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Henry George and His Philosophy:

He Sought Equality of Opportunity to Use the Earth's Resources as Well as the End of Land Monopoly

By OSCAR B. JOHANNSEN*

ABSTRACT. The George scholars today appear to be interesting the academic community in re-evaluating *Henry George* and his ideas. George, the 19th century American economist and social philosopher, dedicated himself to ending *poverty* by giving everyone equal access to the *earth* and its *resources*. He believed that *land monopoly* could be ended by taking the *economic rent* of all land and natural resources to meet the costs of *government* in lieu of *taxes* on *labor* and *capital*. George's writings revived interest in the ethos of the *early settlers* at a time when sight was being lost of *Pioneer America's* contribution to the world's march toward *freedom*.

THOSE OF US who are interested in the economic, social and political ideas of Henry George believe that his contributions to the social sciences and social philosophy have not been adequately appreciated by the majority of scholars in the past.¹ But we are heartened indeed by the work of the George specialists of today which appears to be interesting the academic community in re-evaluating George and his ideas.² I hope that a brief survey of his background, as well as of some of his ideas, may help those interested to achieve a better understanding of George and his thinking.³

Henry George was born in Philadelphia in 1839 when Martin Van Buren was the President, and came of age when Abraham Lincoln entered the White House. George's boyhood was heavily influenced by Jeffersonian concepts of individual freedom and equality of opportunity. These ideas, the product of what some have called the American enlightenment, dominated the thinking of the pioneer settlers and, indeed, of the country right through the 1870s. Then, according to the American historian John L. Thomas,⁴ they were being forgotten and one of George's contributions—and without doubt one of the reasons for his popularity—was that he revived dedication to them, demonstrated their relevance to contemporary problems, and renewed interest here and abroad in Pioneer

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America's unique contribution to the world's march toward freedom. George attempted to impart these ideals as a newspaperman and editor in California around the time of the Civil War.

He had always been concerned with poverty. But this intensified when he came East in 1869. He had been away from the East for 13 years, and was shocked to note the growth of slums in the Eastern cities side by side with examples of incredible wealth. The result was a burning desire to discover the cause of the cancer which he felt was afflicting civilization—these extremes of poverty and wealth.

Through a fortuitous circumstance⁵ and through study, he determined what he considered to be the cause and cure of this cancer, and after this discovery, spent long years in writing, thinking and speaking about them.

In 1879 he published his views in *Progress and Poverty*, which became a best seller: over two million copies of the book were sold in America alone. Eventually it was translated into most of the languages of the civilized world. (Parenthetically, in view of the lack of knowledge of Henry George today, one wonders how many of the books were actually read by the masses.)

The answer to the riddle of poverty, as he saw it, lay in the monopolization of nature: in land speculation. By giving the land to some people and shutting others away from it, one class—the landowners—became the masters of the others, and produced this grotesque contrast of riches and poverty.

The remedy he offered was a simple one—possibly too simplistic. Since land is the base for all production, and since land represents opportunity, it was important in his eyes that all individuals have equal rights of access to the land. To accomplish this end in a sophisticated society such as ours, society should collect the full economic rent of the land. George advocated doing this by the simple expedient of taxing the annual value of the land, thus collecting the full economic rent. Such an expedient would make it economically unwise for anyone to hold valuable land idle, as he or she would have to pay as much as if the land were put to its highest use. For the value of the land—not its produce nor improvement—would be taxed. In effect, this land value tax would discourage, if not totally eliminate land monopoly, which George believed was the fundamental cause of involuntary poverty and unearned wealth.

This tax would not only encourage men to put idle land into productive use, but it would also result in huge revenues which George believed would be sufficient to pay for the needs of government. Thus all other taxes could be removed. It is because of this simple rationale that his economic ideas have become known as the "single tax."

Whether under present conditions, with the demands made on government, these ground rents would be sufficient is, of course, a question. But to George,

the purpose of collecting the full economic rent was not to obtain revenues for the government. Rather it was to create conditions of equality of opportunity. Since the tax would tend to force the price of land to minimal levels, access to land would be made relatively easy for anyone wishing to obtain land on which to produce. Since all persons require land on which and from which to live, ease of access is essential if people are to be able to utilize their God-given talents.

George was not only an excellent writer; he was a dynamic and persuasive speaker. He traveled widely, and as a result of his classic, *Progress and Poverty*, and other writings, together with his debates and speaking, the concept of a single tax on land values irrespective of improvements became a world wide movement. He became one of the most famous men of his time, but today he is hardly known.

