

LIBERTY AND THE JUST SOCIETY / INTRODUCTION

The objective of this course is to introduce to students the forces that shape history and the consistency of human behavior over time and across space. By showing the connections that bind us with our past, students will gain a greater understanding of the present.

As a primary area of discussion, the course traces the development of socio-political arrangements and institutions from the earliest period of recorded history (and before) to the modern era. Human behavior is examined in the context of societal structure, with an emphasis on the nature of power and how hierarchical structures advance or thwart the forces of cooperation and competition. Also discussed are the dominant socio-political philosophies that both attacked and defended the socio-political structure of societies as they have undergone change.

Key concepts discussed include the distinction between a human rights doctrine versus assumed or delegated rights as the basis for systems of positive law, and the reliance on moral sense principles to establish objective criteria by which the socio-political arrangements and institutions of any society can be shown to be just or unjust.

Henry George is presented as one of the significant socio-political philosophers and political economists of the nineteenth century. His life and activism are discussed in the context of the reform and progressive era, contrasting the philosophy of cooperative-individualism which he espoused with that of Fabian and Marxist socialism dominating the reform movement in Europe - as well as how cooperative - individualism differs from the compromise program of reform we think of as Liberalism.

LIBERTY AND THE JUST SOCIETY / LESSON 1

Explain to students that the course is designed to provide them with a sound historical framework in which to evaluate the degree of justice inherent in various societal structures. Provide a brief overview of the origins of the School and Henry George as a political economist and social philosopher. Explain that George's ideas will, to some extent, be included in the discussions, and that excerpts from his writings will be provided (but no text).

As a beginning exercise, ask the students for their opinion, first, about the degree of justness and, second, the degree of liberty existing in the U.S.

Put a line graph on the board, with zero at the left and ten at the right. Write their name on the graph below whatever number they choose. Ask them to explain why they feel the way they do.

Next, put several more line graphs on the board and write the names of different countries next to them (e.g., the Soviet Union, India, France, etc.). Ask them to rate each society as well, then discuss the reasons for their answers.

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Introduce two general benchmarks of how societies might be measured as just:

(1) that the overwhelming majority of citizens have a sufficient quantity and quality of the basic goods (economic and political) necessary for a decent human existence (i.e., food, clothing, housing, employment opportunities, leisure and access to education and medical care); and

(2) widespread participation in the political decision-making process. Discuss the current conditions in the above countries based on these general criteria and ask whether anyone feels any differently about their previous answers.

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Begin discussion of the history of the human civilization. Key points to make are as follows:

o The earliest archeological evidence traces the origins of man to some 2.5 million years ago in the savannah of Northeastern Africa (Ethiopia). Early man probably evolved in a number of regions; some groups survived and grew in numbers, others became extinct.

o Use a small circle graph to show initial territorial range of early foraging groups. Explain that they existed as small clans or extended families -- some more, some less nomadic depending on the resources available to them in their immediate locations.

o Increase the size of the circle graph to display territorial expansion, explaining that advances in technology and tool-making enabled them to become effective hunters (adding concentrated protein to their diets) and contributing to population increases. Advise the students that a controversy of some note has been raised by biologists who contend that fertility might be related to the amount of certain proteins in the diets of various peoples; a high rate of fertility is actually related to a protein deficiency.

o Explain that effective hunting skills eventually would greatly reduce the supply of large game animals, so that population size pressed against the resources of their natural environment (given their stage of technological development, particularly the absence of domestication of foodcrops or animals). Some of the group might move out on their own to a new territory, or the entire group might migrate as a tribe, following the natural migration of animals.

o Draw several other circle graphs on the board to show the existence of other groups and the extent of their territories. Use a dotted line around each circle to show how their territories might overlap. Discuss what would be likely to occur when these groups come into contact with one another: (1) reach an accord and share access (cooperation); (2) engage in hostilities (conflict).

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o Discuss internal changes in tribal / clan societies resulting from external threats. Division of labor arises where some hunters become warrior-protectors. Hierarchy eventually produces a warrior - chieftain. Larger, more powerful tribes may vanquish, absorb or annihilate their competitors. Slaughter of adult males was a common practice. Enslavement of captives added to number of people involved in food production and contributed to further subversion of a communitarian form of socio-political organization. A communitarian society is one in which mostly all property (particularly food) is owned in common and there is a minimum hierarchical complexity, usually limited to decision-making assigned to tribal elders.

o External pressures from other groups stimulate not only a division of labor but also changes to the physical form of settlement. Villages become fixed in location for longer periods of time, and some groups construct walled exteriors to protect themselves from attack. Fixed settlement stimulates the domestication of animals and plants and eventually leads to agriculture.

o With settlement and the general increase in population, the role of the hunter becomes diminished and evolves into a full-fledged warrior subgroup. Eventually the warriors (sometimes in combination with the mystics / knowledge-bearers) use their coercive and persuasive strength to secure privilege for themselves (i.e., a redistribution of wealth to themselves far above what producers would willingly pay -- that is, give up part of their production -- for services provided).

o Oppression by the leadership group leads to further change in

the physical structure of settlements. Within the outer walls the leaders build fortified centers (citadels) designed to consolidate administration of government and to protect themselves from periodic outbursts by the producers.

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Begin with an overview of the important points raised in Lesson One. Ask questions of the students to determine what they retained. Make the following key points:

- o Groups were initially almost wholly cooperative because of kinship relationships and small size.

- o With increased population comes division of labor and the appearance of hierarchies.

- o With settlement and the domestication of animals and foodcrops, the hunter-protectors maintain their status by becoming a warrior subgroup and eventually sharing domination over producers with the knowledge-bearers (priests, etc.).

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INSIGHT: Many warrior-dominated societies are matriarcal, meaning that children take the mother's name. The reason for this is the loss of so many young men in battle.
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THE FIRST EMPIRE-BUILDERS

Introduce the first era of empire-building. This discussion need not be detailed. Mention the Egyptians and Phoenicians and that the early empires emerged in the Eastern Mediterranean. Several key points to raise include:

- o Egypt and other early empires were still very tribal in nature, yet functioned under strict hierarchies with the kings viewed as both leader of the State and the accepted religion.

- o Stress the continuity between the actions of these empires and smaller tribal societies toward other groups (i.e., the shifting balance between cooperation and conflict within and between groups).

o The empire-builders were also monument builders, which required a large labor pool, provided by a combination of slaves and landless peasants.

o Introduce Greece as the first Western empire, which arose out of an alliance of the Greek city-states in the 7th century B.C. The Greeks united to fight off invasions by the numerically superior Persians. Sparta was organized as a militaristic state under an extremely autocratic regime. Athens, its wealth and power coming out of commerce and trade with other Mediterranean peoples, had a more open society and its socio-political institutions evolved based on the principle of a hierarchy of talent. However, only 10% of the population of Athens had full rights of citizenship. A landed aristocracy gradually arose that acquired large tracts of land formerly owned by peasant farmers who lost their land because of mortgage debt. Many peasant farmers then fell into virtual slavery.

o The Greek empire fell into decline as the landed aristocracy and military drained the population of much of the wealth produced.

o Macedonia (north of Greece) defeated the Greeks and under Alexander the Great the Greek city-states were brought into Alexander's empire. Alexander also conquered Egypt and much of the Mediterranean. The City of Alexandria at the mouth of the Nile was built because of his desire to create a new center of Greek culture in Egypt.

