

CHAPTER 14

UNRECOGNIZED ENDORSEMENTS

The Georgist movement has been confirmed in its faith by the encomiums of many public figures who expressed a belief in at least a good part of George's theory. Some knew and admired him, others lived earlier, or much later, but the concurrence of all in his main idea about land is striking. These testimonials reappear through the decades in excerpts printed in School brochures, or in the programs of milestone Georgist occasions. Yet they are mostly unfamiliar even to an intellectual public; for in their lifetimes the bestowers of this praise, even when contemporaries or successors to George, were not known for any particular interest in his philosophy.

Before examining the reasons for this, let us present the more important of these appraisals. It should be noted that these people favored the general principle of the land tax only, not its extreme extension into the literal "single tax."

While Colonial America held several famous forerunners of George's point of view such as Thomas Paine, the foremost of these was *Thomas Jefferson*.¹ In 1789 he wrote to James Madison:

"I set out on this ground, which I suppose to be self-evident, that the earth belongs in usufruct to the living; that the dead have neither power nor right over it. . . . This principle . . . is of very extensive application and consequence in every country . . . and it renders the question of reimbursement a question of generosity and not of right."²

One of the most surprising Georgists-at-heart to be unearthed by indefatigable Georgist scholars is *Abraham Lincoln*. He died before George, thirty years younger, was heard of, but evidently held much the same opinion of land monopoly. He wrote:

"The land, the earth God gave to man for his home, sustenance and support, should never be in the possession of any man, corporation, society, or unfriendly government, any more than the air or water, if as much. An individual, or company, or enterprise requiring land should hold no more than is required for their home and sustenance, and never more than they have in actual use in the prudent management of their legitimate business, and this much should not be permitted when it creates an exclusive monopoly. . . . A reform like this will be worked out sometime in the future."

This quotation is from *Abraham Lincoln and the Men of his Time*, a pamphlet by Robert H. Browne. In a foreword to this pamphlet William Allen White, Kansas editor and author, said:

"I believe Henry George started more men to thinking seriously and competently about public problems, and particularly problems of taxation, than any other American in one hundred years. The Lincoln pamphlet . . . is most interesting, and probably is entirely authentic. Its interest for me rises from the fact that Lincoln, who was also an original thinker, seems to have reached somewhat the conclusion Henry George reached. Lincoln and George saw the same country in their youth. They saw the same evils, and it is not strange that they should see the same solution for the evils."

In 1913 another president, *Theodore Roosevelt*, wrote:

"The burden of taxation should be so shifted as to put the weight of land taxation upon the unearned rise of value of the land itself, rather than upon the improvements, the buildings; the effect being to prevent the undue rise of rent."³

And *Franklin D. Roosevelt*, while Governor of New York, stated:

"I believe that Henry George was one of the really great thinkers produced by our country. I do not go all the way with him, but I wish that his writings were better known and more clearly understood, for certainly they contain much that would be helpful today."⁴

This endorsement is qualified and not specific. Nevertheless, it implies a greater degree of approval for George's practical program than most people would have attributed to F.D.R., whose New Deal measures ran in a different direction. It is interesting that he noted that George was misunderstood.

In England where there is a Georgist movement second in scope only to that in the United States, the land tax for a long while had the endorsement of *Winston Churchill*. His definite support of the concept lay back in his youth, but as it was very marked at the time, and as he never actually repudiated it, his early views are still of interest. For several years prior to Lloyd George's Finance Act of 1909—10, Mr. Churchill as a Liberal member of Parliament made speeches in favor of the land-taxation measures which were passed in that bill. In an address at Edinburgh in 1909 he said:

"It is quite true that land monopoly is not the only monopoly which exists, but it is by far the greatest of monopolies—it is a perpetual monopoly, and it is the mother of all other forms of monopoly. . . . The manufacturer proposing to start a new industry, proposing to erect a great factory offering employment to thousands of hands, is made to pay such a price for the land that the purchase price hangs around the neck of the whole business . . . and the land profits strike down through the profits of the manufacturer on to the wages of the workman. . . .

