

done at any time is apt to be done not at all, and what is everybody's duty is nobody's duty.

To give point and purpose to the training of volition and to directing conative powers toward high ideals, the object and method alike must be clearly conceived and systematically carried out. Such end will be achieved not indeed by "disquisitions on the scientific classification of the moral virtues," but by imbuing our teachers with those qualities of head and heart which are essential to their high vocation and by conceding to self-reverence, self-knowledge, self-control that place in the training of youth which has too long been usurped by too exclusive attention paid to merely physical and intellectual attainments. In bringing about this most necessary reform this Moral Instruction League will, I doubt not, continue to play a great and important part until indeed the time shall come when its efforts will be exhausted in fulfillment, and the place of volition in education shall be recognized as being that which in truth it is,—second to none.

LONDON, ENGLAND.

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### LORD HUGH CECIL'S "CONSERVATISM."

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THE recent work on Conservatism by Lord Hugh Cecil has attracted less attention than it deserves. For really its publication may claim to be something of a literary and political event. Although the number of convinced Conservatives is, and has always been, as great as that of convinced Liberals, and although J. S. Mill's gibe about the "stupid party" has only a very small modicum of truth, it remains a fact that advanced politicians have always been much readier with the intellectual analysis and philosophic theory of their views than their opponents. We need only instance Bentham

and Mill among English Radicals, and a writer like Marx among Socialists, and contrast them with the meagre list of authorities that Lord Hugh Cecil can quote.

Lord Hugh's book is divided into two unequal parts. The first deals with the various elements that have gone to make up modern Conservatism (the influence of Burke being considered worthy of a separate chapter), whilst the second tries to analyze and defend Conservatism as a political system.

We shall not spend much time over the first part. It is naturally mainly historical, and it does not call for any lengthy discussion. Lord Hugh finds three chief elements in modern Conservatism, *viz.*, Innate Conservatism, Toryism, and Imperialism. By innate conservatism is meant a psychological characteristic common to all men, though possessed in different degrees. It has two sides, one of much greater value than the other. The more worthy side is the rational consideration that social problems are so very complex that there is always a strong probability that some factor has been overlooked in any scheme of change which is defended on the ground that it will remove some admitted evil. The less respectable side is the dislike of novelty as such. We might call these two factors rational scepticism and mental inertia respectively, and it behooves us to say a word about each.

There is a point that Lord Hugh has overlooked in his respect for rational scepticism. Rational scepticism, as a motive for rejecting a scheme that offers to remove admitted evils, involves two applications of probability. The first is contained in the statement that social affairs are so complex that it is very improbable that all the effects of a given social change have been foreseen. But this is not enough to make it reasonable to reject the scheme. For this to be so, we must have some ground for judging further that the unforeseen effects are more likely to be bad than good. Now, in so far as these effects are *ex hypothesi* unforeseen, this judgment cannot rest

on the known nature of the effects of this particular measure. Hence it can only rest on some general proposition, such as: It is more probable that the unforeseen effects of any social change will be bad than that they will be good. And there seems to be no reason to think that this proposition is true. Thus rational scepticism does not seem to be a defensible ground for rejecting a change which is held after careful consideration to be capable of removing an admitted evil without introducing greater ones; for there is no reason to suppose that the unforeseen effects are more likely to be bad than good.

Let us now turn to Toryism, the second element that Lord Hugh finds in modern Conservatism. By Toryism our author means the view that the State should be explicitly connected with some definite church. It is, of course, this part of Conservatism of which Lord Hugh and his family are such distinguished exponents. With the arguments on which he bases his Toryism we shall deal later, and we shall then see that it is ethically the most fundamental element of the three.

In general we should say that the defect of this part of the work is its failure to distinguish between the causes that actually make men Conservatives and the reasons that ought to do this. As an enumeration of causes it is incomplete, because it omits explicitly the important influences of supposed self-interest and of certain sectional prejudices. Self-interest makes many rich men Conservatives and many poor men Liberals or Socialists; sectional prejudices make many of the middle classes Conservatives and many nonconformists Liberals. It seems a mistake to mention some causes which are not reasons,—like mental inertia,—and to omit others like these. On the other hand, supposed reasons are mixed up with causes; for Lord Hugh (wrongly, in our opinion) thinks rational scepticism a valid reason as well as an actual cause. But, on the whole, we may say that the first section is intended mainly to discuss causes

and the second one reasons. To the second then we now turn.

