses of government. This law, which provided public revenue from ground rent was, perhaps, the most beneficent of all the laws instituted by the king.

When ability of everyone to earn a good living had become fully established as an unvarying rule of life, the sacred right to property also came to be recognized as a matter of course and to a degree never before attained. Human nature had not been changed. The king realized it was created good in the first place, and never had been corrupted excepting where the laws of a country had been bad and in contradiction to natural law. Incidentally, the king was free from that aggrandizement of self which usually surrounds royalty with magnificence and splendor, secured by a process of extortion upon unwilling subjects.

His palace was indeed grand in its dimensions and its appropriate utility, but at the same time simple and without extravagant cost. Furthermore, the king did not support a retinue of courtiers to do him honor by their servile attendance. Instead, he maintained a personnel of workers selected for their fitness to assist him in the execution of his mandates, limited always to service for minimum public functions. The king believed that that government was best which governed least. He never interfered with legitimate private business in any way.

The government thus established was based not upon the majesty of royalty but, instead, upon the majesty of democracy, excepting that it had been given to the people as the perfected plan of a great and wise ruler. This kingdom was unique in being the first of its kind in providing that in every department of the government the same code of morals which apply to the conduct of the individual must apply with equal force to every act of the government itself. In particular, the commands, "Thou shalt not kill" and "Thou shalt not steal" were rigidly enforced.

Before that time it had been assumed that the king could do no wrong and this had been interpreted to mean that the government, for example, could sacrifice its own people in warfare in order to satisfy what was termed "economic necessity." But the far greater crime of governments had been the relentless taking of property away from citizens by taxation, in total disregard of property rights or other demands of justice.

In recognition of the people's gratitude to their king and as an expression of their love and loyalty, there had been erected voluntarily by them temples in every part

of the kingdom, where they were accustomed to assemble in order to express their fealty to their ruler and to consider plans proposed from time to time for their cooperation with him in his great enterprise.

II. DECLINE

Now it came to pass that in the course of time, being well pleased with the administration of his kingdom and having confidence in the ability of his subjects, by use of the native intelligence with which they had been endowed, to continue the government as established, the king concluded to abdicate in favor of another. The people were on a certain day to select this successor to their beloved ruler. In due course the new king was placed in power and the smoothness and success with which the new administration continued prompted much praise.

As time passed, however, it became evident that variation in little ways from the old regime was taking place. Insidiously the prevailing sentiment was changed from justice to charity. These changes were imperceptible at first, but they grew with accelerating force as a result of special privileges which were being given by the new king to favored followers. While hitherto the people had been free without hindrance to exchange their products with those of other nations, a new plan was now imposed which penalized them for so doing. These protected interests were thus enabled to charge monopoly prices for their products. In extenuation for this change the new king explained to his people that this was really to their own advantage, as it would prevent the entry into their country of the products of pauper labor from abroad, and it was therefore helpful in sustaining the high standard of living which they enjoyed. Those responsible for this argument were hardly aware that it was precisely the same argument which is used against the employment of labor-saving machinery.

But there was one effect of this tax which the people did not like. For they soon found that they themselves were not able to sell to other nations, as they had previously done, the products of their own labor. This started a dullness in trade with resulting unemployment of many, something new in their experience.

In place of the old plan of collecting a fair percentage from those who developed the natural resources of precious and base metals, coal and oil, the sources of this natural wealth were now sold outright to these favored people who were then privileged to collect increased prices for same. This became possible by the private ownership of monopolized natural resources.

These changes had already caused some grumbling and discontent, but it remained for the new king to put into execution the cleverest of all devices by which special

privilege was to be gratified at the expense of the common people. This new plan reduced the royal domain, the land, to private ownership, altho theretofore it had been sacredly preserved as the property of the whole people. The great significance of this change was not appreciated at first, but little by little it came to be realized that the public revenue which had previously been sufficient for the payment of all governmental expenses was now diverted more and more into the hands of the landlords. These landlords had secured titles not only to the land itself, but they also came into possession of the economic or ground rent of land, which is purely a community value and which therefore should have been sacredly conserved for the public.

Insidiously, by ninety-nine-year leases and other devices, the golden stream which previously had emptied into the public treasury, thus taking care of the expenses of government without taxing anyone, was now largely diverted into the pockets of landlords. A new way to get rich was thus established and "Napoleons of Finance" habitually advised young men to buy inside property, and to hold it until it could be sold with large profit over the original cost, in this way to gather where they had not sown and to appropriate the revenue that rightfully belonged to the community. The effect of this was to increase all rents paid for the use of desirable locations. Certain families which had held title to lands at the centers of population thus came into royal incomes without having to give anything in return. In many cases these landlords refused to sell, and as a result more than half of the area of every city consisted in unused vacant lots, the monopoly of which had the direct effect of increasing the sales price or rental to be paid for any land that was available for use.

