

THE MAN WHO WANTED TO RAISE HELL

BY THE LATE PROF. C.R. FAY

In 1939 Prof. Fay, lecturer in economic history at Cambridge, prepared an appreciation of Henry George, to be broadcast on BBC Radio on 2nd September 1939. With the international crisis which culminated in the declaration of war on the following day, the talk was cancelled. The script was never broadcast.

GEORGE, our dictionary tells us, is a proper name derived from the Greek and meaning a labourer on the land; and as surname it has been borne by two men of world distinction, one the great statesman who now grows apples in the county of Surrey, and the other the great writer and social reformer whose birth in America a hundred years ago we commemorate tonight.

The link between them is direct. For although a Royal Commission on the Housing of the Working Classes (1885) toyed with the idea of a small tax on vacant land, nothing came of it, and it was left to Mr. Lloyd George in his People's Budget of 1909 to impose land taxes endowed with the faith that God gave the land to the people.

Another Chancellor of the Exchequer, the socialist Philip Snowden, himself more radical than the radicals, renewed the attack in the Budget of 1931, only to fail in effect as his predecessor had done. For his tax of a penny in the pound on the capital value of land required for its operation the valuation of the land, and before this was completed the economic crisis had brought a National Government into power, and the National Government dropped it. It was a piece of sharp practice in the eyes of Philip Viscount Snowden, by this time promoted to an irony of loneliness in the House of Derated Acres and Mounting City Sites.

And who will be in office 40 years from hence, namely in 1979? For that year to the disciples of Henry George will be *the* year, seeing that in 1879 their master published his famous *Progress and Poverty*, a book of which more than two million copies were printed between 1879 and 1905 - two million in 26 years, which means that it had become a Bible. When that centenary comes along, the then Chancellor of the Exchequer, it may be, will be explaining why the special tax on site values, by which all the municipalities of 1979, perhaps, will raise a portion of their rates, cannot with propriety be used for imperial purposes, and will recall as a curiosity the distant days of this present year, when Mr. Speaker ruled that the London Rating (Site Values) Bill could not be introduced except as a Public Bill, because it made so fundamental an alteration in the law of rating.

WHO, then, was this American? The son of a Philadelphia publisher, he was drawn as a youth by the spirit of romance to the sea, and to California around Cape Horn.

For this was the age of the Californian Gold Rush, when

all the world without his wife was heading for the Pacific coast. Before the mast, in his printing office, travelling the country for reporter's copy on horseback or on bicycle, as well as in his invariably unsuccessful mining ventures, he was the same sensitive man: devoted to freedom, sympathetic to suffering, intolerant of social injustice. He saw miners sweating and starving, a score of failures for every success: railroad barons battenning on monopoly: building booms, in which land values soared fantastically overnight (as they did in Florida in the 1920s) to the enrichment of the unscrupulous few: all this on the sombre background of a continent prostrated by the civil war of 1861-5.

These manifold impressions crystallised, and the crystal was his book *Progress and Poverty*. He was, however, not a man of one book, for after *Progress and Poverty* came *Social Problems* and *Protection or Free Trade*, to mention only two of his later works. *Social Problems*, published in 1884 is a fascinating little piece, and reveals his many-sidedness; for unlike Robert Owen (if I may say so), and unlike some of his own disciples, he did not freeze himself within the limits of a single thought. With him free trade, free enterprise and free access to land were parts of the larger whole of freedom, and in this he resembled Adam Smith.

His fame established, he returned to the East, where at first he was welcomed by the wealthy because they saw in his programme no challenge to business enterprise, and he all but gained the mayoralty of New York in 1894. But his strength was in writing and public speaking rather than in politics. 'I do not,' he said in reply to a leading question, 'want the responsibility and work of the office of the Mayor of New York, but I do want to raise hell.'

And his lecture tours at home and abroad were more congenial and fruitful than the political campaigning into which he was again impressed in 1897, when he was stricken by illness and died. I think of him as an American Cobbett, deriving passion from the mute appeal of the countryside, and rather lost in the tumult of the town, even though it was to townsmen that he most appealed.

WHAT WAS his programme? In his own words, 'What I propose as the simple yet sovereign remedy is to appropriate rent by taxation;' and the rent he had in mind was not that part, loosely so termed, which is interest on improvements, but the pure economic rent arising from the scarcity and situation of land, and augmented in value by the progress of society.