This section opens with a discussion of the relation between Religion and Politics which is of vital importance to what follows. Substitute the word ethics for religion and we agree with Lord Hugh that to be clear on this point is essential to the philosophy of any system of politics, and therefore to that of Conservatism. But it is not likely that our author would accept the substitution, and we must try to defend it.

In all political discussions we must assume agreement in ultimate judgments of value, and our hope of converting an opponent must lie in showing him either (1) that his general political theories contradict the ethical principles that we have in common, whilst ours are compatible with them, or (2) that his measures are not likely to lead to the results which we agree would be desirable if they could be reached. The fruitlessness and heat of political discussion spring largely from the confusion of matters of fact with matters of value.

Now Lord Hugh is perfectly clear on the necessity of an ethical agreement before there can be any profitable political discussion, and it is in connection with this ethical agreement that he introduces religion. He says that the Christian religion is common to the vast majority of Conservatives and their opponents, and its system of ethics is therefore the one which it is reasonable to take for granted. And, as we shall see, he draws a number of important conclusions from this supposed agreement. The objection however, is this: There is no Christian ethical system common to all Christians or even to all Anglicans. Whatever else the New Testament may be it is certainly not a systematic treatise on ethics, and it is perfectly notorious that different Christians who have written systematic treatises have produced different ethical systems. Locke and Butler, Paley and Kant, were all Christians; but, as everyone knows, their ethics differed greatly. Lord Hugh, for instance, says that self-

interest is never a proper motive for a Christian, whilst some Christian writers have held that no other motive was possible for anyone.

The fact is that Christians agree with each other and with nearly all civilized men in recognizing certain virtues and duties; but then those duties sometimes conflict or reduce to tautologies, and the New Testament (not being a systematic treatise on ethics) does not tell us what to do under such circumstances. And Christians differ as much from each other as from civilized non-Christians in the solutions which they propose for such conflicts. The ethics which Lord Hugh himself assumes in this book are indeed those of the New Testament with each command standing in its own isolated particularity and no attempt at that systematic treatment which the constant conflicts of duties,—each apparently unconditionally binding,—have forced on ethical thinkers both Christian and non-Christian. We shall have ample opportunity for seeing this as the discussion proceeds.

We shall gain considerable insight into Lord Hugh's point of view if we consider his treatment of the claim made by certain Socialists that Socialism is peculiarly Christian. He very justly answers that the New Testament has extremely little to say about the State, and therefore cannot give any direct support to a system which is characterized by the enlargement of state action. And the fact that the New Testament often exalts the poor at the expense of the rich is certainly not a reason for attempting to abolish the poor. Here Lord Hugh seems to me to be unquestionably right. If wealth be morally dangerous and virtue be more important than anything else, it is surely mistaken kindness to enrich the poor. But any scheme of Socialism attempts to do this; for Socialism assumes that it is better to be rich than poor. But Lord Hugh does not carry his application of Christian ethics quite far enough. For the logical conclusion is that the ideal social reform would be one that would impoverish the rich without enriching the poor;

and this has not as yet been suggested as a part of the Unionist programme. Surely this result is enough to show either that Lord Hugh is wrong about Christian ethics or that Christian ethics, so far from being a common possession of all parties, are incompatible with the belief on which all social reformers work.

Lord Hugh might answer: So much the worse for what is called social reform. But he does not do this, for he accepts the various schemes of his own party (and states his readiness to coöperate with the schemes of other parties) which have as their object the enrichment of the poor. But he insists that such schemes must not unduly impoverish the rich, for then they become un-Christian.

Surely this is a very difficult position to maintain. If you enrich the poor without impoverishing the rich, you place the poor in the serious moral danger in which the rich already stand without helping the rich out of their plight. And, since on this system of ethics virtue is immeasurably more important than happiness, the net result is almost certainly bad. On the other hand, you cannot, according to Lord Hugh, seriously impoverish the rich without committing injustice; and this is immoral and un-Christian. It would seem then that the Christian had far better avoid any reform for enriching the poor.

