

Einstein on Henry George

IN a letter to Mrs. Edmund C. Evans, of Bryn Mawr, Pa., Professor Albert Einstein gives his opinion of Henry George. His letter, translated from the German, is printed here, with the kind permission of Mrs. Evans:

CAPUTH B. POTSDAM, Aug. 10, 1931.

My Dear Mrs. Evans:

I read the largest part of the book by Henry George with extraordinary interest, and I believe that in the main points the book takes a stand which cannot be fought, especially as far as the cause of poverty is concerned. As far as I can judge, the views propagated in this book coincide completely with the results of Franz Oppenheimer, a contemporary, who evidently found them independently. I do not agree with the theory of interest.

The suggested remedy of public ownership of the soil seems to be more a problem than a solution. Is it intended, for instance, that the soil is to be the property of the community and the house on the soil private property? Anyhow, it seems to be of the highest importance that the character of the evil was shown clearly. Already for this reason it would be important if the book would find due consideration.

With esteem,

A. EINSTEIN.

To this Mr. Samuel Danziger, of Baltimore, has replied as follows in the Press Bureau of the American Economic League:

Professor Einstein's statement that he has read "the largest part" of "Progress and Poverty" implies that there was still a part he had not read at the time this letter was written. This must have included the division entitled "Application of the Remedy," as otherwise he would hardly have asked the question in his last paragraph. If he has since read it he has found his answer. This, in brief, is that, without disturbance of existing titles, the rental value of land, aside from the value of improvements, must be taken through taxation for public use. Concerning the owners George states: "We may safely leave them the shell if we take the kernel." Ownership of houses and other improvements would be more secure than at present, since all taxes would be removed.

Dr. George Raymond Geiger, of the University of North Dakota, has addressed the following letter to Dr. Einstein, which we have permission to print:

My Dear Dr. Einstein:

I have had the great privilege of seeing a letter of yours (to a Mrs. E. W. Evans) in which you express your appreciation of Henry George's "Progress and Poverty." Your sincere interest in social problems is, of course, well known, and it is indeed a welcome sign when physical scientists concern themselves with such problems, for they must realize that unless the world's economic and political difficulties are solved, physical science may find itself without a social world in which to operate.

You state your recognition of the importance of the land problem and realize the similarity between George's work and that of the German "Bodenreformers"), but you wonder whether the "suggested remedy of public ownership of the soil seems to be more a problem than a solution," and you ask, "Is it intended, for instance, that the soil is to be the property of the community and the house on the soil private property?"

May I respectfully call your attention to the fact that the "single tax" does not imply "public ownership of the soil." Permit me to quote George's own words here, for I think they express clearly his answer to this difficulty, a difficulty which is very often raised by his readers:

"To treat land as a common, where no one could claim the exclusive

use of any particular piece, would be practicable only where men lived in movable tents and made no permanent improvements, and would effectually prevent any advance beyond such a state. . . . 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, and leave land now unused to be taken possession of by those who wish to make use of it." ("Protection or Free Trade," pp. 279-281.)

"Everything could go on as now, and yet the common right to land be fully recognized by appropriating rent to the common benefit. There is a lot in the center of San Francisco to which the common rights of the people of that city are yet legally recognized. This lot is not cut up into infinitesimal pieces, nor yet is it an unused waste. It is covered with fine buildings, the property of private individuals, that stand there in perfect security. The only difference between this lot and those around it is that the rent of the one goes into the common school fund, the rent of the others into private pockets. What is to prevent the land of a whole community being held by the people of the country in this way?" ("Progress and Poverty," pp. 397-398.)

"I do not propose either to purchase or to confiscate private property in land. . . . Let the individuals who now hold it still retain, if they want to, possession of what they are pleased to call *their* land. Let them continue to call it *their* land. Let them buy and sell, and bequeath and devise it. We may safely leave them the shell, if we take the kernel." (Ibid., p. 400.)

That kernel is economic rent, land value. In other words, economic *rent*, land *value*, and not *land*, is to be "common property." George felt that the collection of such value through taxation would be a fruitful fusion of "socialism" (i. e., of a social product, land value) and of "individualism" (i. e., of the products of labor). (I might add that your criticism of George's theory of interest is accepted by many of his followers.)

You may be interested to know that my doctorate at Columbia University was on "The Philosophy of Henry George." I expect to have published this year an enlarged and revised edition, emphasizing the relation between ethics and economics, and with an introduction by Professor John Dewey. I shall be glad to send you a copy.

I trust you will not think me impertinent for sending you such a long letter, but I appreciate very deeply your interest in the land problem and in the work of Henry George, and I have taken the liberty of suggesting this interpretation of "common property" which possibly you may have overlooked.

Very sincerely yours,

GEORGE RAYMOND GEIGER.

To which we add this further extract from Henry George:

"We propose—leaving land in the private possession of individuals, with full liberty on their part to give, sell or bequeath it—simply to levy on it for public uses a tax that shall equal the annual value of the land itself, irrespective of the use made of it or the improvements on it. And since this would provide amply for the need of public revenues, we would accompany this tax on land values with the repeal of all taxes now levied on the products and processes of industry—which taxes, since they take from the earnings of labor, we hold to be infringements of the right of property."

THE following verses were written by the late R. L. Outhwaite:

The Land Lords of England are chasing their foxes;
The "Heroes" of England are shaking their boxes;
The Land Lords of England draw millions in rents;
The "Heroes" of England are begging for cents.
They fought for "their country," though none may regret it.
The question remains, Why the h—l don't they get it?