Discuss the rise of Rome, first as a coalition of several tribes of the Italian peninsula who defeated the Etruscans and absorbed them into a larger alliance.

o In its early stage, Rome was governed by two kings with veto power over one another.

o Under the Roman republic, members of the Senate were chosen from the Patrician (aristocratic) class; eventually a separate representative body was created composed of merchants and soldiers, who were called Plebeians.

o Soldiers were rewarded with grants of landed estates in conquered territories, and Romans were encouraged to establish "Roman" centers wherever the empire spread.

o Decline came as Roman citizens stopped producing for themselves and depended on the goods produced by their colonial subjects to support an increasingly corrupt society.

CHRISTIANITY AND THE STATE

As the Roman emperors were converted to Christianity, the powers of the Roman state were used to enforce adoption of Christianity.

o The Church hierarchy became extremely dogmatic and intolerant, captured by and became a tool of the Roman state. In effect, the Church in Rome discarded the teachings of Christ and became little more than a state religion.

THE GERMANIC TRIBES

As the Roman empire aged, fewer and fewer Roman citizens led the armies. Most of the soldiers were German mercenaries and the Caesars Romanized Germans.

o The first sacking of Rome, then, was not an overthrow of the Roman empire but an effort on the part of Germanic Romans to consolidate power.

o The eastern provinces, centered in Constantinople, remained more Roman than Rome and more Orthodox in religion than the Roman Church. When Rome was sacked, the center of the empire shifted to the east.

o Justinian attempted to reunite the empire and managed to push the Germanic tribes out of Rome. However, his army was not strong enough to hold the western territories. The Germanic tribes were weakened, which opened the door for other tribes to continue the invasion.

o The result was a long series of tribal wars that eventually brought Charlemagne to power in the 8th century, who forged his conquered territories into the new Holy Roman empire, but without the administrative and legal structure that had made Rome such a powerful empire at its zenith.

THE DARK AGES

o The eastern empire continued on until the 11th century when it was eventually overrun by Moslem Turks. Warfare in Europe gradually weakened the Frankish and Germanic princes. Another powerful group -- the Mongols -- emerged out of the steppes of Central Asia, pushing other tribes westward into Europe and renewing the tribal wars over territory.

o Fortified castles were built by minor lords to protect the agricultural settlements from the semi-nomadic tribes. This became the basis for the manor system and feudalism.

Feudalism revolved around fixed relationships between the manor lord and the peasant producers. The lord administered justice and housed whatever surplus was accumulated -- in trust for the whole community should there be crop failure, etc.

THE CRUSADES

o The Moslems captured and occupied Jerusalem in the 10th century. Thus, a call came from Rome and Constantinople for Christian nobles to raise armies and free the Holy Land.

o Between the 10th and 12th centuries a series of armies under English, French and Germanic princes fought the Moslems, without lasting success.

o What the Crusades did do was introduce the European princes to the luxuries of the Moslem world, stimulating trade and the conversion of land held in common under feudalism to systems of private titles. In this way, the lords could lease or sell land for hard currency and buy goods from the East.

o The Crusades also stimulated the growth of Venice, Genoa and other Italian ports, whose merchants initially supplied the European armies and later expanded trade with the Moslem world.

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END OF LESSON TWO. SPEND WHATEVER TIME REMAINS IN A REINFORCEMENT OF ESSENTIAL POINTS. STRESS THE "CONTINUUM" THAT IS EVIDENCED BY HISTORY AND THE DEVELOPMENT OF HIERARCHIES AS TRIBAL SOCIETIES BECOME SETTLED AND/OR WARLIKE.

o Explain that the semi-nomadic and most warlike tribes lived off the land (and their conquests). The need to be mobile meant a lifestyle that gave little importance to the accumulation of property.

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This lesson continues with the historical development of societal hierarchies, concentrating on Western civilization between the beginning of the Renaissance and the formation of the modern European nation-states. Included in the discussion is the role of the Italian city-states versus the central and northern European feudal states and the changes in socio-political arrangements that accompanied the gradual dissolution of the manor system and feudalism.

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BEGINNINGS OF THE RENAISSANCE

In conjunction with the Crusades the merchants of the coastal cities of the eastern and northern Italian peninsula became suppliers to the armies of Christian Europe. Spices, tapestries and other goods came west in the trade. During the thirteenth and early fourteenth centuries, Greek scholars also migrated to Italy,

bringing with them the ancient manuscripts of Greek philosophers and scientists.

- o The prosperity of Venice, Genoa and other Italian cities built cosmopolitan centers of culture. Religious scholars, such as Petrarch, scoured the churches of Italy for ancient Latin manuscripts, bringing them together for translation and study in new universities and libraries established by these humanist intellectuals.

- o The works of Aristotle were first made available to Europeans from translations by Moslem scholars. With the resurrection of interest in ancient Latin and Greek, the works of Plato, Cicero and Virgil (among others) became increasingly available to European scholars -- stimulating discussion, debate and eventually the questioning of not only conventional wisdoms but of the ancient philosophies themselves.

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EXPANSION TO THE NORTH

By the early fifteenth century, the manor system was breaking down in central and northern Europe. The privatization of landed property eroded the feudal ties between manor lord and producers, and the rough balance of power between individual lords fell victim to advances in armaments, new military tactics and the expanded use of coinage and merchant banking activities (bills of exchange, etc.).

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THE FIRST NATION-STATES

As the Age of Exploration began in the fifteenth century, Portugal and Spain were the first states to emerge out of feudalism. One of the reasons for this was that the Christian princes had to forge alliances with one another to drive the Moslem Moors out of the Iberian peninsula.

- o Throughout the fifteenth century Portugal sent expeditions down the western coast of Africa in search of markets and a route to India and Asia. They reached the Azores in the Atlantic and eventually reached China and Japan.

- o The feudal kingdoms of Aragon and Castille were united by the marriage of Ferdinand and Isabella, who eventually sponsored the voyages of Columbus in an effort to find a new route to the East

by heading west.

o The pope sanctioned the Spanish and Portuguese empires by dividing all of the non-Christian world into two spheres of influence assigned to either Spain or Portugal. This served to create animosity toward papal authority on the part of the English, French and Dutch.

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THE GERMANIES

In central Europe, the German princes forged a loose confederation, taking the name of the Holy Roman empire and electing one prince as Emperor. By electing the emperor, the individual princes made sure the emperor remained relatively weak and could not challenge their own independence and power. This kept Germany from becoming a true nation-state until the late nineteenth century.

o Resistance to papal authority and a desire to reduce Roman Catholic Church holdings in their territories brought many German princes to Protestantism and to support of Martin Luther.

