The Drive towards Economic Centralisation

The OBJECTIVE organisation of a national unity is not yet complete when it has arrived at the possession of a single central authority and the unity and uniformity of its political, military and strictly administrative functions. There is another side of its organic life, the legislative and its corollary, the judicial function, which is equally important; the exercise of legislative power becomes eventually indeed, although it was not always, the characteristic sign of the sovereign. Logically, one would suppose that the conscious and organised determination of its own rules of life should be the first business of a society from which all others should derive and on which they should be dependent and therefore it would naturally be the earliest to develop. But life develops in obedience to its own law and the pressure of forces and not according to the law and the logic of the self-conscious mind; its first course is determined by the subconscient and is only secondarily and derivatively self-conscious. The development of human society has been no exception to the rule; for man, though in the essence of his nature a mental being, has practically started with a largely mechanical mentality as the conscious living being, Nature’s human animal, and only afterwards can he be the self-conscious living being, the self-perfecting Manu. That is the course the individual has had to follow; the group-man follows in the wake of the individual and is always far behind the highest individual development. Therefore, the development of the society as an organism consciously and entirely legislating for its own needs, which should be by the logic of reason the first necessary step, is actually in the logic of life the last and culminative step. It enables the society at last to perfect consciously by means of
the State the whole organisation of its life, military, political, administrative, economic, social, cultural. The completeness of the process depends on the completeness of the development by which the State and society become, as far as that may be, synonymous. That is the importance of democracy; that is the importance also of socialism. They are the sign that the society is getting ready to be an entirely self-conscious and therefore a freely and consciously self-regulating organism. But it must be remarked that modern democracy and modern socialism are only a first crude and bungling attempt at that consummation, an inefficient hint and not a freely intelligent realisation.

At first, in the early stage of society, there is no such thing as what we understand by law, the Roman lex; there are only a mass of binding habits, nomoi, mores, ācāra, determined by the inner nature of the group-man and according to the action upon it of the forces and the necessities of his environment. They become instituta, things that acquire a fixed and formal status, institutions, and crystallise into laws. Moreover, they embrace the whole life of the society; there is no distinction between the political and administrative, the social and the religious law; these not only all meet in one system, but run inextricably into and are determined by each other. Such was the type of the ancient Jewish law and of the Hindu Shastra which preserved up to recent times this early principle of society in spite of the tendencies of specialisation and separation which have triumphed elsewhere as a result of the normal development of the analytical and practical reason of mankind. This complex customary law evolved indeed, but by a natural development of the body of social habits in obedience to changing ideas and more and more complex necessities. There was no single and fixed legislative authority to determine them by conscious shaping and selection or in anticipation of popular consent or by direct ideative action upon the general consensus of need and opinion. Kings and

1 Fascism, National Socialism have cut out the “freely” in this formula and set about the task of creating the organised self-regulating consciousness by a violent regimentation.
prophets and Rishis and Brahmin jurists might exercise such an action according to their power and influence, but none of these were the constituted legislative sovereign; the king in India was the administrator of the Dharma and not at all or only exceptionally and to a hardly noticeable extent the legislator.

It is worth noting, indeed, that this customary law was often attributed to an original legislator, a Manu, Moses, Lycurgus; but the historic truth of any such tradition has been discredited by modern inquiry and perhaps rightly, if we consider only the actual ascertainable facts and the ordinary process of the human mind and its development. In fact, if we examine the profound legendary tradition of India, we see that its idea of the Manu is more a symbol than anything else. His name means man the mental being. He is the divine legislator, the mental demi-god in humanity who fixes the lines upon which the race or people has to govern its evolution. In the Purana he or his sons are said to reign in subtle earths or worlds or, as we may say, they reign in the larger mentality which to us is subconscious and from there have power to determine the lines of development of the conscious life of man. His law is the mānava-dharmaśāstra, the science of the law of conduct of the mental or human being and in this sense we may think of the law of any human society as being the conscious evolution of the type and lines which its Manu has fixed for it. If there comes an embodied Manu, a living Moses or Mahomed, he is only the prophet or spokesman of the Divinity who is veiled in the fire and the cloud, Jehovah on Sinai, Allah speaking through his angels. Mahomed, as we know, only developed the existing social, religious and administrative customs of the Arab people into a new system dictated to him often in a state of trance, in which he passed from his conscient into his superconscient self, by the Divinity to his secret intuitive mind. All that may be suprarational or, if you will, irrational, but it represents a different stage of human development from the government of society by its rational and practical mind which in contact with life’s changing needs and permanent necessities demands a created and codified law determined by a fixed legislative authority, the society’s organised brain or centre.
This rational development consists, as we have seen, in the creation of a central authority, — at first a distinct central force but afterwards more and more conterminous with the society itself or directly representing it, — which gradually takes over the specialised and separated parts of the social activity. At first this authority was the king, elective or hereditary, in his original character a war-leader and at home only the chief, the head of the elders or the strong men and the convener of the nation and the army, a nodus of its action, but not the principal determinant: in war only, where entire centralisation of power is the first condition of effective action, was he entirely supreme. As host-leader, strategos, he was also imperator, the giver of the absolute command. When he extended this combination of headship and rule from outside inward, he tended to become the executive power, not merely the chief instrument of social administration but the executive ruler.