At any rate, the only permissible scheme of social reform would be to take from the rich as much as can be got without injustice,—whatever that may be,—and use it to remove the poor from the moral dangers in which they stand through their poverty. What is essential, however, is that the amount taken from the rich shall not be so large as either to do them an injustice or to enrich the poor so much as to introduce them to greater moral dangers through prosperity than those to which they were formerly exposed through adversity.

But even this scheme does nothing for the rich, who are, if we accept the New Testament, in a far more seri-

ous state than the poor; and indeed it is doubtful whether we are not going beyond the New Testament in supposing that the poor are liable to any special moral dangers. It is, of course, perfectly obvious that they are so exposed, but if we are to leave the New Testament anywhere, it is difficult to see where precisely the process is to stop.

The upshot of this discussion seems to be as follows. The New Testament does not indeed support Socialism, not merely because it teaches no positive political doctrine nor because Socialism needs injustice to apply it, but because the New Testament is incompatible with almost any system of social reform. Social reformers of all parties agree in thinking the happiness due to prosperity of intrinsic value, whilst the New Testament thinks that nothing but virtue is intrinsically valuable. And social reformers agree in thinking that poverty is on the whole less favorable to virtue than prosperity, whilst the New Testament undoubtedly holds that wealth is hardly compatible with virtue and nowhere suggests that poverty is at all unfavorable to it. Thus, so far from it being possible to take the ethics of the New Testament as ground common to all politicians, it is scarcely possible for a politician consistently to hold them, and practically everyone in public life differs from them in an important judgment of value and an important judgment of fact.

Lord Hugh involves himself in grave difficulties about 'confiscation.' Although wealth is valueless to its possessor unless it is a means to his or others' virtue, it is never right to remove it against the owner's will, because this is to inflict an injury, which the New Testament forbids. But how is it an injury on his principles? No doubt it would inflict a pain, but then neither pleasure nor pain, but only virtue is valuable, and so the pain inflicted does not seem ethically relevant. The only solution of this difficulty is to say that, although pain and pleasure are intrinsically worthless, yet the bestowal of

pleasure or pain on others is a virtue or a vice in the bestower and, as such, has positive or negative value respectively. We must then add to this the proposition that the infliction of a pain however small is ethically so bad that no amount of virtue produced elsewhere by the process that inflicts the pain can counterbalance it. We wonder how Lord Hugh would defend non-vindictive punishment on these lines.

Let us now turn from Lord Hugh's ethics to his views about Church Establishment. Lord Hugh bases his belief in the advantages of an established religion on the ground that everyone who takes part in the affairs of State,—no matter how humble his function,—ought to be reminded of the existence of God and of a supersensible world. And he thinks that the establishment of a definite religion serves to remind people of these facts when they perform their duties as citizens or officials.

Now why is it important that people should be reminded of the existence of God and a supersensible world? Either (1) because the proposition that God and a supersensible world exist is true, and the knowledge of truth is intrinsically valuable; or (2) because the belief in this proposition tends to make men better or happier. The first can hardly be the reason for a state establishment; since this proposition, if true, is no truer than an infinite number of others which no one suggests that the state need formally recognize. So that the importance of reminding people that God and a supersensible world exist must depend on the fact that an explicit belief in this proposition is likely to make them perform their civic duties better.

Now it is perfectly true that those persons who already believe in the existence of God and further believe that he punishes evil and is grieved by it will be less likely to do wrong at a time when this belief is brought to their minds than when it remains in the background. Of course, if they do not believe this already, the mere fact that they are reminded of the proposition



is not likely to affect their actions. Still, as the vast majority of citizens do hold this view at present, we may agree that it is important that they should be reminded of it at all important junctures of their lives. But the State recognition of any definite religion seems an extraordinarily clumsy way of producing this very simple effect. It errs both by excess and by defect.

Any religion contains a great many more propositions than the one that there exists a being who is grieved by wickedness and is wise enough to detect and strong enough to punish it even where men fail. The recognition of this proposition by the State might be defended on the grounds that Lord Hugh gives; but a man is not less likely to vote against his conscience because he knows that the State condemns the doctrine of Transubstantiation and believes that the Son is of one substance with the Father. So the State recognition of such propositions as these cannot be thus defended. And State recognition fails equally by defect. For the religious belief is not impressed by the State church at the moment when it is wanted for strengthening the weak in public spirit. When a man is in church he thinks little about politics, and when he is at the polling booth or in Parliament he thinks little about God. The whole effect which Lord Hugh so much desiderates and to bring about which he is prepared to tolerate so much irrelevant matter could be accomplished far more easily and thoroughly by posting up in polling booths and such places a notice reminding theistic voters of their belief that there exists a God who sees and can punish them.

