

for democracy connotes a condition in which men do things together willingly without being coerced. For if the people graciously accepted the will of the so-called majority, the government would not have to employ strong-arm methods to collect taxes and to impose restrictions.

The only democracy that we enjoy is the democracy of the market where men do things voluntarily; where they buy and sell by free contract. No payment (except a free gift) is voluntary unless it is made by contract, implied or expressed. Therefore, taxes constitute a seizure of one's property. They are not determined by the bidding of the market; they are fixed by the cost of government which might run to any figure that is deemed necessary by government officials. Taxation is a brutal, uncivilized method of financing public services, for it does not involve the civilized technique of exchange. In discussing the origin and genesis of civilization, Henry George wrote these significant statements: "With the beginning of exchange or trade among men this body economic begins to form, and in its beginning civilization begins. The animals do not develop civilization, because they do not trade." . . .

Here then is the basic cause of the evils of bureaucracy with all their attendant disastrous effects on economic life: The body politic has failed to keep pace with the body economic. In other words, government is immature, uncivilized and undemocratic. It is still employing the savage technique of the jungle instead of the civilized technique of the market. Why men have tolerated such a system so long, when they have progressed in so many other directions, is probably due to three things: (1) The popular belief in a paternalistic theory of government. (2) The fact that at least part of the taxes collected go to finance the real services of government. (3) The failure to perceive the relationship between rent and government services.

Very few people realize that they can only obtain public services by paying rent at a particular location to which these services are delivered. And because they do not know this, they permit the public servants to seize their property in order to finance those services. Due to the failure to perceive the significance of rent, economists and students of public finance go to absurd extremes in order to rationalize and defend this crude system of financing. In fact, we even hear it frequently said that there is a science of taxation.

If exchange is the basis of civilization, then if we extend the technique of exchange to include government, it is not unreasonable to expect that civilization could rise to heights hitherto only envisioned by the poet. To accomplish this, the power to tax must be denied government, automatically compelling reliance on rent for financing public services. Rent, unlike taxes, is a voluntary payment. It is not determined by one's ability

to pay but by the bidding of the market, and this bidding is influenced by the quality and quantity of services offered. Henry George explained rent in this way: "... but in the modern form of society, the land, though generally reduced to individual ownership, is in the hands of too many different persons to permit the price which can be obtained for its use to be fixed by mere caprice or desire. While each individual owner tries to get all he can, there is a limit to what he can get, which constitutes the market price or market rent of the land, and which varies with different lands and at different times. . . ."

Rent does not constitute a seizure of private wealth. It is a payment made through the democratic process of exchange in which value is given for value. If government had to rely on rent for its income, it could not afford to be paternalistic, tyrannical, corrupt and wasteful. People would pay only what they considered the public services were worth to them, and their value would be fixed, as it is today, by the market. By replacing the savage technique of taxation by the civilized technique of the market, taxes would be transmuted, as it were, into rent. Democracy, in the true sense of the word, would be a fact then, not a dream, for everyone would enjoy representation in government through the medium of exchange. And people would not be exhorted by impractical idealists to "take more interest in public matters." The supervision of the activities of public servants would be automatically carried on by the market.

A Passage From Dante

By ROBERT CLANCY

THE Divine Comedy of Dante Alighieri abounds in profound discourses and words of wisdom. There is a splendid example of this in Cantos, XIV and XV of the Purgatorio. In Canto XIV we find Guido del Duca, a fellow-countryman of Dante, atoning for his vice of envy. Guido exclaims:*

"Oh human folk, why set thy heart there where exclusion of partnership is necessary?"

In the next Canto, Dante asks his guide and master, Virgil, what Guido meant by that remark. Virgil replies:

"He knoweth the hurt of his greatest defect, and therefore let none marvel if he reprove it, that it be less mourned for.

"Forasmuch as your desires are centered where the portion is lessened by partnership, envy moves the bellows to your sighs.

