

Hi Mike,

Re: the argument against ending the tax cuts for the wealthy because “it’s their money,” not the government’s (and your corollary that to think otherwise is to be a vile socialist)

It doesn't require a socialist to argue as billionaire investment banker Warren Buffett does -- that the wealthy are far better off than they ever have been, are disproportionately benefiting from the productivity of the nation, and can chip in a little more as they used to do. However, my position goes beyond Buffett's and perhaps beyond socialism, or at least beyond Marx's version of socialism. To see how profoundly dangerous my world view really is, see below (but please don't assume that one has to be as radical as I am to advocate letting the rich keep their full tax cut on the first 250k and pay Clinton-era rates on what falls over that).

1. Private Property and the Age of Capitalism

The capitalist notion of private property as the fundamental basis of political economy, which is presented as a kind of “natural order,” has only really emerged in the last few hundred years. To be sure, there was private property prior to that, but the realm of private property was a kind of second-tier ownership, a veneer covering the world we all shared. Consider the UK, the very cradle of capitalism. Traditionally, land was fundamentally common grazing land. A rare spot or two may be set aside for the king. And vast areas might be – not owned really, but held for the king by the Duke of Cornwall, the Duke of Northumberland, etc. But in practice, it was pretty much commons. Then the initial seeds of capitalism were sown, of all places, in the field of agriculture. The enclosure movement. The old norm of common-use land (albeit with exceptions and conditions) yielded to a new norm of “all land is essentially private property.” Common rights disappeared in village after village, and a new class of landless workers was created.

A great philosopher, I forget his name, said that in every age, the ideology of the dominant class presents itself to all classes as the “natural order.” So during the precapitalist landed order, based on patrilineage and aristocratic tiers, the idea of a “Great Chain of Being” was successfully promulgated through all classes of people as the eternal, natural order. Pretty much everyone at every station in life bought into it, except for a few lonely radicals.

As economic power passes from the landed order to the capitalist order, the paradigm for the eternal, natural order changes in ways that suit the new dominant class. The view of the cosmos changes from an organic view to a mechanistic view. (Isaac Newton will lock this world view in for at least a couple of centuries – one could argue that this is still the dominant view, or one could argue that Einstein’s theory of relativity is a fundamental shift – a shift perhaps commensurate with the rise of multinational corporations as a new kind of decentralized power that replaces an older, more nationalistic form of capitalism.)

A second paradigm shift with the emergence of bourgeois capitalism over landed aristocracy is in the realm of private property. The enclosure movement was already gaining speed when Locke wrote his treatises on government. But Locke, by making private property the cornerstone of the social order – indeed, the cornerstone of human identity – gave emerging capitalism its master narrative – the “discourse” through which it becomes presented to all as the eternal,

natural order. Just as decades of impressionistic speculation about evolution suddenly all came together under the powerful gaze of Darwin, and similar decades of speculation about the unconscious were pulled into a powerful, coherent master narrative by Freud, so “the ingenious Mr. Locke,” as he was often called in the 18th century, provided a powerful, coherent discourse for socioeconomic trends that were forcing a paradigm shift at the end of the 17th century.

2. Gary’s Conclusion: Two Visions

So if “private property” is not the natural relationship between people and resources, but merely the relationship between people and resources that controls the present age, do I believe private property should be eliminated?

Short Term Vision

I am all in favor maintaining private property in the foreseeable future. But recognizing that there is nothing “natural” or “eternal” about this paradigm liberates us to rationally re-think the relationship between people and resources. (One thinks of that great passage in Frederick Douglass where his biggest problem was convincing his fellow slaves that slavery was not the natural and necessary order of things.)

Don’t get me wrong. I’m not advocating a Bolshevik or Castro-like seizure of resources. My immediate ideal is much, much closer to the socialist/capitalist democracies of Western Europe – and “immediate” is actually ambiguous. One cannot skip steps and leap to the Western European ideal before the cultural and material infrastructure is in place. Not even looking at foreign countries, New Orleans is less ready for that ideal than the Northeast, and my local votes in New Orleans would be comparatively more conservative than if I were up there. However, once you see that the “private property” paradigm, like all paradigms, is historically determined and not an eternal part of nature, you can step back and re-envision the building blocks of how we see the world. Our GDP is \$15 trillion a year. Let’s say that’s the sum total of our productivity as a nation. Of all the wealth generated by this productivity, the top 1% sucks out about 21% for its own use. Is it their money? I can see why one might say that. But at least consider the counter view. That’s the slice of our collective productivity that they are taking home. The vast majority of infrastructure, labor, and other economic formations were in place before they came along. They didn’t print their own money; they didn’t personally generate the productivity; they merely did their part in the collective enterprise of generating productivity. In the case of high-end CEOs, let’s say that their part involves a higher level of expertise and risk. I think it’s fair that they make 10, 20, say 42 times as much as the average worker (as in 1980). But can they really suck out 1,081 times the average worker’s salary (2008) on the grounds that “it’s my money.” I think that’s excessive. Or if they continue to suck wealth out at that accelerated level, I don’t think it’s too much to ask that they put a little extra back in on the percentage that falls above a certain cap. You may convince me that they deserve 42 x the average worker’s salary, or that their tax rate should only go up on the part that falls over that 4200% line, but the evil socialist in me will not accept that it’s “their money” until you can show me that they generated it without drawing on any pre-existing infrastructure, labor, or other economic/cultural formations.

Long Term Vision

Does private property survive my long-term vision?

I take no position on that. Future generations will be better equipped to make that call. I can only recommend keeping private property into the foreseeable future.

For the full long-term vision, the hippie world view deep in my brainstem (perhaps in the form of LSD residue) is key. The hippie vision was much more revolutionary than Marx's vision. Marx was a man of his time. Since Adam Smith, *homo sapiens* was recast as *homo economicus*. *Homo economicus* is the foundation of classical political economy and perhaps still the dominant paradigm of human nature. Marx did not break from this. He was all about economic redistribution, but it was still all about economics and who gets what share of the pie. The radicals of the 1930s were still in this pattern. The radicals of the 1960s, however, envisioned human nature in a fundamentally different way -- in a way that would transcend *homo economicus*. In some ways, the "cultural" liberals of the 1960s were very strange bedfellows for the "economic" liberals rooted in the 1930s and the trade unions. The economic liberals, like Marx, were looking for a revolution within the age of *homo economicus* – a centennial kind of revolution. The cultural liberals of the 1960s were looking for an Age of Aquarius somewhere past the horizon line of *homo economicus* – a millennial kind of revolution. Private property may survive such a paradigm shift (for all I know), but it couldn't survive as the *primary* relationship between people and resources (or the primary end of human relations, as it seems to be for *homo economicus* under capitalism). The idea is that the species has technologically evolved, or very nearly evolved, to a point where the production and distribution of resources can easily accommodate the entire world population, were it not for the intransigent barriers of politics and the primacy of private property as a paradigm for self-actualization. This means that the time is right for some whole new paradigm to emerge. Astronomers for centuries (possibly millennia) have said that between 2012 and 2026 the Age of Pisces will pass into the Age of Aquarius (technically one constellation passes a certain point relative to another constellation, but I don't know the details). And of course we all know about the Mayan calendar. The end is near, brother, but it ain't what you think it is. The Age of Pisces is over. A new wave of hippies is coming. Brace yourself.