

2016-05-16 From the preparatory notes for Class 04 of the introductory course on political economy: ‘The evolution of property and how it rules the world’.

Round off the discussion from last time: Does property depend on law? Does property depend on enforcement by the state?

Ann E. Davis, Associate Professor of Economics at Marist College in New York state, has recently (2015) published a book called *The Evolution of the Property Relation*. She correctly observes that

‘the importance of property is the “property relation,” rather than the concrete characteristics of the object itself.’

But she goes on to suggest that

‘property is a tri-partite relationship between the individual, the object, and the state’

— the state being the necessary enforcer.¹ She leaves out the vital element of *social* recognition, so that the property relation in her definition is not a *social relation* (unless one equates society with the state, which is surely unsound).

She also seems unaware that effective enforcement of proprietary entitlements existed long before the state — as Hoebel, Malinowski and others have demonstrated.

Let’s turn now to examine the idea of ‘wealth’ and its connection with ‘property’.

Discussion of the following slides to understand the two meanings of ‘wealth’ and the connection between them:

[see next page]

¹ *The Evolution of the Property Relation*, Part I Chapter One.



'A man of rare gifts and versatility, *William Petty* (1623-1687), though a physician by profession, simultaneously devoted himself to mathematics, geodesy, music, and ship-building. Born the son of a small craftsman, he died an English peer and a millionaire, having acquired his fortune by taking part in the partition of the lands of Irish rebels.' — I.I. Rubin, *A History of Economic Thought*, page 68.

'A man is actually and truly rich according to what he eateth, drinketh, weareth, or in any other way really and actually enjoyeth. Others are but potentially and imaginatively rich, who though they have power over much, make little use of it, these being rather stewards and exchangers for the other sort than owners for themselves.'

— Sir William Petty, 1662

Marx considered Petty the founder of modern political economy, describing his work as 'masterly'.

'As William Petty phrases it, while labour is the father of material wealth, the earth is its mother.'

(*Capital*, vol 1, chapter 1, section 2.)

Samuel Johnson's definition:

WEALTH. Prosperity; external happiness.
Riches; money, or precious goods.

This definition, in two parts, shows the two-fold sense in which the word 'wealth' is ordinarily used:

- 1) the first of the two meanings refers to wealth in its material aspect as utility;
- 2) the second refers to the prevailing social means by which people command the first.

That command is by means of property, or socially recognised entitlements to material wealth.



Samuel Johnson (1709-1784)

'After nine years of work, Johnson's *Dictionary of the English Language* was published in 1755; it had a far-reaching impact on Modern English and has been described as "one of the greatest single achievements of scholarship". The Dictionary brought Johnson popularity and success; until the completion of the *Oxford English Dictionary*, 150 years later, Johnson's was viewed as the pre-eminent British dictionary.'

— Wikipedia


The objects of the property relation ('objects of property' / 'property') are objects of material wealth. **They can include abstract objects — so-called 'incorporeal' things.**

When we read Marx and Engels and the extracts from *The German Ideology*, we'll encounter the German philosopher **Georg Hegel (1770-1831)**.

Here's a brief biographical note about Hegel.

Georg Hegel (1770-1831)

born and raised in Stuttgart; studied at Tübingen Theological Seminary, 1788-93; private tutor, 1793-1800; taught at the University of Jena, 1801-16; editor of *Bamberger Zeitung*, 1807-8; headmaster of Nürnberg *Gymnasium* 1808-16; Professor of Philosophy at the University of Heidelberg, 1816-18; Professor of Philosophy at the University of Berlin, 1818-31; died in a cholera epidemic.