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THE NORMAN KINGDOM

The Normans remained powerful in western Europe between the tenth and fourteenth centuries. In 1066 the Normans invaded and conquered the Angles, Saxons and the various Celtic tribes (of Wales) who had dominated England since the withdrawal of the Romans. As the strength of the French kings of central France increased, Norman territory was gradually ceded.

o Repeated wars were fought by Anglo-Norman kings to recover lost territory on the European continent.

o The Burgundian kingdom separated France from the Holy Roman empire, and was periodically allied with the Normans against the French. Over several centuries of warfare, Burgundian territory was also ceded to the French.

o By the early thirteenth century, the Normans had intermarried with the Angles and Saxons of England and the Celtic tribes of Wales. Thus, a wholly new people, the English, emerged whose ties to the Norman-French were greatly reduced; the ambitions of English kings continued to include a reclaiming of their ancient lands on the continent, but not as a principle of reuniting a separated people.

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- o The Anglo-Norman king, John, was forced to sign the Magna Carta in 1215 partly because he tried to force the English lords to provide money and soldiers so he could conduct a war against the French king to regain Norman territory on the continent. From this point on, the English retreated from their aspirations to become a land power and by the reign of Henry VII in the late fifteenth century Britain was beginning to build a strong navy.

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Explain that the use of term Britain at this point in history refers to the union of England and Wales only. Neither Scotland nor Ireland were as yet part of the British empire; and were, in fact, at war with Britain on a rather continuous basis to gain or regain sovereignty.

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THE REFORMATION

Spain and Portugal became the strongest supporters of Roman Catholicism; yet, even the Spanish monarchs were at times at odds with papal authority. Renaissance writers had also increasingly challenged Church doctrine as being in conflict with original Christian teachings. Evidence of this was provided by discovery and translations of Latin documents from the early era of the Christian church.

- o Many widely-accepted documents attributed to the 3rd and 4th centuries A.D. were found to be forgeries based on the type of Latin used.

- o Challenges to Church orthodoxy and practices reached a climax in the early sixteenth century with the teachings of John Calvin and Martin Luther. The intent of these Protestant leaders was to cleanse the Church of its corruptions; and, although they initially preached the virtues of peaceful change, both Calvin and Luther eventually forged alliances with German princes to forceably achieve their objectives.

o The conflict between Catholics and Protestants erupted in war and persecution in France, where the Huguenots were driven to The Netherlands (and England) to escape religious intolerance.

o For much of the sixteenth and seventeenth centuries, the question of whether Roman Catholicism or some form of Protestantism would be the state religion was integral to the building of nation-states and alliances between the nation-states of Europe.

HENRY VIII'S ENGLAND

For most of the reign of Henry VIII, England was a Catholic state and at least nominally under the influence of the pope in Rome. Henry's queen, Catherine of Aragon was Spanish and devoutly Catholic. When, after more than twenty years of marriage, she produced only a daughter (Mary), Henry sought to divorce her. Philip of Spain intervened with the pope, and Henry's petition was denied.

o Henry took the desperate action of having Parliament declare the Church of England independent of papal authority. The English church approved the divorce, and Henry was ex-communicated by the pope.

o Henry's break with the pope brought important changes to England. Henry confiscated the lands of the Catholic monasteries and redistributed them to lords who declared their loyalty to him and the new church. In all ways other than subordination to papal authority, however, Henry's Church of England remained Catholic; it was not his intent to open England to Protestantism.

o Within England, however, Protestant factions worked for further reform of the Church. After the death of Henry VIII, this element grew in power and influence.

o Henry did finally have a son by his third wife, Jayne Seymour. His son assumed the throne as Edward VI and reigned until 1553, when he died after a short illness. Mary, the daughter of Catherine of Aragon, became queen and attempted to restore Catholicism as the

state religion; in 1554 she married Philip II of Spain and committed England to an alliance with Spain.

o Mary died in 1558, bringing Elizabeth I (daughter of Anne Boleyn) to the throne. Elizabeth supported the Protestants of Scotland in a war against Scottish Catholics and eventually executed the exiled Catholic queen, Mary Stuart, for treason.

o Elizabeth I united the various factions (Catholic and Protestant, landed and merchant) under a banner of nationalism. Her empty treasury was gradually filled by excursions by Francis Drake, John Hawkins and other privateers against Spanish shipping and colonial outposts.

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THE SPANISH ARMADA

o On the basis of his marriage to Queen Mary, Philip II of Spain now claimed the English throne as his own and in 1588 sent his ships north to invade England. The English privateers under Hawkins and Drake prevented the Spaniards from landing, and the Armada lost half its ships and men off the Scottish and Irish coasts.

o A second Armada was dispatched in 1597 with equally disastrous results (although this time the English fleet was away and only the weather saved England from invasion; afterward, Elizabeth kept the fleet at home for the remainder of her reign.

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A UNITED BRITISH ISLES

Elizabeth I died in 1603, leaving no heir. James VI of Scotland (son of the executed queen) then became King of all the British Isles.

o As king, James attempted to regain powers his predecessors had relinquished to Parliament; in this he was defended by Francis Bacon, who viewed the king as the sole protector of the rights of the people.

o Resistance against James grew after he secretly negotiated with Spain and had Sir Walter Raleigh executed at Spain's insistence for piracy.

James was succeeded in 1625 by his son, Charles I in the midst of

the Thirty Years' War. Charles was trying to raise funds for the war but was opposed by Parliament, which he dissolved and attempted to rule on his own. In 1639 the Scots marched against Charles and declared themselves once again independent. Civil war then erupted in England.

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OLIVER CROMWELL

In 1645, the Roundhead army officer, Oliver Cromwell, was given command of the anti-Royalist forces. Charles sought refuge in Scotland and the army eventually occupied London, calling for important reforms, including the election of a new Parliament on the basis of popular vote and wider manhood suffrage.

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Chaos operated until Oliver Cromwell returned from Ireland, where he had crushed all resistance, and took over as Lord Protector of the new Commonwealth. Yet, despite adoption of a written constitution, Cromwell ruled without a Parliament until his death in 1658.

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THE RESTORATION

Neither the aristocracy nor the people of England were ready for a constitutional democracy. Charles I's son was invited back to England and was crowned king and the House of Lords was restored.

- o Under Cromwell, England initiated an era of protectionism, primarily against the Dutch. He expanded the royal navy, which scored impressive victories against the Dutch and Spanish; yet, these adventures contributed to a rising national debt.

- o With Charles II on the throne in 1660, the army was disbanded and a degree of religious tolerance returned to England (and Ireland).

- o By the mid 1660s, however, England was again at war with the Dutch and French, plague swept through London and the Great Fire destroyed much of ancient London. At this juncture, Charles II entered into a secret treaty with Louis XIV of France (in which Louis agreed to provide troops to Charles to support re-establishment of Catholicism in England). Protestants began a purge of Catholics in Britain and a plot against Charles II failed.

o Charles II died in 1685 and was succeeded by his son, James. James attempted to raise Catholics to key positions in the government and was opposed by Parliament, which he dissolved. Protestant "Whig" leaders then began negotiations with William of Orange to come to England at the head of a multi-national Protestant army. In October 1688 William landed in England and James sought protection in France.

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KEY POINTS OF DEPARTURE

England vs. Other Continental Powers

The characteristics of the British Isles and the development of socio-political institutions there versus that of Spain, Portugal, France, etc. played a crucial role in the future of North America.

