

INTRODUCTION

The Discovery of First Principles offers a fresh examination of our history, with close attention paid to the development of our socio-political arrangements and institutions and what countless thoughtful individuals discussed and wrote about the times in which they lived, their assessment of the past and their hopes for the future. I add my own perspective, supported by presentation of the historical record, with the purpose of revealing how the cooperative instincts we possess as a species have been relentlessly subverted by a parallel desire to monopolize nature and to secure and hold power over others. To the extent possible I have attempted an objective study; the reader is advised, however, that this project has been undertaken to support in coherent fashion conclusions reached over more than two decades of research, contemplation, discussion and teaching.

I believe strongly that we possess an acquired moral sense of right and wrong. Unfortunately, an absence of positive nurturing as well as other physical and environmental influences have damaged our capacity to apply moral and ethical principles to our everyday circumstances and behavior. As a socio-political philosophy, these moral principles—which I will describe by the term *cooperative individualism*—potentially result in the development of the truly just society.

The arrangements and institutions created by our distant ancestors established informal and formal limits to individual behavior. These constraints were and are inherently socio-political, and many have immediate and significant economic results. In these and other ways, *socio-political* arrangements and institutions work in conjunction with

our natural environment as primary determinants of our well-being and prospects for survival. As I examine specific arrangements and institutions, my search is for those that conform to moral and ethical principles of behavior. A key conclusion offered for the reader's consideration is that only when the relationship between individuals (and individuals within society) is such that *liberty* is secured and protected does *cooperative individualism* prevail. Moreover, only under such conditions do a society's socio-political institutions contain the essential components of justice.

As have others before me, I offer evidence that *the State* has been consistently used by those who gain and hold power as an instrument of tyranny. In response to those who have championed the creation of *the State* as the supreme form of societal organization, I put forth and defend the principles of *cooperative individualism* as the basis for limiting and decentralizing the powers of the State in order to secure and preserve justice

The historical evidence as well as much of the reasoning presented in this work are in almost all respects not original with me. My enjoyment and challenge has been to synthesize knowledge made available to me in the works of well-known, lesser-known and even largely unknown writers across a wide range of disciplines. They include individuals who have written on history, economics, the law, sociology, anthropology, politics, and human behavior in general. In a very real sense, what follows is a progress report on an intellectual journey that continues. I have absorbed and recorded that which seems to have brought me closer to a comprehensive understanding of our past and how we have come to live as we do. I have studied history to learn how our diverse systems of socio-political arrangements have evolved into institutions and how these institutions have promoted or thwarted the potential of the individual within the context of community.

What is both certain and tragic is how very few of us have found our way to the principles of *cooperative individualism*. Ignorance,

intolerance and vested interest combine in virtually all societies as roadblocks to knowledge and to right action. As a consequence, our collective behavior prevents the peaceful development of human interaction and results in all of the species-threatening behavior we exhibit toward one another and toward our ecosystem. I believe and argue that only by living within the constraints of *cooperative individualism* do we secure for ourselves our legitimate human rights and not cross the border into the realm of *criminal license*. Thus, this work is a call to principle, to a system of values based on the securing and preservation of *liberty*, without which there can be no true *justice*. And liberty requires the *equality of treatment under positive law consistent with human rights* as well as the *equality of opportunity to access what nature provides* in our communities or our societies. I begin by offering the reader a succinct statement of moral principles required for the establishment of the just society:

- All persons share common fundamental characteristics and have a similar need for the goods (e.g., adequate food, clothing, shelter, nurturing, medical care, education, leisure, civic involvement and culture) for a decent human existence;
- We join together in society to enhance our ability to acquire such goods and for mutual benefit and protection;
- The source of the material goods necessary for our survival is the earth, access to which is the birthright of all persons equally;
- Liberty is the basis for moral human behavior, inherent in which is the constraint that such behavior in no way infringes upon the liberty of others;
- Our behavior falls outside the realm of liberty and within the realm of criminal license when such behavior violates the rights of others;
- The members of a society may grant licenses to individuals that distribute privileges not enjoyed by others. To the extent such

licenses come to have exchange value in the marketplace, such value is recognized as societally created. Justice requires, therefore, that society collect this value for all members of society as a fund for distribution or for societal expenditures democratically agreed upon;

• A society is just the extent to which liberty is fully realized, equality of opportunity prevails, criminal license is appropriately penalized, the full exchange value of economic licenses is collected for societal use, and the wealth produced by the labor of individuals (directly, or with the assistance of capital goods) is protected as one's naturally rightful property and not subjected to taxation or other forms of confiscation.

The above statement of principles must be adopted in whole. There are no half measures if justice is our objective. What we find in the study of study and of our contemporary experience is that the just society continues to elude us, everywhere. The socio-political institutions and arrangements of every society in the world today fall considerably short of the mark. To come to this conclusion, one needs only ask whether there is any society in which all persons have equal access to the "goods" that make for a decent human existence.