The same phenomenon was to be observed in agricultural districts. Farming lands which had previously been available for use at nominal cost were now to be obtained only at excessive prices per acre. This involved so much for the purchase of an ordinary farm that the average farmer could not make the purchase without borrowing a large portion of the price. This new plan gave the landlords the power to collect immense revenues for the use of the land which the old king had originally provided as a free gift to all of his people. Before long this resulted in the change of ownership from the independent farmer to those who were able to monopolize the land. Thus the increase of land tenantry proceeded until nearly every farm was cultivated by a tenant.

The new king took notice of this and endeavored to remedy the trouble by the payment of fabulous amounts of money to the farmers as a reward for their promising not to raise one crop or as a bonus for actually raising another. He loaned public money to these farmers at artificially low interest rates. He also made loans upon

their corn, cotton and other products at artificially high rates in an effort to create prosperity, and meanwhile the total amount of farm loans grew enormously. Of course, it followed that the farmer was obliged to charge unnaturally high prices for all which he sold instead of the low prices which prevailed when the land itself had no selling value.

Another unfortunate result of higher prices for farm products was the loss of world markets enjoyed under the reign of the old king when prices were low. Agriculture, now becoming overcrowded, farmers and their sons were driven from the soil to seek employment in the industrial centers. The cities in turn became overcrowded with the result that millions of men were forced into the army of unemployed. Labor leaders, ignorant of natural law, regarded employers as economic enemies who were getting more than their share of profits; and the numerous strikes instituted to secure abnormally high wages were supported by the new king.

The new king also granted huge subsidies to farmers in accordance with the theory that by making them prosperous, their prosperity would filter back to the classes which had been taxed for their benefit. The result of this was to make agriculture artificially attractive, and by the production of unnaturally large crops to aggravate instead of to relieve the problem.

The new regime thus introduced a long series of contradictions to natural law. These were conceived in an effort to make the people prosperous, but had the effect of deepening the business depression. For example, the king had observed that in prosperous times wages were high and hours of labor comparatively short. He therefore issued an edict that wages must be high and hours of labor short, regardless of the operation of natural law.

It also happened that the king, being urged by representatives of the farmers to increase the price of farm products, promulgated laws which had that effect, to the detriment of the general public. Observing that rents were increasing, the king, instead of repealing all taxes upon buildings and improvements, provided huge amounts of government money to be loaned at low rates of interest to those who wanted to build.

Again, in order to stimulate commerce, the king, instead of proclaiming free trade with all nations, appointed commissions to promote foreign trade while retaining high tariff walls around his kingdom.

Departments of agriculture, agricultural colleges, irrigation projects, including huge dams together with other methods, were used to promote maximum crops, which then became embarrassing problems.

Mother Nature is a jealous mistress who punishes with inexorable severity those who break her laws or attempt to nullify them. Individuals and governments alike are thus chastised. Puzzled politicians have vainly sought

elsewhere for the cause of hard times. As matters grew from bad to worse, leading directly to anarchy and chaos, it was to have been expected that the temples which had been established all over the country would have used their influence for the restoration of that kingdom in whose honor they had been founded; and that this influence should have been supplemented by cooperation of the educational systems of the country. But those who controlled the temples had adopted the theory that their province was concerned only with the spiritual welfare of men, and that their responsibilities were bounded by the four walls of these temples. Many of the halls of learning had been founded and practically subsidized by beneficiaries of special privileges which had not existed in the original kingdom, and these special privileges it was now desired to perpetuate. Those who were responsible for the influence exerted by the schools and colleges had accordingly condemned the natural law which had previously prevailed, and had replaced this with specious but unscientific substitutes having the effect of clouding the issue and preventing restoration of the old regime.

III. REGENERATION

It has been well said that democracy without religion is an intellectual orphan. It is also true that religion without democracy is a spiritual orphan. For democracy and religion are inseparable. The Fatherhood of God leads to religion; the Brotherhood of Man to democracy.