We now come to the two most important chapters in the book. They are called "Property and Taxation" and "The State and the Individual." In discussing them we must bear in mind the difficulties which we saw earlier attach to New Testament ethics; but we must not expect extreme consistency in our author, as those ethics are too violently paradoxical to be applied consistently throughout by anyone. Lord Hugh defines property as material

wealth which a person or a body of people owns. And a thing is owned by anyone just so far as he has a right to do as he likes with it whether other people approve of his use of it or not. The question then is: Ought anyone to own anything, and, if so, within what limits ought private ownership to be allowed? Ownership might, of course, be limited either as to the kinds of things with which a man may do as he likes or as to the bounds within which he may do as he likes with such things. Now Lord Hugh seems to hold that, if we could start afresh, it would be reasonable and moral to determine the limits of ownership solely by considerations of general welfare; but that private ownership, having once been established, can and must be defended in a quite different way. Since no one likes to have the limits of his free use of anything diminished, it would now be an injury to decrease them without some sufficient reason.

We do not think that Lord Hugh succeeds here in making the distinction that he wants between what would have been legitimate in the first beginnings of property and what is legitimate now that it has been established. The fact is that, on his principles, there would have been precisely the same ethical difficulty in starting a system of property on the basis of public welfare as there is now in altering existing proprietorial rights with that end in view. For it would be necessary at the beginning as now to take away from some people the free use of something that they had formerly enjoyed, and this would have been an injury in the sense that they would certainly have disliked it. If public welfare would have been a sufficient excuse for this injury then, why not now? Surely the real difference is that to take away property now involves the breach of a legitimate expectation of the continuance of powers formerly enjoyed, whilst before a State with laws existed there would have been no such legitimate expectation.

But what is a legitimate expectation in this connection? It means that we have a right to expect from other

people or from the State treatment not worse than that which a reasonable person is logically justified in assuming from their past statements and actions to be probable. Such treatment may, of course, be very bad in itself, but this is not relevant at present. Thus a man who falls among thieves who are known to be wont to keep their word and is promised his freedom on the payment of a certain ransom has a legitimate expectation of losing a certain part of his property. This will no doubt be a wrong. But if they then refuse to let him go except on payment of a larger ransom, the wrong done will not be increased merely by the additional loss, but also by the fact that the treatment that he receives is worse than that which he was logically justified in thinking probable.

In a State in which property had been organized from the beginning on the basis of general welfare, it would not be legitimate to expect that one's powers of doing what one liked would always remain the same. On the contrary, we ought to expect that they would be varied from time to time so as to secure always under changing conditions the greatest general welfare. But property as it exists in civilized States has not been organized on that basis, and a man may legitimately expect greater stability in his proprietary powers than he could in the theoretical society just mentioned.

It is very important to note that what may be legitimately expected is not the same in the same State at all times. Suppose, for instance, that, up to a certain time, the past practice of a State had justified the expectation that the rights of property would continue unimpaired, and that then a great and sudden diminution was made in them. This diminution would undoubtedly be a wrong done to the owners of property. But, in spite of this first diminution being a wrong, it does not follow that equal further diminutions would be equally great further wrongs. For it would no longer be legitimate for property owners to expect the unimpaired continu-

ance of their powers, and therefore the further legislation would not disappoint legitimate expectations in the way in which the first act did so.

These two factors then,—the pain inflicted on property owners by their actual loss, and the additional injury done if that loss exceeds what it was reasonable for the owner to regard as probable,—must both be considered in any discussion on the legitimacy of diminishing private property in a settled State. And the latter factor, as we have seen, tends to decrease in importance as such diminutions go on, for it ceases to be reasonable to conclude from the past acts of the State that one's present proprietorial powers will always remain unimpaired.