Albert Jay Nock believed George was gradually forgotten and ignored after his death because in his desire to educate the public in what he considered to be the truth, he entered the political field.⁶ He hoped thus not only to teach, but also to put his ideas into practical effect. He ran for the office of the Mayor of New York City twice—the second time against the advice of his doctors. The campaign was so exhausting that shortly before the election on October 29, 1897, at the age of 58, he died.

Nock believed that if George had not gone into politics, his views would have received a more sympathetic hearing from the intellectuals of his time, and today knowledge of his ideas would be more widespread and the world might be better off.

Henry George had a vision, much as Moses had. Moses wished to lead his people out of the land of bondage. George, who was deeply religious, believed that the Almighty, as he had adapted means to ends so beautifully in the physical world, surely he had also created means by which the great social and spiritual ends of humanity—those of peace, harmony and good will—could be attained.

George built better than he knew. He had merely intended to solve the riddle of poverty amidst plenty, and in arriving at a solution, he almost unconsciously developed a social philosophy. As John Dewey said, "It would require less than the fingers of the two hands to enumerate those who, from Plato down, rank with Henry George among the world's social philosophers."⁷ And in this connection, it is of interest that George emphasized that any economic system had to have an ethical basis. It may be because of his deep religious faith that he believed that economics was not an amoral science, such as physics and chemistry, but rather a science which had a moral, that is, an ethical basis.

It was because of his religious convictions that he said: "It is blasphemy that attributes to the inscrutable decrees of Providence the suffering and brutishness

that come of poverty; that turns with folded hands to the All-Father and lays on Him the responsibility for the want and crime of our great cities. We degrade the Everlasting. We slander the Just One.”⁸ Far from denying us his bounty, George said, “The Creator showers upon us his gifts—more than enough for all. But like swine scrambling for food, we tread them in the mire—tread them in the mire, while we tear and rend each other!”⁹

Those of us who are enamored with Henry George and his economic and social philosophy, look to the professional scholars to study and analyze with strict objectivity what he has offered to society. We believe that if they do that, they will find much of real worth in what we like to call The Economic Philosophy of Freedom.

Notes

1. Joseph A. Schumpeter, in his celebrated *History of Economic Analysis*, investigated the attitude of the professional economists of George's time to the newcomer to their ranks. Schumpeter held that when they condemned George on the basis of his single tax proposal they “were less than just to him” (*loc. cit.*, ed. by Elizabeth Boody Schumpeter, New York: Oxford Univ. Press, 1954, p. 865).

2. Professor Frank C. Genovese has summarized some of this literature. See his “An Economics Classic and Plutology,” *American Journal of Economics and Sociology*, Vol. 43, No. 4 (October, 1984), p. 467n.

3. The most readable biographies are those of Albert Jay Nock and Anna George de Mille. The definitive one is by Charles Albro Barker; the official one is by Henry George, Jr. The work that launched the present era of George scholarship is George Raymond Geiger's masterly work on George, his times and his system of ideas, *The Philosophy of Henry George* (New York: Macmillan, 1933).

4. In his *Alternative America: Henry George, Edward Bellamy, Henry Demarest Lloyd and the Adversary Tradition* (Cambridge, MA and London: The Belknap Press of Harvard Univ. Press, 1983).

5. He was in California when, in a few decades, as a result of what the historians have called “a telescoping of history,” he saw the state pass from the pioneering stage to urban metropolitan development.

6. Nock wrote in *Scribner's Magazine* in 1933 of George that with his entrance into politics “whatever credit he may have had in America as an economist and social philosopher vanished forever, leaving him only the uncertain and momentary prestige of a political demagog, an agitator and a crank.” (In his “Henry George: Unorthodox American,” *loc. cit.*, September 1933; reprinted, Robert Schalkenbach Foundation, n.d., p. 12.) Nock repeated the condemnation in his *Henry George: An Essay*, a longer version of the article. Nock did not anticipate the current re-evaluation of George by the social science and humanities scholars. The professional philosophers like John Dewey and Bertrand Russell (Lord Russell) remained steadfast in their appreciation of his contribution.

7. “An Appreciation of Henry George” by Dr. John Dewey, (pamphlet published by Robert Schalkenbach Foundation, New York).

8. *Progress and Poverty* by Henry George (New York: Robert Schalkenbach Foundation, 1979), p. 549.

9. *Ibid.*, p. 550.