

Consumption Taxes, Property Rights

Notes Toward the Restoration of Property

by Scott P. Richert

*“For if property is secure, it may be the means to an end,
whereas if it is insecure it will be the end itself.”*

—Paul Elmer More

Property, Merriam Webster’s tells us, is “something owned or possessed” and specifically a piece of real estate; or “the exclusive right to possess, enjoy, and dispose of a thing”—in other words, ownership. In recent years, *ownership* or *property rights* have increasingly become identified with the third element of that definition—“to dispose of a thing”—and *dispose* has come to mean simply the ability to sell the property. And not without good reason, because, at first glance, this element seems to be the one most threatened by government confiscation—either directly, in the form of eminent domain and onerous taxes, or indirectly, through environmental regulations, burdensome zoning codes, and even well-intentioned laws, such as historic-preservation ordinances. In part because government almost always wins these battles, those who fight the confiscation of their property are usually reduced to arguing that they are not being properly compensated (in the case of direct confiscation) or that the indirect confiscation will reduce the price that they will be able to get when they attempt to sell their property. In the United States, the days when such battles might have ended in an armed standoff with the sheriff in the Tennessee Valley have become nothing more than a line in Steve Earle’s “The Rain Came Down”—“So don’t you come around here with your auctioneer man / ’cuz you can have my machines but you ain’t taking my land.” If the government wants your land, it will take it, and the best you can do, it seems, is to negotiate the most favorable price.

Private property is the bulwark of Western civilization, but, despite the claims of big-market conservatives, our civilization was not built solely—or even primarily—upon the buying and selling of property but upon the possession and enjoyment of it. And those elements of property rights are just as strongly under attack today, and to far more devastating effect. After all, in the vast majority of eminent-domain cases, the owner ultimately ends up with a reasonable approximation of the fair-market value of the confiscated property. What he never ends up with, however, is the property itself and, thus, neither the possession nor the enjoyment of it.

Some so-called conservatives—“democratic capitalists,” especially—might say that such concerns are irrelevant, since the concept of property as real estate (they would claim) is archaic. Thus, in the recent book *Wealth, Poverty & Human Destiny* (ISI Books), Michael Novak, in a chapter entitled “Catholic Social Teaching, Markets, and the Poor,” argues that,

At one time, the major form of wealth in most places was *land*. . . . In our time . . . economists affirm that the chief cause of the wealth of nations is not material at all, but *knowledge, skill, know-how*—in short, those acts and habits of discovery, invention, organization, and forethought that economists now describe as “human capital,” located in the human spirit and produced by the spiritual activities of education and training and mentoring. Human capital also includes moral habits, such as hard work, cooperativeness, social trust, alertness, honesty, and social habits, such as respect for the rule of law.

To bolster his argument, Novak claims that property itself, in our “information age,” is increasingly immaterial:

In the new economy of today . . . it is very difficult to be a materialist, strictly understood. Consider your last purchase of a new disk or program for your computer. How much *material* do you actually have in your hand? About eighty cents worth of plastic. What you actually paid for is almost entirely composed of *mind*, the fruit of the human spirit, information in a design created by human intelligence. All around us, *matter* matters less and less, and *intelligence* (or spirit) matters more.

Let us set aside the fact that Novak’s example is really no different from thousands of others that could have been offered at any point in history. (Artisans sell their works for more than the value of the materials; the dry cleaner only returns your shirt; your accountant hands you numbers on a sheet of paper.) On the surface, Novak seems to be echoing John Lukacs’s claim (in *Historical Consciousness* and elsewhere) that mind is increasingly intruding into the material world. There is a very important difference between the two ideas, however. Lukacs, as a Christian, knows that man is both matter and spirit and that the two are inseparable; Novak, on the other hand, makes his argument to denigrate matter, which is why he has no problem writing such profoundly anti-incarnational (and, thus, un-Christian) statements as these: “It is true, of course, that there are today, as there were in biblical times, many who confine their horizons to this earth as we sense it, who eat, drink, and make merry until they die. Not a few among the baptized are included in that number. In this sense, materialists there will always be.”

Novak attributes his ideas to Pope John Paul II, but they are contradicted by the history of Christian thought, which

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has always stressed both the material nature of property (while acknowledging its spiritual uses) and the importance of guaranteeing ownership. Nowhere is this more true than in Catholic social teaching—particularly Leo XIII's *Rerum novarum*, which, rather than being redistributist (as some Catholic paleolibertarians would falsely claim), affirms that “private possessions are clearly in accord with nature” and argues that the state should not impede the ability of men to acquire property.