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o The continental powers were developing along centralized schemes of power in their monarchies. In Britain, the power of the monarchy was increasingly limited. Power was shifting first to hereditary landed interests and then expanded to include those who gained landed property by means of joint-stock company ventures, merchant banking and commerce.

o At the same time the enclosures were driving peasants off the land and into the cities, many migrated to the expanding ports. Here, a much freer society evolved. Establishment of businesses in colonial ports distant from the reach of government also created the need for agreements based not on coercion but on voluntary association.

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The subject of this discussion is the European colonization of the Americas and the impact on indigenous tribes. Begin with a brief presentation of the earliest voyages of exploration, then lead a discussion of how the Americas were settled by migrating tribal societies. The key points to make are to show that the hierarchical development of tribal societies in the Americas

proceeded more slowly because of a smaller and more scattered population.

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THE SPANISH MONOPOLY

Portugal became the first European sea power of the 15th century, exploring the western coast of Africa in search of an alternative trade route to India and Asia.

With the marriage of Ferdinand to Isabella, Spain became the second unified European state and began to compete with Portugal. The Catholic pope divided the non-Christian world between Portugal and Spain, giving to Spain authority to colonize North America. Portugal eventually established their main colony of Brazil in South America.

o From 1492 until the British established their first settlement at Jamestown, Virginia, Spain maintained a virtual monopoly in the Americas. They conquered the three major indigenous societies they encountered (the Aztec of Mexico, the Inca of Peru, and the Mayans of Central America). Disease and forced labor in mines decimated the indigenous population, which necessitated the importation of Africans to replace them.

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THE INDIGENOUS TRIBES OF NORTH AMERICA

The indigenous tribes of North America were at the time of European arrival still largely semi-nomadic, although they generally controlled specific territories and operated under formal, hierarchical structure.

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The most powerful group in the Northeast were six tribes united as the Iroquois League, a confederation that operated under a legislative system with formal courts. The English colonials would eventually look to the Iroquois League as a model for national government. Ben Franklin, in particular, studied the Iroquois government.

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In general, however, the indigenous tribes were hostile to one another and too small in number individually to prevent the establishment of settlements along the Atlantic coast. Gradually, Europeans pushed the frontier westward to the eastern mountains, the first real natural barrier.

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DIFFERENCES IN EUROPEAN PATTERNS OF COLONIZATION

The internal structure of Spanish society tied peasants to the land and exempted the nobility and the Church from taxation. High taxes impoverished the peasant population and thwarted the development of a merchant class.

- o As a consequence, Spain viewed the Americas primarily as a source of plunder rather than of settlement.

France viewed the Americas more as a new source of trade (with the indigenous tribes) than as an outlet for colonization. This resulted in a more harmonious relationship with the indigenous tribes but resulted in a major disadvantage once the population of colonists of English, Scotch and Irish descent pushed against the coastal frontier.

England promoted settlement in the Americas by means of large land grants and trade monopolies given to joint-stock companies. In combination, this produced the system of mercantilism under which raw materials were exported to England and manufactured goods sold back to the colonies.

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- o England prohibited the export of gold or silver to the colonies or the minting of coinage in the colonies. This required colonial merchants to do business with English merchants on credit.

- o Restrictions on trade with other European powers could not be easily enforced. Smuggling was commonplace in the trade between Europe and the Americas.

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A CENTURY AND A HALF OF SALUTARY NEGLECT

Because of continuous conflict in Europe, England was unable to impose a high degree of central authority over its North American colonies. Each colony developed its own legislative body. Those

colonies organized under a royal charter rather than by a joint-stock company had governors appointed by the crown.

o Until the 1750s and the French and Indian War, the colonists were exempt from taxation by Parliament. At the end of the war, the landed members of Parliament called for taxes on the colonists to help pay for the war. Merchants and large landowners in the colonies protested against this, crying "taxation without representation" since the colonists did not have the vote and no one from the colonies served in Parliament.

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ORIGINS OF THE BREAK WITH BRITAIN

The conflict that eventually resulted in independence from Britain began as a dispute between two conservative factions, each attempting to protect the privileges they had long enjoyed.

Once the dispute took on a more agitated reaction on both sides, the general population in the colonies became involved. Only then did calls by Paine, Franklin, Jefferson and others for more systematic (and democratic) reforms find support.

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During the war, Jefferson and Wyeth (his former teacher) compiled all of the law in effect in Virginia, including English common law and those adopted by the colonial legislature. Technically, as a crown colony, Virginia was not subject to Acts of Parliament but was governed by a special Board of Trade and Plantations. From this work evolved the Virginia state constitution.

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CALLS FOR DEMOCRACY

Once the conflict began, the colonial rebels sought both legal and philosophical justification for their actions. They turned to the writers of the Enlightenment period and also to John Locke, whose work, Two Treatises of Government, for the first time in history argued extensively for the right of people to overturn unjust government.

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In the colonies, Tom Paine's Common Sense was widely circulated and debated. The philosophical ideas behind the rebellion were incorporated in the language of the Declaration of Independence.

- o The Declaration served as the basis for debate over the definition of abstract concepts such as rights and liberties.

- o The struggle had now gone far beyond the initial aims of the conservative element among the colonists. Support for the rebellion now hinged on dramatic reforms in socio-political arrangements and institutions (e.g., separation of Church and State, elimination of primogeniture and entail in property laws, trial by jury, freedom of the press, etc.).

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THE WAR DEBT

England had long prohibited the export of gold or silver bullion to the colonies; and, unlike the Americans of the southern hemisphere, the indigenous tribes in the North had not accumulated large quantities of precious metals. Nor did the colonists discover any large new sources to be exploited.

England also prohibited the establishment of a mint in the colonies. Therefore, coinage was relatively scarce in the colonies and came mostly from illegal trade with French and Spanish merchants in the Caribbean.

- o Under mercantilism, most trade between England and its colonies involved the use of bills of exchange or direct credits; in return, the colonists had to buy from specific merchants.

- o Also, the colonists had almost no capability of manufacturing their own arms. The Continental Congress was dependent upon credits provided by the French and Spanish governments and by the personal credit of wealthy colonists such as Robert Morris.

- o Many wealthy colonists were unwilling to be taxed to pay for the war, so the Continental Congress was forced to issue notes, ostensibly redeemable in hard currency (coinage or English notes), so paper notes -- wholly unbacked by any deposits of gold or silver -- were circulated. Many merchants resisted accepting these notes as payment, and the notes were quickly discounted as they passed thru the economy. People were not anxious to hold the notes for very long.

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o By the end of the war, those holding the Continental notes were demanding that the states agree to redeem them for hard currency, which the Congress could not do. What was done was to promise distribution of land as payment of debt.

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o Alexander Hamilton, as the first Secretary of the Treasury, implemented a scheme that retired the national debt -- by a combination of taxes and issuance of government bonds. Many speculators in the continental script became extremely wealthy because of insider information they received allowing them to purchase the continental bills at pennies on the dollar and then redeem them in full.

o The written constitution of the united states (i.e., the term Union is properly used during the antebellum period) provided authority for the Federal government to mint coinage but made no provision for the printing of paper currency or of borrowing. Thus, considerable argument continues that our system of legal tender currency that is not backed by specific weights of gold and silver bullion exceeds the powers granted to government under the constitution.

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This lesson continues the discussion of the transition of the British colonies in North America to independence and formation of a confederation under the Articles and then the change to a stronger Federal government and the Union under the Constitution. Key points to discuss include the economic and political issues arising while the states were united under the Articles and the motivations of those who advocated a stronger Federal government.

