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## Douglas Social Credit and the Categories of Constraint By M. Oliver Heydorn

After a recent conversation with Arindam Basu, it occurs to me that there is yet another method of explaining the Douglas Social Credit approach to our financial and economic systems for the benefit of newcomers. This has to do with the notion of constraints. There are natural constraints, i.e., constraints that are built into the very nature of things and are of a physical or metaphysical nature, and then there are artificial constraints, i.e., constraints that arise merely because of arbitrary (or not so arbitrary) human conventions that can be, at least in principle, abandoned, replaced, or altered at will.

Now, before we talk more about constraints, the two categories I have adumbrated here, and how these apply to finance and to the economy, it is first necessary to bring the concept of purpose, indeed the concept of a true or normative purpose, into the discussion. If we take as our point of departure the idea that the financial system is a tool that was designed by human beings in order to serve some purpose, we can ask: what is that purpose?

Perhaps one of the easiest ways of answering that question is by way of analogy; i.e., we can compare the financial system with another tool, one that we are all very familiar with: a thermometer. The purpose of a thermometer is to read the temperature, whether it be of a room, a turkey in the oven, or a human body, etc. In line with the teaching of Aristotle on functionality we can note that a good thermometer would be one that fulfills that purpose, the reading of the temperature, well, that is to say, accurately. If it is 27 degrees Celsius outside and the thermometer reads 27 degrees, then we have an accurate reading and the thermometer is functioning well and serving its purpose. It is a reliable instrument which can then enable us to make appropriate decisions, like dressing appropriately according to the temperature reading when going outside.

In the same way, a good financial system would read the physical economic reality accurately. More specifically, a good financial system would provide

sufficient producer credit to catalyze all desired goods and services so that the population can survive and flourish. If there are 100 million dollars' worth of goods and services that fall into that desired category and the economy is physically capable of delivering that volume, then the financial system should automatically supply the money needed to catalyze it and to thereby bring it into being. In the same way, a good financial system would ensure sufficient consumer buying power (without inducing any excess or surplus debt) to cover in full the remunerative prices of the goods and services that are being delivered to the consuming public. If 100 million dollars' worth of good and services are coming on to the market, then 100 million dollars in income should be distributed directly or indirectly (on behalf of) consumers so that business can meet all of their costs of production and consumers can clear the market of all desired goods and services.

Unfortunately, not all thermometers are good thermometers, just like not all financial systems are good financial systems. A thermometer which systematically, because of some faulty design or malfunction, underestimated the temperature it was intended to measure would be a faulty thermometer. If, instead of reading 27 degrees Celsius when the temperature outside is indeed 27 degrees, a thermometer read 17 degrees Celsius, it would be providing us with false information and, on the basis of that false information (which we might take to be real if we didn't have any way of, or any reason for, double-checking the thermometer's reading) we could make inappropriate decisions, such as wearing spring clothing when what is needed is actually summer attire. The thermometer that reads 17 degrees in place of 27 degrees is a bad thermometer that fails to fulfill its due purpose well.

Unfortunately, our present financial system is like this faulty thermometer. Because of the way it is designed, the picture that it paints of the physical economic reality in the virtual world of numbers systematically underestimates our real capacity to produce goods and services, as well as our ability/desire to consume freely in full whatever it is that we do produce (i.e., without necessitating the contracting of more debt and hence of more work in the future in order to pay off that debt). The financial constraints projected by the financial system do not mirror the real constraints, but instead they anticipate prematurely the real constraints by painting a false and limiting picture of the physical world. When we look at the world through the lens, or the medium, of this artificially limiting and distorting financial system, it imposes alien constraints that are not there in reality. As a direct result, we are hamstringed in our economic activity. So we limp along, when we could and should be, metaphorically speaking, 'flying'. In fact, it is worse than that, because the system also makes us do things we would not otherwise be doing and so to 'artificial limitation' we must add the misdirection of our economic activities and the consequent misdirection of everything else which depends on those activities (i.e., the political, social, and cultural spheres, and indeed life itself). The waste and sabotage involved in this misdirection is colossal.

