

# Private Property And Collective Ownership

By Eric Dalton\*

Philosophy has fathered a number of other sciences. It is, as we all know, the father of physics which used to be known as natural philosophy. And no one is ignorant of the fact that economics was launched by a moralist whose name was Adam Smith. Nor should this be really surprising when we reflect on the fact that the most general notions in all these sciences are basically philosophical and that the methods of unfolding their implications are basically philosophical. There is, of course, the problem of determining whether there is any thing in reality which corresponds to the notions whose depths we attempt to plumb. In general the answer to this problem is not given to us by philosophical methods; it is given to us by observation.

How then does philosophy differ from the other sciences? No hard and fast line can be drawn between them. Both the scientist and the philosopher analyze concepts. Both of them engage in observations. But the people called philosophers have usually begun the analysis of the concepts and have made the most general observations. Others continue where they leave off. These we may call the scientists. They prolong the work which was begun to the philosopher, leaving him to open up new areas which are in their turn to be handed over to future scientists for further refinement.

Consider the idea of free exchange. We can analyze this notion and work out all of its logical implications.

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\* Eric Dalton is the nom de plume of a professor of philosophy at a major American university.

We can also concern ourselves with finding out whether there is such a thing as free exchange in reality and to what extent. Now let us ask ourselves whether this notion is proper to philosophy or to economics. In vacuo there really is no way of answering the question. In the abstract it is no more the one than the other. We may note, however, that the full working out of the idea and its application has been achieved by a group of people known as economists. And we could therefore define an economist as one who has developed this and other more or less closely related ideas.

There is an enormous quantity of metaphysics in Newton's Principia just as there is an enormous quantity of science in Aristotle's Physics. It is, therefore, simplistic to speak of the one as being a philosopher and the other as being a scientist. It is rather a question of more or less. We can say that Newton belonged to the class of those who pushed a certain line of inquiry to an extraordinary degree and that there are enough of such people to enable us to speak of a class of physicists.

So, perhaps, we should not ask whether so and so is talking philosophy or economics. About all we can say is that he has gone further into a certain type of question than most people called philosophers care to go. If he does a bad job we tend to say he is out of his field; it would probably be better simply to say that he is out of his depth. But we should not say: "He is out of his depth. Therefore, he did a bad job." Rather we should say: "He did a bad job; therefore, he is out of his depth."

If all this begins to look like an apology for what I am going to discuss this will be because it is. Had I not written this preface the reader would be tempted to wonder whether I, a philosopher, was doing philosophy or economics. I trust that this question will now seem a less interesting one. I propose to attempt a justification of private ownership and then to analyze the term "collective ownership". I hope to show that this latter term is without any meaning. Unfortunately, it is often assumed to have meaning and the existence of such a thing in reality is frequently taken for granted even by would-be defenders of individual ownership. I shall conclude by pointing up a number of cases where this occurs - to the great detriment of economic debate.

### **Self-Ownership And Property Right**

We shall begin by stating our fundamental thesis concerning private property. Any man has the right to ac-

quire previously unowned goods, keep or give them away at his pleasure, use or not use them at his pleasure. We shall now attempt to justify this proposition.

Lest there be any confusion, it would be well to define exactly the manner in which we are employing the term "right". When we say that one has the right to do certain things we mean this and only this, that it would be immoral for another, alone or in combination, to stop him from doing this by the use of physical force or the threat thereof. We do not mean that any use a man makes of his property within the limits set forth is necessarily a moral use. We do not deny, therefore, that one may in many instances have an obligation to share his property with various of his fellows. It does not follow that one may with propriety produce and sell addictive drugs to whomsoever desires them. What is wrong, however, is the use of physical force to stop these things from happening.

We mention this to point up the fact that we do not give automatic approval to whatever occurs on the free market. Not only this, but the market itself provides suitable punishments to what we may regard as undesirable forms of conduct. As an example, let us mention the "Legion of Decency". In the early thirties there was widespread disapproval of many of the films being turned out in Hollywood. The Legion was extremely active in organizing a boycott of such films. Now whether we approve of the particular effort or not, we should note that it did not rely on physical force and that it was effective to a considerable degree. It relied on voluntary activity and relied entirely on the right of free speech. There is also the old remedy of the raised eyebrow. Most of us do not like to be known as skinflints; on the contrary, we like to be known as great benefactors of mankind and some of us even want to be that way. Doubtless factors such as these had considerable influence on much of the philanthropy during this and the last century. We may say that a man's right to property tells us not so much what he may properly do but rather what others may not properly do to him. It is fundamentally a right not to be interfered with.