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A UNION OF SOVEREIGN STATES

Independence from the British empire was initially perceived by the citizens of each colony as an acknowledgement of sovereignty, of nation-statehood. Each independent state adopted its own constitution (and bill of rights) and elected delegates to the convention that resulted in the Articles.

- o The provisions of the Articles provided for a confederation of the sovereign states, in which each state was represented and the primary purpose of which was to achieve mutual protection from external threats and to regulate commerce between the states.

- o Under the Articles, financial needs of the confederation's administrative agents were to be provided by the individual states. There was no provision for direct taxation of individuals, since citizenship was applied to a person's state of residence and not of the confederation.

- o Under the Articles, the confederation's agents had no power to charter banks, mint coinage or issue debt instruments.

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THREATS TO THE CONFEDERATION

- o The greatest initial threat to the newly-independent states was a renewal of war with Britain. Peace between the European powers meant that Britain could concentrate its military force against its former colonies.

- o The war debt to European merchants and the French and Spanish governments remained unpaid, which meant that additional international credit was not available. An agreement on how to resolve the debt problem was stalled because some states had incurred far more debt than others.

- o There were certain problems of inter-state commerce associated with the sharing of responsibilities over inland waterways. There was no provision worked out for the settlement of the frontier, and many state boundaries remained in dispute between the states, the British and the Spanish.

- o While many state leaders felt the problems of the confederation could be resolved, another group of Federalists led by Alexander Hamilton, John Adams and others believed that only a strong national government, superior to that of the states, could deal with domestic financial problems as well as adequately defend

against foreign invasion.

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A REPUBLIC IS FORMED

Nationalists (or Federalists) led by Alexander Hamilton argued for a much stronger Union, within which the states would delegate more power to a central authority. Of particular concern to the Federalists was the war debt. A national government, with powers to tax and borrow, would be able to raise financial resources internationally and thereby repay creditors and the army (which was owed substantial back pay).

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o As historian Charles Beard observed in his work, *An Economic Interpretation of the Constitution*, the convention was dominated by the most conservative element in the new states (i.e., large landowners, wealthy merchants, lawyers, financiers, speculators, etc.) who sought in the new government protections of their interests not contained under the Articles.

o The end result was a national government built on a framework of compromise. Many of the principles deemed crucial by Paine, Franklin, Jefferson and others were not accepted by their more conservative and self-interested contemporaries.

o In the end, the political philosophy of the James Harrington, as put forth by John Adams, guided the formation of government on the concept of a balance of power; hence, the new national government had three co-equal branches: the executive, the legislative and the judiciary.

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THE PHILOSOPHICAL DEBATE

The more enlightened leaders among those who joined in the rebellion against Britain were greatly influenced by the socio-political ideas of John Locke contained in his treatise on government published in the last decade of the seventeenth century, and by the French school of economists known as the physiocrats.

o John Locke provided a scientific basis for viewing the individual as sovereign. In the original state of nature, there was

no government, no hierarchy of authority; the individual was born free. Therefore, the legitimacy of government depended on the consent of the governed.

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o Locke's other important contribution was to examine human behavior and distinguish between the actions of individuals based on whether or not they were harmful to others. Actions of a type that expressed an individual's freedom and in no way harmed others he put in the realm of liberty. Those that inherently violated the liberty of others he put in the realm of license. From Locke's analysis, it was possible for others to further distinguish between criminal and economic licenses; under positive law the former had to be prevented (or, when this was not done, punished according to societal norms), the latter had to be regulated by government.

The Physiocrats were a group of French intellectuals, such as Anne Robert Turgot -- the finance minister -- and Francois Quesnay (pronounced kay-nay) who can be credited with the founding of political economy as a science in conjunction with Adam Smith. They believed strongly that the strength or weakness of any society began with its land tenure system.

o The Physiocrats were also among the first to argue the case for removing trade barriers, particularly between provinces of the same nation but also between countries.

o The insights of the Physiocrats were expanded on by Adam Smith in his work The Wealth of Nations (1776). Smith used the Physiocratic phrase laissez-faire, laissez-aller (which Henry George translated as "a fair field and no favors") but was shortened by those who simply wanted to operate without government interference into laissez-faire (leave things alone).

o Smith condemned mercantilism because these policies thwarted the natural productive and cooperative instincts of individuals. In arguing for freely operating markets, Smith observed and reminded his readers that the nations with the highest wages were the most successful -- economically and politically.

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PROTECTIONIST VIEWS DOMINATE

Alexander Hamilton became the primary spokesperson in the Confederation for a strong national government that could protect and encourage the development of new industries. The Hamiltonian view was nationalist and argued the case for self-sufficiency in the production of goods and services. In this way, the nation could never be held hostage or threatened by blockade in the event of war.

As President, Thomas Jefferson would turn strongly nationalist as well, defining free trade as the right of U.S. ships to enter all foreign ports without restriction. The nation had already adopted Hamiltonian tariffs and other protectionist measures against foreign goods.

Under the banner of spreading democracy, the leaders of the Union from George Washington on viewed all of North America as the legitimate domain of European-Americans.

- o Indigenous tribes (even those such as the Cherokee who adopted European law and culture) were considered only as trespassers. This attitude was given the term manifest destiny.

- o The distance between the conquest of a thinly-populated northern hemisphere (south of British Canada) and a renewed pattern of empire-building was quick to emerge. First, against the Spanish and Seminoles in Florida, then against the independent state of Mexico and their holdings in Texas and the southwest portion of North America.

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THE LAND QUESTION

Even the most visionary leaders in North American could not foresee a time when the frontier would disappear and the continent come under control of a landed minority as had occurred in Europe and much of the rest of the world.

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- o Jefferson, Adams and others thought that bringing an end to aristocratic titles and opening land ownership to all citizens would prevent the kind of poverty and concentrated political power that plagued Europe.

o Tom Paine, in Agrarian Justice, came closest to seeing that even the elimination of primogeniture and entail, as well as aristocratic and hereditary titles would not resolve the historical problem of land coming under the control of the few. He argued that titleholdings in nature were privileges / licenses of the type Locke identified as inconsistent with the preservation of the liberty of others. Thus, with Paine comes the fundamental principle of cooperative - individualism; namely, that the earth is the birthright of all mankind, equally.

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The key points of this lesson are brought out in a discussion of the history of the United States, from the creation of the Union under the Constitution, up thru the period of the War Between The States. An important point to stress is that the underlying principles involved are at work in every society, and the ways they come out are influenced by many of the externalities thus far discussed (e.g., population size and density, availability of resource-rich land, the stages of institutional, scientific and technological development).

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FROM THE DECLARATION TO THE CONSTITUTIONS

The Declaration, written by Thomas Jefferson, stated the higher principles by which the colonists justified their attempt to break from the British empire.

As discussed in the previous lesson, the Constitution was forged out of compromise between those who argued for principle and those who sought to preserve as much of their existing privileges as possible.

For those who, today, desire to secure and preserve a true state of liberty, the first step is to evaluate the U.S. Constitution and our body of positive law to determine the degree of consistency with principles of justice. For, without justice there can be no liberty.

