

Thesis #1

The West shaped a global civilisation whose operating mechanism is a culture of greed. Societies are regulated by a statecraft that is incapable of adopting the policies needed to challenge the existential crises of the 21st century. Financial mechanisms that would enrich people's lives are politically taboo. Democracy must be reconceived as a therapeutic process, empowering people to escape the trauma inflicted when their ancestors were ruptured from authentic cultures and natural habitats.

Dynamics of the Statecraft of Greed

Fred Harrison

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NATIONS are governed by a culture that was incubated in Europe in the 16th century. England played the leading role in enabling that culture of greed to mutate into a statecraft that propagated chaos through its laws of the land. The statecraft manages the anarchy that was embedded in traditional communities as a result of the violent transformation of people's rights of access to the commons. Understanding that history is the pre-condition for addressing what the CIA calls the mega-trends that threaten all our futures.

The doctrine that rationalised the statecraft of greed was called the *social contract*. This philosophical device was constructed to argue that when people came out of the "state of nature" they consented to a particular kind of authority. The arch exponents of this myth were the philosophers Thomas Hobbes and John Locke. Their discourses justified the violent re-distribution of land by monarchs and their courtiers. In Britain, the aristocracy used Parliament to justify the enclosure of the commons. Comparable trends occurred in most parts of Europe. People's authentic cultures were ruptured as an alien order was imposed on them. The social creation myth legitimised and sanctified the power of the aristocracy.

The erosion of liberties was directly related to the erasure of people's rights of access to land. The monarchs silenced opposition by claiming that they ruled by divine right. Their courtiers then employed devices like "the rule of law" to secure their monopolisation of land. They executed coups against kings in a struggle over the power to tax. It was imperative for the barons and knights to control taxation,

so that the Land Tax could be reduced and the fiscal burden shifted onto peasants. They succeeded. The outcome was the statecraft of greed.

Now, politicians exercise sovereign power through "democracy". That power is conditional: we know from the cut and thrust of 20th century history that they are not free to transgress the material interests of those who appropriate the rents which were traditionally reserved to fund the services shared in common.

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The West shaped a global civilisation whose operating mechanism is a culture of greed. Societies are regulated by a statecraft that is incapable of adopting the policies needed to challenge the existential crises of the 21st century. Financial mechanisms that would enrich people's lives are politically taboo. Democracy must be reconceived as a therapeutic process, empowering people to escape the trauma inflicted when their ancestors were ruptured from authentic cultures and natural habitats.

Today, governments are not free to institute the one reform – to the financial system – that would enable people to resolve the crises of the 21st century. Global under-employment of labour and capital, debilitating mass poverty, suicide on an epidemic scale in southern Europe, planetary degradation of natural habitats, all are symptoms of a pathological social structure. The guardian of that structure is the culture whose agents are embedded in the seats of power.

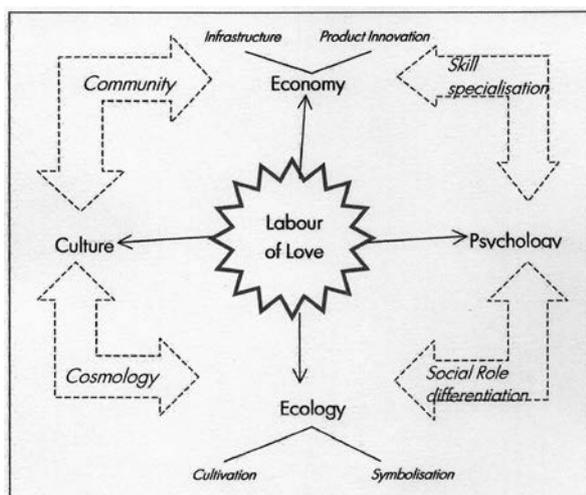
If people are to successfully challenge the statecraft of greed, they first need to understand the terms on which healthy societies evolved over the past 100,000 years. For what is today regarded as "normal" is pathological. And without the restoration of the ancient rights and the code of natural justice, there is no prospect of remedial action capable of undoing the damage wrought over the past five centuries.