We may now ask ourselves on what this right rests. It derives, we would say, from the prior right of self-ownership. Each of us owns himself and his activities. This means that we may not initiate violence against others. We say "initiate" because we may certainly employ violence against those who have initiated it against us. In other words, we may repel violence. Now let us suppose that in various manners I deploy my activity

upon material non-human goods that are previously un-owned. By what right does anyone stop me? There are but two possible justifications; either he has the right to direct my activities by using violence (in other words he owns me) or else he owns the material goods in question. But this contradicts the assumptions we have already made; that each human being is self-owned and that the material goods in question are not previously owned. This man is claiming either to own me or the property I think I have acquired. The only factor open to question is whether the other man had peacefully acquired the land before me. But to raise this question is to concede the right of private property which is the thing we are trying to establish. Now, if no one man has the right to do this, it follows that no greater number may do so, for the same question that was asked of A may be asked concerning C, and so of all the others. Surely, if this is true of any of them taken singly, there is no reason to suppose that they could properly do this if they banded together.

There is, then, an unlimited right of acquisition. This applies, however only to what others have not already acquired. This sounds obvious, but apparently it is not for many. One frequently hears the claim that there should be a redistribution of property on the grounds that its present division does not enable everyone to be a landowner and each one has the right to be a property owner. The equivocation should be clear; each one has the right to appropriate what no one else has appropriated. The right to appropriate is without content unless he who does so may keep what he has taken. And if one may keep what has been taken, it follows that nobody has the authority to wrest it from him.

The right of self-ownership implies the right to give away property either gratis or in exchange for something else. By what right could one force an individual to retain ownership of his property? Likewise, if an individual may give away his property then by the same token a person may receive it. One is the corollary of the other. All the objection to inherited wealth is an attack on the right of a man to give away his property. Where do we derive the authority to force a man to give his property to the individuals whom we designate? Surely their income is just as much unearned as the one to whom the original owner desires to bequeath his goods.

There appears to be an extremely powerful prejudice against unearned wealth. But it is as selective as it is powerful. The "liberals" object to it when the recipients are wealthy and favor it when they are poor. Some "con-

servatives" select in the opposite direction. These latter will object to the guaranteed annual income on the grounds that it is unearned by the recipient and it removes from him the stimulus to produce. Neither of these reasons is valid. The mere fact that an income is unearned is totally irrelevant and although the fact that a person is not productive is bad for the rest of us, we do not have the authority to force him to be productive. The true answer to the advocates of such subsidies is that they involve stealing from legitimate owners. This has nothing to do with whether we favor the "Protestant Ethic". By using this type of argument "conservatives" fall into the hands of their opponents, who have a field day in raising all manner of difficulties against that ethic. The unearned income of the rich is justified because it belongs to them; whereas that of the man on government relief is not because it is stolen from its rightful owner. It is certainly proper to point out to those who favor such measures that most of the people whom this kind of income would motivate not to produce would eventually become poorer than they already are - this because they are unaware of long-range economic efforts. But the primary issue still remains ethical. Suppose that even without welfare payments the leisure preferences of most people increased enormously. All of us would then be poorer because of their failure to produce. But this fact would not justify our forcing them to produce. The only legitimate alternative would be for us to move elsewhere.

Man also has the right to use or not to use his property as he sees fit. By use we mean any alteration in the physical constitution of the thing owned. Once the property has been appropriated the owner may either leave it alone or alter it in any manner whatsoever. Many object to the continued ownership of "unimproved" land on the grounds that the owner has done nothing to increase its value. Were he later to sell it he would be obtaining something without any effort on his part. Here again is implicit the fallacy that gain is justified only to the extent that it is the result of previous misery - a doctrine that Marx and others inherited from the Schoolmen. But more basically, it relies on a totally false supposition; that by transforming an object we can increase its value. There is no such thing as value in the object. Objects are valued by people; what is valued by people is the physical reality. People do not value values! The only way to increase another's valuation of what I have is by hypnotism.

True, we may so change the physical constitution of objects that they correspond to the future values of

people. But note that there is no absolute certainty as to what their values will be. It may very well be the case that what people will value will be the object in its original form. If this happens then all my efforts will have been in vain. I then would have benefitted him and myself far more by doing nothing. In other words, the owner of property performs an entrepreneurial function. He must predict the future valuations that he and others will make and act or not act accordingly. He is "rewarded" primarily, not for his work, but for his good judgment.