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BENCHMARKS BY WHICH TO MEASURE THE DEGREE OF JUSTICE IN ANY SOCIETY

Referring back to the first lesson and the discussion of the characteristics of a just society -- what are some of the benchmarks that can be relied on?

o Widespread participation in the decision-making process (i.e., as much direct democracy as is practicable versus a high level of delegation to a few, even if elected, representatives).

o Decentralization of decision-making, so that people have a high degree of control over what happens to their communities.

o A general sense of security of person and property.

o A general sense of equality of opportunity to secure an adequate quantity and quality of food, clothing, shelter, education, medical care and leisure.

These are what political philosopher Mortimer Adler (in The Common Sense of Politics) refers to as the goods necessary for a decent human existence.

Although the principles by which a society is judged have consistency, the qualitative and quantitative measurements must be looked at based on the limitations of time and place.

o One must ask what is the potential, given the technology of the age, to provide a given level of such goods.

FIRST PRINCIPLES

Does the U.S. Constitution meet Paine's first principle of justice; namely, do its provisions secure equal opportunity to access the earth (at least that portion of the earth coming under the geo-territorial control of the united states as the Union)?

Do its provision protect this birthright of all individuals, equally?

DISCUSS WHY EVEN JEFFERSON AND THOSE MOST DESIROUS OF CREATING AN EQUALITARIAN SOCIETY WERE NOT CONCERNED THAT NATURE WOULD BECOME MONOPOLIZED AS IN THE OLD WORLD.

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At the end of the eighteenth century the economy of the united states was overwhelmingly agrarian.

o Around 90% of all household lived on farmsteads they owned, although most were small and did not produce enough to be considered commercial (i.e., the value of crops sold was sufficient only to meet immediate consumption needs in manufactured goods).

o Although Jefferson recognized the problems inherent in the concentration of landownership among a relatively small number of families along the eastern coast and tidewater areas, he looked at the frontier as providing a virtually limitless opportunity for individuals to acquire property in land and, hence, political rights tied to property ownership.

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THE BILL OF RIGHTS

The framers of the Constitution initially dismissed the need for a federal bill of rights on the grounds that each state remained sovereign; and, as citizens of the states, individual rights were established and guaranteed by the several states.

As they came close to completion, however, it became clear that adoption of the Constitution would not succeed without a commitment to inclusion of a bill of rights. Therefore, many of those who attended the convention agreed to support the Constitution only upon condition that a bill of rights would be added as soon as possible in the form of amendments.

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DISTRIBUTE COPIES OF THE CONSTITUTION AND BILL OF RIGHTS DISCUSS THOSE CLAUSES AND AMENDMENTS THAT RELATE DIRECTL TO INDIVIDUAL LIBERTY.

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FROM FRONTIER INDIVIDUALISM TO ROBBER BARON INDUSTRIAL-LANDLORDISM

Almost immediately after the end of the war with Britain, a two-stage migration began:

o A new wave of immigrants from the British Isles and other parts of Europe began to arrive in large numbers, increasing the demand for land and housing on the Atlantic coast;

o A movement westward into what was called the Northwest Territories (Ohio, Indiana, Illinois, Michigan) as well as Kentucky and Tennessee began when Federal lands were opened for sale. Farmsteads had been given to war veterans in lieu of cash payment, and many sold their land to speculators who, in turn, set up land companies and sold land to settlers.

Because Spain controlled Florida and (until just prior to the Louisiana Purchase from France) most of the land west of the Mississippi River, there was far less immigration or migration into the southern states.

o One result was a much stronger and longer-lasting attachment by residents of the southern states to their home state rather than the nation as a whole.

o Immigrants to the north and migrants into the frontier adopted a more nationalist view of the Union. For one thing, they were more dependent on the national army for protection against the indigenous tribes.

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o The North's stronger ties to Europe's merchants and bankers also attracted investment in manufacturing, which in turn attracted greater immigration.

Prior to the 1850s, canals and then steam power turned the nation's waterways into highways of commerce and industry. The St. Lawrence and Great Lakes turned cities like Buffalo, Cleveland, Chicago, Pittsburgh, St. Louis and New Orleans into major population centers.

o The conversion of steam power from water to rails allowed direct access to distant markets by commercial scale agribusiness, mining companies, the lumber and cattle industries. The great expansion of this activity occurred after the end of the War Between The States.

o The railroads and bankers formed the first real coalition of industrialists who sought and obtained monopolies from the state and federal governments. They received large land grants from the public domain as well as other subsidies and exemptions from taxation. As a result, the system of industrial-landlordism evolved that created great wealth for the few so-called robber barons while condemning millions of workers to oppressive working and living conditions.

POLITICS BETWEEN THE WARS

From the very moment of the adoption of the Constitution, the leadership elected to the state and federal legislatures or appointed to positions of public authority were deeply divided over the question of centralized (Federalist) versus decentralized (Anti-Federalist) authority.

- o The Federalists generally adhered to the policies of a strong, central government with substantive powers over commerce within and between the states and between the states and foreign nationals. Alexander Hamilton and John Adams were leaders of the early Federalists.

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o The Anti-Federalists were led by Thomas Jefferson and James Madison. They fought for a stricter interpretation of the Constitution where powers of the Federal government were concerned (at least until their own presidential terms). A second emphasis was on participatory and widespread democracy, with leaders rising out of the population on the basis of talent and ability rather than material wealth or family associations. In time, these ideas came to be called Jeffersonian.

A major political battle occurred over the creation of the first Bank of the U.S. because of the advantages this bank would have over state-chartered banks. Hamilton argued in favor of the bank.

- o In return for a commitment to act as the primary lender to the federal government, the bank was given a monopoly position as depository over government funds. Related to the bank issue was the constitutional problem that the government was not empowered to print paper currency, only to mint coinage to meet the definition of hard money.

After Jefferson's presidency, the conflict between regional interests intensified. The election of Andrew Jackson as president was an expression of sentiment against the Eastern establishment; this was the first real populist movement against, in part, the growing power of the Federal government at the expense of the states. There were many issues involved (e.g., attempts to restrict wild cat banking on the frontier, slavery in new states, disposition of the lands of the indigenous tribes and the status of the tribes who remained east of the Mississippi).

- o The treatment of the indigenous tribes is reflected in the dispossession of the Cherokee from their lands in western Georgia.

The Cherokee had adopted the European mode of settlement and agriculture, developed a written language and adopted a formal constitution. But they were in the way, and under Monroe many were resettled in the west (Oklahoma). The rest of the Cherokee took their case to the Federal courts and eventually the U.S. Supreme Court ruled that the State of Georgia had no legal claim to the Cherokee nation's land. Andrew Jackson, now President, responded: "John Marshall has made his decision, now let him enforce it."

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- o The Cherokee were led on forced march to Oklahoma; several thousand died, but they rebuilt their nation and were again a thriving nation until the War Between the States. They sided with the Confederacy and lost much of their land after the war.

The growing conflict between the industrialized North and the agrarian South raised the key question of states rights; namely, was the Union a voluntary association of sovereign states or a country divided into states for administrative purposes.

- o The southern states took the position that they had every right to succeed from the Union. Once they voted to succeed, they looked on the presence of Union troops as occupancy by a foreign army. Unfortunately, they did not attempt to negotiate (with compensation) the transfer of these facilities over to the Confederacy; had they done so and not resorted to armed conflict, the northern states might have allowed them to peacefully leave the Union.