Christian tradition has always seen property as the basis of the social order, for, if all is held in common, there can be no charity, which binds society together. Thus, Leo XIII writes,

But if the question be asked: How ought man use his possessions? the Church replies without hesitation [in the words of St. Thomas Aquinas]: “As to this point, man ought not regard external goods as his own, but as common so that, in fact, a person should readily share them when he sees others in need. Wherefore the Apostle says: ‘Charge the rich of this world . . . to give readily, to share with others’.”

This understanding of Christian charity presupposes private property, and not of the “spiritual” sort that Michael Novak sees overwhelming the material. In fact, in contrast to Church teaching, Novak's argument would appear to excuse legal impediments to property ownership—the poor do not need to be allowed to acquire property; they already have an abundance of human capital—and to replace true, face-to-face charity (based on a material conception of property) with warm and fuzzy feelings about “mankind”:

People find it increasingly hard to think only about local conditions. Is this not a major step in the direction of the realities of solidarity? Are human beings not planetary creatures, one another's brothers and sisters, members of one same body, every part serving every other part?

Contrast this Marxian sentimentality with Leo XIII's concrete explanation of the duties of Christian charity and of property ownership:

No one, certainly, is obliged to assist others out of what is required for his own necessary use or for that of his family, or even to give to others what he himself needs to maintain his station in life becomingly and decently . . . But when the demands of necessity and propriety have been sufficiently met, it is a duty to give to the poor out of that which remains. . . . These are duties not of justice, except in cases of extreme need, but of Christian charity, which obviously cannot be enforced by legal action.

Denying the material nature of property is simply another way of downplaying the necessity of the possession and enjoyment of property (and, conversely, of relieving those who do possess property of the obligations that accompany ownership). When “conservative” Catholics adopt such gnostic notions, is it any wonder that the leftist march toward total government confiscation of property—or, at least, toward the establishment of the principle that government is the ultimate

owner of all property, which it may deign to let us use for a time—continues unimpeded?

Replacing Christian charity backed by private property with welfare programs secured by state confiscation has encouraged owners to think of their property rights simply in terms of the ability to sell. There is little or no incentive to commit to a particular place, to a plot of land that a family can develop (in the best sense of the word) and hand down from generation to generation, for the enjoyment of the family and the enrichment of the surrounding community. As Paul Elmer More warned, the insecurity of property leads owners to regard their land as something that can (and should) be strip-mined—at least figuratively—before government can take it away.

In 1959, Anthony Rudis and his family moved from the South Side of Chicago to a 610-acre farm in Monee, south of Chicago near the Indiana border. Poor soils have resulted in a rather barren landscape—“There wasn't a single tree or shrub here when I first bought the land,” Rudis recently told the *Chicago Tribune*. Rudis decided to do something about that and, over the past 35 years, has transformed at least 400 acres of the farm into a nature preserve, the third-largest reforestation project in the state, overflowing with deer and pheasant, prairie grasses and woodlands.

Now, the *Tribune* reports, “Officials from the Illinois Department of Transportation recently asked to appraise his property . . . , but Rudis told them to go way. Eventually the state could go to court and use eminent domain powers to seize the land.” Why? Because it sits dead center in the proposed site of the Peotone airport, a pet project of former Republican governor George Ryan, who is rumored to have substantial real-estate holdings of his own in the area. (Illinois allows property to be held in blind trusts, so it is essentially impossible to verify such rumors.) The airport, Ryan and others claim, will spur economic development in the area. The current plans call for the acquisition of Rudis Farm and the complete destruction of a third of a century of blood, sweat, and tears.

If, in 1959, Rudis had known that he might eventually be deprived of the enjoyment and possession of his property, would he have spent the time and money? Possibly—he and his family have 35 years of memories of their life on the land that provide greater compensation for their efforts than any pittance the state may pay when it confiscates their property. That is the choice that Rockford Institute board member Bill Diehl, who has been restoring the natural habitat of his family farm outside Defiance, Ohio, now faces. With property values around his Thoreau Wildlife Sanctuary rising rapidly, Diehl worries that continuing with his project may deprive his children and grandchildren of a larger inheritance. It is a choice that, in a sane society that valued the possession and enjoyment of property as much as its disposal, he might not have to make.