A secondary objective of this work is to demonstrate that a general understanding of our history, and of the systemic and cultural institutions evolving with the expansion of civilization, is ascertained only through an approach that is integrated and interdisciplinary. I have, therefore, resurrected the descriptive technique of the classical school of *political economists*, individuals for whom the study of human behavior, moral principles, and history were inseparable.

Even as recently as the late nineteenth century, the investigation and analysis of issues affecting individual relations in the contexts of family, clan and society were examined and discussed by political economists. These writers and thinkers acquired a significant portion of their

knowledge from readings of and discussions of the ancient philosophers and historians, such as Plato, Aristotle and Cicero. They were skeptical of *a priori* (i.e., deductive) principles and challenged them with data gathered by *a posteriori* (i.e., inductive) observation. In this fashion, the science of political economy advanced—although not with consistent reliability—as a body of knowledge.

The *golden era* of political economy proved to be rather brief, however. The Scottish-born philosopher and teacher Adam Smith (1723-1790), writing in the mid-eighteenth century, set the standard for political economists of the classical period. His major work, *The Wealth Of Nations*, appeared in 1776, just as the European-American colonials living in British-ruled North America were set to break with the empire that had given them the foundation of law and commercial practice upon which they planned to erect an independent society. Smith had numerous contemporaries on the Eurasian continent, and in North America a peculiar blending of Old World institutions and New World individualism produced a generation of pragmatic political economists—Benjamin Franklin, John Adams, Alexander Hamilton, Thomas Jefferson and Thomas Paine, to name those we remember most vividly—who served not only as an intellectual and philosophical vanguard but also as activists in the political arena. This tradition would in the late nineteenth century be carried on by one person whose contributions to the advance of *cooperative individualism* as a set of principles were of a remarkable character. This was Henry George (1839-1897), an individual born into disadvantaged socio-economic circumstances who rose to become a leading political economist in the twilight of political economy's reign as the science of human behavior.

Henry George is recognized generally as a muckraking journalist and social reformer, a precursor and guiding light of late nineteenth century social reformers, progressives, individualists, and socialists. His extensive writings on political economy are, however, what represent his lasting contributions to the advancement of knowledge and

understanding of human behavior. His final work, *The Science of Political Economy*, was finished by his son and published posthumously in 1897; although arguably his most rigorous work (if incomplete in certain important respects), he is most remembered for his book, *Progress And Poverty*, published in 1879. In both works, George combined an extensive critical analysis of contemporary and earlier theory with a penetrating historical analysis, concluding *Progress And Poverty* with his own "*Theory of Human Progress*." The remainder of his life and the substance of his writings and public addresses were dedicated to the propagation of the analysis contained in this work. My indebtedness to and reliance on the contributions of Adam Smith, Thomas Paine, Henry George and the entire school of classical political economists is immeasurable. To Henry George the debt is greatest of all.

A humanitarian whose life was filled with selfless actions, Henry George had only one objective in mind—to discover the reasons why so many of his fellow beings seemed destined to lives of misery and want; then, once understood, to lead the way out. His inquiring mind asked whether the always present problem of mass poverty was part of the natural order of things or was the result of unjust socio-political arrangements. As had others before him, he wondered whether politics dictated economics or whether the world order occurred naturally and could not be altered by the laws and institutions we establish. Stated another way, George used his powers of reasoned analysis and observation to investigate how specific socio-political arrangements affected the production and distribution of wealth. In so doing, he worked in the tradition of his predecessors, while adding to his quest a search for those socio-political arrangements most likely to result in the universal well-being of the individual within any society.

In the search for answers to these questions, one soon learns that the one common denominator possessed by all *modern* societies is the unmistakable presence of poverty. The impoverished may be among a small or large minority or may represent the overwhelming majority of

citizens within a given society. Whether the form of government is seemingly participatory, statist, authoritarian or totalitarian, poverty exists in all societies. As Adam Smith and, to some degree, all the classical political economists revealed in their writings, history provides to those who objectively seek answers why this has been the case. Henry George was unique, however, because of his relentless efforts to present his findings to the world beyond the relatively small number of *transnationals* comprising Eurasia's intellectual community. In this sense, he was much more of an activist than most of his predecessors or contemporaries where the eradication of poverty, oppression and misery were concerned.

I have quoted from Henry George and many others, at length when this seemed necessary and appropriate, in an effort to demonstrate that knowledge transcends time and place and that very few of our observations into human behavior have escaped the keenest minds of our past. The reader who has previously given attention to the study of history will benefit by the time I have spent defining terms and explaining concepts important to the study of political economy in its classical form. Those who have some background in modern economic analysis or other social sciences will hopefully come to appreciate the reasons for my departure from the twentieth century tendency to approach the economic arena with little regard for socio-political dynamics. The insights gained by a reading of this work should be valuable to those who specialize in quantitative analysis; however, this book has been written in an effort to reach those concerned with the causes underlying our most serious socio-political problems. We instinctively sense there is injustice in the distribution of control over wealth and income in the world, but we grope ineptly for peaceful and lasting solutions. We are all the beneficiaries of an intellectual heritage that is too little known and even less well understood. This book is not written to celebrate the past, however; rather, I hope to open our eyes to a new and brighter potential for the future.