

situation would be worse because a larger number of persons would have a vested interest in an uneconomic and unjust arrangement. In any case the position of workers as a whole could not be improved by such monopoly practices, for each monopoly would despoil the remainder as consumers, and as the number of monopolies increased those who had been parties to the original one would by the increase of prices caused by the others be deprived of all the advantage they had at first and in the end be worse off than ever.

The fact is that competition includes not only freedom of choice for consumers, but it also involves freedom of choice for producers so that they may devote themselves to what-

ever calling offers to them the greatest advantages. Competition in economic life is a synonym for economic freedom, and it is not possible to conceive how the one can exist without the other. It is by the growth of economic freedom that economic progress has been made possible. The economic evils which oppress men arise not from freedom but from monopoly and restriction. Where land is monopolized and held out of use, where production is restricted by tariffs, quotas and other monopolies, the condition of life of the ordinary man is depressed and he complains of "cut-throat competition," but the remedy is not to be found in more restriction but in more freedom.

## A COMMUNIST VIEW OF GERMANY'S PLIGHT

By Harry F. Levett, Johannesburg

Some months ago we reviewed *The Real Rulers of Germany*.\* The subject-matter of the book is important enough to deserve this further notice in which Mr Levett so competently deals with the failure of the author and his sponsor to reveal the true situation because they do not distinguish between capital and natural resources.

WHEN WRITING about international rivalry, the possibility of war, or any actual war, Communists invariably start off with the assumption that such rivalry or war has an "imperialistic capitalistic" foundation or cause; they assume that wars or the threats of wars are due to the desire on the part of capitalists of one country to end the competition from the capitalists of the other country. They then make an attempt, revealing their ignorance of human nature, to persuade the workers not to take part in the so-called "imperialistic capitalistic" war. Anyone with a slight knowledge of workers realizes that the average worker invariably identifies himself with the organization by which he is employed, and that, if wars are caused by or fought on a "capitalistic imperialistic" basis, the average worker will defend the system in which he is a cog rather than risk its overthrow by a rival system in which he may not be even a cog. After all, we nearly all prefer "the devil we know to the devil we don't know," and it is for this reason, probably, that the Communistic "anti-war" propaganda has so largely been a failure.

Although Behrend writes blithely about "imperialistic" or "capitalistic" rivalry, he himself in this book gives innumerable instances and ample evidence to show that there is no such rivalry. Arnot, in his preface (page 14), speaks of the necessity for "German finance capital" to "share" profits with the "victors of Versailles" (after 1919); but Behrend, although he shares Arnot's views on "international capitalistic rivalry," explains (pages 29 and 30) that prominent Frenchmen actually assisted the German industrialists to get concessions in Morocco; that "thirty per cent. of the iron ore workings of Briey and Longwy" (in France) were German owned (page 30). Behrend reports "agreement with the Allies" (page 39); association of large German industrial companies with the "International Nobel Gunpowder Trust" (page 56); German directors on the boards of companies in other countries (page 109); and similarly gives evidence that there is no real rivalry or competition between at any rate the larger corporations of the different countries (pages 128, 159, 181, 183, 222, 224, and 225).

Thus, while Behrend gives out the usual Communistic talk about "imperialistic capitalistic" rivalry and competition, he, like all his fellow Communists, fails to see that the position is much more serious than that. In Chapter 8, Behrend elaborately lists the memberships of the larger German industrial directorates, he rather carefully forgets to mention that most of those same boards have American, British, French, and other members, representing large shareholdings; he forgets that many of the large corporations in other countries have

German and other nationalities prominent upon their boards. The theory of the Communists, that there exists "imperialistic capitalistic rivalry," is so far from being the truth that the Communists do not understand the real seriousness of the position of the worker in the world.

If there is any actual ground for hostility between capital (as such) and labour, which is doubtful, it is certainly not a matter of international capitalistic rivalry, it is a matter of international capital *versus* international labour, and in such case there is no basis at all for wars between nations. Thus the Communistic idea that wars are caused by capitalistic competition is completely without any foundation whatever. It is clear that, as practically every really large corporation has on its board of directors representatives of various nations, any decision taken by the board is, at any rate in peace-time, an international decision.