This is a simple lesson the learning of which would have spared the world a tremendous amount of misery. Unfortunately the world seems as far from accepting it as always. The view that one should be rewarded for one's efforts is part of the Conventional Wisdom and one finds it on the tongue of both the liberal and the conservative. One of the reasons why Marxism always finds such a ready ear is the fact that before hearing about it people already hold its basic theory of value. And it is an easy matter for the Marxist to show such a person that the way in which wages are paid accords very poorly with commonly accepted ideas of justice. Far from retarding the acceptance of Socialistic ideas his religious convictions will tend to accelerate the process. Witness the numbers of clergymen who have been caught in this trap.

### **Justice And Property In Land**

So much, then, for the basic principles connected with the notion of private property. The sad reality of England at the end of the eighteenth and the beginning of the nineteenth century was rather difficult from the ideal situation. Undoubtedly the extent of the misery that prevailed after the introduction of more or less free economies has been grossly exaggerated. Indeed there would have been even greater misery had this system not been introduced. This leads us to believe that there was something radically wrong before the change that has never been given the proper attention. While most of the frightful restrictions on economic action were removed, the enormous feudal land-holdings were left untouched in the name of respect for private property.

As we know these holdings were mostly the result either of conquest or state land-grants. It is highly dubious that these holdings could ever have attained their size on the free market. Justice would have dictated the division of these lands among the agricultural workers. Unfortunately this was not done. The result was that a few individuals had votes in the market far beyond their due and were

thereby enabled to determine the course of events. These were responsible for the spectacular amount of investment and consequent economic growth of the area. There is no doubt that we have more goods at our disposal now because of what happened then.

Suppose the land had been divided up. Probably agriculture would have been a much more important industry in England. It is also likely that the rate of consumption would have been higher. This would have meant less investment, less "growth". We would not be where we are today. Supposing all this to be true, what of it? The primary question is the one of justice. Where does a man get the authority to require that some one else use his property in the manner that the outsider judges to be the most economic? It is his property and he has the right to use it in the way which satisfies him. If he does not want to "grow" that is his business.

The fact that a future generation may be better off because of a forced rate of growth during the previous generations excuses nothing. This would be tantamount to allowing future generations to impose taxes on their ancestors. The forced abstinence from consumption is constantly being justified on the grounds that "we will be better off in a hundred years". Just who is "we"? In a hundred years we will all be dead. Even if we were not, suppose we want to be better off now. Should not individuals be allowed to function in accordance with their own time-preferences?

The unwillingness of some to remedy an unjust distribution of holdings on the ground that to do so would be uneconomic is positively scandalous. After all, if not to remedy such an iniquitous distribution is justifiable in the name of economics, then would it not also be legitimate to create an unjust system for the same reason? Why not seize small holdings and give them to those men who would choose to save rather than to consume? But this would be unjust. True, but so it is if people are allowed to retain holdings that really do not belong to them.

We can go further, however, and challenge the thesis that the system of holdings that obtained at the time the free-market was instituted was the most economic one. How can anyone tell? On the supposition that a free market had obtained from the beginning we can say that the distribution of wealth is the most economic one. The size of anyone's holdings will tend to reflect the extent to which he satisfied the desires of those with whom he engaged in business. Since, ex hypothesi, there never was coercion everybody benefitted by the exchanges. Certain-

ly no such claims can be made in behalf of a system that preexisted the unhampered market. All we can say is that if the holdings are left untouched and if free exchange is introduced, then eventually a satisfactory system will develop. Here, however, the long run may be long indeed, and what about the rights of the people in the meanwhile? They will prefer to consume the smaller pie that is theirs by rights. That people who possess what is rightfully yours are busy making a larger pie which can be consumed only by your descendants is cold comfort indeed.

These considerations surely raise numerous questions about the situations in the undeveloped areas of the world. Obviously one of the big problems is what to do with the vast holdings of land. There is little doubt that these were not acquired by legitimate means. Because these exist large numbers of individuals are doomed to a life of misery even by their own standards. One can sympathize with the misguided concern of the Marxist reformer. On the other hand, we must deplore his forked-tongued approach to the propaganda problem. Interestingly he will appeal to the peasant by his proposals to divide the land--an effective appeal because by instinct the peasant firmly believes in private property and feels he has been defrauded of it. To the factory workers, however, he has an entirely different story to tell. He gives them to understand that the capitalistic mentality of the peasant is his real enemy and promises that the land will be taken over by the state, so that the kulaks will not be able to charge the workers in the city exorbitant prices.