Through emphasis on the efficacy of such a tax by itself he and his school were dubbed 'single-taxers'. It is, however, but just to remember that in his day a Federal income tax, i.e. a tax levied by the central government in Washington, was unconstitutional. The alternative to a general tax (whether on land or income) was a mass of commodity taxation of customs and excise, which was offensive to liberty and oppressive on the poor.

When he was under fire in England, his critics quickly made the point that a land tax, being necessarily domestic, would only by indirection tax the great stream of wealth accruing from investments overseas and furthermore that it was inept to tax the employment-giving industrialist occupying a large area of land, a steel works for example, more heavily than the no less wealthy merchant enjoying a relatively tiny space and employing only a handful of clerks. Very properly, therefore, his followers of today stress the impact of the tax rather than its singleness, and rest their case on the capacity of land, and in particular of urban land, to bear a special tax over and above that which is imposed on other forms of wealth.

IN THE United States Henry George was something of a prophet without honour in his own country; and the notice of him in the new *American Encyclopedia of the Social Sciences*, though penned by a progressive democrat, closes on a chilly note: 'The practical results are slight apart from scattered attempts to shift taxation from the value of improvements to the value of land'.

In Great Britain, as I have said, the attempts to realise a part of the programme miscarried. But in the Dominions, as well as in parts of Europe, special land taxes have sometimes met with success.

Overseas, the Provinces of the Canadian West tried them and found them on the whole abortive. But in New Zealand, with its more persistent socialism, more success was won: and land taxation has probably become a permanent element of the New Zealand tax system - of the tax system; for New Zealand scholars insist that it is a tax, and not as a panacea for all social ills and economic maladjustments, that land taxation must be judged.

However, alike in New Zealand, Australia and Canada, land taxation is no longer the inspiring formula that Henry George would have desired. The place of panacea is occupied now by social credit, with Major Douglas for theorist and for practitioner Premier Aberhart of Alberta.

In England Henry George left behind the seeds of a missionary organisation; and for some time past the United Committee for the Taxation of Land Values has promoted the cause in and out of Parliament. Their writings are ardent, though necessarily when they come down to the details of finance the going is hard. But it is not intellectual difficulty which embarrasses their spokesmen when they are on the floor of the House. They are distracted rather by the chord of social memory which strikes within them as they speak. They could not have a better case than the monstrous cost of building a new roadway over the Thames, fourteen million odd, of which eleven million would go to compensate the owners of the site. Nevertheless, the eloquent mover of the Land Values (Rating) Bill of 1937 only got to his central point at the very end of his speech. For he, like others before him, felt impelled to begin with the information 'and all that', when man's green hospitals, the commons of England, were closed against him by King Henry VIII of dubious memory.

THE YOUNG Philip Snowden, when a Revenue Collector in Aberdeen, was struck by the furore which Henry George and his book created in Scotland in the early 1880s.

'No book ever written on the social problem,' he says, 'made so many converts' (*Autobiography* 1.49). Among others it gave to Keir Hardie his first ideas on socialism. And the intelligentsia of England took Henry George no less seriously. The last work of Arnold Toynbee, in whose memory Tonybee Hall in Whitechapel was founded, was two lectures on *Progress and Poverty* in 1883. The youthful Fabian Society advertised him. A.J. Balfour dissected him at an Industrial Remuneration Conference. But the sharpest opponent of all was Alfred Marshall of Cambridge, the doyen of English economists.

When Marshall was Principal of University College, Bristol, he delivered three Public Lectures on Henry George's books. Invited by Jowett to succeed Toynbee at Balliol in 1883, he was there for one year, and in the course of it engaged Henry George in a personal debate, in which the atmosphere was so electrical that ladies fainted. Henry George junior, in the brilliant life of his father, reports it at length. Suffice it here to say that during the debate Henry George felt somewhat indignant; and with some reason, for was it not Marshall's own master, Adam Smith, who wrote that landlords, like all other men, love to reap where they never sowed? Indeed, just as Karl Marx was in a sense the last of the Ricardians, so in a sense was Adam Smith the first of the land reformers; and we might without infidelity to history point to a continuous strand of reforming thought from Adam Smith through Spence and Ogilvie and Paine to the warm evangelism of the once dreaded Henry George. *Tantaene animis caelestibus irae?* (Can such anger dwell in heavenly minds?)

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