

ANDELSON TELLS IT LIKE IT IS

A critique by L. Lee Burklund, Phoenix, AZ

Dr. Robert Andelson's article on Henry George and the Reconstruction of Capitalism, appearing in the September 1992 Economic Education Bulletin of the American Institute for Economic Research should be a shot in the arm for all of us because of the clarity of Henry George's philosophy that is reflected in the article.

As Dr. Andelson indicates, the moral essence of Henry George's philosophy is what gives credence to it. The particular point test is dominant is that the basis for private property derives from a man's right to himself and, therefore, to the product of his labor. This concept is also the basis for the democratic capitalistic free enterprise private ownership system as promoted by the early classical economists.

Theoretically, each of us is entitled to the wealth resulting from our personal efforts and abilities; however, we don't receive it because private confiscation of land value, to which all people have a common right, is allowed to exist in most capitalistic societies today.

In actuality, the land is the birthright of all people. If we want to save and prosper in our democratic free enterprise society, we have to share in the rental value of the land (but, of course, not in the improvements which are personal private property), thus freeing up a larger share of real wealth (the product of labor and capital) for those who have earned it; and, at the same time, creating unlimited opportunity for employment through the vast increase in purchasing power and the beneficial result of all land being put to its highest and best use.

As Dr. Andelson points out, "George considered himself a purifier of capitalism" and George realized that, if every individual has a right to himself and the product of his labor, then we are morally bound by our God-given nature to accord the same right to others. Under this concept, it is clear that the land and other resources of nature do not fall into the category of private property because no human efforts created them.

We have erroneously treated land as private property because we have glossed over the moral philosophical distinction between the land which is produced by the Creator and the improvements which are produced by man. The right of an individual or entity to land is the right of private possession, which the individual in entity retains so long as they pay the rental value of the land to society. The rental value would be based on the highest and best use for the land.

This concept would need to be instituted gradually in most existing capitalistic societies.