For a useful discussion of Hegel and the significance of his thought, read Alex Callinicos, *Social Theory*, 2nd edition, chapter 2 (from which the above few biographical details are drawn)

Here is what Hegel had to say about abstract objects, or incorporeal 'things':

Hegel, *Philosophy of Right* (1821) § 43:

"Mental aptitudes, erudition, artistic skill, even things ecclesiastical (like sermons, masses, prayers, consecration of votive objects), inventions and so forth, become subjects of a contract, brought on to a parity, through being bought and sold, with things recognized as things. We may hesitate to call such abilities, attainments, aptitudes, etc., 'things', for while possession of these may be the subject of business dealings and contracts, as if they were things, there is also something inward and mental about it, and for this reason the Understanding may be in perplexity about how to describe such possession in legal terms, because its field of vision is as limited to the dilemma that this is 'either a thing or not a thing' as to the dilemma 'either finite or infinite'. Attainments, erudition, talents, and so forth, are, of course, owned by free mind and are something internal and not external to it, but even so, by expressing them it may embody them in something external and alienate them..., and in this way they are put into the category of 'things'."

By the "Understanding" Hegel meant the first 'moment' of every logical entity, wherein thought starts out limited by the fixed abstractions which it treats as real, but which it then overcomes by negative and positive ('Dialectical' and 'Speculative') reasoning. See Hegel's *Logic* § 79 - § 82.

[Discussion to ensure that there is a basic understanding of the idea of abstract or ‘incorporeal’ things.]

Did intellectual property exist before the state? Yes, in a rudimentary form it did exist.

Hoebel tells us that this subject first received attention in the 1920s in the writings of **Robert H. Lowie (1883-1957)**. He showed that the legal historians of his day were wrong in their view that primitive people lack the mental sophistication necessary for so abstract a conception as intellectual property.² He also pointed out that the prominence among certain peoples of what today would be called patents and copyrights, ‘reduces the dogma of a universal primitive communism to a manifest absurdity’.³

Among the aboriginal people of the Andaman islands, while there was virtually a ‘communism’ in cooking utensils, no such latitude applied to the songs composed for the occasion of a tribal gathering.

A song that has been received with applause may be repeated by request at lesser gatherings, but irrespective of its popularity no one dare sing it except the composer himself. ...

Additional examples of copyright are furnished by the Kai [people of Papua New Guinea]. Among them, as in the Andamans, a poet is the absolute owner of his composition. No one else may sing it without his consent, and usually he exacts a fee for granting it. Similarly, there is ownership of magical formulas, the instructor being entitled to compensation. Certain carvings, too, must not be copied without special leave. Even personal names are in a sense a form of patented property, so that a young man adopting a name already held presents his elder namesake with a gift by way of conciliation.⁴

Lowie went on to provide many other examples from various parts of the world, including in particular the native American ‘Indians’ of the northern Plains.⁵

In these examples, there seems to be a close connection between the exclusive entitlement and the protection of individual **status** in connection with the song, poem, magical formula, carving or personal name. While status itself provides access to material benefits or wealth, we should not exaggerate the parallels with modern property relations.

Of course, in today’s world, intellectual productions — musical compositions, songs, poems, writings of all kinds, theatrical performances on screen, technological innovations and the like — are all so vulnerable to being taken and copied by others without the inventor’s or composer’s permission, and anonymously distributed on a mass scale, that intellectual property is now clearly **dependent on law for its preservation**. Much more so in fact than the vulnerable harvest on Bentham’s field.

² Hoebel, op cit, p 60.

³ Robert H. Lowie, *Primitive Society*. 1920, p 235.

⁴ Id., p 236.

⁵ See R. H. Lowie, ‘Incorporeal Property in Primitive Society’, *Yale Law Journal*, Vol. 37, No. 5 (Mar., 1928), pp. 551-563.

Return to the slide above quoting William Petty. Note the distinction between **the objects** that make up material wealth and the means of **command** over those objects — **i.e. socially recognised entitlement to them**. This distinction will become increasingly important as we proceed through the course.

Assignment for next time: [Four pairs of volunteers.]

Think about the following questions and prepare to answer them in the next class, on the basis of what you have learned so far —

- ❖ What is the role of force in creating and protecting property?
- ❖ What role does scarcity play in providing the basis for social recognition of entitlements to objects of property?
- ❖ What does 'scarcity' mean — what does it depend on?
- ❖ Is there a distinction to be made between needs and wants?

Reminder to read the introduction and paragraphs 1-15 of the German Ideology extract for next time.

Further reading: At the end of the class, an extract from **Saggs, *The Babylonians*** handed out.