

AN AMERICAN ECONOMIST WHO HAD A THEORY FOR ABOLISHING POVERTY

Ninety-four Years Ago Today Henry George Was Born at Philadelphia—He Struggled With Adversity Nearly All His Life, Studied Political Economy and Finally Wrote a Book, "Progress and Poverty"—Holding That Land Was the Source of All Wealth, He Advocated Its Benefits Would Be Equally Distributed Under His "Single Tax" Plan.

HE came unto his own and his own knew him not" might well have served as an epitaph for Henry George, the American philosopher, economist and apostle of the single tax, the anniversary of whose birth is being recalled today, in the midst of a national recovery movement that re-echoes many of the humanitarian principles for which he fought so futilely in his own country. America was not responsive to his voice in so far as the adoption of his theories of progress and poverty was concerned. But his books were translated into nearly every foreign language, and in many countries beyond our borders his land theories were actually tried out and in some they are still, in somewhat modified form, in actual operation.

Born in Philadelphia, September 2, 1839, Henry George was 40 years old when he left his adopted state of California, where he had gone to try his fortunes as a youth of 19, hoping to find in New York a publisher for his book, "Progress and Poverty." It had been ten years in incubation—ten years of study of the world's great economists and their systems, ten years of slowly formulating thought and exploration directed to the end of finding some basic principle to relieve poverty and to equalize the distribution of the world's wealth. He found it, as he fondly believed, in the reorganization of land tenures, in the equalization of the tax systems in vogue, and in the abolition of land monopolies. But, more than that, he aimed radically to overturn a system whose operation had resulted in increasing the wealth of the few and the poverty of the many. His basic formula was the "single tax on land," but his humanitarian philosophy, as time went on, took a far wider range.

A PLAN FOR ABOLISHING POVERTY.

There was nothing communistic in Henry George's land theories. One of the first attacks he had to meet from the conservatives was that he was in favor of "taking away the land from the rich and redistributing it to the poor." But George's theories were purely economical ones, based upon the known principles of political economy and expressed in the terminology of the economists. Man, he held, is a land animal and cannot maintain himself without the land. Its benefits should be shared by all. "Poverty deepens as wealth increases," he said in his "Progress and Poverty," "and wages are forced down while productive power grows, because land, which is the source of all wealth and the field of all labor, is monopolized." To prevent the accumulation of large areas of unused lands in the hands of the wealthy, he advocated the imposition of the tax or rents upon the lands alone and a release of improvements from taxation. This is stating his theory rather baldly, but in his own clear language—and he wrote with remarkable clarity—he explained what he meant by "common ownership of land."

"No one would sow a crop, or build a house, or open a mine, or plant an orchard, or cut a drain, so long as anyone else could come in and turn him out of the land in which or on which such improvement must be fixed," he wrote. "Thus it is absolutely necessary to the proper use and improvement of land that society should secure to the user and improver safe possession. We can leave land now being used in the secure possession of those using it, on condition that those who thus hold land shall pay to the community a rent based on the value of the privilege the individual receives from the community in being accorded the exclusive use of this much of the common property, and which should have no reference to any improvement he had made on it, or to any profit due to the use of his labor and capital. In this way all would be placed on an equality in regard to the use and enjoyment of those natural elements which are clearly the common heritage of man."

THE SEED OF SINGLE TAX IN ADAM SMITH:

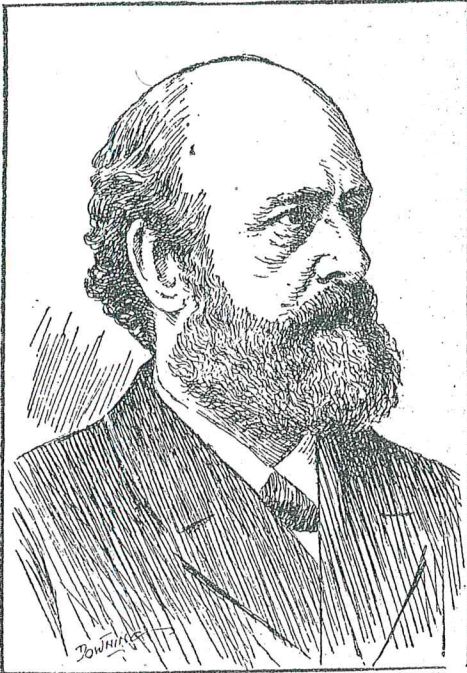
This, in brief, is Henry George's famous "single tax" theory. The seed of it, he said, he found in Adam Smith's "Wealth of Nations," a book whose influence upon the science of political economy has been held almost equal to that of the Bible on religion. Adam Smith laid down the basic proposition that "all wealth comes from the soil." Henry George took that dictum as a starting point and evolved his new and rather startling theory that the benefits of the soil should be shared by all the people. By an elaborate system of economic logic he sought in his "Progress and Poverty" to demonstrate the then novel theory that by getting rid of all other systems of taxation and making the land bear all the taxes, monopoly and specialized wealth would be abolished, poverty and want eliminated and equality of opportunity restored.