To make matters more concrete, consider the following illustrations of what we have been talking about. The current financial system works like this: instead of automatically providing the sufficient financial credit needed to catalyze the 100 million dollars' worth goods and services that fall into the desired category from our previous example, the current financial system may only supply enough producer credit to catalyze 60 million dollars' worth. And, further, of that 60 millions dollars' worth that has been produced, it might only automatically supply say 40 million dollars in consumer income with which that 60 million could be bought. The system typically compensates for this gap by relying on some economic agent: governments, businesses, or consumers to borrow the remaining 20 million that is needed into existence from the banking system. That is the condition for distributing the flow of real wealth in full and for covering all the costs that businesses must recover in sales if they are to remain in business. Because we assume that the 'thermometer' of the financial system is telling us the truth, we are then forced to make decisions in line with, or rather on the basis of, those underestimations and to try to compensate for them in the only ways which the system will allow. It is from this attempt to 'make up' for the deficits of the system using the only means made available by the system that the misdirection arises.

What are the nefarious consequences of the artificial limitations and subsequent misdirectioning which the current financial system imposes on our economic activities? They are legion: the instability of the business cycle, constant inflation (mostly cost-push, but also demand-pull), the misuse of economic resources, economic inefficiency, waste, and sabotage alongside forced economic growth, an ever-increasing mountain of societal debt that is, in the aggregate, unrepayable, recurring financial crises, heavy and often increasing taxation, wage and debt-slavery, servility, the usurpation of the unearned increment of association by the private banking system, the centralization of economic wealth, privilege, and power in fewer and fewer hands, forced migration, cultural dislocation, unnecessary stresses and strains, social conflict, environmental degradation, and international economic conflict leading to war, etc., etc.

So what makes the difference between a good thermometer and a bad thermometer, between a good financial system and a bad financial system? In a word, it is the truth that makes all the difference. A good thermometer tells us the truth; it accurately reflects the physical economic reality as regards to temperature. A good financial system would also tell us the truth; it would accurately reflect the physical economic reality as regards our capacity to produce and our ability to consume.

Another way of putting this is to say that under a good financial system, which would be a structurally honest financial system, financial constraints on production and consumption would automatically mirror the real constraints found to exist out in the physical world. This is the relationship between the financial system and

the real world which Douglas (and common sense) would hold to be the true or correct relationship if we want a fully functional economy and a sane civilization, a civilization worthy of its name.

What it means is this: if there are no resources or insufficient resources to produce something, or the resources exist but there is no consumer demand for that thing (both capacity and need or desire are required for real credit to exist in the economy), then there is no justification for creating any money to catalyze the production of that thing. Similarly, if certain concrete goods and services have not been produced, or, having been produced, have been destroyed by accident, war, or an act of God, there is also no justification for distributing any additional consumer buying power so that what doesn't exist or no longer exists can be distributed. However, if the resources and correspondent desire/need do exist, then sufficient money should be automatically issued to catalyze the requisite production up to the limit of those resources. Likewise, if the goods and services are available, the financial system should automatically provide enough consumer income to distribute that flow of real wealth and to meet the associated costs of production on the part of business owners in full. In all of the aforementioned cases, the financial constraints would be mirroring the real constraints; the virtual 'facts' would finally correspond to the facts of the real world.

The Douglas Social Credit monetary reform proposals are simply aimed at this: that the financial system should be transformed from a dishonest system, which imposes artificial restraints on production and consumption, into an honest system which accurately mirrors the real constraints of the physical economy. While artificial constraints on our physical ability to produce and consume make it impossible, in practice, for an economic association to fulfill its true purpose to the extent that this is physically possible: the delivery of goods and services that people need to survive and flourish with the least amount of labour and resource consumption, financial constraints that mirror the real constraints would free the economy, liberate it, so that it can fulfill its purpose to the full extent that this is physically possible. Finance would then become a humble servant of our real potential, rather than being the master who rations access to our real potential on self-serving terms at the cost of our own immolation.