"The municipality wishing for broader streets, better houses, more healthy, decent, scientifically planned towns is made to pay in proportion as it has exerted itself in the past to make improvements. The more it has improved the town, the more it will have to pay for any land it may wish to acquire. . . .

"All goes back to the land, and the landowner, who, in many cases, in most cases, is a worthy person utterly unconscious of the character of the methods by which he is enriched, is enabled with resistless strength to absorb to himself a share of almost every public and every private benefit, however important or however pitiful these benefits may be."

In a speech in the House of Commons he had noted the difference between speculation in land, and other forms of business speculation:

"The operations are entirely dissimilar. In the first speculation the unearned increment derived from land arises from a wholly sterile process, from the mere withholding of a commodity which is needed by the community. In the second case, the investor in a block of shares does not withhold from the community what the community needs. The one operation is in restraint of trade and in conflict with the general interest; while the other is part of a natural and healthy process by which the economic plant of the world is nourished and from year to year successfully and notably increased."⁵

As far as content goes, these excerpts could be straight out of *Progress and Poverty*. But with the advent of World War I, Churchill lost interest in land value taxation, which had twice been defeated in Parliament since 1910. In 1928, as the Conservative Chancellor of the Exchequer, he turned his back on it completely, proposing a budget with various other taxes, and exempting land.

At no time did he offer any explanation of why he had altered his stand, though British Georgists pressed him to such an extent that he must have wished he had never mentioned the subject. He never once denied the validity of what he had formerly recommended.

In 1917, answering a heckler during the Dundee by-election, he said:

"I have made speeches to you by the yard on the taxation of land values, and you know what a strong supporter I have always been of that policy."

There is a rumor that much later he said, "Show me a following, and I'll sing the Land Song with you tomorrow." An exact reference for this jolly phrasing is unavailable. The following exchange, however, is recorded in the *House of Commons Debates* for April 9, 1946:

Mr. Dalton, Chancellor of the Exchequer: "In 1909, thirty-seven years ago, David Lloyd George introduced a famous budget. Liberals in those days sang the Land Song—'God gave

the land to the people.' I think the Right Honorable Member for Woodford (Mr. Churchill) used to sing that song." Mr. Churchill: "I shall sing it again."

Another country which—in its pre-Communist days—had a prominent land-tax spokesman was China. *Sun Yat-sen*, called the Father of the Chinese Republic, started out as a Marxist, but later rejected the idea of the class struggle. He had studied in America, and George's philosophy, representing to his mind a compromise between socialism and individualism, attracted him profoundly. As head of the Nationalist party, the Kuomintang, he announced that "the teachings of Henry George will be the basis of our program of reform." In his *Three Principles of the People*, the third, the "Principle of Livelihood" clarifies just what he absorbed from George. In it Sun said that land should be carefully assessed and taxed in exact proportion to its value—something that was unheard of in China. He did not, however, advocate taxing land to its full value, as George did.⁶

His leadership bore no practical fruit in this respect as he was soon supplanted by the Chinese war lords; but his ideas influenced the Kuomintang. Wang Ching-wei, successor to Sun, said in 1927 to an American interpreter: "Sun Yat-sen, as you know, was greatly influenced by your American radical, Henry George. . . . His program, which is ours, means three things: Henry George's method of assessing land, definite laws against monopoly under private ownership, and government ownership of large public utilities."⁷ However, Chiang Kai-shek, the next leader, did not carry out these reforms.

The other great country to turn to Communism also has an earlier Georgist spokesman—this time not a statesman but an author.

Throughout the latter half of his life *Leo Tolstoi* was a champion of Henry George's proposal. He helped edit the Russian translation of George's books, and praised the land tax in articles, conversations, personal letters and even in a novel, *Resurrection*. This is all the more striking in that he never took

up any other economic cause. The *Encyclopaedia Britannica* says of him: "He did not believe in the possibility of reform in the accepted sense of the word. . . . The only practical measure he advocated was the solution of the land question by means of the land tax of Henry George."