The Evolutionary Template

Early humans had to pay a price to escape the iron laws of nature. To release themselves from dependence on the

instincts inscribed in their DNA, they had to formulate and enforce a code of conduct. *Morality* guided behaviour, principally by reminding individuals of what was not allowed. The moral code had to be synchronised with the laws of nature on which people continued to depend for their material subsistence. Nature remained the wisest teacher for early humans who sought to evolve into a culture-bearing species.

Figure 1
Evolution of the Social Galaxy



Populations that transgressed their moral codes fell into a twilight zone, marooned between nature and civil society. There, they were in a state of anarchy (*not* a state of nature) and easy meat for predators. There was no going back to nature. So, sooner or later, they would have to re-tread the route back to morality.

Social evolution was contingent on (1) the capacity to produce a material surplus that exceeded biological needs; and (2) the willingness to share that surplus product. Those two elements were inextricably linked, and were expressed as *co-operation*. Mutual help was a foundation principle of the community.

Initially, the surplus took the form of labour *time* and *power*. People gave their labour out of love within kinship-based communities, to construct increasingly complex relationships, habitations and

knowledge. They gave of themselves to create the culture that differentiated them from other species.

Then, with the onset of agriculture and commercial contact with other groups, that labour surplus was transformed into symbolic forms. The Labour of Love had to be de-personalised to facilitate the up-scaling of communities into the towns that became urban civilisations. The de-personalisation of labour power was made possible by (i) creating a market economy and (ii) inventing money as tokens of the value of labour power. Converting labour power into abstract forms made it possible to accelerate innovation and co-operation.

Money made it possible for people to identify and allocate that portion of resources which represented their shared values in increasingly sophisticated ways. Originally, those resources were called by words such as “tribute”. Today, economists call it “economic rent”.

Figure 1 illustrates the primary impacts on the formation of culture and the collective consciousness. As people enriched their lives by co-operating with others, they

- ❖ **deepened** their perception of themselves: the psychology of self-identity
- ❖ **expanded** economic skills that favoured value-adding activity: shifting away from dependence on hunting/gathering
- ❖ **enriched** culture: elaborating social systems and relationships with the natural universe
- ❖ **heightened** conscious awareness of habitats: assigning symbolic value to cosmic forces represented by the landscape’s endowments.

The creative power of people fructified as the emerging social universe grew ever more complex.

Within the economy: differentiation of households as value-adding units within extended territorial networks engaged in the exchange of products and services

Within the natural environment: expanding the material opportunities by discovering and nurturing nature's endowments

Within people's minds: deepening self-awareness concurrent with articulation of respect for neighbours

Within culture: enriching lifestyles as a result of migration to new habitats, and new knowledge about homeland resources and personal abilities. The transformations ensured continuity within a people-centred culture and community that harmonised with nature's *homeostasis* (long-run stability).

The risk of conflict over the possession of territory was constrained, and social stability secured, through the evolution of

- ❖ the language of respect (ethics of equality)
- ❖ complex customs (marriage rituals, relationship taboos)
- ❖ institutionalised practices (such as leadership based on acquired wisdom); and
- ❖ articulation of a cosmology which visualised a divine, cosmic realm.

What happens when the Labour of Love (or its monetary form) is usurped? Culture begins to wither. The boundaries between good and evil, between mine and yours, between the individual and society, are blurred. Social and natural reference points are dislocated, confusion prevails and corruption on a socially significant scale materialises. When rent is privatised, *corrosive cynicism, loss of trust and rule-bending assume pandemic proportions*. None of the current indices of social and individual behaviour tracks such behaviour to their source(s): for which, a Cheating Index is needed.

The Collateral Damage

The traumas that afflicted most civilisations of the past were the result of the conversion of rent into income appropriated by a privileged few, whether priests, princes or patricians.