What would be the beneficial consequences of an honest financial system which mirrors the physical constraints and thereby reads the physical economy accurately, just as a good thermometer reads the temperature accurately? Well, within the context of a technological advanced, modern society, where machines are continually displacing labour, steadily intensifying the price-income gap, and generating more and more technological unemployment, these benefits would include: the establishment of absolute economic security for every citizen in place of poverty and the threat of poverty, increasing leisure in place of servility (i.e., freedom from wage-slavery, debt-slavery, and useless, witless, and/or destructive employment), the elimination of society's chronic and unrepayable debt burden

and the interest charges that accompany it, the decentralization of economic wealth and power to the individual, the elimination of economic waste and sabotage, continual reductions in prices instead of inflation, much lower taxes, much less government regulation and interference, economic co-operation instead of ruthless competition, social stability, the transformation of civilization based on the unfettering of the creative impulse and the flourishing of both folk culture and high culture, environmental protection, conservation, and repair, and mutually beneficial international trade providing a sound foundation for world peace.

What we are talking about here is an economic order that would finally fulfill the true purpose of economic association well, to the degree that this fulfillment is objectively possible given the nature of the real constraints. Whatever is physically possible and desirable should be financially possible. All that is required is to alter the financial system so that it accurately represents the physical facts and potential of the real economy.

## How a Conservative Should Oppose Socialism and Liberalism By Sir Roger Scruton

In response to liberalism, it is necessary to work for the restoration of the concrete circumstances of justice. But the concrete law that I have been advocating is very unlike anything that either a socialist or a liberal would approve. It preserves inequalities, it confers privileges, it justifies power. That, however, is also its strength.

Post-war intellectuals have inherited two major systems of political thought with which to satisfy their lust for doctrine: liberalism and socialism. It is testimony to the persistence of the dichotomizing frame of mind that, even in Eastern Europe, the "world conflict" that endured for seventy years was frequently seen in terms of the opposition between these systems. And because they are systems, it is often supposed that they are organically unified—that you cannot embrace any part of one of them without embracing the whole of it. But let it be said at the outset, that, from the standpoint of our present predicament, nothing is more obvious about these systems than the fact that they are, in their presuppositions, substantially the same. Each of them proposes a description of our condition, and an ideal solution to it, in terms which are secular, abstract, universal, and egalitarian. Each sees the world in "desacralized" terms, in terms which, in truth, correspond to no lasting common human experience, but only to the cold skeletal paradigms that haunt the brains of intellectuals. Each is abstract, even when it pretends to a view of human history. Its history, like its philosophy, is detached from the concrete circumstance of human agency, and, indeed, in the case of Marxism, goes so far as to deny the efficacy of human agency, preferring to see the world as a confluence of impersonal forces. The ideas whereby men live and find their local identity—ideas of allegiance, of country or nation, of religion and obligation—all these are, for the socialist, mere ideology, and for the liberal, matters of "private" choice, to be respected by

the state only because they cannot truly matter to the state. Only in a few places in Europe and America can a person call himself a conservative and expect to be taken seriously. The first task of conservatism, therefore, is to create a language in which "conservative" is no longer a term of abuse. This task is part of another, and larger, enterprise: that of the purification of language from the insidious sloganizing which has taken hold of it. This is not a simple enterprise. Indeed, it is, in one sense, the whole of politics. As the communists realized from the beginning, to control language is to control thought—not actual thought, but the possibilities of thought. It is partly through the successful efforts of the communists—aided, of course, by a world war which they did not a little to precipitate—that our parents thought in terms of elementary dichotomies. Left-Right, Communist-fascist, socialist-capitalist, and so on. Such were the "terms of debate" that we inherited. To the extent that you are not "on the Left," they implied, then to that extent are you "on the Right"; if not a Communist, then so much nearer fascism; if not a socialist, then an advocate of "capitalism," as an economic and political system.