Tolstoi complained that George was soft-pedaled in the United States, and upon receiving American visitors would eagerly inquire if their compatriots had awakened to the significance of the great man among them. The two never met, but in 1896, the year before George's death, they exchanged letters in which both mentioned a belief in immortality. In 1906 Tolstoi was delighted to receive a visit from Henry George, Jr. Sensing that he had not much longer to live, he said: "I shall be seeing your father before you do. Have you any message for him?"—and the son answered to tell his father that he was continuing his work.

Belonging to the landed nobility, Tolstoi was in a position to note the extortions which this class often imposed on its poverty-stricken tenants; and he was greatly affected by the peasant misery around him. Finally, according to his daughter, he renounced his estates, due to George's influence.⁸

The landholding question was so flagrantly the main economic problem of Tolstoi's own surroundings that it was natural for him to be drawn to a solution which, like George's, gave absolute precedence to it. He was not alone in his opinion. It grew out of a matrix of ideas regarding not only the importance of land, but the soundness of George's proposal. *Progress and Poverty* had interested non-Marxist democratic circles in Russia from 1880 on, and George's influence among the agrarian Populists was at its height in the years 1900-1910. This party, unlike the industrial-minded Marxists, felt that since over 80% of the Russian people were peasants, the land problem was the supreme one, and their economists, though not agreeing with George's entire theory, were on the whole sympathetic to it.⁹

The following excerpts are from *A Great Iniquity*, a letter written by Tolstoi for the *Times* of London in 1905 and reprinted as a pamphlet:

"People do not argue with the teaching of George, they simply do not know it. . . . He who becomes acquainted with it cannot but agree.

"Of all indispensable alterations of the forms of social life there is in the life of the world one which is most ripe. . . . This alteration is not the work of Russia alone, but of the whole world. All the calamities of mankind in our time are connected with this condition. . . . This sin (of land ownership) can be undone, not by political reform, nor Socialistic schemes for the future, not by revolutions in the present, and still less by philanthropic assistance or governmental organization for the purchase and distribution of land among the peasants. . . .

"The method of solving the land problem has been elaborated by Henry George to such a degree of perfection that *under the existing state organization and compulsory taxation*, it is impossible to invent any other better, more just, practical and peaceful solution."

To Tolstoi there was a universal black-and-white distinction between the exploiters and the exploited as exemplified in his own landholding surroundings: he had no experience of a capitalistic society where a man might be a little of each. The foundations of his belief in the tax were simply a perception of the land problem around him, and a deep faith in Henry George.¹⁰

On the strictly economic side his endorsement is thus not impressive. But both the magnitude of his genius and the long consistency with which he affirmed his views make him the outstanding example of George's impact upon a creative artist. And in view of the revolution which was to come eleven years later, what he wrote in 1906 is worth thinking about:

"The only thing that would pacify the people now is the introduction of the land value taxation system of Henry George."

The pro-George tradition in Russia was later supported by *Alexander Kerensky*, head of the second Provisional government after the overthrow of the Czar. But his short tenure gave him no chance to carry out the land reform which he afterwards claimed might have saved Russia from Communism.

A third country that later fell to totalitarianism also produced an upholder of the Georgist philosophy. *Bruno Heilig*, an Austrian who was editor or foreign correspondent of newspapers in Austria, Germany and elsewhere for thirty years, witnessed the eclipse of the Weimar republic, the rise of the Nazis and, as a prisoner, the horrors of Dachau and Buchenwald. In an article, *Why the German Republic Fell*, he wrote:

"Numberless articles and books have been published on the subject of Hitler's career and Germany's turning to barbarism. . . . Liberty was thrown away, and democracy became rubbish . . . How did it happen, how *could* it happen?"

The true explanation, according to Heilig, lay in the economic forces that were disrupting Germany from within. In 1924 a tremendous building boom had started. Skyscrapers went up a story a day. Prices of land soared, with speculators trebling their fortunes overnight. In the rural districts the military nobility, the Junkers, owned half the agricultural land. In return for their support of him, Hitler left undisturbed the power sources of the industrialists and Junkers. But the people were desperate, unable to pay the rising costs of building materials and of food. All profits had gone to the landowners.

