

LAND & LIBERTY

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A POLICY OF LIBERATION

Few national Governments have much cause to look back with satisfaction upon the year 1930. From all ends of the earth has come the same sad tale of industrial depression and economic stagnation. Nations that tax imports, and nations that do not, have alike been lamenting a specially severe visitation of dull trade; what is common to both types of states has been the utter helplessness of their responsible statesmen to probe and combat the disease, and the hardships which have afflicted their disinherited peoples are the measure of their failure. Such Governments as have placed their faith in the philosophy of Protection have, of course, plumped for more of its practice. And those which have not have been sorely tempted to try at least a little of it. For have not conditions completely changed! Is not what was economic truth in years gone by now merely outworn dogma!

The urgency of our own national condition has compelled the Government to do "something"—or, if you like, a number of "somethings." How little these "somethings" have availed is attested by the fact that the roll of registered unemployed is now some 2,300,000: and the end is not yet.

The suggested means to conquer unemployment far outnumber the Parties; but two main methods are in favour among the politicians. The first of these may be designated the "mobilization of the national resources." Cynics may, of course, inquire what these national resources are: they are not likely to get much satisfaction; rather are they likely to learn, if they pursue the matter, that the nation has more liabilities than resources—a monumental debt (ever increasing) and a well-nigh complete absence of any marketable asset! The truth is, the nation has but one "resource"; and that is its power to raise loans (but not for eyer), and to levy taxes upon its citizens. Mobilizing the national resources is, then, merely an euphemism for the people's taxing themselves and purchasing

from some of them in behoof of others of them the opportunity to work, frequently upon some unnecessary undertaking. There is little to be gained by pursuing the method of raising new loans and levying mischievous taxes: a mere postponement of the evil day. For all liabilities have later to be liquidated. Prosperity bought on the instalment system is a broken reed.

The second main method of tackling the problem has a more subtle appeal: it, too, finds supporters among all parties and in strange places. It makes its appeal always to the Producer. And what is that vocal one's grievance? It is as old as time: he is not getting—he never did get—a sufficient price for his product. How then shall his position be remedied? He must of course have an assured market; and an assured market is essentially a market where supplies are restricted: otherwise there is no assurance of an enhanced price, which is the real quest.

There are, as may be imagined, various methods of accomplishing the desired end. Protection—the exclusion of the foreign product from the market—is a favourite, but not the only one. A "remunerative" price must be got for coal, let us say—if not in the foreign market, then certainly in the home market where the Government can enforce its will. Let the industry therefore regulate its output and the play of demand upon supply will do the rest. This need for the control of the market is the burden of well-nigh every industrial leader's song: and men in all parties are being charmed by it.

Of course, it is easy to confer privileges on some of the people: it is easy to cut out sources of supply: to create scarcity, and so to raise prices. But that this is a genuine method of attacking the main problem—that of bringing consumer and producer into effective contact—is patently absurd, else were it true that the primary condition of prosperity is—scarcity. That we must first create a shortage in order that we may later enjoy an abundance is the reductio ad absurdum of orthodox economic teaching.

On the other suggested means towards economic recuperation and industrial health—from the rationalization of industry to the need for rigid personal economy—there is no occasion to dwell. All of them may have their merits; but they can have as much ultimate effect in attaining and maintaining a condition of economic health as the casting of a pebble into the sea can have on the flooding of a tidal harbour.

What can then be done? There is one first essential thing. In our analysis of the problem, we must recognize the working of first principles, and in all our subsequent thought and action we must keep these principles ever in mind. And the first and most important of all economic truths is this, that man can only live by adjusting and manipulating Nature's gifts to satisfy human desires. Yet in all the proposals set before a long-suffering people, how seldom is this truth adequately recognized. Even more seldom is its corollary appreciated, that those who control the natural resources are the ultimate dictators of the economic situation. The most tragic error that most economic reformers commit in their analysis

of the problem is that they fail adequately to recognize the part which the mere monopolist—the manipulator of supply—plays in the scheme of wealth-distribution. He is the real enemy: but he lurks so securely in his ambush of legally created privilege that the evil he works is too often attributed to others who themselves are—all unconscious—the victims of his insidious attacks.

If this be true, then must the popular attitude towards the problem be changed. How futile must appear the methods of those who claim that in the economic sphere the State need only take the initiative and "do" and "provide" things for the people. As things are, such methods can only result in great loans and high taxes—for permission to the State to do things. No taxpayer, whatever he may assert, really believes that the State can spend his money to better purpose than he himself can; else were taxation popular. How futile also to blame the entrepreneur, in asserting that he has failed to play his part efficiently, and to imagine that reorganization, rationalization, and improved salesmanship, for example, are more then mere side issues!

There are among us those who claim the earth's resources as their own. Such a claim cannot in justice be admitted: legally, it never has been admitted. Be that as it may, it does seem reasonable that those so privileged should have cast upon them the duty of initiating all enterprises that have for their first condition the right of access to land. Whereas disinherited mankind, as things now are, must approach privileged interests for permission to produce and so to live. Let us so arrange it that privileged ones shall find it necessary to seek the unprivileged and beg them to produce. Then will the problem so apparently hard of solution cease to torment us.

The quest of all parties in the State is the means to effect an increase in purchasing power in the hands of the people. If it could have been done without disturbing the vested interests, it would have been done long ere this. But if it be one of the eternal verities that those who sow ought to reap, then is it equally true that those who do not sow ought not to reap. The harvest cannot be to the producer and the non-producer. Men must decide whose is the right. There cannot be any difficulty anent the decision. Purchasing power in the hands of the monopolist inevitably means its absence from the hands of those who do the work, whether by hand or brain. But how to effect the change?

One hundred men seek ninety opportunities to produce—the result: riches for him who holds the opportunities; economic hardship and poverty for the ninety; and cold charity—be it public or private—for the ten. On the other hand, one hundred opportunities to produce and the open spaces beyond—and he who will may produce, and none willing need stand idly by. This is the only cure for unemployment, because it is the natural one.

What hope is there that this point of view may inspire national action? Very much indeed! The

Chancellor of the Exchequer has already laid before the nation his plans for a site-valuation of land. So far, so good! It is a step in the right direction. But be it remembered that men live by those things that may be produced on the surface of the earth, by those things which are dug from the depths of the earth, and by those natural forces that operate above and upon the earth. Until these are liberated from the dead hand of the monopolist, the poverty problem will remain to mock all our good intentions.

Should such a policy of liberation fail to win national support, even in a modified form, what follows? Almost inevitably protection will be given a trial. It may be true that such a policy, wherever tried, has failed to effect the claims made for it. It matters not: a desperate people will always try another "something," however specious that "something" be. And should the citadel of Free Trade, even as we know it, be captured, how much more hard becomes the task of those who believe that the people's hope of economic emancipation can only be realized when they shall have destroyed that entrenched enemy of freedom, land monopoly!

To hold what we have, and to win what we want—these are the tasks that now lie before us.

JOHN PETER.

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