Figure 2
Corruption of the Social Galaxy

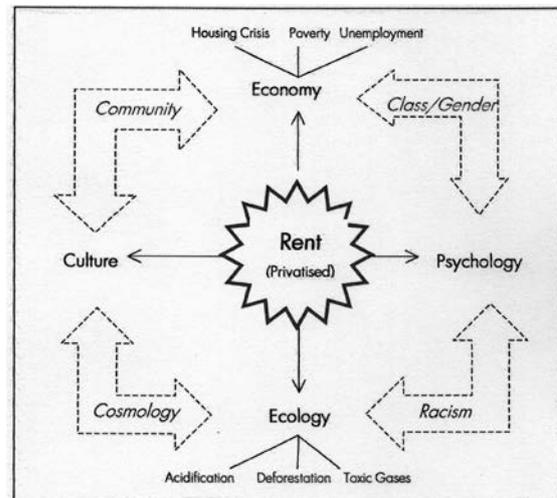


Figure 2 illustrates some of the *primary impacts* of rent privatisation. These include

- ❖ **distortions** to people's perception of themselves (psychological trauma)
- ❖ **constraints** on the value-adding economy (artificial ceilings on productivity)
- ❖ **perversion** of culture (dysfunctional communities and of ways of perceiving the world); and
- ❖ **abuse** of natural habitats (loss of reverence resulting in assaults on other life-forms).

Symptoms stemming from primary distortions are registered through the interaction of two or more of the disturbed pillars that support the social universe.

Within the economy: enforced idleness, loss of affordable shelter, misallocation of capital

Within nature: deforestation and topsoil erosion; pollution of skies; acidification of oceans

Within people's minds: irrational attitudes, such as racism (through competition for artificially-constrained space), and class and gender prejudices (scramble for

status within the hierarchy of Insiders [rent-appropriators] versus Outsiders [the excluded]).

Within culture: adjustments of world-views to cope with the loss of authentic people-centred norms. Resort to dependency-type coping ideologies and organisations such as socialism, fascism and the welfare state; and, most recently, “capitalism with Chinese characteristics”. These are responses to the primary shocks:

- ❖ **disengagement** of people from their natural habitats through land enclosure and privatisation; and
- ❖ **denial** of access to the rents that populations need to sustain their cultures, the effect of which is the evisceration of society in favour of a naked individualism.

Privileges of the rent-seekers who take control of the social space are consolidated through manipulation of minds and emotions, as with

- ❖ **the language of humiliation**, with corresponding statistical profiles: e.g. numerical differentiation into Upper and Lower Classes
- ❖ **institutions**, such as the subordination of women: India’s caste system, Europe’s primogeniture.

Privatisation of the resources that communities formerly shared between their members was consolidated in property rights which undermined the vitality of humanity. When rents are not pooled for the common good, all spheres of existence are automatically ruptured and degraded. Slavery was the crudest expression of the denial of freedom. The outcome is the crime of *humanicide* (Harrison 2012).

History is replete with examples of the way that cultures were debilitated when populations were deprived of their common rights to land. Examples from the colonial impact on indigenous peoples in South America are analysed in *The*

Traumatised Society. An example from within Europe is provided by Ireland. Its population’s behaviour over the past 300 years cannot be understood without reference to the way the English grabbed the land, to extract the rent; thereby reconfiguring personalities and culture. “The peasant’s character, no less than his material condition bore witness to the landlord’s exactions” (Connell 1958: 1). The lessons were not learnt. The legacy of decolonisation was land legislation that consolidated the privatisation of rents: “[T]his was the giddy draught that made the impoverished tenant fancy himself head of a landowning family” (Connell 1958: 6). The *mores* of Ireland were adjusted as people aped their former masters, the cultural shifts traced through marriage customs, morality, religion, the arts and politics. The culmination was the maniacal property boom/bust of the early 21st century as sponsored by the statecraft of greed.

Japan: a study in Mutual Help

The intimate relationship between mutual help and the social status of land emerges clearly from a study of the people who occupied Japan. Professor of sociology Morio Onda has captured the grand sweep of that anthropological history in his account of reciprocity:

