

Yet such was the feeling that there ought to be a political economy, and so agreeable to the ruling class was what was offered as such, that chairs for the study of it began to multiply. And as nearly every professor of political economy thought it incumbent on him to write a textbook, or at least to do something to show a reason for his existence, there was much going over old ground and picking out small differences, but no questioning of anything that could arouse vital debate. And given a state of society in which the many were poor and the few were rich, any attempt to point out the true political economy, if it got attention, would inevitably arouse much debate.

Thus in fact political economy, as it found teachers and professors and the standing of a science, was a very comfortable doctrine to the class who had appropriated land as belonging to them exclusively. It applied the doctrine of "letting things alone," without any suggestion of the question of how things came to be. It was, as it was styled by Clement C. Biddle, the American translator of Say, "the liberal doctrine that the most active, general and profitable employments are given to the industry and commerce of every people by allowing to their direction and application the most perfect freedom compatible with the security of property." As to what constitutes property there was no dispute. And if one did not look too closely, and beyond the usages of the times, in the more advanced European nations there could be no dispute. Property? Why property was of course what was susceptible of ownership. Any fool would know that!

The question of the validity of property was never really raised in England until after the publication of *Progress and Poverty* began to call it up. But the attention which that has aroused has since brought to light some definite utterances, which show, as I take it,

that the doctrines of the French Physiocrats would have found hospitable reception in Great Britain had it been possible at the time to have really made them known.

Thus H. M. Hyndman has dug up from the British Museum a lecture by Thomas Spence, delivered before the Philosophical Society of Newcastle, a year prior to the publication of the *Wealth of Nations*, and for which to the Society, as Spence puts it, did him "the honor" to expel him. In this lecture Spence declares that all men "have as equal and just a property in land as they have in liberty, air, or the light and heat of the sun," and he proposes that the value of land should be taken for all public expenses, and all other taxes of whatever kind and nature should be abolished. He draws a glowing picture of what humanity would be if this simple but most radical reform were adopted. But so much was he against the wishes of all that had authority, his proposal was utterly forgotten until dug out of its burial-place more than a century after.

So, in 1889, D. C. MacDonald, a single-tax man, and the solicitor of Aberdeen, dug out of the Advocates' Library of Edinburgh, and the British Museum, in London, copies of a book printed in 1782 by William Ogilvie, Professor of Humanities in Kings College, Aberdeen, entitled *An Essay on the Right of Property in Land, with Respect to its Foundation in the Law of Nature, its Present Establishment by the Municipal Laws of Europe, and the Capital Regulations by which it Might be Rendered More Beneficial to the Lower Ranks of Mankind*. Professor Ogilvie, though he makes no reference to any other authority than that of Moses, had evidently some knowledge of the Physiocrats, and most unquestionably declares that land is *a birthright which every citizen still retains*. He advocates the taxation of land, with the entire abolition of all other taxes, though, as if despairing of so radical a reform, he proposes some palliatives such as allotments to actual settlers, leases, etc.

He doubtless saw the utter hopelessness of making the fight under existing conditions, for it seems probable that his book was never published, only a few copies being printed for private circulation by the author.

Among the scholastically accepted writers in the first thirty years of the century are two who seem to have some glimmerings of the truth perceived by the Physiocrats, of the relations between land and labor, though in a curiously distorted way. Dr. Chalmers, who was a divinity professor in the University of Edinburgh, and a strong Malthusian, contended that the owners of land ultimately paid all taxes levied on labor, and contended that Titles (which he regarded as so much retained by the state for beneficial purposes) should be maintained. All others he would have ultimately abolished, and the revenues of the state ultimately raised from the value of land. This, he thought, would be simpler and better, and avoid much dispute, "relieving government from the odium of taxes which so endanger the cause of order and authority." He was a staunch supporter of primogeniture, opposed to anything which aimed at the division of the land, and would have the country enjoy the spectacle of the noble and splendid aristocracy. And while he would have the landlords pay all taxes, he thought it "wholesome and befitting that they should have the political ascendancy also." For "the lords of the soil, we repeat, are naturally and properly the lords of the ascendant."

