

Free production and exchange of goods
as an antidote to universal conflict

The Economics of War and Peace

By FRANK CHODOROV

IT ISN'T difficult to reassemble a dismembered clock—if you know the principle upon which clocks are built. It isn't difficult, as it is so often asserted, to make peace if the principle of peace is understood. In fact, the break-up of the mechanism of peace is due to our ignorance of its plan—not knowing how it works, or why. We tinker with it, remove essential cogs, let injurious substances settle in the works and, presto, it breaks down. That's war. When we try to put the thing together at the peace conference the same ignorance of principle plays havoc; what we put together is a makeshift, lacking essential parts and containing the same injurious substances that caused the breakdown. That is why every peace treaty has been the prelude to another war.

So, in order to make peace we must know its principle. Even then we might encounter difficult problems of assembly; but with the plumb-line of princi-

ple to guide him, the engineer's difficulties are none that assiduous effort cannot overcome.

It is a rule of logic that we find truth through an examination of error. We assume, *a priori*, that war is error. If we take the position that war is an essential condition of existence, like breathing, or that it is nature's way of relieving the press of population against subsistence, or that it is the inevitable evolutionary process toward a higher civilization, or that it has any beneficial purpose whatsoever, then our inquiry into the conditions that make for peace is merely mental calisthenics. All the apologies for war are untenable, not only because they arise from premises which are contrary to observable fact and are palpably tainted with *petitio principii*, but because war is repulsive to every moral concept. In the long run what seems to be wrong will prove itself wrong. Ethical judgment has a way of detect-

ing the fallacy in the plausible syllogism.

What, then, are the stigmata of war which may direct us to the principle of its opposite, peace? There is, first, premature death, which in all times, even war, we strive desperately to overcome. Then there is the destruction of the very thing the creation of which engages our energies with such tenacity as to seem to be the purpose of life—property. The destruction of property is attended with its corollary, the stoppage of production; indeed, the *modus operandi* of war is to prevent, by embargoes, blockades, and other interruption of making and trading, the ordinary processes of living. The objective is to enforce the will of one group upon the other, toward the end that the victor may the better enjoy life through exploitation of the vanquished; that, of course, is living by robbery.

It will be observed from this summation of the obvious that war is a set-up in which the individual does everything he ordinarily does not want to do. The set-up is arranged for him by other individuals who, apparently, also do not want war, but who become identified with a something called "the state," to which attach amoral qualities. It is the state that needs war. What the state is, and why war is essential to it, will be touched on later.

OUR inquiry, then leads us to man.

He fights, destroys and dies at the behest of the state, but from our observation the whole business seems contrary to his ordinary impulses. To him life is a continuous search for grati-

fications. His desires are satiated with things which nature provides in abundance; all he has to do is to modify and transport these things so as to satisfy his desires. First he wants food, then raiment and shelter; when these simple wants, like those of any animal, are supplied, the quirk of his make-up which differentiates him from the other animals asserts itself—intellectual curiosity. He wonders at the world about him, seeks to ascertain its characteristics and finds he can utilize it for the gratification of different desires. And soon he learns about the pleasures that this world can give him, in ideas and in expression, in building and in play.

Thus the whole process of individual life seems to be one of satisfying desires, finding new ones and liquidating them through production. But the individual finds that his powers of gratification are far less than his appetites. And he discovers that by concentrating his limited ability he can produce a lot more of any one thing than he can consume. So he hits upon the idea of trading—giving up what he has too much of for what he has too little of. Specialization results in greater production through trade, and the human contacts in the market place give rise to what we call civilization. There, in the market place, the exchange of ideas is filled in with human sympathies, and the fabric of culture is woven.

Thus we find that the whole business of individual existence is production and trade, the whole known (not spiritual) purpose is the satisfaction of desires. War, as noted, is an interference with this business and an interruption of this purpose. The prin-

ciple of war is destruction; the principle of peace is production.

If this is true, if the condition of peace is one of uninterrupted production, then it follows that any interference with the man's desire, to build and enjoy, is in itself an act of war. The clock we spoke of will continue to keep time even if the face is broken and its pedestal is smashed; the process of destruction however has begun. In like way, conflicts between nations are the climactic evidences that, long before they happen, things have been done to the process of production which identifies peace. The slightest hampering of man's urge to produce and exchange the things that make for satisfactions is an irritant which starts the decay of civilized existence.

In order to understand war and avoid it, or to understand peace and keep it, we must recognize and eliminate every interference with production.

FIRST, we observed that all desires are satisfied by the application of human labor to nature's storehouse. There is no other way. The one who enjoys the products need not be the one to bring them into being; but somebody has to work the land before anybody can have anything worth while having. Since effort is as undesirable as gratification is desirable, the tendency of man is to obtain the latter without the former; to get something for nothing, as the saying goes. That's where the mechanism of peace begins to disintegrate.

For it is obvious that if the land is the source of all production, its own-

ership is the means of getting things without working. The price for the privilege of working the land is in effect an abstraction from the laborer of part of his production. Whether the price is in bushels of wheat (share cropping) or in dollars, does not alter the condition of robbery that has set in. The laborer is forcibly, even if legally, relieved of part of his wage, and finds himself unable to secure in the market place the things he wants and has worked for. That is an interference with production, for his lack of



wages means unemployment for another worker.

But how does this robbery of the English laborer result in bloody conflict with the German laborer, similarly robbed? Let us imagine that one man held title to the entire earth, and that his right to that title is rivetted in law, hallowed by tradition and universally accepted as a natural condition of existence. Competition between

workers for choice locations would automatically bring contributions of their products to his coffers. This depletion of their wages would intensify their desire to produce more; and this in turn would make the landlord's property more desirable, his share of the products greater. But, since law and custom have obscured this leak in the total of wealth produced, other scapegoats would be sought. Differences in religion, color, language or manner of thought bring about misunderstanding which readily lends itself to emotional reactions; the "foreigner" is always the scapegoat for an economic hurt. Our universal landlord may make use of this psychological phenomena to fend for himself, but it is not necessary that he do so.