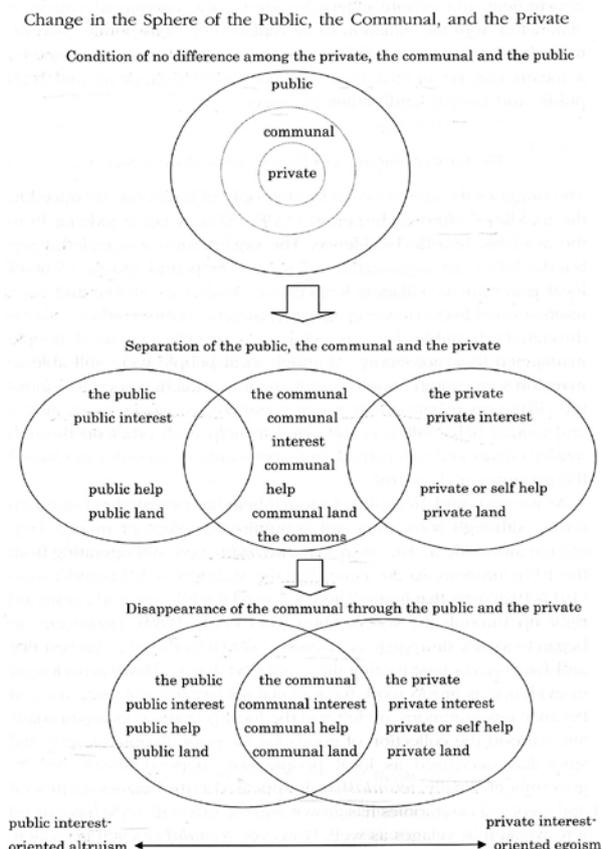
- ❖ *yui*: reciprocity through exchanging labour
- ❖ *moyai*: redistribution based on a common store of goods and resources; and
- ❖ *tetsudai*: support in social rites of passage that was non-reciprocal.

Onda stresses the association with the natural environment: “The commons played important roles as economic production, social integration, and spiritual symbol in regional society” (2013: 539). He stresses that the commons supported expenditures for public services. “Money from selling trees and food from the commons was used to maintain it and the rest was distributed among local people. Fish caught in the sea as part of the commons were equally distributed among

not only the fishermen, but also people who did not work directly in the fishery; namely, children, the elderly, and housewives, because they supported the work of the fishermen as village members....We also can see the same mutual help network in a hunting environment” (2013: 540).

The customs were designed to prevent an unbridled exploitation of nature’s resources. Access rights to the commons varied, but the central issue was that “The commons was never supported by individuals but always by communal ownership,” securing the power of people to protect “the core site in communal life and the core of the network of mutual help” (2013: 540).

Figure 3
Japan: the Transformation of Mutuality



Onda summarises the trends in Figure 3. Through time, the communal interest was crowded out as communities were differentiated by interests defined as public and private. Traces of the mutual

help may still be discerned in Japan. But, as we know from the grotesque level of land speculation, by the 1980s people had succumbed to the Western disease (from which Japan has yet to recover). We can date the erosion of the spirit of mutuality to the late 19th century. That was when the Land Tax, which had been deployed during the early decades of industrialisation, was degraded in favour of the culture of rent privatisation (Harrison 1983: Chs. 11-12).

Estrangement from Society

In Europe, when the kings of old started to grab the commons, they did not just deprive people of their land. They also began to erase people’s authentic cultures. Over time, to secure the quiescence of the dispossessed, the statecraft that represented the interests of the rent-seekers substituted “patriotic” practises of the kind that served the purposes of the new culture of greed.

The degraded state to which society has now been reduced may be inferred from the unrelenting attacks on institutions that are supposed to serve the common good. The animosity is most explicitly articulated in terms of the resentment of taxation. The gulf between citizens and the institutions of state continues to widen as value-adding activities are subordinated in favour of schemes to avoid taxes.

The complaints against taxes on wages and profits from value-adding enterprises are legitimate. Public services are funded by arbitrary exactions on earned incomes; creating the discontent that corrodes a population’s collective consciousness. We need a debate that enables people to interrogate issues that are excluded from the public discourse by politicians who are locked into the modern statecraft. The awkward questions include:

- ❖ Does society generate a distinct and quantifiable value which, therefore, it can rightfully claim as its own?
- ❖ How can a community of people be held to account as a moral entity if

it is separated from the material resources *which it creates*, and which it needs to fulfil its social obligations?

- ❖ How did the rent-grabbers of old wipe out memories of the moral status of the community, and its distinctive flow of rental income?
- ❖ Does each of us have a responsibility to restore that moral status to our communities?