- o The outbreak of War -- and the fact of unconditional surrender -- forcefully brought the southern states back into the Union. No state has since then attempted to secede.

- o More subtly, references to the Union were replaced by a nationalist language stressing the United States as a single entity -- no longer was it written that the "united states are ..."; now, descriptions of the nation became "the United States is ..."

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THE ROBBER BARONS

The national agenda after the War was concentrated on settlement of the vast frontier and removal of the indigenous tribes.

The interests of railroad magnates, cattle barons, bankers and industrialists all combined to create an atmosphere of considerable political corruption and a domestic form of mercantilism based on monopoly licenses.

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During this era the political allegiances were slowly defined as Republican (the part of Lincoln) in the North and Democratic in the South and, eventually, in the largely immigrant urban centers.

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This lesson presents the nineteenth century influence of Marxist and Socialist philosophy as a response to the recognition that industrial-landlordship (incorrectly but commonly referred to as capitalism) had to be restructured to meet the needs of the general population and not just a privileged few.

- o The philosophy of change was more Marxist (and, therefore, more radical) in central Europe and France.

- o In England and the United States, where a general spirit of individualism prevailed, reform took a more moderate path. The direction of reform was spearheaded in England by intellectuals who formed the Fabian (Socialist) Society and by labor leaders. In the United States, a new class of university educated professionals and social scientists initiated the Progressive movement.

Quite apart from these efforts, Henry George and those he attracted to his cause, espoused the restructuring of all societies based on principles of justice contained within a philosophy of cooperative-individualism.

THE RISE OF MARXIST-SOCIALISM IN EUROPE

By the mid-1800s, Europe was experiencing tremendous social and political unrest. The French and German people lived under conditions approaching military dictatorship.

Two socio-political philosophers appeared calling for dramatic structural changes. The first was Pierre-Joseph Proudhon, the philosophical leader of the communitarian movement in France, who advocated the creation of a society built on voluntary associations.

The second was Karl Marx (working in collaboration with Frederick Engles), who called for an end to private property and communistic ownership of the means of production.

o Without competition for property accumulation, Marx predicted the state would wither away, an unnecessary relic of class conflict.

o Marxism is fundamentally redistributive concerning wealth, calling for a policy of "from each according to his ability, to each according to his need."

o Another fundamental tenet of Marxism is the labor theory of value, which states that the value of wealth is related to the quantity and quality of labor required in production. Neither the contribution of capital goods nor the willingness of others to give wealth or services in exchange are considered.

===== In contrast, Henry George's theory of value is based on demand. The price one is able to obtain for goods or services in the marketplace establishes value in exchange.
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The Communist movement in Europe was severely suppressed by the governments; Marx and Engles were forced to flee the continent for England, where Marx had limited influence.

FABIAN SOCIALISTS

In the 1880s, a group of English intellectuals and political radicals formed the Fabian Society to advance an agenda that combined government regulation (and limited nationalization) of the means of production, while protecting a considerable degree of private property in consumer goods.

o Leading socialists included George Bernard Shaw, Eugene Debbs, and H.G. Wells.

o Many Fabians in Britain and Progressives in the U.S. credit their zeal for socio-political reform to Henry George, who wrote and lectured extensively between 1880 and his death in 1897.

PROGRESSIVISM IN THE U.S.

Large-scale industrialization after the War Between The States required a large (and cheap) labor pool. Immigration to the nation's large cities was encouraged but resulted in overcrowding, increased crime, poverty, and the threat of plague associated with unsanitary tenement housing.

University-trained architects, engineers and social scientists began to call for rebuilding of the nation's decaying cities, the establishment of free public education (to Americanize immigrants and their children), libraries and hospitals. Another aspect of this movement was an effort to reform the political system and end widespread corruption; this resulted in the secret ballot, civil service and open primaries.

In late nineteenth and early twentieth century, the Progressives made significant strides in gaining government support for reform. Teddy Roosevelt and Woodrow Wilson were each considered as leaders of the Progressive movement.

THE APPEARANCE OF HENRY GEORGE AS SCIENTIST

Henry George was a journalist who became seriously interested in finding solutions to the mass poverty that plagued the U.S. and other societies during his lifetime.

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o George identified characteristics in the socio-political arrangements and institutions of all societies that virtually guaranteed the worsening of poverty, even under conditions of only modest population increases.

o George's major contribution to science was in the skeptical re-evaluation of all that the classical political economists had written about human behavior and the natural laws operating in the production and distribution of wealth.

o With respect to human behavior, George used history and observation, as well as reason (empiricism and rationalism) to support a crucial general principle; namely, that man seeks to satisfy desires with the least exertion. In Lockean terms, this led him to conclude that individuals will act to monopolize natural and unnatural opportunities (i.e., seek privilege or license under whatever societal structure they live under).

o George accepted (as more nearly self-evident than had Hobbes and others) that all human beings had rights inherent to our equality as members of the same species.

o Our most basic human right is that of an equal opportunity for survival. And, since one cannot survive without access to nature and the resources naturally available, our rights extend to equal access to the earth.

o Just socio-political arrangements, then, exist only when all individuals are guaranteed the right (directly or indirectly) of equal access to the natural opportunities provided by the earth.

o From this, George built a definition of natural property that tied ownership of property to production. One acquired property by applying one's labor to the earth and producing something material (or by providing services to others that in some meaningful way facilitated production).

TITLEHOLDINGS TO NATURE/LAND AS THE PRIMARY FORM OF LICENSE

Nature has a zero production cost (i.e., no labor is exerted to produce nature). The earth has been provided to mankind for exploitation, and no individual or group of individuals has a legitimate claim to nature as private property.

Locke Differs From George

John Locke argued that once an individual applied his labor to nature, the two became intertwined and the contribution of the individual could no longer be distinguished from nature, justifying claims to property in nature.

George observed that the free operation of buying and selling in the market would, in the form of price, reveal the value of whatever improvements were added by individual effort versus the price people were willing to pay for access to unimproved sites of equal natural amenities.

- o When society allows individuals to monopolize a part of nature for whatever purpose, society is effectively granting to those individuals privilege or license. Whatever exchange value accrues to such a titleholding is distinct and apart from the property the individuals produce by applying their labor (and capital goods) to nature.

- o When the availability of free land of equal potential productivity disappears as a result of society handing out and protecting titleholdings, then the demand by non-titleholders for access to nature allows the titleholders to charge a fee, in effect, make a claim against the production of others.

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LICENSE TAKES TWO FORMS

Titleholdings in nature or licenses that give special advantages in commerce to individuals or groups are economic licenses that generally come to have an increasing exchange value (i.e., an increasing claim on production).

o Justice demands that these licenses be regulated and that any exchange value associated with such licenses be collected by government for distribution to all citizens, equally. By the democratic decision-making process, the citizens may direct that government perform certain services that private citizens are unable to provide efficiently (e.g., national defense).