"Germany, it seems to me, has provided a striking example supporting the theory that the private appropriation of the rent of land is the fundamental cause of industrial depression and of distress among those who labor in the production of wealth—the theory expounded by Henry George in his *Progress and Poverty*. Was there a link between the economic and the political collapse? Emphatically, yes. For as unemployment grew, and with it the poverty and the fear of poverty, so grew the influence of the Nazi Party which was making its lavish promises to the frustrated. It was as if history had been written in advance. In the chapter 'How Modern Civilization May Decline' there is hardly a page or a paragraph which does not apply almost literally to the happenings in Germany itself."¹¹

The implication of the three foregoing sections, that land-tax reform might have saved the respective three nations from

totalitarianism, lead one to consider what socialists think of the Georgist philosophy.

Karl Marx himself, though mostly opposed to George's theory was, as has been shown, in agreement with him as far as the land question went. Many passages in his writing attest to it, such as this from *Capital*:

"From the point of view of a higher economic form of society, the private ownership of the globe on the part of some individuals will appear quite as absurd as the private ownership of one man by another . . . The capitalist performs at least an active function . . . But the landowner has but to capture the ground rent created without his assistance."¹²

George Bernard Shaw's debt to George is perhaps the best known, and is commented on elsewhere in this book. Although Shaw, unlike George, later thought that a tremendous amount of unearned income arose from the very nature of capital enterprise, he never forsook his perception of the co-existent importance of the land issue. In *Fabian Essays in Socialism* he said: "What the achievement of Socialism involves economically is the transfer of rent from the class which now appropriates it to the whole people."¹³

Another British socialist sharing the same view on land was the philosopher *Bertrand Russell*, who wrote: "No good to the community, of any sort or kind, results from the private ownership of land. If men were reasonable, they would decree that it should cease tomorrow."¹⁴

And *Norman Thomas*, longtime head of the Socialist party in the United States, expressed as early as 1933 a stand which he was reiterating a dozen years later: "I think socialists might well adopt Henry George's principle that the rental value of land apart from improvements belongs to society and should be taken by a tax. The tax, however, should not be a single tax."¹⁵

As late as 1959 he repeated: "I am a Socialist and not a single taxer, but Henry George's position that the rental value of land belongs to society is uncontroversial, and his method of a land value tax is, at least in urban areas, the best way I know to assert the principle that land is a social resource."

Another prominent modern American who consistently expressed his faith in George's principles was the philosopher and educator, Professor *John Dewey*. Professor Dewey was the honorary President of the Henry George School from its founding in 1932 until his death twenty years later. He was in his seventies when he became president, and was affiliated with countless other organizations; his attitude towards the School itself seems to have been gracious but remote.

Nevertheless, he was the most explicit of prominent American endorsers of George's philosophy. In a radio address given over WEVD in New York in 1933 he said, in part:¹⁶

"The one thing uppermost in the minds of everybody today is the appalling existence of want in the midst of plenty. . . . Henry George called attention to this situation over fifty years ago. . . . The contradiction . . . is stated in the title of his chief work, *Progress and Poverty*.

"Only a few realize the extent to which speculation in land is the source of many troubles of the farmer, the part it has played in loading banks and insurance companies with frozen assets and compelling the closing of thousands of banks, nor how the high rents, the unpayable mortgages and the slums of the cities are connected with speculation in land . . .

"So with taxation. There are all sorts of tinkering going on, but the tinkers and patchers shut their eyes to the fact that the socially produced annual value of land—not of improvements but of ground-rent value—is about five billion dollars, and that its appropriation by those who create it, the community, would at once relieve the tax burden and ultimately solve the tax problem . . ."

