

is no hard and fast line between a purchase for other purposes and a purchase with the intention of reselling at a higher price. In any case, land value is not due to anything that the individual owner does, it is due to the community as a whole, and that is the justification of marking it out as a special subject of taxation. Attempts to apply the tax to particular classes of land or to cases in which land increases in value have always led to adminis-

trative difficulties and to unfairness and injustice. The proper course is to follow the principles of economics and justice by treating all land in a uniform fashion and requiring it all to contribute to taxation according to its value as ascertained by frequently revised valuations, and correspondingly relieving buildings and improvements from the taxes now laid upon them.

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## CIVILIZATION AND LIBERTY

THE WORDS which form the title of Mr Ramsay Muir's book\* are very much in our minds to-day, and it is useful to have a work which outlines so concisely the history of these ideas of civilization and liberty and the growth of the institutions which embody them. It is difficult to define what we mean by civilization. Mr Ramsay Muir says he means by it "not merely mechanical improvements, and greater speed and comfort of living, but a form of social organization in which men and women, thrown into close relations, are enabled by their diverse gifts to enrich and enlarge one another's lives." To some of us the first part of this is irrelevant. Mechanical improvements are merely tools which may be used for good or ill, speed of living is not an unmixed blessing, and comfort, while it may be desirable, is hardly of the essence of civilization. No, civilization surely consists in that state of society in which men are able to direct their thoughts and their actions to whatever end they please; that is to say, not some men, a privileged few, but all men; and this implies, as we have all learned, that the freedom of each individual is limited by the equal freedom of every other. Yet that apparent limitation is hardly in fact a limitation, for men in a free society can only attain their own ends by serving, in part at least, the needs of others. Such spontaneous and mutual service provides the means by which every one can attain to far greater satisfaction of his individual desires than could be had under any system of coercion. Thus, the apparent limitation of freedom by the freedom of others means in the end more freedom and not less.

It is impossible to define civilization except in relation to liberty, for it is only in liberty that men "are enabled by their diverse gifts to enrich and enlarge one another's lives."

Mr Ramsay Muir's book is pleasantly written and interesting. Indeed it is written with too much facility by a mind which is too well stored. In regard to France under Louis XIV he talks of "enlightened despotism at its apogee," of "Colbert's remarkable achievements" in fostering industry and agriculture, and yet almost in the same breath he says that these enterprises "were bound by Government regulations and dependent upon Government subsidies," and so much so that when "Government help was withdrawn they rapidly flagged." The fact is that the policy of monopolies, subsidies and restrictions impoverished the mass of Frenchmen for the benefit of a few. The rise of the school of the physiocrats was an enlightened reply to this false policy, but its influence was not strong enough and the revolution came to wipe out many of these evils by force and blood. Mr Ramsay Muir is a free trader and devotes some eloquent passages to the advantages of that policy, but he does not see the importance of freedom of trade within a country although that depends upon precisely the same principles as freedom of trade across national frontiers. Thus he accuses the physiocrats of inability to see the evils of "unregulated competition."

A somewhat similar blindness obsesses Mr Ramsay Muir in dealing with the "industrial revolution" in England. He says that "the government of the Whigs

was, in fact, an oligarchy of great landowners. But this was not so unhealthy as it sounds, because Britain was still an agricultural country, and there were no sharp cleavages, as yet, between the grades of agricultural society, the magnates, the squirearchy, the yeomanry, and the peasantry." And again, "before it was turned upside down by the Industrial Revolution, Britain was a reasonably happy and orderly land." It is surely a mistake to place the emphasis upon the industrial side of the changes which took place in this country at the end of the eighteenth and the beginning of the nineteenth century. The mere invention of new machines and methods of production which enabled wealth to be produced more cheaply and abundantly was not the cause of the degradation, squalor and starvation of the great mass of manual workers. An economic revolution of another kind was taking place. The enclosures were proceeding apace. Men were being deprived of their remaining common rights to the soil which assured them at least a modicum of independence and subsistence. It was thus that the class of wage-earning operatives became "much larger now than it had ever been before, and growing year by year." So it came about that new methods in industry and in agriculture "increased especially the wealth of the ruling class of landowners, who drew great revenues from the increased production of their farm-lands, and from the ground-rents of the new towns, and the royalties which they demanded for every ton of coal extracted from their land." Was not this the effective cause of the growing disparity of wealth?

Coming to our own times Mr Ramsay Muir speaks of "changes in the methods of industry which were of such importance that they deserve to be described as the Second Industrial Revolution," and by this he clearly means changes of technique due to scientific discovery. He then goes on to refer to the unequal distribution of essential minerals throughout the world, to the fact that industries were tending to pass under the control of great combinations, to the divorce of control from ownership, and similar matters which constitute social problems. Yet none of these things is the result of technical development or scientific progress. The ownership of the land and the minerals it contains, and the formation of joint stock companies are regulated by the laws of each country; they are the results of institutions, and not of inventions. These institutions tend towards restriction and monopoly. The departure from *laissez faire, laissez passer*, which Mr Ramsay Muir dates from a century ago and which he rejoices in as saving us from the evils of "unregulated competition" has brought in its train an amazing growth of restrictions and regulations behind which monopolies are formed and flourish. They take not merely the form of tariffs, subsidies, quotas, exchange regulation and similar protective devices, but also systems of restricting production of cotton, coal, and other commodities, of limiting the number of vehicles which may carry goods or passengers, and still more subtle devices for enabling a few to rob the many. A new school of physiocrats is needed to expose these dangers, and to show that freedom is still the remedy and monopoly the evil.

\*CIVILIZATION AND LIBERTY. By Ramsay Muir. Jonathan Cape, Ltd. 2s. 6d.