This peculation of wages—which, as shown, is a deterrent to production—may be increased by the landlord's cupidity; he may hold certain choice locations out of use, by placing a price on them which is beyond labor's present capacity to pay, and the remaining spots therefore become more valuable. His "take" becomes greater. A similar result is obtained by making his personal playgrounds inaccessible for productive purposes. The temper of the workers is not improved, and the conditions leading to a break-up of peace are at hand.

It can be seen that if the whole earth were the watch-charm of one man, the case for production would be pretty bad. It is worse when, as it is, the source of supply is divided into numerous "spheres" of exploitation. For then we have the conflicts of avarice to mess things up; not only do individ-

ual landlords vie with each other for a greater share of the tribute from production, but groups of these fellows combine to grab the world's most lucrative spots (mines, oil wells, railroads), for themselves, and to exclude the less powerful groups. The modern technique of grabbing up the earth's natural resources is called the cartel system; a few years ago it was called imperialism; in former times it was called, what it really is, conquest. Under any cognomen it is nothing but the defalcation of the worker's wages—or an interference with production.

THERE are a variety of legal and extra-legal schemes for achieving ownership of the earth, ranging from purchase to bribery to conquest. In the broad sense, conquest covers all of them. For, whether an army grabs physical control or a foreclosed mortgage results in legal control, the net result is economically identical; those who work or live on the land, or require access to its resources, must give up part of their production (or wages).

Internal and international conquest are alike in their economic results. In both, the essential instrument is power; in both, the power rests with the State. Internally the State assures the private appropriation of rent through law, and largely guarantees this appropriation by shifting the expense of government services to its taxing power. Taxes further deplete the purchasing power of labor; which means another interference with the productive purposes of peace.

International conquest stems from internal poverty and from the search

for more rent or taxes from peoples living in other parts of the world. Foreign investments—resulting from the excess of the privately appropriated rent over the personal needs of the appropriators—may be confiscated by local politicians, or may come into competition with investments from other countries. Indeed, foreign investment is the modern version of the freebooting expedition; it is the economic penetration which ultimately must result in the sending of a collecting army. Quite frequently the collecting armies of two or more investing countries meet on the land of the exploited people. It is obvious that neither the soldiers of these armies, nor the peoples whose production is the bone of contention, can look forward to any economic benefit from the outcome. From the producer's viewpoint war is always lost.

The appropriation of production through our land-tenure system is only one way of creating an unbalanced society, in which a few gain satisfactions gratuitously while others do the work. There seems to be some ground for the claim that the land system is the historical pattern for privilege, and that to it is due the pressure-group technique of getting something for nothing through the power of the State. The protective tariff privilege, the patent graft, the laws favoring organized labor and organized business, the social security dream, the sinecures of bureaucrats, bonuses to soldiers—all these are burdens borne by production. Every one, particularly the protective tariff, is an interference with the principle of peace. Every one frustrates the free exchange of goods, ser-

vices and ideas which identify man purpose. But if all these privileges were removed and only the private ownership of the earth remained, it is apparent that there would be no relief; for land would become more valuable, that is, more of the production could be demanded by its owners, and the economy of poverty which fosters war would remain.

The appeal to national prejudices, ideological and social differences, and cultural bigotries must precede every conflict. For men commit neither suicide nor murder except when psychologically deranged. The mental conditioning is a highly inflammatory process and appears, therefore, to be the cause of war. But the economic prerequisite to such conditioning is poverty, or the fear of poverty. When the primary purpose of life is frustrated it is a simple matter to direct the resulting blind fury toward peoples who because of the strangeness of their appearance or habits lend themselves readily to the search for a cause; particularly when the real cause is hidden in the laws and traditions fostered by the beneficiaries of the system.

So, if we would have peace we must build a society on the principle of peace. We must assemble the parts with the idea that the purpose of the mechanism is the satisfaction of desires, and that free production is the motive force. We must recognize in poverty the signal that a deleterious substance has crept in, that privilege is the cause of it, and that the private appropriation of rent is the primary privilege. That is to say, if we would have peace we must make men free.

The Nationalists clamor for a
separate peace with Germany

Myopia in South Africa

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PROBABLY more so than in any other country under the sun, a knowledge of its politics is essential to an understanding of the situation today of the Union of South Africa. For in that part of the British Empire, domestic politics are the dominant factor in everyone's life, and it is scarcely an exaggeration to assert that there is no other subject of conversation. Perhaps that is one reason why, in the Union, it is difficult to find people who know what is taking place elsewhere in the world.

The white population of the Union of South Africa, which numbers about two million, is roughly divided into three politico-racial groups. The first group is made up of so-called Nationalists; the second are British die-hards, and the third is the mass of political moderates who speak both Boer and English, as the occasion demands. This last bi-lingual group believes in the co-operation of all South African

elements working together on the basis of their Dominion status.

Curiously, lingual differences in South Africa do not follow ethnic lines, but cut across all three groups. Thus, those who fought the British in the Boer War still speak Boer, but the political convictions of some of their leaders have changed radically. General J. B. M. Hertzog, the former Premier, has repeatedly demanded the conclusion of a separate peace between the Union of South Africa and Germany; on the other hand, General J. C. Smuts describes himself as a "true servant of the British Empire," and he acts the part.

The British die-hards, for the most part recently immigrated to the Union, are not particularly active politically, despite their influence, but the Nationalists are active in the extreme. They demand, consistently and continually, absolute independence from Britain. The majority of this group shows a