

Political Escape From Economics

By Louis Wallis

Dr. Frederick L. Schuman is the "Woodrow Wilson Professor of Government" in Williams College. He is the author of a book, issued in 1933 and reissued in 1937, entitled "International Politics: An Introduction to the Western State System." Almost pan-historic in its approach to the subject, the treatise goes back to the pre-stone age, and then forward through ancient and medieval times, coming to a center in the Modern State and its problems as developed in Western Europe and America.

Beginning with a chapter on "State Systems of the Past," the author cites Davie on "Evolution of War" in support of the commonly accepted view among sociologists that the State owes its origin to war. Weaker tribes are overpowered by the stronger, which fuse with the vanquished and give rise to a "land-holding élite descended from the original conquering nomads" (p. 4).

After this introductory emphasis upon "the land-holding élite," a brief sketch of world history is presented, in which the above-mentioned élite (the ground landlords, or titled aristocracy) hold the spotlight of attention for sixty-three pages. On arriving at the next page, the treatment suddenly reaches what the author calls, in the Index, "Democracy, rise of," described thus: "The bourgeoisie, masters and beneficiaries of the new technology and the new economy, became the ruling class in almost all the States of the Western World" (p. 64). The "land-holding élite" mysteriously vanish; and the "bourgeoisie" suddenly pop up on us without warning, like a Jack-in-the-box.

Social Evolution Telescoped

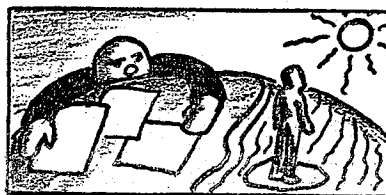
The author here telescopes into a sentence an evolution of which the innocent student obtains no inkling. Dr. Schuman elsewhere speaks of "middleclass parliamentary democracy" (p. 455); but none of his references to the subject convey any

indication that it is associated in his mind with any clear-cut conception of the process by which the "Modern State" came into being.

Parliamentary government is commonly spoken of in a loose way as if England were the originator of assemblies called by that name: "England, the Mother of Parliaments," etc. But at the time when the English parliament was taking form, similar institutions existed in other European countries, notably Spain, Sicily, Germany, France. Moreover, it is of the greatest importance to observe that all such bodies (the English included) were owned by "the land-holding élite," and were in fact, the ground landlords represented in convention.

Long before the close of the middle ages, these groups were broadened out so as to include representatives from the commercial centers—the towns, or "burgs." This change took place in Spain in the twelfth century, and in Sicily, Germany, France and England in the thirteenth. The townsmen were called in, however, not as democratic representatives of "the people," but for the purpose of telling the king and the ground landlords how much property the commercial centers possessed. The burden of taxation was then laid increasingly upon the burgher class; while the landed property of the aristocrats was more and more relieved from taxes.

As time passed on, the continental European parliaments were overshadowed and blotted out by the growth of despotic, absolute monarchies; while simultaneously, on the other hand, the development of English industry and commerce gave the economic basis for still further enlargement of "bourgeois" representation in the Parliament of England.



Democracy a Compromise

The modern British Parliament has grown up at the point of a long-drawn-out compromise between ground-landlord interests represented since the seventeenth century by the Tory party, and commercial-manufacturing interests represented by the Whig-Liberal party. This compromise found no explicit recognition in substantive law. It was a tacit agreement by which the powerful "élite" owners of the island gave increasing parliamentary representation and power to the "middle" class, and finally to the laboring class, on the understanding that fiscal burdens were to be laid more and more upon industry, while at the same time, taxes were to bear more lightly in proportion upon the ground rents of leased land as well as upon the value of land held out of use on speculation and in private parks and hunting preserves. This compromise came silently to a climax under the present Prime Minister, Chamberlain, who "de-rated," or untaxed, all vacant land in Great Britain.

Taxation Aristocratic, Lop-Sided

Through the tremendous influence of ground landlords, therefore, the Fiscal Power was distorted so as to penalize industry, promote land speculation, and protect the special privilege of collecting ground rent for private account. In other words, the British "bourgeoisie," in order to obtain a voice in government, had to assume the double burden of ground rent and taxes. In still other words, British Capital had to take Land on its back as a permanent parasitic interest. Or again, in different phraseology, the entire structure of British industry was put "on the spot" between the pressure of ground rent to the Landed Aristocracy and taxes to the State before any wages could be paid to the working class.

Essence of Constitutional Democracy

This is the essential fact at the heart of "constitutional democracy." England, instead of being "the Moth-

er of Parliaments," is the country where extra-legal compromise between Productive Capital and Land Monopoly was first carried to its logical conclusion. And after the British Constitutional Model had been set up, it was copied by several nations in Continental Europe where parliamentary evolution had been checked by the growth of monarchial power.

Schuman Ignores Compromise

That the State originally grew out of war which enthroned a "landed élite" on the backs of the masses, is demonstrated clearly enough by Professor Schuman. But in approaching the problems of today, he passes completely over the underlying process which gave rise to "the Western State System." With apparent plausibility, but with factual inaccuracy, he says, in the sentence already quoted, "The bourgeoisie, masters and beneficiaries of the new technology and the new economy, became the ruling class in almost all the States of the Western World."

Author in Good Company

Dr. Schuman is not only "Woodrow Wilson Professor"; but in his youth, he looked up to Wilson as a great political scientist, and studied Wilson's ample treatise, "The State," which reveals absolutely no conception of the under-handed bargaining process whereon the Modern State System has evolved. Another professor of political science active during the time of Dr. Schuman's intellectual development was Lawrence Lowell of Harvard, whose widely circulated works on government are in the same negative class with Wilson's treatises.