When this fact is taken into account, it becomes increasingly difficult to accept Lord Hugh's sharp distinction between what would have been right when private property was first established and what is right now. Lord Hugh would have to fall back, we think, on one of two arguments against the gradual redistribution of private property to secure greater general welfare. (1) He might use the general ethical argument that it is never right to inflict pain on anyone to secure any benefit whatever. This is consistent with some of the ethical views mooted earlier in the book, but it is inconsistent with the opinion that it would have been morally justifiable to institute property in the beginning on the basis of general welfare. For it is certain that some people would have had to have their powers limited. Or (2) he might try to prove that the general laws of economics would prevent any distribution permanently producing greater general welfare than exists at present. The only attempt at this is a sketch of some of the difficulties of State socialism.

A great part of the chapter on Taxation is devoted to an able attempt to dispose of the alleged reasons for dealing differently with earned and with unearned incomes. We think this may fairly be considered the best part of the book. The argument is that the

distinction implies that some property is obtained by people in proportion to their deserts, whilst other property is not. Lord Hugh replies that all property is distributed in accordance with economic laws which have nothing to do with ethical considerations, so that there is no necessary connection between any sort of income and the desert of the person who gets it. Moreover, Lord Hugh says, if it were possible to determine people's deserts it would be absurd to suppose that the State could do this effectively, and it would be a dangerous principle to tax people in proportion to their moral demerit. With the greater part of this we agree entirely. The ethical notion of desert is in itself thoroughly obscure, and it would be absurd to base a system of taxation on it. Nor is Lord Hugh beating the air with his arguments here, for there is a great deal of loose talk about the deserving poor and the undeserving rich on political platforms. At the same time we do not think that Lord Hugh has completely settled the question.

We have said that desert is an obscure ethical notion of little worth. By this we mean that the idea that there is a right reward for every person in proportion to his virtue is not one that survives analysis. Nevertheless it is easy and important to follow the steps by which people come to hold that a man who works for his living deserves more than one who does not. It is assumed that all labor is in itself unpleasant, that no one would work unless he were obliged. On the other hand, the results of work are often socially valuable. Thus the man who works does what he dislikes, and by so doing produces what is good for himself and for others. It is only a step from this to regarding the man who works as one who disinterestedly sacrifices his present desires for the good of others and for his own future. Such a man exhibits the virtues of benevolence and prudence. A landlord, on the other hand, makes no sacrifices in letting his land. There is nothing intrinsically unpleasant in receiving rent or interest. And there are no public advantages

that spring directly from the fact that landlords exist and charge a rent for land. If nobody worked, everybody would starve, but if nobody charged rent or interest, nobody but landlords and capitalists would be a penny the worse. Hence if people ought to be rewarded in proportion to their virtue, it is argued that those who work ought to be more largely rewarded than landlords, since they have a greater claim in respect of self-sacrifice to public ends.

This, I think, would be the popular argument. It is not stated by Lord Hugh, and it will be worth while to examine it. It is a fallacy to argue that because the worker does what he dislikes and other people largely benefit, therefore he exhibits the virtue of benevolence or unselfishness. For this to be true it would be necessary to add that the worker's motive in doing what he dislikes is a desire for the good of others. And this is false. A man who works in a coal mine does what he dislikes because he wants money, just as a landlord lets his land because he wants money. So that at most the virtue of prudence alone can be attributed to him, and of course a landlord can exercise prudence in letting his land.

But there is another line of argument possible. It is true on the whole that the poorer a man is, the greater the increase of happiness produced by the same absolute increase of wealth; hence it may fairly be held that the removal of some part of their goods from the rich in proportion to their wealth and their distribution among the poor in proportion to their poverty would tend to result in a happier general state. And, as on the whole landlords and capitalists are wealthier than workmen, this would mean a removal of wealth from the former to the latter class.

But there are several points to be noted in connection with this. In the first place, all explicit connection between the origin of income and its taxation has been dropped. The landlord here is taxed not because his income comes from land, and the worker is rewarded not

because he works. If workmen were on the whole rich and landlords poor, the former ought to be taxed for the benefit of the latter on this theory. Next it might be the case that the existing amount of wealth is not great enough much to improve the position of the poor even at great expense to the rich, or that the effect of such a redistribution would be so to decrease the production of wealth that the latter end of the society would be worse than the first. These, of course, are questions of fact for the economist to decide. Again, it is worth while to note that the psychological fact on which this system of taxation is based would make it stop far short of equality of income. As the poor grew richer, there would be a rapid approximation to a state in which the increase of happiness obtained by giving them more, did not balance the decreases in happiness entailed on the rich. Each increment of wealth to the original poor would give a smaller increase of happiness, and each decrement from the original rich would give a greater decrease in happiness.