The salient feature of this speech was its belief in the pervasiveness of the land problem. Over and over again, in parts omitted as well as those quoted, Dewey made it clear that he thought the entire economic fabric—not taxation alone—is pulled awry by the fact that the land-profits accrue to private individuals. Another important aspect of the speech was its date: 1933. This was at the time of the New Deal, and some of the economic chaos noted by the speaker has since been relieved by unemployment relief, minimum-wage laws, steeply pro-

gressive income taxes, and so on. But it was precisely Dewey's point that these artificial remedies would prove less satisfactory than living by what he considered a natural, automatic law.¹⁷

"The fact that Henry George has an ardent group of disciples who have a practical program for reform of taxation has tended to obscure from the recognition of students of social theory that his is one of the great names among the world's social philosophers. It would require less than the fingers of the two hands to enumerate those who from Plato down rank with him."

Robert M. Hutchins is another educator who has upheld the general concept of the land tax.¹⁸ Other well-known comparatively modern figures who have done the same include Judge Samuel Seabury, Dr. Karl Menninger, Raymond Moley and the writers Louis Bromfield, Harry Golden, Eric Hoffer, and Aldous Huxley.¹⁹ The approval and contribution of Senator Paul Douglas of Illinois is cited elsewhere in this book.

With the possible exceptions of George Bernard Shaw and Tolstoi, none of the people mentioned in this chapter is apt to be associated with George's ideas in the mind of even the most well-educated person. This is surprising in view of the notability of some of these endorsers: four American presidents; Winston Churchill; the liberal heads of Russia and China before those countries swung to Communism.

And yet one might argue that, when set against their major careers, the interest of such world leaders in the land tax has been relatively casual, and that it is not astonishing that their words on it got lost from view.

This would scarcely account, however, for the neglect accorded by historians, journalists and others to the land-tax advocacy of several lesser figures who were consistently interested in the land question over a long period of time. When John Dewey's ninetieth birthday was celebrated in 1949 with a three-day program, a half-dozen New York City educational institutions were represented, but not the Henry George School of which he was titular head; nor was the School named in a long *New York Times* obituary three years later, though fifteen

other organizations, as well as the philosopher's championship of quixotic, unpopular causes was cited. When Judge Samuel Seabury died in 1958, a *Times* obituary amply covering his life didn't even mention his membership in the Manhattan Single Tax Club, let alone the fact, as recorded in a biography of him, that he owed the inspiration for his career to Henry George.²⁰ When Norman Thomas died in 1968, an article of over a full *Times* page found no room for the fact that the great Socialist had made a number of statements such as, "I think socialists might well adopt Henry George's principle that the rental value of land . . . belongs to society."

Why is there this discrepancy between the really quite notable support of the land-tax theory, and the public knowledge thereof?

Georgists have sometimes claimed that the press deliberately soft-pedaled anything relating to Henry George as passé or unnewsworthy. Or they asserted that the prominent people themselves did not wish to be counted on the side of an unpopular thesis that would not enhance their personal standing. Occasionally there may be something to this latter interpretation. But the fundamental cause would appear to be less self-seeking:

If highly-placed support for the land tax does not voluntarily invite much publicity, and if it often melts away at the approach of the determined Georgist who tries to pin it down, it is not so much that the well-established person lacks the courage of his convictions as that his convictions embrace only a portion of the theory. This being so, he may feel that public statements of support might be misinterpreted and over-extended by enthusiastic Georgist advocates. For just because a man favors the general concept of the land tax doesn't necessarily mean that he thinks *all* land profits should be taxed away, or all forms of other taxation reduced as much as possible, or even that all "improvements" should have taxes lowered.

An editor of the *Christian Science Monitor* may once inadvertently have shed some light on this subject. "I hesitate to print anything approving of Henry George," he said. "If I do,

twenty-five Georgists write me, and fifteen come into the office. They are nice people, but they crowd you a little."

Even those public figures such as Seabury, Dewey and Norman Thomas who specifically endorsed urban land value taxation were doubtless more attracted to the larger general principles of land reform, and were not inclined to be identified with a non-professional group bent on a narrower, not entirely satisfactory and legislatively difficult goal.