The principles of democracy are in harmony with religion because they are based on natural law established by the Creator, while state socialism and all other non-democratic forms of government, having repudiated natural law, are essentially non-religious and lead to atheism. In the temples it developed at last that the responsibility of those in charge extended quite as much to the welfare of all the people, based as this was upon the divine virtue of justice, as it did to the individuals who supported the temples. True, these temples had unctuously implored divine blessings upon their ruler in their weekly meetings, but the Heavenly Father had abstained from helping those who stupidly refrained from helping themselves in a rational way. Seeing the error of their ways, a change came over the people. Leaders in the temples who demanded the restoration of natural law now became more and more numerous and influential. One of these explained natural law by saying, "It simply means making room at the Father's table for all his children." Another stated that the people should first seek restoration of natural law, after which all the blessings of prosperity would be added unto them, this being a new interpretation of familiar scripture. And in response to a general demand for the restoration of the study of the science of political economy in schools and colleges, natural law was restored to its rightful place in government.

So it happened that little by little a complete transformation took place in the character and the consequent influence of these temples which had been erected in honor of the king for having established an ideal government.

The iniquity of the then existing social order was made to give way to what had been originally established, and these temples were now devoted to the restoration and support of the original order of things. Those in the temples whose protest was strongest were exposed and driven therefrom, while those who in the halls of learning rebelled at the new order were made to give their places to others, all by popular consent.

At last reason prevailed not only in the temples but, what was equally important, in the halls of learning. Leaders arose who led the people in a successful revolution, resulting in the deposition of the king and the complete restoration of the natural order that had been responsible for the prosperity of the people as originally planned by the founder of their kingdom.

The operation was as simple as it was effective. One by one the taxes upon business and industry were repealed. This was, in every instance, followed by increased business activities and additional employment of the idle. As these taxes were abolished the government simultaneously increased its collection of its natural revenue, ground rent, and this enabled the reduction of those enormous expenses of government. As free trade with other peoples was inaugurated a new impetus was given to industry of every kind.

As the inflated values which had characterized all lands were cancelled, this had the effect of restoring the land to the people, in consequence of which agriculture became profitable in a natural way and all rents paid for the use of land of any kind were reduced to a normal basis.

The government thereafter made no demands upon citizens except payment for equivalent public services rendered. The certainty that no laws would be passed contrary to natural law gave full encouragement to all business enterprises. Other striking features of the change were the reduction of public expenses to but a fraction of what they had been, and extirpation of the spoils system, together with the entire removal of patronage from legislators. Restoration of normal commercial relations with the rest of the world enabled the reduction of armaments to a police basis.

Prosperity was thus restored not by any magical influence, but by compliance with the laws of nature provided by a wise and beneficent Creator. At last every one of numerous taxes had been repealed, leaving only for the government collection of economic or ground rent. This was the superlative achievement of a perfected democracy under Natural Law.

Appeal for Socratic Education

By LANCASTER M. GREENE

THE time is ripe for a reaction in the direction of American philosophy, for a Renaissance of the thought of Henry George. Pressure groups are bringing about a natural resentment toward their methods and the privileges they obtain against the rest of the country. People are wondering whether counter-pressure is just chasing around in a vicious circle. Millions are desperate for jobs. Even the most able and fortunate wonder where they might be with the next turn of the wheel.

Conditions have made the soil fertile and ready for the seed of Georgeist thought. The problem then is a practical one—how to plant so as to produce the finest crop with the least effort. Humanitarian intentions are not enough—the means of planting thought will determine the crop. The two methods of planting, or educating, which I wish to examine are the lecture method and the Socratic method. By the lecture method is meant the delivering of an oration, or the imparting of an idea, with little active participation on the part of the audience. By the Socratic method is meant the free discussion and exchange of questions and answers on the part of both instructor and audience.

In teaching through political campaigns we find the concentration on lectures. The human tendency is to resist being told, and particularly to resist what is told during a campaign. The prejudice and bias which the average human acquires during his life are likely to be reinforced by the kind of lecture he gets through politics. The speaker is in a hurry, and we have all been warned against people who are in a hurry. Bank tellers are not the only ones who say, "Look out for the man in a hurry." Questions must be swiftly met, honestly if possible, but quickly, no matter how ruthlessly. The Georgeist movement has had many of the most brilliant lecturers for generations, but though they could influence the hearts and minds of their audiences, it was another matter to make their listeners effective *teachers* on their own account. It reminds me of Professor Herbert Brown's statement, "Education is personal exercise. It cannot be sprayed on in a lecture."

Another difficulty with the political lecture is that it must take the view that everything else must be dropped while we deal with this emergency. All work for the long pull, no matter how much the political speaker agrees with it, must be put off while we struggle with the dragon of the moment. The political Georgeist would say, "Drop slower methods of educating while we put over this all-important fiscal reform or elect this man or party." This political pleading inevitably depends