If there is a basic dichotomy that presently confronts us, it is between us—the inheritors of what remains of Western civilization and Western political thinking—and the purveyors of dichotomies. There is no such opposition as that between Left and Right, or that between communism and fascism. There is simply an eternal alliance—although an "alliance of the unjust" who are always ready to violate the terms that bind them—between those who think in terms of dichotomies and labels. Theirs is the new style of politics, the science which has in truth replaced "politics" as it has ever been known. Theirs is a world of "forces" and "movements"; the world perceived by these infantile minds is in a constant state of turmoil and conflict, advancing now to the Left, now to the Right, in accordance with the half-baked predictions of this or that theorist of man's social destiny. Most of all, the dichotomizing mind has need of a system. It seeks for the theoretical statement of man's social and political condition, in terms of which to derive a doctrine that will answer to every material circumstance.

Each system is also universal. An international socialism is the stated ideal of most socialists; an international liberalism is the unstated tendency of the liberal. To neither system is it thinkable that men live, not by universal aspirations but by local attachments; not by a "solidarity" that stretches across the globe from end to end, but by obligations that are understood in terms which separate men from most of their fellows—in terms such as national history, religion, language, and the customs that provide the basis of legitimacy. Finally—and the importance of this should never be underestimated—both socialism and liberalism are, in the last analysis, egalitarian. They both suppose all men to be equal in every respect relevant to their political advantage. For the socialist, men are equal in their needs, and should therefore be equal in all that is granted to them for the satisfaction of their needs. For the liberal, they are equal in their rights, and should therefore be equal in all that affects their social and political standing.

I must say at once that I have more sympathy for the liberal than for the socialist position. For it is based in a philosophy that not only respects the reality of human agency, but also attempts to reconcile our political existence with the elementary freedoms that are constantly threatened by it. But—whatever its worth as a philosophical system, liberalism remains, for me, no more than that—a constant corrective to the given reality, but not a reality in itself. It is a shadow, cast by the light of reason, whose existence depends upon the massive body which obstructs that light, the body of man's given political existence.

This given political existence defies the four axioms of liberalism and socialism. It is not secular but spiritual, not abstract but concrete, not universal but particular, and not egalitarian but fraught with diversity, inequality, privilege, and power. And so it should be. I say that it is spiritual, for I believe that the world as man understands it—the Lebenswelt—is given to him in terms which bear the indelible imprint of obligations that surpass his understanding. He is born into a world that calls on him for sacrifice, and that promises him obscure rewards. This world is concrete—it cannot be described in the abstract unhistorical language of the socialist or liberal theorist without removing the skin of significance that renders it perceivable. The world of the socialist and the world of the liberal are like dead skeletons, from which the living skin has been picked away. But this actual, living, social world, is a particular thing, a vital thing, and it must, if it is to flourish, distribute its life variously and unequally about its parts. The abstract equality of the socialist and the liberal has no place in this world, and could be realized only by the assertion of controls so massive as to destroy themselves.

In order to justify, and indeed to win, its war with reality, the intellectual mind has developed an annihilating language with which to describe it. All political realities are described a-historically, as though they could be established anywhere, at any time. Thus the peculiarly *Polish* phenomenon of "Solidarity" is squeezed into the abstract forms dictated by the theory of "liberal democracy." It is even seen as a kind of socialism, especially by French intellectuals for whom nothing is good which cannot be given a socialist name. The example is minatory. If we are to return to reality, we must search for a language that is scrupulous towards the human world. One generality, however, is useful to us, precisely because, behind it, a thousand particularities lie hidden. I refer to the idea of legitimacy. To their immense credit, liberals have tried to provide an alternative idea of legitimacy—one with which to challenge the historical entitlements that were to be extinguished by the triumph of their system. The first, and final, condemnation of communism is that it has dismissed the whole idea of legitimacy with a cavernous laugh. It is not my concern to argue with the liberal, some of whose ideas must eventually be incorporated into any philosophical theory of legitimate government. I wish only to suggest a nonliberal alternative, that will be free from the contagion of theory.