Individuals also exercise licenses that violate fundamental norms of moral and ethical behavior. These are generally described as criminal licenses.

o Criminal licenses by their nature have no exchange value; rather, they involve actions that impose physical harm on others or damage to the property of others. Preventive measures must be provided by government (by appropriate use of police powers); or, when this fails, by the imposition of punishments.

o The nature of punishments involve principles of justice of another sort. Democracy alone will not guarantee establishment of punishments appropriate to the criminal license exercised. Moral and ethical principles must be applied; and, here, a society most plagued by crime tends to be most violent in its response to crime.

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LAWS MUST MEET A TEST OF JUSTICE

A synthesis of the socio-political philosophies of Locke, George and Mortimer Adler is best represented by a fundamental principle of cooperative-individualism contained in the following definition of liberty:

o Liberty is freedom constrained by justice.

o And, justice demands that the exchange value of economic licenses is collected by government (as agent for all individuals within society) and distributed equally.

o Also, justice demands that criminal licenses are prohibited and to the extent possible prevented. Where criminal licenses are taken, action by government is taken to ensure such crimes are not repeated and that the victims are justly compensated by the criminal.

o Thus, a society is just the degree to which its laws are consistent with the above principles and the extent to which government enforces just laws.

INCREMENTALISM AND THE WELFARE STATE: THE WEST

Although the writing and public speaking of Henry George influenced thinking of a large number of reform-minded individuals throughout the world, the social movement he started lost momentum after his death in 1897.

Hatred of the aristocracy eventually brought a peasant revolution to Russia, out of which the Bolsheviks (under the leadership of Lenin) emerged as the architects of a new society. Their rhetoric was Marxist (i.e., communist) but their actions established a centrally-controlled form of state-socialism.

Elsewhere in Europe, the military states continued to control socio-political institutions in conjunction with a lingering landed aristocracy and mercantilist industrial enterprise.

Political, religious and economic oppression sent millions of Europe's citizens to North and South America. In Britain, the Fabian socialists eventually gained support from industrial laborers.

o A growing Labor Party (sometimes joined with Liberals who adhered to many of the principles of cooperative-individualism) fought for reforms.

o The Conservatives resisted and fought to retain the privileges of the status quo.

PROGRESSIVISM BECOMES LIBERALISM

In the U.S. the Progressives were successful in getting many reforms adopted. Yet, some were ill-conceived or subverted by political compromises.

Up until the 1930s and the Great Depression, the adoption of social welfare program were modest and very incremental. Government intervention in the economic system was largely restricted to the creation of the Federal Reserve System (another compromise that eastern banking interests conceived to prevent creation of a central bank actually owned and operated by the government).

The Depression brought massive unemployment and unrest. Franklin Roosevelt, who had been elected on a platform of fiscal conservatism and a balanced budget, introduced a program of government expenditures on public works to stimulate production and give workers purchasing power. This effort was modest and designed to prevent what many felt could become a Russia style upheaval.

Toward the end of the Second World War, political leaders and professional economists pressed for greater safeguards against deep and prolonged recessions or depressions. At the same time, social legislation was created to more evenly balance the power between the industrial-landlord group (owners of most of nature and capital goods) and the propertyless who worked for legal tender wages.

o Government fiscal and monetary policy was from 1945 on directed by demand management theory, relying on loosening or tightening credit availability (and price of credit) as well as changes in taxation to stimulate investment to maintain full employment.

o Tax theory made no distinction between income received based on the exchange value of titleholdings and other licenses as opposed to either production or services rendered.

o Supply-side economic theory arose in the late 1970s to argue that heavy taxation acted as a disincentive against investment in plant and equipment. As a result, in Britain, the U.S. and other countries the marginal tax rates on high incomes and the tax rates on so-called capital gains were reduced. The longer-run results of this strategy were two-fold: (a) the liquidity provided to markets was speculatively invested in land and securities; and, (b) the price of land rose so rapidly as to make profitable development impossible in many areas, leading to crashes in regional economies.

This final lesson introduces a comparison between the five theoretical socio-political systems either advocated or practiced, with discussion on:

o Consistency with the principles of a just society; and

o Actual conditions in societies whose people must live under these circumstances.

A second important objective of this lesson is to discuss Liberalism, not as a distinct socio-political philosophy but as a range of policy positions relating to key socio-political issues.

LIBERAL VS. CONSERVATIVE

These terms have become labels that are generally thought to categorize the policies an individual supports:

o A liberal generally approves of government intervention to achieve an equality of treatment in areas of civil liberties, and a range of equality of opportunity to equality of result in terms of property/income ownership.

o A conservative generally favors a narrow definition of government's responsibilities in the area of civil liberties as well as equality issues where property/income owners are concerned.

In practical terms, there is a considerable cross-over by liberals and conservatives on many issues.

o Over time, the conservative position over the very concept of a welfare state has softened in order to accommodate objectives of order and societal stability.

o Both liberals and conservatives have championed the vested interests of various groups within society, effectively defending privilege (i.e., sanctioned inequality of opportunity) in socio-political arrangements.

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o The system of laws, government programs and administrative agencies that has evolved over the course of the 20th century has established the policy agenda of liberalism.

This policy agenda occupies the centrist position between two distinct socio-political systems: state-socialism and cooperative-individualism.

Understanding the differences between these systems requires that we abandon our preconceptions of left/right, liberal / conservative.

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THE POLICY AGENDA OF LIBERALISM

There are six main policy issues that make up the agenda of Liberalism.

State Socialism vs. Cooperative-Individualism

Policy decisions will pull a society closer to state-socialism if there is greater emphasis on:

- o Security (i.e., order) than on protecting individual liberty.
- o Redistribution of wealth instead of allowing producers to keep what they produce.

===== NOTE: The terms distribution and redistribution are somewhat misleading, inasmuch as the natural order of things will eventually lead to a redistribution of wealth from those who actually produce to those who control access to land (i.e., nature). Because this is a natural flow and can actually be facilitated by voluntary agreement on the part of all citizens, what the titleholder or occupier of land receives can also be thought of as a distribution of wealth.

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o Centrally planned economic activity rather than allowing markets to function solely on the basis of voluntary win-win transactions.

o Positive law as a constraint on individual actions, even those that meet the test of justice, rather than on moral/ethical constraints.

o Centralized authority versus decentralized administration of governmental responsibilities.

o Representative and delegated democracy at the expense of widespread participation in the political decision-making process.

Adoption of the above policies in the aggregate will pull a society into the realm of state-socialism. Conversely, full adoption of policies that achieve greater individual liberty (that is, are distributive where wealth is concerned), allow a fair field with no favors to operate in economics, rely heavily on moral and ethical constraints on behavior (i.e., nurturing), give very limited powers to a central authority and guarantee widespread direct participation for decision-making on societal issues, and will bring society close to cooperative-individualism.

Totalitarianism

Movement too far to the left supplants liberalism with harsher forms of state-socialism and, potentially, totalitarianism.

Communitarianism and Anarchy

Policies directed beyond the bounds of cooperative-individualism to the right pull societies into what are historically uncharted waters, where human behavior has run counter to the degree of cooperation and selflessness demanded.

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THE ROLE OF NATURAL LAW

Socio-political arrangements that allow natural law to freely operate may create an equality of condition but cannot secure or protect equality of opportunity.

Only cooperative-individualism (by prohibiting sanctioned inequalities) establishes the conditions fo equality of opportunity.

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