Finally, there remains Lord Hugh's ethical argument against any such redistribution. This argument seems to rest on the distinction between perfect and imperfect obligations. Justice is a perfect obligation and benevolence is not; the State ought to force us to fulfill perfect obligations, but our performance of imperfect ones rests between ourselves and our God. Now the claims of the poor because of their need are not claims of justice, but on our benevolence. It is sinful of us as private individuals to neglect them, but the State has no right to force us to accede to them. This is illustrated by an appeal to the Parable of the Good Samaritan. What virtue, we are asked, would it have been in the Samaritan if he had robbed the priest and the Levite to help the victim? And what should we say of the victim if, on recovering, he had forcibly obtained money from the two? We may agree that the Samaritan would not have been benevolent nor have made the priest and the Levite benev-

olent, and that the victim would have been a thief. But what of this?

Let us take the two suggestions in turn. We will grant that benevolence is a valuable state of mind even apart from its effects, and that it is essential that a gift should be voluntary for it to count as an instance of benevolence. Still at least one part of the worth of benevolence lies in its results. If we can get the results and the benevolence, well and good; but this is no reason for refusing to have the results if we cannot get the benevolence, provided that in obtaining them we do not do more harm than good. But, it will be answered, the latter is just the difficulty, and Lord Hugh means to suggest that the action of the State in making non-benevolent people give some of their money to the poor is like that of the Samaritan or the victim robbing the priest and the Levite.

Now what precisely is meant by saying that a State robs its citizens? To rob a person means to take away from him without his consent property that he is legally or morally entitled to keep. Now it is clear that a citizen is not legally entitled to any property but what the laws of his State allow him. Hence a State which takes away money by law from its citizens cannot be committing legal robbery. On the other hand, Lord Hugh admits that ethically these people ought to have given some of their money away; hence they cannot be considered morally entitled to that fraction which they ought to have given in charity. So that it is difficult to see that the State is morally a robber either when it removes this fraction. To maintain his position then, Lord Hugh must hold that it can never be right for anyone to take away from a person what it is wrong for the latter to keep, no matter how good the results. Frankly this seems to us to be absurd even with regard to private individuals and doubly so with regard to the State. How would Lord Hugh justify the removal of a revolver from a lunatic who had bought and paid for it?



But we may agree that it is nearly always wrong for private individuals to attempt a redistribution of wealth by force, even with the best of motives, and yet deny this of the State. The reason why it is wrong for private individuals to do this is that security of life and property against capricious attack is so valuable as to outweigh the slight good that private individuals could produce by sporadic attempts at redistribution. Moreover, it is rarely possible for the State to discover people's real motives, and the majority of private individuals who try forcibly to redistribute property have certainly not the general good in view. Hence the only effectual way of keeping the latter in order is to suppress *all* forcible redistribution by private persons. It is clear that these arguments do not apply in the same way to the State provided it acts continuously and not too quickly.

There is more point, however, in the analogy of the victim himself making the attack. It is perfectly possible that the poorer classes who have the greatest voting power might make an unreasonable demand on the pockets of the rich and enforce it through the machinery of the State. But this has no bearing on the general question of whether it is right for the poor to take anything from the rich by legal methods. It seems to us that it is perfectly justifiable if and so far as the general welfare is increased by the process. That a temptation will arise to carry it further is regrettable but not directly relevant.

Let us now consider the present position of our argument. We started to discuss the view that workers deserve a greater reward than landlords, and we found that, if this means that the former are as such more virtuous than the latter, it is fallacious. On the other hand, we have concluded that it is ethically justifiable to tax the rich in proportion to their riches in order to relieve the poor in proportion to their poverty, provided it cannot be shown that a collateral effect of any such scheme must be so to decrease the available dividend as to allow of no

effectual improvement. But nothing that we have said has justified a difference from Lord Hugh's opinion that no reason can be found for distinguishing incomes for purposes of taxation in accordance with their origin. To the further discussion of this last point we now turn.