"Well may the community leave to the individual producer all that prompts him to exertion," he argued. "Well may it let the laborer have the full reward of his labor, and the capitalist the full return of his capi-

tal. For the more that labor and capital produce, the greater grows the common wealth in which all may share. And in the value or rent of land is this general gain expressed in a definite and concrete form. Here is a fund which the state may take while leaving to labor and capital their full reward.

"To shift the burden of taxation from production and exchange to the value or rent of land would not merely be to give new stimulus to the production of wealth; it would be to open new opportunities. For under this system no one would care to hold land unless

to use it, and land now withheld from use would everywhere be thrown open to improvement. With natural opportunities thus free to labor; with capital and improvements exempt from tax, and exchange released from



HENRY GEORGE, THE AUTHOR OF "PROGRESS AND POVERTY," IN WHICH HE SETS FORTH HIS TAXATION THEORIES.

restrictions, the spectacle of willing men unable to turn their labor into the things they are suffering for would become impossible; the recurring paroxysms which paralyze industry would cease; every wheel of production would be set in motion; demand would keep pace with supply, and supply with demand; trade would increase in every direction and wealth augment on every hand."

When Henry George tried to get a publisher for his book in New York he found only refusal. None that he brought his manuscript to would accept it. Finally he went to one with a unique proposal. A printer himself, he proposed to set up the copy and deliver stereotyped plates to the publisher if they would undertake the publication of his book. This proposal it was hard to turn aside and actually in this manner "Progress and Poverty" saw the light of print.

The novelty of the single tax theory won attention from the economists. It stirred up discussion, argument, opposition. George was denounced as a radical, a theorist and a dreamer. But it wasn't long before such thinkers as John Stuart Mill, the English utilitarian philosopher, and the professors of economics in American universities began to take notice of the book. The publisher awoke to realize that a real "find" had been forced upon his house. The book finally reached a sale of 3 million copies and started economic arguments all over the world. It is today one of the text books of the tax reformers.

POVERTY HIS OWN LOT.

Poverty, the thing that Henry George fought, he had known practically all his life. George was not a money maker under the system he attacked. There was an element of the dreamer in him—and perhaps of the wanderer—but it was counterbalanced in the end by his logic, his philosophy and his real love of humanity. His honesty and sincerity were never questioned even by those who were most bitterly opposed to his economic innovations. He came to be acknowledged as a great student of economic and political problems by men whose names were celebrated in such pursuits.

He went to England and lectured upon his theories at Leeds, Oxford, Cambridge and Hull. During his stay at Oxford he was the guest of Prof. F. Max Muller. The young landed aristocrats at Oxford gave him a bad quarter of an hour; the lecture became almost a speech from the hustings. But George stood his ground and saner heads came to his rescue. Returning home, George published a book on "Protection or Free Trade," the topic of the day, and brought his beliefs as a free trader in consonance with his single tax theories. This naturally carried him into politics. He was twice nominated for mayor of New York, defeated the first time and died in the midst of his last campaign, in 1897.

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Henry George was largely a self-educated man. He was forced to leave school at an early age in his native city of Philadelphia, but he had acquired even then a passionate love of reading and an eager curiosity for scientific and economic research. At 17 he went on a voyage to India and Australia, where he began to note social conditions critically. Returning to America he learned the printer's trade. At 19 he went to California. There he married Annie Fox, an Australian girl. At that time a lone dollar in his pocket was the sum of his wealth. But the next day he got a job on a San Francisco newspaper and it wasn't long before his brilliant style of writing won him recognition.

He became a managing editor, then a magazine writer, later a public lecturer, and still later a social philosopher interested in all schemes for public welfare. His name became almost a synonym for "intellectual honesty, idealistic service for mankind and deep sincerity of purpose." From his books and his lectures he earned a competence, but to the end of his life he amassed no great wealth. He realized that his entrance into politics in New York was a mistake, that he had been argued into it by earnest reformers and that its objectives were really quite aside from his economic aims. He died generally recognized as one of America's greatest thinkers and humanitarians. To the end of his life he believed implicitly in the truth and the inevitability of his doctrine.

HIS FAITH IN HIS DOCTRINE.

"The more you study this question," he said in one of his later utterances, "the more you will see that the true law of social life is the law of love, the law of liberty, and the law of each for all and all for each; that the golden rule of morals is also the golden rule of the science of wealth; that the highest expressions of religious truth include the widest generalizations of political economy. . . . The reform I have proposed accords with all that is politically, socially and morally desirable. It has the quality of true reform, for it will make all other reforms easier. . . . The truth that I have tried to make clear will not find easy acceptance. If that could be, it would have been accepted long ago. But it will find friends—those who will toil for it, suffer for it, if need, die for it. Will it at length prevail? Ultimately, yes. But in our own times, or in times of which any memory of us remains, who shall say?"

J. P. G.

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