The immobility of this older pedagogical generation is revealed in a very interesting way by the reaction of Wilson to the great political struggle which took place in Britain just prior to the World War. The ultimate seat of the sovereign Fiscal Power in Britain, up to 1909, had been the House of Lords, the citadel of ground monopoly in that nation. The "Lords" had enjoyed for centuries the power of absolute veto on any tax bill passed by the House of Commons. In other words, the "Lords" were the guardians of the

great politico-economic compromise on which modern democracy took form.

But in 1909, the Whig-Liberal element combined with the Labor element in a fierce attack on the ground-monopoly interest; and out of that struggle came a dramatic amendment to the British Constitution, abolishing the fiscal power of the Lords, while concentrating all authority over tax bills in the hands of the House of Commons. To bar the practical operation of this amendment, and prevent the transfer of taxes from productive industry to land values, has been the chief aim of Tory politics in England for the last quarter-century; and by keeping a "rentier" majority in the Commons during most of this period, the "landed élite" has managed to maintain its favored position in Britain—of which the most recent sign is the "de-rating" of all vacant ground by Chamberlain and his Tory colleagues, who, for the time, control the Commons and manage the fiscal policy of Britain.

The amendment of the Lords' veto is described in a new, revised edition of Professor Wilson's book, "The State," issued after his election to the Presidency. Having in his earlier edition failed to explain the real forces operating in the development of modern democracy, Wilson treats the constitutional struggle as an item standing by itself, and shows no grasp of its larger significance.

Laski on Parliament

A volume has been issued recently by Professor H. Laski, of London University, entitled "Parliamentary Government in England: A Commentary" (1938). This book, however, is as bare of explanation as Wilson's. The author speaks of the Parliamentary Amendment act, but only to point out regretfully that although the House of Lords is deprived of its fiscal, or tax, veto, it still has enough power to "wreck

the program of any socialist government" (pp. 74, 101, 105, 365). The real animus of Laski's treatise comes fully into view in his reference to "Marx's massive indictment of capitalist civilization" (p. 125, emphasis mine); and in his declaration that political democracy cannot evolve into social and economic democracy "while it is enfolded within the framework of capitalism" (p. 181, emphasis mine).

Schuman-Laski Political Science

These younger professors of Political Science, like older scholars of the Wilson-Lowell type, reveal no comprehension of the actual development through which modern legislative democracy arose. Their procedure is merely to take over the abstract categories used by Marx, and say, with him, that the modern State arises out of the "victory" of the bourgeoisie over the feudal nobility, or landed élite. Professor Schuman's declaration to this effect, which is quoted above, occurs in fact on the same page (64) with a lengthy quotation from the first volume of Marx's "Capital." His references to Marx, to Communism, to Socialism, to Bolshevism and to cognate themes are so numerous that an attempt to schedule them here would be wearisome to the reader. Schuman's treatise, indeed, is to a large extent an application of Marxism to the international problems now confronting the world.

Marx Underwrote Labor Controversy

What Marx does in volume I of his "Capital" (quoted by Schuman) is to underwrite the illogical war between "Labor and Capital" growing out of conditions which make ground rent, along with taxes, a preferred creditor of industry prior to wages.

But in the second and third volumes of "Capital," resting upon later investigations and published after his death, Marx points out that prior to the capitalistic-machine age, the laboring masses were largely flung off the soil by "enclosures" of unused land, being thus forced into the towns where they overcrowded the labor market, lowering the rate of wages; and that in overseas colonies the mere ownership of machinery conferred no power over labor



unless the land were monopolized and fenced away from the people.

Marx Ignores Parliamentary Evolution

But while skillfully bringing out these fundamental economic facts in his posthumous work, Marx, equally with Wilson, Lowell, Schuman, Laski and others, never understood, or even took note of, that lop-sided, aristocratic manipulation of the Fiscal Power which is bound up with the entire evolution of the "Western State System."

Marxism, as a "going movement," has been identified with the first volume of "Capital," which Professor Schuman quotes. But the facts emphasized in the second and third volumes have never overtaken the misconceptions of the first volume, because they were presented merely as unorganized matter, and not as fea-

tures of a definite social and political evolution.

Schuman's Analysis Inadequate

With Dr. Schuman's verdict on contemporary history, which comes to the front as he moves toward the conclusion of his treatise, this reviewer agrees heartily: "The concern of the dominant Powers of the Western State System with 'peace' has been motivated at bottom only by a desire to retain and perpetuate the relatively advantageous position they have attained for themselves in the apportionment of armaments, population, colonies, markets, and raw materials. After 1919, peace and security meant simply the buttressing of the *status quo* created at Versailles" (p. 637).

A great deal of information useful to the student is industriously and accurately brought together by Dr. Schuman, in a form not found

elsewhere. But the shortcomings of original Marxism, attaching to the "Communist Manifesto" (1848) and the first volume of "Capital" (1867), reappear in the general drift of this treatise.

The book tends to implement the Marxist view that a simple, definite, clear-cut issue exists between "Labor," on the one hand, and something which Marx calls "Capital," on the other. Its tendency is to inflame college students uncritically against the entire prevailing economic set-up without adequate preliminary analysis of the *status quo* itself. In other words, in spite of its merits, the book is kid-glove, academic rabble-rousing which leads implicitly to the assumption that the only way out of our present political and economic impasse is the "taking over" of productive machinery by, or in the name of, the general public.