In the various cases cited by Behrend, where the boards of German companies acted in ways designed to take away from the German workers certain rights, it is clear that the decisions were international decisions; that is to say that in each dispute it was not a question of German labour *versus* German capital, it was a question of German labour *versus* international capital. The word capital has here been used in the Communistic sense; actually it is not at all a question of labour *versus* capital, it is actually a question of labour and capital together on one side *versus* landownership on the other, and Behrend himself, without understanding what he is writing, gives evidence of it.

Over and over again, both Arnot and Behrend bear witness to the fact that they do not realize that what they call "monopoly capital" is not capital at all but landownership monopoly. Thus (page 12) Arnot talks about "millionaires and landlords," and goes on to mention Kirdorf, Krupp, Thyssen, Stinnes, etc., "the lords of the huge coal, iron, and steel industries," in sublime ignorance of the elementary fact that coal, iron, etc., are essentially raw materials derived from land and that, without exclusive ownership of land, Kirdorf and company could not even be millionaires let alone monopoly capitalists. Similarly he connects the Rockefellers, Morgans, Mellons, etc., of America with Wall Street, instead of with landownership; oil, copper, aluminium, are, like coal, iron ore, etc., raw materials derived from the land. Without exclusive ownership of oil or ore bearing or other land, none of these men could have ever become millionaires. Behrend himself mentions (page 64) the time when the coal industry in Germany was in the hands of "small independent producers—operators" (he means capitalists) "and workers in one." It should be obvious

\* By Hans Behrend, translated by Charles Ashleigh, preface by R. Page Arnot, published by Lawrence & Wishart, Ltd., London.

to anyone (except presumably Communists) that, so long as the small producers had access to the coal, oil, or ore bearing lands, there was no possibility whatever of their being forced out of existence (as independent capitalistic producers) or into unemployment (as workers).

Arnot mentions (page 16) "envious eyes" cast upon the Soviet Ukraine, but apparently fails to realize that, as the Ukraine is neither highly industrialized nor highly financed, the envy must be caused not by the greed of "monopoly capital" nor of "finance capital," but by the greed of landownership. Similarly, Behrend mentions (page 25) "large interests in Africa"; again (page 29) mention is made of Moroccan concessions, clearly consisting of exclusive rights to land. Like references appear elsewhere (pages 31, 34, 59, 178, 187, etc.). Behrend, in fact, gives so much evidence of the elementary fact that "monopoly capital" can exist either as a monopoly or as a danger only so long as exclusive landownership continues as a system that it is difficult to understand why he does not put the essential problem more clearly. He gives (page 48) ownership of coal mining fields by the square metre; he expressly states (pages 46 and 134) that the whole structure of what he calls "monopoly capital" is based on coal and the ownership of coal-bearing land. He clearly knows (pages 46 and 143—quotation) that the only reason the big "monopolists" have been able to freeze out small rivals or throw men out of work is that the latter are unable to gain access to raw materials (that is, the land).

In the case of agriculture, Behrend explicitly states (page 175) that the whole trouble is due to land monopoly. Yet, having reached this stage, he does not continue the line of thought, but rushes off at a tangent chasing, instead of the real enemy of the people (land monopoly), vague phantoms called "monopoly capital," and "finance capital." He makes the absurd statement (page 52) that Germany belongs "to a few dozen finance capitalists," although every fact he gives proves that it actually belongs to a few dozen landowners. This confusion between landowners and capitalists leads both Behrend and Arnot to a complete misunderstanding of the political conditions of Germany.

Arnot writes (page 13) of the "monopoly capitalists" sharing their power with the Junkers, but the facts given by Behrend prove that so far from the owners of rural land being forced out of power, as Arnot suggests, the political power in Germany is still shared by the rural landowners with the urban and mineral-ore-bearing landowners. Thus Behrend gives examples (pages 26, 34, 41, 42, 43, 44, 137, 150, 151, 166, 171, 178) of how the rural landowners (the Junkers) are still just as much in power as the "monopoly capitalists" (or urban and mining landowners). While, as Behrend mentions, (page 44) there is and always will be "conflict of interests" between rural and urban landowners, the conflict is merely personal and not class; it is simply that each individual landowner wants more personal power and that, when landownership as an institution is threatened, all landowners will stand together—the workers cannot expect to get help from any sort of landowner.