Another curious example of the perversion of the doctrine of the relation between land and labor was given by Edward Gibbon Wakefield, who visited this country in its more democratic days in the first quarter of the century. He was impressed with the differences between the society growing up here and that to which he had been used, and viewing everything from the standpoint of those accustomed to look on the rest of mankind as created for their

benefit, he deemed the great social and economic disadvantage of the United States to be "the scarcity of labor." How could an English gentleman emigrate to a country where he might actually have to black his own boots, and where no one could count on a constant supply of labor, ready to accept as a boon any opportunity to perform the most menial and degrading service? He saw, as Adam Smith before him saw, that this "scarcity of labor" came from the cheapness of land where the vast area of the public domain was open for settlement at nominal prices. Without the slightest question that the land was made for landlords, and that laborers were intended to furnish a supply of labor for the upper classes, he wished to bring about in these new countries such salutary "scarcity of employment" as would give cheap and abundant labor from the very start of settlement. He, therefore, proposed that land should not be given, but sold at the outset, at what he called a sufficient price — a price high enough to make laborers work for others until they acquired the fund necessary to pay a price for what nature offered without money and without price. The money received by the state in this way he proposed to devote in paying the passage of suitable and selected immigrants.

This plan was very attractive to the more wealthy and influential class of Englishmen concerned in, or thinking of, emigrating to the newer colonies, and was finally adopted by the corporation concerned in settling West Australia, and afterwards the other Australian colonies. But even its obvious inferences never affected the teaching of political economy.

In 1850 two works appeared in England which were both premonitions of upcoming demand for a political economy which would take some consideration of the interests of the masses. One of these was by Herbert Spencer, then young and unknown, and was entitled *Social Statics, or the Conditions Essential to Human*

*Happiness Specified, and the First of Them Developed.* Chapter IX of this book, "the right to the use of the earth," is a telling denial of what the economists of Smith's school had quietly assumed could not be questioned, the validity of property in land. It got no attention in England. It was however reprinted in the United States in 1864, with a note by the author, and when, about 1877, Appleton & Co., of New York, became the American publishers of his philosophical writings, they reprinted this with his other works and on the strength of them it began to get into circulation.

This was the only work of the kind I knew when writing *Progress and Poverty*. In *A Perplexed Philosopher* (1892), I have given a full account of it, and of Mr. Spencer's shifting repudiation and final recantation of what he had said in denial of property in land.

Some notion of the incongruity of the idea that a small fraction of mankind were intended to eat, and eat luxuriously without working, and another and far larger portion to have nothing but work to enable them to eat, and be compelled to beg as a boon the opportunity to do that, runs in broken flashes through much of the reform literature. But in political economy as it up to 1880 existed all such questioning was tabooed, and the utmost that could be found in any of the writers recognized by the schools was a timid suggestion that the future unearned increment of land values might sometime be recognized as belonging to the community, a proposition that, though it amounted to nothing whatever, as landlords were ready to sell land for what would give them any unearned increment not yet in sight, caused John Stuart Mill, who had been giving some adhesion to it, to be looked on askance by some, as an awful radical.

The struggle for the repeal of the corn laws in England did not lead to any development of a protectionist political economy. Books and pamphlets enough were written in favor of protection, but they were merely appeals to old habits of thought and vulgar prejudices,

and the forces in favor of repeal carried them down. Elsewhere, however, it was different. On the Continent the conditions under which the tentative victory of free trade was won in England were lacking. Cut up into hostile nations, burdened with demands for revenue, the mercantile system got a practical hold that could not be broken by the halfhearted measures of its English opponents, and the claim of hope which came with the English-French treaty negotiated between Cobden and Napoleon III was destroyed by the tremendous struggles which followed the fall of the latter. In Germany the outburst of national feeling which followed the struggles with France and the unification of German states gave rise to a school of German economists who taught a national economy, in which under various names, such as romantic, inductive and national, protectionism was advocated.