Libertarians would undoubtedly argue that the choice facing Diehl is a market choice, free from coercion, so it is nothing that we should be concerned about. That ignores, however, the role that government has played—and continues to play—in distorting the market for property. The deliberate crafting of policies and tax law to favor new development over redevelopment, and the sale of land over the holding of it, is just as socially destructive as outright confiscation. When the possession of property becomes merely the intermediate state between two “market transactions,” our country becomes, for all intents and purposes, a nomadic society. And nomadic societies have never sustained, much less built, a civilization. <C>

It's Springtime for Hitler in Europe

Is Europe Anti-Israeli and Antisemitic?

by Leon T. Hadar

Few would challenge the observation that the level of anti-American sentiments has been rising in Europe in recent months and has reached an historic high during the war against Iraq. At the same time, the attitudes among Arabs toward the E.U. states—with the exception of Great Britain—and, in particular, toward France have been more favorable. Neoconservative analysts have attributed that to the “pro-Arab” positions held by the European governments, media, and public. This alleged “pro-Arabism” explains the refusal of France and other European countries to support the Bush administration’s tough stand against terrorism and its military campaign against Iraq. At the same time, the neoconservatives say, American support for the Jewish state represents an identification with the democratic ideals of Israel.

Moreover, the European “appeasement” of Saddam Hussein and the strong support in France and Europe for Palestinian independence—a recent *Economist* poll suggested that the French sympathize with the Palestinians over Israel by a margin of 41 to 13—is considered by these Americans to be a reflection not only of anti-Israeli (and pro-Palestinian) attitudes in Europe but of the reemergence of European antisemitism. That, according to this argument, was dramatized by the attacks against synagogues and other Jewish property in France in the last two years. There is a growing danger that “the Arab style of Judeo-phobia, which is an anti-Semitism without the West’s complexes,” would appear to offer “a real redemptive project” to a growing number of Frenchmen who are willing to embrace it, warned Christopher Caldwell, a senior editor for the *Weekly Standard*. French and European criticism of the policies of the Sharon government in Jerusalem is not based on rational calculation of national interests as they are affected by the Israel-Palestine conflict. Instead, “what we are seeing is pent-up anti-Semitism, the release—with Israel as the trigger—of a millennium-old urge that powerfully infected and shaped European history,” observed Charles Krauthammer. Europeans are not critical of Israel because of her policies toward the Palestinians; they hate the Jewish state because they are intolerant of “Jewish assertiveness, the Jewish refusal to accept victim hood,” which Israel embodies.

Neoconservative intellectuals tend to disparage the “culture of victimhood” practiced by leaders of racial minorities in the United States, which, they argue, perpetuates the misconceptions that members of such groups are not responsible for their conditions. Ironically, they seem to apply that same faulty thinking when it comes to Israeli and American policies in

the Middle East and the way they are viewed in Europe. Both Israel and the United States are perceived as somewhat passive actors who are hated by the Arabs and the Europeans not for what they do (e.g., the Israelis establishing Jewish settlements in occupied Palestinian territory or the Americans supporting Israel as well as autocratic Arab regimes) but for who they are. In a lengthy cover story about “why the Europeans and Arabs, each in their own way, hate America and Israel,” David Brooks, a senior editor of the *Weekly Standard*, proposed that alleged anti-American and anti-Israeli sentiments in the Arab world and Europe are a projection of common resentment among “Europeans” and “Arabs” against “two peoples—the Americans and the Jews—[who] have emerged as the great exemplars of undeserved success.” That view is shared by another analyst who argues that “anti-Israelism and anti-Americanism travel together.” And American sympathy for Israel and European support for the Arabs “are essentially cultural statements, unrelated to the fine points of the ‘Palestinian question,’” according to Mark Steyn, a leading neoconservative journalist. “If America recognizes a kindred spirit in Israel, then so does Europe for Arab autocracies.”

This neoconservative “civilizational” explanation becomes the basis for justifying Israeli and American policies while discrediting the European approach. After all, if you accept the notions proposed by Brooks, Steyn, and others, the Israeli and American “victims” are doomed and will never be able to change those attitudes. Israel could withdraw tomorrow from the 1967 lines, dismantle the Jewish settlements in the West Bank and Gaza, and recognize an independent Palestinian state in those territories. The United States could drop her support for the autocratic regimes in Egypt and Saudi Arabia, could cut her enormous aid to Israel, and could have refrained from attacking Iraq or from imposing economic sanctions on her after the first Gulf War. Even if all of that were to happen, however, the Arabs and the Europeans (“each in their [sic] own way”) would still hate the Americans and the Jews. The conclusion is that we should dismiss the notion advanced by the French and other Europeans that their attitude toward Israel during the second *intifada* has been affected by the Likud policy of establishing Greater Israel in the West Bank or that their approach toward the United States over the Iraq war stemmed from their opposition to the neoconservative project of bringing the American Empire to Iraq and the Middle East. Hence, there is no chain of causality linking European to American (and Israeli) policies in the Middle East. It’s European multilateralism, wimpiness, appeasement, impotence, decadence, anti-Americanism, and antisemitism, stupid!

The idea of a clash of civilizations between the Euro-Arab and the American-Israeli blocs has become an intellectu-

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