It was naturally easier for him to become thus supreme in foreign than in internal politics. Even now European governments which have in internal affairs to defer to the popular will or to persuade and cajole the nation, are able in foreign politics to act either entirely or very largely according to their own ideas: for they are allowed to determine their acts by a secret diplomacy in which the people can have no voice and the representatives of the nation have only a general power of criticising or ratifying its results. Their action in foreign politics is nominal or at any rate restricted to a minimum, since they cannot prevent secret arrangements and treaties; even to such as are made early public they can only withhold their ratification at the risk of destroying the sureness and continuity, the necessary uniformity of the external action of the nation and thus destroying too the confidence of foreign governments without which negotiations cannot be conducted nor stable alliances and combinations formed. Nor can they really withhold their sanction in a crisis, whether for war or peace, at the only moment when they are effectively consulted, the last hour or rather the last minute when either has become inevitable. Much more necessarily was this the case in the old monarchies when
the king was the maker of war and peace and conducted the external affairs of the country according to his personal idea of the national interests, largely affected by his own passions, predilections and personal and family interests. But whatever the attendant disadvantages, the conduct of war and peace and foreign politics as well as the conduct of the host in the field of battle had at least been centralised, unified in the sovereign authority. The demand for real parliamentary control of foreign policy and even for an open diplomacy—a difficult matter to our current notions, yet once practised and perfectly capable of practice—indicates one more step in the transformation, far from complete in spite of the modern boast of democracy, from a monarchical and oligarchic to a democratic system, the taking over of all sovereign functions from the one sovereign administrator or the few dominant executive men by the society as a whole organised in the democratic State.

In its seizure of the internal functionings the central authority has a more difficult task, because its absorption of them or of their chief control has to reckon with powerful competing or modifying forces and interests and the strength of established and often cherished national habits and existing rights and privileges. But it is bound in the end to arrive at some unified control of those which are in their nature executive and administrative. This administrative side of the national organisation has three principal parts, financial, executive proper and judicial. The financial power carries with it the control of the public purse and the expenditure of the wealth contributed by the society for national purposes, and it is evident that this must pass into the hands of whatever authority has taken up the business of organising and making efficient the united action of the community. But that authority in its impulse towards an undivided and uncontrolled gestation, a complete unification of powers must naturally desire not only to determine the expenditure according to its own free will, but to determine also the contributions of the society to the public purse both in its amount and in its repartition over the individuals and classes who constitute the nation. Monarchy in its impulse towards a despotic centrality...
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has always sought to engross and struggled to retain this power; for the control over the purse of the nation is the most important sign and the most effective element of real sovereignty, more essential perhaps than the control over life and limb. In the most despotic regimes, this control is absolute and extends to the power of confiscation and despoliation otherwise than by judicial procedure. On the other hand, a ruler who has to bargain with his subjects over the amount of their contribution and the methods of taxation, is at once hedged in in his sovereignty and is not in fact the sole and entire sovereign. A vital power is in the hands of an inferior estate of the realm and can be turned against him fatally in any struggle for the shifting of the sovereignty from him to that estate. That is the reason why the supreme political instinct of the English people fixed, in the struggle with the monarchy, upon this question of taxation as the first vital point in a conflict for the power of the purse. Once that was settled in the Parliament by the defeat of the Stuarts, the transformation of the monarchical sovereignty into the sovereignty of the people or, more accurately, the shifting of the organic control from the throne to the aristocracy, thence to the bourgeoisie, and again to the whole people,—the latter two steps comprising the rapid evolution of the last eighty years,—was only a question of time. In France, the successful practical absorption of this control was the strength of the monarchy; it was its inability to manage with justice and economy the public purse, its unwillingness to tax the enormous riches of the aristocracy and clergy as against the crushing taxation on the people and the consequent necessity of deferring again to the nation which provided the opportunity for the Revolution. In advanced modern countries we have a controlling authority which claims at least to represent more or less perfectly the whole nation; individuals and classes have to submit because there is no appeal from the will of the whole society. But even so it is questions, not of taxation, but of the proper organisation and administration of the economic life of the society which are preparing the revolutions of the future.