As we now know, the advent of democracy was not going to be capable of restoring justice in a form consistent with natural law. One consequence is the routinisation of criminal behaviour as a social phenomenon in which the political system does more than merely acquiesce: it sponsors such behaviour by the fiscal incentives that it provides.

Champions of the liberal democratic model seek to explain pathologies like organised criminal behaviour in terms of idiosyncratic behaviour of individuals. This enables them to deny that the culture of the modern socio-economic system is responsible for deeds of individuals such as the oligarchs in post-Soviet Russia. Really? In the 1990s the West sponsored the campaign to privatise Russia's natural resources. In 2012, \$49bn was estimated to have been illegally withdrawn from that country by criminals. Most of the money derived from resource rents. Such activity would not be possible without the application of what Paul Farmer, in *Pathologies of Power* (2005), calls "structural violence". Officials who dared to investigate tax evasion were assassinated (Clover 2013).

The corruption of the spirit of democracy may be traced in the history of the first democracy based on *We, the People*: the United States. In the 19th century, the Robber Barons bribed elected representatives with cash. The process is now more sophisticated, and it has been legalised in the form of the hugely profitable lobby industry based in Washington DC (Stiglitz 2012). Citizens collude by donating funds to achieve privileged access to law-makers on

Capitol Hill. The corrosive effect is reflected in the enormous subsidies to some corporations and land-intensive sectors like agriculture. Tax breaks also result in discrimination that disadvantages those who rely on their votes rather than their wallets. In the Old World, the process of corruption is painfully exposed to public gaze in Italy, which was most embarrassingly displayed during the election of 2013 (see [Italy: High Finance Incubates Mobsterism](#)).

Learn, or Lament

The cult of the individual was developed to camouflage the activities of those who erased the authentic culture of people in their traditional communities. With the agricultural and industrial revolutions, the rise in productivity would have allowed those communities to develop their traditions of mutual respect in ways that cannot, now, be conceived. The legacy – inscribed in the historical record – is one of systematic perversion of people's right to evolve their customs and communities in directions that suited the needs of everyone, not just the rent-grabbing minority.

To retain control over the social rents, the elites were obliged to mess with people's minds. Two examples:

- ❖ The concept of *progress*, developed in England in the 18th century, was deployed as an ideological tool. The dispossessed had to be persuaded that, no matter how dire their condition, patience would be rewarded sometime in the future.
- ❖ The concept of *happiness* was employed to render palatable the written constitution of the US, and the unwritten constitution of the UK. Jeremy Bentham's felicific calculus married science with sophistry in a formula that was supposed to calculate ways of achieving happiness for the greatest number of people.

But happiness is contingent on prior access to the resources that render a decent lifestyle possible. And Bentham remained silent on the need to redistribute the resources of the commons so that every person may work to achieve his or her happiness. It was left to an American journalist to resuscitate the notion of community with its distinctive source of revenue. Henry George's *Progress and Poverty* (1879) animated a popular debate that enabled people to recover their knowledge about the unique role played by rent in the lives of their forefathers. But despite the democratic mandate that was extended to the rent-as-public-revenue policy (in Britain, in the form of the People's Budget [1909]) the will of the people was killed off by the rear-guard action of landowners.

The Welfare State in the 20th century sought to compensate for the deprivation that blighted people's lives in the rich industrial nations. People's rights as individuals were listed in the UN's Universal Declaration of Human Rights. But those rights were not consolidated by also enforcing the complementary rights of society. The declarations were conspicuously silent on everyone's equal right of access to the benefits flowing from nature and society.

By accepting as normal the privatisation of the flows of rent – the value generated by the distinctive services of both nature and society – we conspire in the appropriation of people's Labour of Love. We abuse the social side of life in an act of sacrilege that dehumanises, separating people from their essence as social beings. We degrade our material selves into metaphysical ciphers ([Metaman and the Sacred Money Scam](#)). This is the basis of the corruption of morality, the deadweight losses imposed on economic enterprise, and the perversion of culture, as the goodness in each of us is channelled into a barbaric process that inflicts humiliation on others. Everyone loses.

Our collective trauma can be overcome. By working to understand the pathologies of modern society, we engage with others

in the quest for change. This can turn into another Great Awakening (Thesis #3).

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