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Henry George and Shaw's Conversion to Socialism

by RHODA HELLMAN

IN 1884 George Bernard Shaw joined the Fabian Society — a group dedicated to bringing about socialism in Great Britain — and for the rest of his life took a keen interest in socialism. His concern with economic affairs was born two years earlier. Before that it had simply not occurred to him that economics had any relevance to the kind of human problems that fascinated him. The event that suddenly made him aware of the connection was a lecture by the visiting American economist. The author of *Progress and Poverty*, however, was not a socialist. He called Karl Marx "The Prince of Muddleheads," and Marx had an equally uncomplimentary view of him.

Henry George and Shaw never met, but Shaw wrote about his first and only contact: "One evening in the early 80's I found myself... in the Memorial Hall, London, listening to an American finishing a speech on the land question. I knew he was an American because he pronounced 'necessarily' — a favorite word of his — with the accent on the third syllable instead of the first; because he was deliberately and intentionally oratorical... because he spoke of Liberty, Justice, Truth, Natural Law and other strange 18th century superstitions, and because

he explained with great simplicity and sincerity the views of the Creator, who had gone completely out of fashion in London in the previous decade, and had not been heard of since. I noticed, also, that he was a born orator, and that he had small plump pretty hands.

"Now at that time I was a young man not much past 25, of a very revolutionary and contradictory temperament, never in my life having studied social questions from the economic point of view. The result of my hearing that speech and buying a copy of *Progress and Poverty* for sixpence was that I plunged into a course of economic study, and at a very early stage of it became a socialist. When I was thus swept into the great socialist revival of 1883, and spoke from that very platform on the same great subject, I found that 5/6 of those who were swept in with me had been converted by Henry George."

To this testimonial one might add that of William Morris, who said that George's book had been received in England as a new gospel; and that of Sidney Webb who said that all the seething forces for social change in England were crystalized by George.

In George's book, published in New
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York in 1879, he stated that the tremendous progress of the 19th century civilization had not had the hoped-for result of putting an end to poverty. On the contrary, he found that with increasing invention and productive capacity, the bitter gap between the rich and the poor tended to increase. As a remedy he proposed that the entire income from land be taxed into the public treasury. Ordinary taxes could then be correspondingly reduced or abolished.

George's abstract theory of land reform became tied in with the concrete land question which was then sweeping Ireland, namely, the revolt of the Irish peasantry against their English landlords. Soon he was speaking all over the British Isles. His red beard, domed forehead, very blue eyes and erect carriage, gave him, in spite of his short stature, a commanding platform presence. He was received by all sorts of important people and wrote to his wife, "I could be a social lion if I wanted, but I won't fool with that sort of thing."

It was not so much *what* he thought should be done that impressed Shaw and the other young Britishers who later turned to socialism, as the fact that he thought anything should be done at all. George possessed a quiet but remarkable personality which had the power to arouse people to new ways of thinking. Shaw's biographer, Archibald Henderson, wrote that Shaw found his way into the world of real life and high achievement "by following an insistent summons, the clarion call of Henry George."

Others, too, felt the force of George's character. His granddaughter, Agnes de Mille, wrote in her autobiography: "The most astonishing aspect of the Henry George legend was his effect on all people with whom he came into personal contact. Without exception everyone, man or woman, was

overwhelmed. He seemed to command a power, particularly in later years, that was almost mystic. Men did not merely admire; they worshipped. I have met people who differed from his theories; I have yet to meet anyone who heard him speak or who knew him and was not dazzled."

The Misconception

To Henry George it was absurd that land should be allowed to be the source of private profit. "What more preposterous," he wrote, "than the treatment of land as individual property . . . What more preposterous than that one tenant for a day of this rolling sphere, should collect rent for it from his co-tenants . . . Private property in land is a bold, bare enormous wrong, like that of slavery. The majority of men do not recognize this simply because the majority of men do not think."

Here you can see a kinship with Bernard Shaw. He too was always finding things preposterous that other people thought perfectly normal. Shaw agreed with George's reasoning, but his remedy was simply to nationalize the land — let the government own it.

George thought the rental value of land should be siphoned off into the public treasury by means of a tax. In this way the financial value of land would be nationalized and no one could profit from speculating in it; but people could still own it, hand it down to their children, and profit from whatever enterprises they conducted on it.

The chief benefit, supposedly, was that land would become more cheaply available to people who needed it; and this has actually happened where, to a certain extent, the system has been tried. But George saw a secondary advantage — that if the government got all this tremendous revenue from the land tax it could reduce, or probably dispense entirely with, other taxes

which have the unfortunate effect of discouraging production.

Shaw's objection was that landowning was not the only, or even the main, cause of unearned income, but that in a capitalistic society there are other sources of unearned profit. It is this argument that separates Henry George from Shaw and the socialists.

George did have other beliefs which partly dispose of this objection. He thought much that was loosely classed as the profits of capitalists was really due to landowning; and he thought there were at least four other kinds of unjust privileges besides landowning, which gave certain capitalists an unfair advantage. He was against the private ownership of all public utilities and transportation, including railroads. He was against protective tariffs and wrote a whole book in favor of free trade. He was against patent rights. Finally, he was against price-fixing agreements, and thought there should be what are now known as anti-trust laws.

He thought the government should manage the utilities, prevent trusts, and spend money freely for the public welfare; but he also thought it should *not* regulate wages, and that it should lay as few taxes as possible.

How did Shaw react to this aspect of George's teaching? He simply ignored it! He can't have overlooked it, because there was a whole chapter about it in *Progress and Poverty* and in George's other books. Shaw dismissed the difference in their points of view with, "He saw only the monstrous absurdity of the private appropriation of rent . . . but the remedy was not so simple." He missed his chance of being the great interpreter and critic — as with his brilliance he could have been — of what Henry George really stood for.

In *The Intelligent Woman's Guide to Socialism and Capitalism*, Shaw wrote: "America can claim that in this book

I am doing no more than finishing Henry George's job." Actually he was bringing in many socialistic concepts which George definitely opposed. Regarding socialism in the form of complete government regulation, George saw this as something that "modern society cannot successfully attempt. The only force that has ever proved competent for it — a strong and definite religious faith — is wanting and is daily growing less. We have passed out of the socialism of the tribal state, and cannot re-enter it again except by a retrogression that would involve anarchy and perhaps barbarism . . . the demagogue would soon become the Emperor."

That was really a remarkable preview of national socialism and the 20th century dictatorships.

On the positive side, both men were tremendous advocates of independence of thought, and both had great faith in the capacity of people to understand things if they only tried.

In his desire to make men think, Henry George couldn't have had a better partner than Shaw. I often feel that the Shaw societies in Britain and America, and the branches of the Henry George School, although quite different in outward purpose, actually have a good deal in common. They both seem to have some unaccountable vitality, going on and on through the years, when you might expect them to peter out and fade away. I think the reason they have this power constantly to stimulate new generations of enthusiasts is that each still reflects — at least in part — the spirit of a perspicacious, inspiring and independent-minded founder.

The foregoing is a shortened edition of a talk originally given before the New York Shavians, and repeated at the opening Friday-at-Eight program on October 8th at the Henry George School, New York.