Anybody who understands the workings of the free market can see that the policies advocated by collectivists are doomed to failure. For the most part, however, those who pay lip-service to the market show little desire to question the property arrangements in these areas. This is why they have little to say that would interest the poor and downtrodden in these countries. These people have therefore come to associate the free market system with approval of the status quo. They would not be greatly helped by the fact that from now on their oppressors would be able to exchange with each other on an unhampered basis. All this means is that for the foreseeable future a few more crumbs might fall from the tables of those who profit by facilitated exchange.

Here again the spirit of growthmanship is operative. "These countries will never become industrialized unless the vast holdings are allowed to continue and the land will not be well used if divided up." Could a Marxist



be more critical of the free market than these people? Is it not the right of the real owners to decide to what extent their area shall be industrialized?

Also operative are certain special interests who want justice here but not abroad. Some of them have bought land from people who had no right to it in the first place; others have been given land by governments who had previously expropriated it. This makes them a party to the injustice. Obviously much of the justifiable complaining in these areas is misdirected. Just as these foreign companies will object to any expropriation by appealing to the sanctity of property, so the natives will blame their troubles on the system of private property itself, or they will attack foreign investment as something which is evil in itself. As in so many instances people are unable to locate their real enemy. Surely if these people do blame their troubles on free enterprise, the defenders of this system are partly responsible for their error.

We have given a general analysis of what is involved in the notion of private, individual property. We have attempted to show that this system is justified by the more basic right of self-ownership. We then pointed out that the only ground on which others could prevent a person from acquiring ownership is an implicit claim to previous ownership by somebody else. But to concede that somebody else owned the property is to admit that there is such a thing as the right to property. Then we established that no one has the authority to interfere with the non-aggressive use of that property. It is finally important to realize that goods that have been illegitimately acquired do not become lawful property by virtue of the mere passing of time.

### **"Society" And Collective Ownership**

We have put off until now reckoning with one final notion; that the goods of the earth belong to no individuals, but rather are vested in an entity called "society". Somehow, this entity is a whole of which each one is a part. It is conceived as having rights and also duties. The actions of the parts may be permitted only to the extent to which they aid the whole. The organ through which society expresses itself can be either a king, a parliament, or simply the majority of its members. Supposedly, whatever these organs want "we" want. Pervasive as it is, this theory is quite difficult to formulate, and for good reason. It is often enough used as the ultimate justification of government.

The question we should ask is not so much whether society has the rights attributed to it as whether such an entity can be meaningfully said to exist at all. When,

however, you ask what kind of entity this could possibly be you are referred to various analogies. Just as we are made up of cells so society is made up of individuals. "If you claim that the notion of 'society' is unintelligible, you must also claim that the notion of a whole is meaningless." It is, indeed, difficult to admit that the one could exist and not the other. If, therefore, the notion of "society" derives its plausibility from these analogies it might pay us to inquire a bit into them. Are there really, anywhere, entities that are made up of entities, or are we the victims of a linguistic trick? If nowhere are such entities to be found, then automatically this notion of "society" will fall to the ground.

Perhaps the best approach to the matter would be through an examination of what is meant by a collective noun. As an example, let us take "baseball team". We use this term to designate many things that are united in some particular respect. In the case at hand each man acts in conjunction with others in order to bring about a certain pattern of activities. Do we literally have a new being which did not exist before these people joined forces? Certainly not. We do as a matter of fact speak as if there were now a single entity, we use the word "team" as the subject of a sentence, we replace the word "team" by "it". But we are conscious that in so doing we are simply using a convenient manner of speaking which is designed to save time. The proof of this is that we could simply eliminate the word "team" from our language and substitute a more prolix language that referred to "those men who are united for the purpose of playing baseball". This is quite a complicated formula and it is well we have discovered more convenient fashions of expressing ourselves. Nor does this cause any problem as long as we realize exactly what we are doing.

Note that in the example given there is no "Ego" over and above that of the individuals who have pooled their activities. Nor, strictly speaking, is there a collective activity; there are only individual activities directed by individual persons towards a mutually agreed upon end. The "whole" is nothing but the individual players insofar as they cooperate. The only real entities are the individuals or the "parts". This suggests that we could in principle eliminate "whole" sentences from our language and replace them by more complicated sentences whose subject is "parts" or "individuals".

