

CHAPTER VII

THE TENDENCY OF THE DEVELOPMENT OF THE STATE

WE have endeavored to discover the development of the state from its most remote past up to present times, following its course like an explorer, from its source down the streams to its effluence in the plains. Broad and powerfully its waves roll by, until it disappears into the mist of the horizon, into unexplored and, for the present-day observer, undiscoverable regions.

Just as broadly and powerfully the stream of history—and until the present day all history has been the history of states—rolls past our view, and the course thereof is covered by the blanketing fogs of the future. Shall we dare to set up hypotheses concerning the future course, until “with unrestrained joy he sinks into the arms of his waiting, expectant father”?

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(Goethe's *Prometheus*.) Is it possible to establish a scientifically founded prognosis in regard to the future development of the state?

I believe in this possibility. The tendency¹⁴¹ of state development unmistakably leads to one point: seen in its essentials the state will cease to be the "developed political means" and will become "a freemen's citizenship." In other words, its outer shell will remain in essentials the form which was developed in the constitutional state, under which the administration will be carried on by an officialdom. But the content of the states heretofore known will have changed its vital element by the disappearance of the economic exploitation of one class by another. And since the state will, by this, come to be without either classes or class interests, the bureaucracy of the future will truly have attained that ideal of the impartial guardian of the common interests, which nowadays it laboriously attempts to reach. The "state" of the future will be "society" guided by self-government.

Libraries full of books have been written

on the delimitation of the concepts "state" and "society." The problem, however, from our point of view has an easy solution. The "state" is the fully developed political means, society the fully developed economic means. Heretofore state and society were indissolubly intertwined: in the "freemen's citizenship," there will be no "state" but only "society."

This prognosis of the future development of the state contains by inclusion all of those famous formulæ, whereby the great philosophical historians have endeavored to determine the "resulting value" of universal history. It contains the "progress from warlike activity to peaceful labor" of St. Simon, as well as Hegel's "development from slavery to freedom"; the "evolution of humanity" of Herder, as well as "the penetration of reason through nature" of Schleiermacher.

Our times have lost the glad optimism of the classical and of the humanist writers; sociologic pessimism rules the spirit of these latter days. The prognosis here stated can not as yet claim to have many adherents. Not only do the per-

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sons obtaining the profits of dominion, thanks to their obsession by their class spirit, regard it as an incredible concept; those belonging to the subjugated class as well regard it with the utmost skepticism. It is true that the proletarian theory, as a matter of principle, predicts identically the same result. But the adherents of that theory do not believe it possible by the path of evolution but only through revolution. It is then thought of as a picture of a "society" varying in all respects from that evolved by the progress of history; in other words, as an organization of the economic means, as a system of economics without competition and market, as collectivism. The anarchistic theory makes form and content of the "state" as inseparable as heads and tails of the coin; no "government" without exploitation! It would therefore smash both the form and the content of the state, and thus bring on a condition of anarchy, even if thereby all the economic advantages of a division of labor should have to be sacrificed. Even so great a thinker as the late Ludwig Gumplowicz, who

first laid the foundation on which the present theory of the state has been developed, is a sociological pessimist; and from the same reasons as are the anarchists, whom he combated so violently. He too regards as eternally inseparable form and content, government and class-exploitation; since he however, and I think correctly, does not consider it possible that many people may live together without some coercive force vested in some government, he declares the class-state to be an "immanent" and not only an historical category.

Only a small fraction of social liberals, or of liberal socialists, believe in the evolution of a society without class dominion and class exploitation which shall guarantee to the individual, besides political, also economic liberty of movement, within of course the limitations of the economic means. That was the *credo* of the old social liberalism, of pre-Manchester days, enunciated by Quesnay and especially by Adam Smith, and again taken up in modern times by Henry George and Theodore Hertzka.

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This prognosis may be substantiated in two ways, one through history and philosophy, the other by political economy, as a tendency of the development of the state, and as a tendency of the evolution of economics, both clearly tending toward *one* point.

