

Let's Try Capitalism

Capitalism is a social order in which the use, enjoyment and ownership of things produced by human exertion are recognized by custom and law as the inviolable right of the producer.

Except in a few historical instances, in societies where primitive modes of production prevailed, capitalism has never been allowed to function. Privilege, the political mechanism for transferring ownership from the laborers to non-producers, has in various degrees prevailed throughout history; in modern times this mechanism is being employed to completely destroy capitalism.

With increasing knowledge of the arts of production—including the art of exchange—men learned to produce for future enjoyment. Immediate needs were easily satisfied, and the surplus was set aside for increased facility of production; that is Capital.

If all who engage in the production of wealth share in its possession in proportion to their contribution of energy, skill or knowledge, there can be no quarrel with such division; for that would accord with our innate sense of justice. The diversion from producers to non-producers, by whatever means accomplished, not only arouses a sense of hurt, but also discourages the production of a sufficient amount to satisfy desires. Thus, the interference with Capitalism tends to poverty.

The means employed to divert wealth from producers to non-producers vary from simple robbery by individuals to organized pillage by highly skilled pressure groups. The latter are the most vicious, because their depredations are sanctified by law and custom, and enforced by the power of police.

This latter method came into vogue with the settlement of peoples in permanent places, when nomadic seeking of satisfactions was replaced by localized utilization of the forces of nature, and by exchange. This localization of labor emphasized the primacy of land in the production of wealth. The necessity of using land was transformed by the non-producers into a privilege

through the mechanism of titles. Their confiscation of rent became the measure of this privilege. By the machinery of law this privilege was perpetuated and made transferrable, whereby it became a perpetual drain upon production.

The demand for natural resources kept pace with the advance in the arts of production, and the tribute demanded by non-producers who had acquired title by force, chicanery, legacy, or purchase, increased accordingly. The constantly diminishing share to producers turned their thoughts to relief, not by abolishing the privilege of collecting rent, but by seeking privileges for themselves—that is, by also demanding "something for nothing." Whether this resulted from ignorance as to the cause of their plight, or from the difficulty of dislodging the entrenched landowners, is immaterial.

Among the privilege techniques devised by the producers were subsidies, tariffs, tithes, patents, preferential labor laws. But the privileges gained by one group of producers could be satisfied only at the expense of other groups; every advantage presupposes a disadvantage. The medium of these trepidations was the Tax. As this burden on production increased, more and more pressure groups sought relief, causing an increase of taxes to the point where the little left to the producers seriously threatens their ability to live.

That is the condition of Capitalism today. Crushed between the tribute demanded by the landowners for permission to use the earth, and taxes demanded by other privilege-seekers, its powers of production are being destroyed. It can succeed in its function of supplying human satisfactions only in proportion to its ability to throw off the vultures of privilege.

Capitalism has not failed—because it never has been tried. What kind of civilization we may have, how high the aspirations of man may soar in a social order where private property is free from monopoly privileges and from governmental pilfering, is yet to be determined.