In what sense can we speak of these organizations or societies as owning property? These groups vary considerably from one another but there are a few general

remarks that should apply to all. The first thing to realize is that no matter what else may be true of the arrangements, these groups own what they do because of the free choice of the individuals who have entered into this type of cooperation. Indeed, the very existence of the organization presupposes the willingness of individuals to join together and its continuance requires new decisions on the part of those willing to collaborate with the already existing members. It is certain that the organization cannot have preceded its first members. The financial arrangements will be those decided upon by the original members, for even if changes are later to be made, the procedure for introducing them will have been set up by the founders. So, from first to last the societal ownership is ultimately that of its individual members.

Let us now return to the contention that the original owner of the property is not the individual but "Society". We have seen that the only real entities are individuals, so that nothing can be true of a society which is not true of the individuals that make it up. Consider first the ownership of the individuals. In so doing we shall suppose a society made up of two individuals A and B. There are but two possibilities: A owns A, B owns B; or A owns B or B owns A. There is no third entity that can own them both. But there must be a third if both of them are to be owned; that is, for them to belong in the literal sense to Society. If we suppose that A owns B or the opposite, we still do not have societal ownership but individual ownership. Now since the appropriation of non-human goods can only take place via the activities of people, it follows that what is appropriated by the individuals will belong to the owners of the individuals. Since it is impossible that Society own the individuals, it cannot own what they appropriate.

It is true that the two members of our little society can agree jointly to appropriate land of which they will be co-owners. But in this case the initial decision is entirely voluntary, and each one is an individual part-owner of that property and may abandon his share of ownership at his own pleasure.

Thus we see that the thesis that Society is the original owner of land cannot stand up under analysis. This is not simply a question of historical fact. In the very nature of the case, the individual precedes society and this includes the ownership of the individual. All the rest must be the result of contractual relationships, itself dependent on the free decisions of individuals.

Though the concept that there are goods that belong to Society is unacceptable, there are many occasions where it is taken for granted that Society is an entity in its own right and that it automatically does own things. This constitutes the unspoken major premise of many political proposals. We would like briefly to examine a number of cases where this assumption is made.

"It is necessary to conserve Society's valuable resources." This is the famous problem of waste. As we have already seen, these resources are either unowned or else their ownership is distributed among various individuals. There is no third possibility. The first alternative presents little difficulty. How come nobody owns these resources? Surely if it were in the interest to the economy various individuals would be appropriating such resources. Why do they fail to do so? Why is it not to their interest to acquire them? The fundamental reason appears to be the fact that such goods are not sufficiently scarce to justify the cost (and there is such) of appropriating them. In other words the very fact that there are goods which no one sees fit to acquire for his exclusive use is of itself a sign that no problem exists concerning their conservation. Surely, if there were, some entrepreneurs would notice the fact and do something about it. It is surely suspicious when the only one who can see that it is worthwhile to acquire resources is the government.

The other possibility is that the resources are already distributed among individual owners. In which case the only ones who have the right to speak about wasting "our" resources are the owners themselves. Each owner will make use of his resources in the way he sees fit. He can be said to have wasted his resources only when he makes mistaken predictions, and the more resources he has the ability to acquire the less likely he is to be the kind of person who makes the wrong predictions. The same may be said concerning those who make eccentric use of their resources, e.g., setting their oil fields afire in order to produce spectacles. Here we cannot say that the man is wasting something. He may be so constituted that he gets more satisfaction out of doing this than from other uses to which he might put his property. All we can say is that in a free society people of this type are unable to acquire any considerable amount of property unless someone makes a gift of it to them. In an unhampered market the entire tendency is that one may grow wealthy only by serving in large measure the interest of his fellows. If the wealth were given to someone of this nature, again, he would not be able for any length of time to preserve his position. So we can say that full freedom to perform

non-aggressive actions tends to prevent any large scale use of resources that is not mutually beneficial. Not only is it meaningless to speak of Society's resources; it is not even helpful.

"Our country is importing too much." Here is another statement which, given a free society, is without content. Countries do not import. Only people do. How can an individual import too much except by failing properly to predict his future wants? If he is that poor a guesser he will not be around for long, and the less wealthy he is the more quickly he will cease importing. In any area some people will import a great deal, others much less, but no one can go on importing too much for his good for any length of time. But perhaps some people are importing too much for the good of others in the sense that they are failing to help the others. We must note, first of all, that a person's importing is not the reason why those around him are not helped. Suppose he were to cease importing and not buy the goods from those near him. Are they any better off because he stopped importing? We may also add that to the extent that the importer has wide relationships with those near him, his imports from elsewhere will positively benefit them because these extensive relationships can continue only because what he imports is of greater benefit to them. Obviously, the fewer economic ties he has with his neighbors, the less they will be helped by his imports. But then to complain about this is to stake a claim to the effect that simply because X lives within a certain radius of Y, he should be forced to help Y.