The tendency of the *development of the state* was shown in the preceding as a steady and victorious combat of economic means against political means. We saw that, in the beginning, the right to the economic means, the right to equality and to peace, was restricted to the tiny circle of the horde bound together by ties of blood, an endowment from pre-human conditions of society;¹⁴² while without the limits of this isle of peace raged the typhoon of the political means. But we saw expanding more and more the circles from which the laws of peace crowded out their adversary, and everywhere we saw their advance connected with the advance of the economic means, of the barter of groups for equivalents, amongst one another. The first exchange may have been the exchange of fire,

then the barter of women, and finally the exchange of goods, the domain of peace constantly extending its borders. It protected the market places, then the streets leading to them, and finally it protected the merchants traveling on these streets.

In the course of this discussion it was shown how the "state" absorbed and developed these organizations making for peace, and how in consequence these drive back ever further right based on mere might. Merchants' law becomes city law; the industrial city, the developed economic means, undermines the feudal state, the developed political means; and finally the civic population, in open fight, annihilates the political remnants of the feudal state, and re-conquers for the entire population of the state freedom and right to equality, *urban* law becomes public law and finally international law.

Furthermore, on no horizon can be seen any force now capable of resisting effectively this heretofore efficient tendency. On the contrary, the interference of the past, which tem-

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porarily blocked the process, is obviously becoming weaker and weaker. The international relations of commerce and trade acquired among the nations a preponderating importance over the diminishing warlike and political relations; and in the intra-national sphere, by reason of the same process of economic development, movable capital, the creation of the right to peace, preponderates in ever increasing measure over landed property rights, the creation of the right of war. At the same time superstition more and more loses its influence. And therefore one is justified in concluding that the tendency so marked will work out to its logical end, excluding the political means and all its works, until the complete victory of the economic means is attained.

But it may be objected that in the modern constitutional state all the more prominent remnants of the antique law of war have already been chiseled out.

On the contrary, there survives a considerable remnant of these institutions, masked it is true in economic garb, and apparently no

longer a legal privilege but only economic right, *the ownership of large estates—the first creation and the last stronghold of the political means*. Its mask has preserved it from undergoing the fate of all other feudal creations. And yet this last remnant of the right of war is doubtless the last unique obstacle in the pathway of humanity; and doubtless the *development of economics* is on its way to destroy it.

To substantiate these remarks I must refer the reader to other books, wherein I have given the detailed evidence of the above and can not in the space allotted here repeat it at large.¹⁴³ I can only re-state the principal points made in these books.

There is no difference in principle between the distribution of the total products of the economic means among the separate classes of a constitutional state, the so-called "capitalistic distribution," from that prevailing in the feudal state.

All the more important economic schools coincide in finding the cause in this, that the supply of "free" laborers (i. e., according to

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Karl Marx politically free and economically without capital) perpetually exceeds the demand, and that hence there exists "the social relation of capital." There "are constantly two laborers running after one master for work, and lowering, for one another, the wages"; and therefore the "surplus value" remains with the capitalist class, while the laborer never gets a chance to form capital for himself and to become an employer.

Whence comes this surplus supply of free laborers?

The explanation of the "bourgeois" theory, according to which this surplus supply is caused by the overproduction of children by proletarian parents, is based on a logical fallacy, and is contradicted by all known facts.¹⁴⁴

The explanation of the proletarian theory according to which the capitalistic process of production itself produces the "free laborers," by setting up again and again new labor-saving machines, is also based on a logical fallacy and is likewise contradicted by all known facts.¹⁴⁵

The evidence of all facts shows rather, and the conclusion may be deduced without fear of contradiction, *that the oversupply of "free laborers" is descended from the right of holding landed property in large estates*; and that emigration into towns and oversea from these landed properties are the causes of the capitalistic distribution.

Doubtless there is a growing tendency in economic development whereby the ruin of vast landed estates will be accomplished. The system is their bleeding to death, without hope of salvation, caused by the freedom of the former serfs—the necessary consequence of the development of the cities. As soon as the peasants had obtained the right of moving about without their landlords' passport (German *Freizuegigkeit*), there developed the chance of escape from the countries which formerly oppressed them. The system of emigration created "the competition from oversea," together with the fall, on the Continent, of prices for farm products, and made necessary perpetually rising wages. By these two factors

ground rent is reduced from two sides, and must gradually sink to the zero point, since here too no counterforce is to be recognized whereby the process might be diverted.¹⁴⁶ Thus the system of vast territorial estates falls apart. When, however, it has disappeared, there can be no oversupply of "free laborers." On the contrary "two masters will run after one laborer and must raise the price on themselves." There will be no "surplus value" for the capitalist class, because the laborer himself can form capital and himself become an employer. By this the last remaining vestige of the political means will have been destroyed, and economic means alone will exercise sway. The *content* of such a society is the "pure economics"¹⁴⁷ of the equivalent exchange of commodities against commodities, or of labor force against commodities, and the political *form* of this society will be the "freemen's citizenship."