"But if the love of the highest sphere wrested your

*The passages quoted are from the literal translation of the Purgatorio from the Italian, by Thomas Okey.

desire upward, that fear would not be at your heart; for by so many more there are who say 'ours,' so much the more of good doth each possess, and the more of love burnest in that cloister."

Dante is still puzzled:

"How can it be that a good, when shared, shall make the greater number of possessors richer in it than if possessed by a few?"

Virgil again replies:

"Because thou dost again fix thy mind merely on things of earth, thou drawest darkness from true light.

"That infinite and ineffable good, that is on high, speedeth so to love as a ray of light comes to a bright body.

"As much of ardour as it finds, so much of itself doth it give, so that how far soever love extends, eternal goodness giveth increase upon it.

"And the more people on high who comprehend each other, the more there are to love well, and the more love is there, and like a mirror one giveth back to the other."

In that passage is a truth that may be applied to affairs on earth as well as in heaven. Let us see how it applies, not *merely* to "things of earth," but *also* to them. Instead of "drawing darkness from true light," let us bring light to the darkness.

Let us not seek to share, says Dante (or Virgil), those things of which, when shared, each sharer gets less. Let us rather raise our desire to the point where that which is shared increases the more it is shared and the more sharers there are. In order for there to be increase, the sharers, by their very presence must increase the thing to be shared.

Now, the heavenly attribute of love, says Dante, attracts goodness to it. The sociological equivalent of love would be the value that people place upon one another's services. What is the goodness that results from, or is attracted to, this value?

Henry George teaches us that as society grows and flourishes, two values arise—an individual value and a social value. The individual value attaches to things produced by individuals—wealth. Every individual has a right to the wealth which he as an individual produces, and it ought to remain in his possession, and not be shared, as the Socialists would have. There exclusion of partnership is necessary.

But the other value—the social value—is a value which no individual by himself can create, but which exists in proportion to the existence of society. This value attaches itself to the land upon which the society is existent, and is indeed the rent of land. It always appears as society appears, and increases to the extent

that people place a value upon one another's services.

Here, then, is the economic counterpart of the good that is attracted to love.

Let us paraphrase the passage from Dante in economic terms:

That quality of rent speedeth so to society as a ray of light comes to a bright body. As much of social activities as it finds so much of itself doth it give, so that how far soever society extends, rent giveth increase upon it, and the more people there are who exchange with one another, the more closely knit is society and like a mirror one giveth back to the other.

Here is a new—or rather an old—argument in favor of the socialization of rent. Rent is the good that will increase the more it is shared!

Let us say in passing that Dante's norm of what should and should not be shared may also be applied to the question of dividing the land among the people. The more land were subdivided and parcelled out to individuals, the less would be the share of each. Henry George fully points out the inadequacy of such a measure.

The rent of land is the only thing that stands the test of increasing good the more it is shared. If this truth were more widely realized there would be a great many fears that "would not be at our hearts!"

Accurate Irony

By RICHARD W. B. LEWIS

A REPRINT

CONSIDERING the character and background of the present Prime Minister of Great Britain and of those who preceded him over a century and a half, many of us are impelled to realize that "*plus ça change, plus c'est la même chose*." I have recently come across a description of Lord Liverpool by the late Lord Acton, which, with a few names and events changed, might well have appeared in an editorial in *The Nation*. It is quoted by his editors in the introduction to Lord Acton's "History of Freedom and other essays."

Lord Liverpool governed England in the greatest crisis of the war, and for twelve troubled years of peace, chosen not by the nation, but by the owners of the land. The English gentry were well content with an order of things by which for a century and a quarter they had enjoyed so much prosperity and power. Desiring no change they wished for no ideas. They sympathized with the complacent respectability of Lord Liverpool's character, and knew how to value the safe sterility of his mind. . . . His mediocrity was his merit. The secret of his policy was that he had none.

It would be hard to improve on what his editors call Lord Acton's "austere and accurate irony."