One of the common complaints against an unmanaged currency is that the people are unable to control their money. The ambiguity lies in the expression "the peoples' money". Does it mean that there is collective ownership of the medium of exchange? If so, the phrase is unintelligible. Given the free economy each individual owns whatever money he is able to acquire. He values it as he sees fit, controls it as he sees fit, and manages it as he sees fit. The people control their money in the same way they control their television sets. Of course, the last thing that advocates of government planning want is for people to have control of their money. What they want is for the government to control it. What they mean by "uncontrolled" is precisely that it is controlled but not by those whom they would like to see control it. One of the great problems of the world is the fact that money is not controlled by its rightful owners.

Then there is the old chestnut that has it that our country is losing gold. Supposing that each individual owns what-

ever gold he has, it is obviously impossible for a country to lose gold. It doesn't have it in the first place. Only the individuals who have the gold can lose it - not a very likely contingency. Normally people do not lose gold. They exchange it for things that they would rather have. We would be somewhat astonished to hear someone maintain in all seriousness that he "lost" two dollars because he went to the movies. The real truth behind such claims is that the government which has expropriated the peoples' gold is being called upon by other governments to redeem its currency. But this would never have happened had not the government engaged in an inflationary policy.

I will end with a particularly weird example from Robert Heilbroner's The Making of Economic Society, pp. 96-97:

"Yet England experienced difficulties enough in launching the Great Transformation. As we can now see, many of these difficulties were the direct consequences of the problems which our model highlighted for us. The industrialization process of the eighteenth and nineteenth centuries did, indeed, necessitate a great amount of saving - that is, of the releasing of consumption - and much of the social hardship of the time can be traced to this source.

For who did the saving? Who abstained from consumption? The manufacturers themselves (for all their ostentatious ways) were among those who plowed back a substantial portion of their profits into more investment. Yet the real savers were not the manufacturers so much as another class - the industrial workers. Here, in the low level of industrial wages, the great sacrifice was made - not voluntarily, by any matter of means, but made just the same. From the resources they could have consumed was built the industrial foundation for the future."

We have already referred to what we believe were the great injustices of the period of the "Great Transformation". Had there been a more equal distribution of property individuals would have been consuming more of what they produced, simply because each of them would have been producing a smaller quantity and, therefore, a lesser tendency to save. Since Heilbroner's reasoning does not depend on any prior unjust distribution of property, let us take for granted the justice of the arrangement and see if his analysis makes any sense.

It is true that non-consumption is a necessary condition for saving. But the non-consumption in question

concerns one's own resources, not those of other people. I can hardly be said to be saving for you when I fail to consume your resources. This is not the place to discuss the problem of wages. Suffice it to say that had less been produced real wages would not have been as high as they were at any given time. The increased production was mutually beneficial to the owners and the workers. The fact that the owners saved rather than consumed made the workers' condition far better than otherwise. They were perhaps victimized by the fact that the producers had the money that rightly belonged to them. But not by the fact that the money was saved. It is absolutely ridiculous to assert that the workers actually did the saving for they did not have the resources to save. Even if someone takes my money away from me and saves it, it is hardly enlightening for me to claim that I am doing the saving. It is only because he indulges in this type of collective thinking that Heilbroner was able to write such nonsense. Its plausibility can only rest on the analogy of a family where some members, anxious to increase the total wealth, deliberately abstain from consuming their earnings in order to contribute them to the investments of the more productive individuals of the group.

In the next paragraph we are told that "England had to hold down the level of its working class consumption in order to free its productive effort for the accumulation of capital goods." What on earth is the entity that ever made such a decision? Practically the only entities making decisions in nineteenth century England were those who owned resources. There were many decisions on the part of many people, but none by England. And I am quite sure that no one thought himself capable of "holding down the consumption of the working class" or desired to do so "in order to free its productive effort for the accumulation of capital goods". Decisions of this kind are made today, however. But they are made, not by property owners, but by dictators.

If there is a lesson to be learned from this paper it is that the only enlightening way of analyzing economic and property problems is by always returning to the individual who, alone, is real. People are ill served by the manufacture of spurious entities.