Among the many dichotomies that have pulverized the modern intelligence, that—due, I suppose to Weber—between legitimacy and legality, between

"traditional" and "legal-rational" modes of authority, has been the most damaging. Only if law is misunderstood, as a system of abstractions, can legality be regarded as an alternative to—rather than as a particular realization of—legitimacy. But abstract law is, for that reason, without lasting force.

Legitimacy is, quite simply, the right of political command. And this right includes the exercise of law. What confers this right over a people? Some would say their "choice." But this idea overlooks the fact that we have only the crudest instruments whereby choices are measured, and these choices concern only the most fortuitous of things. Besides, what leads people to accept the "choice" that is thrust upon them by their fellows, if not a prior sense that they are bound together in a legitimate order?

The task for the conservative is to find the grounds of political existence concretely, and to work toward the re-establishment of legitimate government in a world that has been swept bare by intellectual abstractions. Our ultimate model for a legitimate order is one that is given historically, to people united by their sense of a common destiny, a common culture, and a common source of the values that govern their lives.

The liberal intelligentsia in the West, like the erstwhile Communist intelligentsia in the East, has persistently refused to accept the given—ness of human existence. It has made life, and in particular political life, into a kind of intellectual experiment. Seeing the unhappiness of man it asks, what has gone wrong? And it dreams of a world in which an abstract ideal of justice will be made reality. It looks everywhere for the single solution that will resolve conflicts and restore harmony everywhere, whether on the North Pole or at the Equator. Hence, the total inability of liberalism to provide a solution to those who are afflicted by totalitarian illegitimacy. The liberal begins from the same assumption as the totalitarian, namely, that politics is a means to an end, and the end is equality—not, it is true, material equality, but moral equality, an equality of "rights." Democracy is the necessary result of this liberal ideal, since democracy is the final realization of political equality. For the liberal, the only way to oppose the totalitarian is by slow, steady democratization of the social order.

Who can doubt the appeal of that idea? But it neglects the one, inescapable fact. I cannot see my own life as the liberal wishes to see political life. I cannot see my own life as an experiment. Nor can I regard my obligations as created entirely by my free, responsible actions. I am born into a situation that I did not create, and am encumbered from birth with obligations that are not of my own devising. My basic debt to the world is not one of justice but of piety, and it is only when I recognize this fact that I can be truly myself. For only in relation to my given situation can I form those values and social perceptions that give me strength, at last, to experiment with freedom.

Any genuine account of our sentiments of legitimacy must begin from the

recognition that piety precedes justice, both in our lives and in our thinking, and that, until we have attached ourselves to a place and people, and begun to think of them as "our own," the claims of justice, and the superstition of equality, are entirely without meaning for us. But this attachment to place and people is not chosen: it is not the outcome of some liberal reflection on the rights of man, nor is it conceived in the experimental spirit that is so important to the socialist program. It is given to us, in the very texture of our social existence. We are born into the obligations of the family, and into the experience of ourselves as parts of a larger whole. Not to recognize the priority of this experience is to concede the major premise of totalitarian thinking, which is that political existence is nothing but a long term experiment. There is a particular view, still popular among left-wing intellectuals in the West, that the Soviet system was "socialism gone wrong." This thought expresses precisely the major political danger of our times, which is the belief that politics involves a choice of systems, as a means to an end, so that one system may "go wrong" while another "goes right."

The truth is that socialism is wrong, precisely because it believes that it can go right—precisely because it sees politics as a means to an end. Politics is a manner of social existence, whose bedrock is the given obligations from which our social identities are formed. Politics is a form of association which is not a means to an end, but an end in itself. It is founded on legitimacy, and legitimacy resides in our sense that we are made by our inheritance.