Lord Hugh deals easily and effectually with the commonplaces on which the claim of the community to a large share in the increment in the value of land is generally based. If land owes its value to the wants of persons other than its owners, so does everything else. If it owes it to the supply being limited, nothing has economic value which exists in unlimited quantities. Indeed we do not know how any answer can be made to the objection (which Lord Hugh does not mention) that, if the increment in the value of urban land due to the activities of the townsfolk be owed to them by urban landlords, the decrement in the value of agricultural land due to the abandonment of agriculture is owed by the departing rustics to the rural landlords. Yet it seems hardly likely that nearly everyone should distinguish between earned and unearned income, and that so many people should think that the State has a special claim to some share in the latter if there were absolutely nothing in the distinction or the claim.

Putting aside all questions of desert, we can, as Lord Hugh admits, distinguish earned from unearned incomes. We will take his definitions. An earned income is one which a man gets by lending his exertions, and an unearned income is one which he gets by lending his possessions. Now does this difference provide a rational ground for treating the two sorts of income differently?

First of all we must notice that, although land and labor are both necessary to the production of value, yet the worker contributes in two ways whilst the landlord only contributes in one. The only contribution of the landlord is that he forgoes his right to keep his land idle. But the value of the land itself due to its physical properties or its situation is a quality of the land and not

of the landlord. Now the worker is comparable both to the landlord and to the land. Like the landlord, he allows what he owns (*viz.*, his skill and strength) to be used; but he is unlike the landlord and like the land in that what is lent is a quality of himself. A worker in fact is like a live field that lets itself be ploughed and sown for a consideration. It follows from this that workers are essential to the production of value but landlords are not. If all workers disappeared, the economic factor of labor would vanish, but if all landlords disappeared, the economic factor of land would remain.

Now consider what results from this. In the first place, an artificial reduction in the rent of land will not in the end involve any reduction in the amount of wealth produced, for no landlord will refuse to let his land as long as he can get some profit by it. On the other hand, an artificial increase in wages or salaries will tend on the whole to an increased production of wealth. For in the first place, it will make for the bodily and mental efficiency of the workers and so increase the productivity of their labor. Moreover, the concomitant decrease in the rewards of landowning and increase in the rewards of labor will tend to make people desert the economically worthless occupation of receiving rent for the economically valuable one of exercising their natural abilities. But certain points must be noted.

(1) It might seem that the same arguments would apply to capital as to land. In a measure they do, but there is an important difference. The beauty of an artificial reduction of rent is that it does not decrease the supply of land offered, since everyone prefers less rent to no rent, and land cannot leave the country. But capital can leave the country and be invested abroad, and an artificial reduction of interest is liable to have this effect. (2) So far under the reward of labor both wages and salaries have been included. But it is clear that many salaries are so high that no increase in them would materially affect the efficiency of the persons who draw

them. So it is expedient that most of the wealth taken from the landowners should be expended for the benefit of the poor, who are, of course, mainly handworkers. Yet, even with this qualification, there is a certain reason for treating persons in receipt of fairly large salaries more favorably than landowners of the same income. There is a presupposition that a man who can command a large salary is in some way particularly efficient; there is no such presupposition in the case of a man who can command a high rent. Now a salary may well be big enough to keep a man in complete efficiency, and yet too small for it to be prudent for him to have a large family. Yet it is just the people who can command such salaries who are on the whole eugenically desirable. Further, a salary depends on a man's health and dies with him, whilst rent does not. Hence a salary is not actually equivalent to the same income drawn from land or investments. (3) The money drawn from the landowners might be so injudiciously distributed among the workers that their increased efficiency is overbalanced by the decreased stimulus to work. But there is no need for such a bad distribution; and, in view of the poverty of most workers, the danger seems to us to have been greatly exaggerated. The earner of twenty-five shillings a week is not likely to relapse into idleness because he can ride cheaply to work in a municipal tramcar and can expect a pension at seventy.

So far our defense of the distinction between incomes from land and earned incomes has taken the line that the special taxation of the former tends to lessen the attractiveness of an economically worthless occupation without lessening the total production of wealth, whilst the judicious distribution of the money thus taken tends to increase the total productivity and the general welfare of the nation. There remains the question whether the community has any more special claim on the rent of land.