When it came to making peace between England and the United States after the War of Independence, the American Commissioners were instructed to stipulate for a complete free trade between the two countries. They failed in this, owing to the prevalence of the protective sentiment in Great Britain at the time. When the Articles of Confederation gave way to the Constitution, the need for an independent source of revenue took the easy means of laying a federal tariff upon foreign productions, though free trade between the States was guaranteed; and the growth of selfish interests caused by and promotive of a constantly increasing demand for greater revenue built up a strong party in favor of protection, which had its way when the slavery question, taking sectional shape, put the States in which protectionism was dominant in control of the government with the secession of the South. This interest sought warrant in a scheme of political economy, and found it in drawing from the German economists and the writings of Henry C. Carey of Philadelphia. In America this protectionist semblance of a political

economy had its chief seat in the University of Pennsylvania, and the support of a powerful party in which the ideas of Jefferson were opposed by those of Hamilton.

Among the schools, moreover, there was a divergence which began to assume greater proportions as a success of the anti-corn laws struggle began to be shown in the accomplishment of all that any of its advocates dared to propose. This took shape in a contention as to value, which inclined to emphasize the fact that the admission that somewhat immaterial things were conceded to be wealth, destroyed the ability to keep any immaterial things having value out of that category, and consequently that wealth in the common sense was the only thing to be considered in political economy, which was really a science of exchanges. With the efforts of Jevons, Macleod and others, this began to make way, and was naturally affiliated with the historical, the inductive, the socialistic and other protectionist schools which grew from the Continental teachings. Instead of working for greater directness and simplicity, it really made of political economy an occult science, in which nothing was fixed, and the professors of which, claiming superior knowledge, could support whatever they chose to.

During the century another form of protectionism had been growing up, originating in England, but gaining adherence everywhere. Like the others, it recognized no difference between land and the products of labor, counting them all as wealth, and aimed at the improvement in the conditions of labor. Recognizing the workers as a class naturally separate from employers, it aimed to unite the laborers in combinations, and to invoke in their behalf the power of the state to impose restrictions, shortened hours, and in various ways to serve their interests at the expense of the primarily employing class. This took the form of what passed for a system in Karl Marx's ponderous two volumes entitled *Capital*, written in

England in 1867, but published in German and not translated into English until after his death in 1887. Without distinguishing between natural opportunities and products of labor, Marx holds that there are two kinds of value — use value and exchange value — and that through some alchemy of buying and selling, the capitalist who hires men to turn material into products gets a larger value than he gives. Upon this economic proposition of Marx, political schemes with slight variations have been promulgated after the matter of political platforms.

Under the name of socialism, a name which all such movements have now succeeded in appropriating, all such plans are embraced. We sometimes hear of “scientific socialism,” as something to be established, as it were, by proclamation, or by act of government. In this there is a tendency to confuse the idea of science with something purely conventional or political, a scheme or proposal, not a science. For science, as previously explained, is concerned with natural laws, not with the proposals of man — with relations which always have existed and always must exist. Socialism takes no account of natural laws, neither seeking them nor striving to be governed by them. It is an art or conventional scheme like any other scheme in politics or government, while political economy is an exposition of certain invariable laws of human nature. The proposal which socialism makes is that the collectivity or state shall assume the management of all means of production, including land, capital and man himself; do away with all competition, and convert mankind into two classes, the directors, taking their orders from government and acting by governmental authority, and the workers, for whom everything shall be provided, including the directors themselves. Modern socialism is more destitute of any central and guiding principle than any philosophy I know of. It has no system of individual rights whereby it can define the extent to which the



individual is entitled to liberty or to which the state may go in restraining it. And so long as no individual has any principle of guidance it is impossible that society itself should have any. How such a combination could be called a science, and how it should get a following, can be accounted for only by the "fabled facility of writing without thinking," which the learned German ability of studying details without any leading principle permits to pass, and by the number of places which such a bureaucratic organization would provide. However, through government repression and its falling in with trade-union notions, it has made great headway in Germany, and has taken considerable hold in England.