Hence, if we are to rediscover the roots of political order, we must attempt to endorse the unchosen obligations that confer on us our political identity, and which settle for a Pole that he cannot be governed from Moscow, or for a Falkland Islander that he cannot be legitimately governed from Buenos Aires.

It is worth pausing to mention another, and rival, generality that has been of some service to the left-liberal intellectual in our time, in his endeavor to wipe out the past, and to find a basis for political obligation that looks only to the present and the future. This is the idea of the "people," as the fount of legitimate order. The idea is usually combined with the fantasy that the intellectual has some peculiar faculty of hearing, and also articulating, the "voice of the people." This self-delusion, which has persisted unaltered since the days of the French Revolution, expresses the intellectual's concern to be reunited with the social order from which his own thinking has so tragically separated him. He wishes to redeem himself from his "outsideness." Unfortunately, however, he succeeds in uniting himself not with society, but only with another intellectual abstraction—"the people"—designed according to impeccable theoretical requirements, precisely in order to veil the intolerable reality of everyday life. "The people" does not exist. Even if it did exist. it would be authority for nothing, since it would have no concrete basis on which to build its legitimacy. Nobody can speak for the people. Nobody can speak for anyone. The truth, however, strives to be uttered, and may find expression, now on these lips, now on those.

Unlike "the people," the nation is not an abstraction. It is a given historical reality. It is made particular and immediate in language, custom, religion, and culture. It contains within itself the intimation of a legitimate order. This, I believe, should always be remembered, even by those—and that includes most of us now—who hesitate to adopt the straightforward nationalism that emerged from the Congress of Vienna and which at first pacified, but subsequently destroyed, our continent.

But surely, you will say, is there not another source of legitimacy—one that does not require the support of those pious obligations that seem to commit us to so much on the basis of so little? Is there not a legitimacy to be found in democracy, that will one day *replace* the appeal to piety?

That is a large question. But two things need to be said in response to it. First, "democracy" is a disputed term, and nobody knows quite what it means or quite how to secure it. Should we wait until all the paradoxes of social choice have been resolved before formulating our political commitments?

Second, what people have appreciated in democracy is not periodic collective choice—for what is so estimable in the fact that the ignorant majority every now and then chooses to be guided by a new party, toward goals that it understands no better than it understood the goals of the previous one? What is appreciated are certain political virtues, which we rightly associate with British and American democracy, but which existed before democracy, and could be established elsewhere without its aid. These virtues are the following:

- (i) Limited power: no one can exercise unlimited power when his projects stand to be extinguished by an election.
- (ii) Constitutional government: but what upholds the constitution?
- (iii) Justification by consent.
- (iv) The existence of autonomous institutions, and the free association that makes them possible.
- (v) Rule of law: in other words, the possibility of adjudicating every act, even when it is the act of an official—even when it is an act in the name of the sovereign power.
- (vi) Legitimate opposition: in other words, the right to form parties, and to publish opinions, which oppose the government; and the right to contend openly for power.

Political theorists are familiar, of course, with those matters, and this is not the place to discuss them in detail. But it is worth summarizing their import. Taken together, those six features of government mean, not democracy, but rather constitutional limitation. To put it more directly, they denote the separation of the state (which is the locus of legitimate authority) from those who hold power by *virtue* of the state. Those who wield power can be judged in terms of the very offices that they hold.

This is surely an essential part of true political order. It is also an indispensable part of any fully elaborated legitimacy. Indeed, we can see legitimacy in the modern state as composed of two parts: a root, which is the pious attachment that draws people together into a single political entity; and a tree which grows from that root, which is the sovereign state, ordered by the principles that I have advocated. In this state, power is held under conditions that limit it, and in a manner that makes it answerable to those who may suffer from its exercise. This state shows the true flowering of a "civil society"—a public life that is open, dignified, and imbued with an instinctive legality. Such legality grows from and expresses the legitimacy that is stored in its root. It is this upper, visible part of the legitimate polis that is so evidently destroyed by the political doctrines of our time. But its destruction is made possible, not so much by the elimination of democracy, as by the stifling of the spontaneous source of legitimate sentiment from which it feeds.