Sometimes Communists, in their attempt to discredit what they so fatuously call "monopoly capital," make statements that reflect very much to the discredit of the Communistic or extreme Socialistic system they want to introduce. Thus Behrend (page 120) comments severely and adversely upon the bureaucracy of Nazi-ism. Anyone with sense knows that there would be much more bureaucracy under even a mild form of socialism.

Behrend's ignorance of economics is exemplified (page 119) where he remarks that Germany "enjoyed a large favourable balance of trade" with the Far East. Any business man let alone any real economist, knows that if a country exports goods to a greater value than the goods imported, the so-called "favourable balance of trade" is actually a loss to the exporting country, a loss at least until such time as imports

exceed exports. To check this, ask any schoolboy to exchange something of his worth 4s. for something worth 3s., and tell him that thereby he will have a favourable balance of trade.

One really bright remark is made in this book, by Arnot (page 16) where he hints that the City of London and the Four Powers are antagonistic to both the U.S.S.R. and the U.S.A., but naturally Arnot does not understand why.

From a factual point of view, this book is well worth reading and keeping for reference so long as the reader is not misled into false reasoning by its mistaken use of terms.

## A DISCUSSION GROUP'S EXPERIENCE

*The A.B.C. Weekly* is the journal of the Australian Broadcasting Commission. "The Watchman" contributes an article "Going Back to School" in the issue of 29th June, which relates to radio courses of lectures and the forming of discussion groups. One such group, he says, decided, in connection with their studies of economics and social problems, to make a study of the works of Henry George, and had to visit them a leading exponent of George's principles to lecture to them, and after their course of study issued a bulletin on the subject.

"The Watchman" continues: "Now, I am not, myself, a recognised member of the Henry George organisation, but no one is an educated or well-informed man in this field of study who does not know George's lucid and wide-ranging studies in Sociology and Economics, nor can fail to acknowledge the cogency and breadth of his arguments and conclusions. It was amusing (if it were not rather tragic) to learn, therefore, that this earnest study group was being vilified by so-called important people in the town because they declared the students were Communists; they even had police and other officials to investigate their activities, and have indulged in personal persecution by dismissing individuals from their employment on the ground that Henry George was a Communist, and therefore they were Communists also. Such ignorance makes one sometimes almost despair. For, in a community which makes the acquisition of money the passport to importance, it is sometimes forgotten that the purely money-making brain is frequently one of the lowest grades of intellect. Any one who classes Henry George with the Marxian or Russian type of Communist needs himself to join a study and discussion group, for he certainly could not have read him."

## "MY NEIGHBOUR'S LANDMARK"

New and Fourth Edition, Price 1s. net. Published by the Henry George Foundation of Great Britain

Alce Thacher Post, in a letter to the author, Fredk Verinder writes from Washington, D.C.: "Last week came your beautiful book *My Neighbour's Landmark*, which I had seen long ago and spoken of to Louis (Louis F. Post), but the days of that time were busy and I did not actually read it; when it came again under my eye I eagerly read it and found it wonderful. I had missed something all the years. What a wise and fine thing to get it out now in new edition as a legacy for the changing world that is on its way. It was touching to find the gentle and natural reference to German thought in the good old bishop's preface—Zeitgeist and Goethe's 'ohne Hast, ohne Rast.' It gave strength to thinking to find the sturdy exactness of all the research and interpretation—without wishful angles of argument; all rested on modern grasp of the Bible, without unnecessary affirmations of specific views. Best of all the Bible was seen as the Word of God both for the spiritual and the natural levels of humanity, which is the very foundation of its relation as between God and Man. Sociology did not sweep away the spiritual; it was one of the two fields of the spiritual: the individual and the collective fields."

A. C. Campbell, writing from Ottawa: "I read it years ago and have profited greatly by the information and ideas that the book gives. The Foundation presents the book in most attractive form; the work is faultless and is certainly a most notable shilling's worth. Herewith is draft for 10s. Please ask the Foundation to share it with me, sending my half in the form of copies of the book and their half in complimentary copies where they will do most good."