This theoretical deduction is moreover confirmed by the *experience of history*. Wherever there existed a society in which vast estates did not exist to draw an increasing rental,

there "pure economics" existed, and society approximated the form of the state to that of the "freemen's citizenship."

Such a community was found in the Germany of the four centuries ¹⁴⁸ from about A. D. 1000, when the primitive system of vast estates was developed into the socially harmless dominion over vast territories, until about the year 1400, when the newly arisen great properties, created by the political means, the robber wars in the countries formerly Slavic, shut the settlers from the westward out of lands eastward of the Elbe.¹⁴⁹ Such a community was the Mormon state of Utah, which has not been greatly changed in this respect, where a wise land legislation permitted only small and moderate sized farm holdings.¹⁵⁰ Such a community was to be found in the city and county of Vineland, Iowa, U. S. A.,¹⁵¹ as long as every settler could obtain land, without increment of rent. Such a commonwealth is, beyond all others, New Zealand, whose government favors with all its power the possession of small and middle-sized holdings of land, while at the same

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time it narrows and dissolves, by all means at its command the great landed properties, which by the way, owing to lack of surplus laborers, are almost incapable of producing rentals.¹⁵²

In all these cases there is an astoundingly equalized well-being, not perhaps mechanically equal; but there is no wealth. *Because well-being is the control over articles of consumption, while wealth is the dominion over mankind.* In no such cases are the means of production, "capital," "producing any surplus values"; there are no "free laborers" and no capitalism, and the political form of these communities approximates very closely to a "freemen's citizenship," and tends to approximate it more and more, so far as the pressure of the surrounding states, organized from and based on the laws of war, permit its development. The "state" decomposes, or else in new countries such as Utah or New Zealand, it returns to a rudimentary stage of development; while the free self-determination of free men, scarcely acquainted with a class fight, constantly tends to pierce through ever more

thoroughly. Thus in the German Empire there was a parallel development between the political rise of the unions of the imperial free cities, the decline of the feudal states, the emancipation of the crafts, then still comprising the entire "plebs" of the cities, and the decay of the patrician control of the city government. This beneficent development was stopped by the erection of new primitive feudal states on the easterly border of the former German Empire, and thus the economic blossom of German culture was ruined. Whoever believes in a conscious purpose in history may say that the human race was again required to pass through another school of suffering before it could be redeemed. The Middle Ages had discovered the system of free labor, but had not developed it to its full capacity or efficiency. It was reserved for the new slavery of capitalism to discover and develop the incomparably more efficient system of coöperating labor, the division of labor in the workshops, in order to crown man as the ruler of natural forces, as king of the planet.

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Slavery of antiquity and of modern capitalism was once necessary; now it has become superfluous. According to the story, every free citizen of Athens disposed of five human slaves; but we have supplied to our fellow citizens of modern society a vast mass of enslaved power, slaves of steel, that do not suffer in creating values. Since then we have ripened toward a civilization as much higher than the civilization of the time of Pericles, as the population, power and riches of the modern communities exceeds those of the tiny state of Athens.

Athens was doomed to dissolution—by reason of slavery as an economic institution, by reason of the political means. Having once entered that pathway, there was no outlet except death to the population. Our path will lead to life.

The same conclusion is found by either the historical-philosophical view, which took into account the tendency of the *development of the state*, or the study of political economy, which regards the tendency of *economic develop-*

ment; viz., that the economic means wins along the whole line, while the political means disappears from the life of society, in that one of its creations, which is most ancient and most tenacious of life; capitalism decays with large landed estates and ground rentals.

This has been the path of suffering and of salvation of humanity, its Golgotha and its resurrection into an eternal kingdom—from war to peace, from the hostile splitting up of the hordes to the peaceful unity of mankind, from brutality to humanity, from the exploiting State of robbery to the Freemen's Citizenship.