Democracy can, of course, sustain the six political virtues that I have listed. But it can also destroy them. For all of them depend on the one thing that democracy cannot provide, and which is hinted at in the question that I have added to number (ii): authority. What prompts people to accept and be bound by the results of a democratic election, or by the existing law, or by the limitations embodied in an office? What, in short, gives rise to the "public spirit" that has so signally vanished from the institutions of government in much of modern Europe? Surely it is respect—for institutions, for procedures, for the powers and privileges that are actually enjoyed. This respect is derived from the sense that these powers, privileges, and procedures reflect something that is truly "ours," something that grows from the social bond that defines our condition. Here lies the authority of the actual: that it is seen to contain within itself the residue of the allegiance which defines my place.

What now is true legality? I have already hinted at a distinction between abstract and concrete law, and have implied that only the latter can truly fill the vacuum of legitimacy that presently lies before us. Concrete law is exemplified at its best in the English tradition of common law—law made by judges, in response to the concrete problems that come before them, and in which principles emerge only slowly, and already subject to the harsh discipline of the actual. Any law that is the upshot of serious judicial reasoning, founded in precedents and authorities, bears the stamp of an historical order; it also remains responsive to the reality of human conflicts, and constitutes a genuine attempt to resolve them, rather than to dictate an intellectually satisfying solution which may be unacceptable to the parties. This kind of law encapsulates the true source of legal authority, which is the plaintiff's belief that justice will be done, not abstractly, but in his particular case, in light of the particular circumstances that are his, and which are perhaps even uniquely his. For concrete law to exist in any form, there must be judicial independence. And once there is judicial independence there is all that anyone has reasonably aspired to under the banner of "the rights of man." For there is the assurance that justice may be done,

whatever the power that seeks to extinguish it.

There are two major threats to concrete law. One is the abolition of judicial independence. This was accomplished by the Communist Party, in the interests of an "abstract" justice—an "equality" of reward—which must inevitably conflict with the concrete circumstances of human existence. The second threat is the proliferation of statute law—of law by decree, law repeatedly made and re-made in response to the half-baked ideas of politicians and their advisors. All such law is fatally flawed: the Communist Party rested its entire claim to legality in the generation of such laws, while removing the only instrument—judicial independence—that could make them into genuine *laws*, rather than military injunctions.

Liberalism has always appreciated the importance of legality. But liberal legality is an abstract legality, concerned with the promotion of a purely philosophical idea of "human rights." What value are human rights, without the judicial process that will uphold them? And besides, in resting one's faith in this beguiling abstraction, does one not also give to one's enemy another bastion against the recognition of his illegitimacy? Is it not possible for him to say that he upholds human rights—only different rights? (The right to work, for instance, or a right to a stake in the means of production.) If one looks back to the French Revolution, one sees just how easy it is for the doctrine of "human rights" to become an instrument of the most appalling tyranny. It suffices to do as the Jacobins did—to abolish the judiciary, and replace it by "people's courts." Then anything can be done to anyone, in the name of the Rights of Man.

In response to liberalism, therefore, it is necessary to work for the restoration of the concrete circumstances of justice. But the concrete law that I have been advocating is very unlike anything that either a socialist or a liberal would approve. It preserves inequalities, it confers privileges, it justifies power. That, however, is also its strength. For there always will be inequalities: there always will be privilege and power. Those are nothing but the lineaments of every actual political order. Since inequalities, privileges, and powers exist, it is right that they should coexist with the law that might justify them. Otherwise they exist unjustified, and also uncontrolled.

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