If it could be shown that the State as an organization

renders a special service to landowners, it might seem fair that they should pay a special tax. The following argument may then seem plausible. A man's power to charge rent rests on the right guaranteed him by the State to prevent people from using his land unless he chooses. This power he could not himself enforce, and the State supports him if necessary with policemen and soldiers. It is, of course, perfectly true also that a man's power to charge wages or salary rests on the right guaranteed him by the State of not being forced to work by physical violence. But there remains a difference. Any man, if he chose, could effectually refuse to exert his powers by killing himself or resisting to the death those who wished to force him. But these means would be perfectly futile in the case of an owner of property. Thus the landlord or capitalist is in the end more dependent on the organized forces of the State for his rent or interest than is the worker for his wages or salary. It might seem fair therefore that property owners should pay more proportionally for the upkeep of those forces than the workers.

We think this argument is fallacious. Either private property in land makes for the general good or not. If so, it will be true that it is necessary for the general welfare that one class should benefit more from certain State institutions than do other classes. This is no reason why that class should be specially taxed, just as the fact that the poor mainly benefit from old age pensions is no reason why they should be specially taxed. The only justification for the special benefits is that they best subserve the general welfare, and the general welfare again must be the deciding factor in determining what class (if any) shall be specially taxed for those benefits. The State is not a shop where classes buy special benefits and pay for them proportionally in taxes; it is an institution for maximizing general welfare, where the amount taken from each class and the services rendered to it are alike determined by what will produce the best result on the

whole. If, on the other hand, private property in land be not in the long run economically defensible, a wise State will gradually abolish it, and it might do this by differential taxation. But it must then defend its differentiation, not on some special claim for services rendered, but on its belief that this is the best way of abolishing a bad institution.

In fact, the only argument in favor of the view that each class ought to pay in taxation for the special benefits that it receives, is that a large poor class may vote for measures that benefit itself but at such loss to other classes that the net result is a present or ultimate decrease in the national welfare. This is perfectly possible. The rich often took too much from the poor when they had the power, and there is little reason to suppose that the poor will be more moderate when they are masters. But so far we have not met with any sensible solution of this difficulty. Certainly the suggestion of taxing the poor to provide for their own benefits is absurd. Unless the benefits greatly exceed the tax, they are not worth having; whilst if they greatly exceed the tax, the latter will fail in its object. Moreover, any tax at present must be accepted by the poor at the polls. If, then, it be feared that the poor will refuse to keep their legislative demands on the rich within proper limits, how can it be hoped that they will accept a tax on themselves with the object of compelling them to do this? We must leave this most serious difficulty, and, with it, the subject of property and taxation, to wiser heads than ours.

We will close the paper with a few words on Lord Hugh's views on foreign relations. It will be remembered that Imperialism is the third element in Modern Conservatism. Lord Hugh applauds Liberals for maintaining that 'reasons of State' are no reasons; but he holds that some of them have carried this valid opinion so far as to teach that it is never right for one State to treat another in a way in which it would be wrong for one individual to treat another. This opinion he consid-

ers fallacious. The government in its dealings with other governments is in the position of a trustee to the citizens of its State, and it is not right for a trustee to be unselfish with other people's interests.

This theory is ingenious, but matters are not really so simple as it represents them to be. In the first place, in a democratic State the citizens are supposed to appoint their government and to call it to account from time to time. Thus it is better to compare a government to a person who has been given a power of attorney than to a trustee. And this is relevant to the ethical difficulty which we must now mention. If it be wrong to act selfishly, you cannot escape any blame by deputing somebody else to do your selfish acts for you. Hence the nation whose government tries to secure for it advantages regardless of what is best for humanity as a whole cannot escape its responsibility by saying that it has given its government a power of attorney and that the latter has only done its duty in that position. If this exonerates the government as private individuals, it only does so by condemning the citizens who authorized them to do what was morally wrong for the interests of their clients. We suppose that Lord Hugh would reply by referring to the difference between perfect and imperfect obligations. A trustee must never regard himself as authorized to ignore perfect obligations like justice on behalf of his client, but he not only may but must ignore imperfect ones like benevolence. But this does not really affect the question. There is no doubt that Lord Hugh holds that people ought to fulfill their own imperfect obligations as well as perfect ones. Hence they cannot free themselves by breaking imperfect obligations by proxy and pointing out that their representatives would have broken a perfect obligation to their clients if they had acted otherwise.

At this point we must bid farewell to Lord Hugh's book; but we hope that enough has been said to show that it abounds with interesting and ingenious if often very questionable matter.

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