

## Progress and Poverty Lasts

By V. G. PETERSON

IN considering the appearance of this 75th anniversary edition of *Progress and Poverty* three questions arise:

- (1) Why has this book lived so long?
- (2) What has been its influence?
- (3) What is its future?

*Progress and Poverty* is a California product. To this great state, then a new state, the author, Henry George, came in 1858 seeking his fortune. He made his home here in San Francisco and in your neighboring suburbs. Here he took his bride; here all of his children were born. Here he saw what few men are able to see: that is, the growth of a civilization from the primitive first settlement to a great city. Here the question of poverty in the midst of progress began to plague him. Here the answer to that question was made clear to him, as he rode across the brown hills that rim your city and learned that a single man owned the land as far as the eye could see.

The book was of its time and place. In the sixties and seventies land grabbing abuses coupled with the extravagant grants which Congress gave to railways, were arousing public anger. Labor was making its first great protest against exploitation by the employing class. But it was more than that.

It was a great human document, a powerful statement of popular indignation against economic inequality; it put into words man's aspi-

ration for a better way of life. It appealed not only to the mind of man, but to the heart of man. Even its critics recognized its great appeal. In 1885 Professor Ely wrote:

"Tens of thousands of laborers have read *Progress and Poverty* who never before looked between the two covers of an economic book, and its conclusions are widely accepted articles in the workingman's creed."

Samuel Gompers has described how men read and discussed the book in their workshops, and another man termed it as "the holiest bible the workingman ever received."

*Progress and Poverty* lived because, like a few other great human documents, it spoke to the hearts of the people; it gave dignity to the status of the workingman; it set no man against another man, no class against another class. It believed in God, and in a just God. It was the voice of the New Democracy, crying out against the abuses of an old and feudal Europe.

### Still a Best Seller

For all these reasons *Progress and Poverty* has lived to be read by millions, to be translated into all the civilized tongues and to appear now in this mid-twentieth century in a new edition.

What, then, has been the influence of this great book which so appealed to the hearts of men, and so moved them?

The influence of a man, or a book, is not necessarily to be counted in a single act, a single piece of legislation which may rock the world, but in the various ways in which the thought spreads.

Calling attention as it did to the importance of land in the national economy, George's book had an almost immediate influence on the wasteful practices of disposing of public lands, then being perpetrated. To such men as George and James McClatchy, the founder and first editor of the Sacramento Bee, may be traced a measurable part of the credit for the federal homestead law. To George and his followers must go the credit for the better features of our present conservation program.

To such men as George and those who took up his work must go the credit for exposing many of the theoretical and administrative defects of the general property tax; of wiping out in many states the iniquitous poll tax; of relaxing the rigid tax clauses of many state constitutions; of making juster and more efficient the administration of taxes, of directing attention to the social effects of taxation.

Up to 1880 political economy in the United States suffered inexpressibly from public indifference and the few experts in the subject had things their own way largely because no one cared enough to contest or even to criticize the conclusions they might reach. That men began to see and to feel the vital importance of industrial relations and that economic questions began to take precedence over all others in the public thought, was in no small measure due to the tremendous circulation of *Progress and Poverty*. It exploded the fiction that economic works must necessarily be dry reading. Professor Ely, writing in 1886 said:

"One may object to Henry George's teachings—as I do most decidedly—and yet rejoice at the good which his works are doing in stimulating the thoughts and promoting the generous aspirations of the people. It would, indeed, not be an easy matter to

overestimate the educational value of that one work, *Progress and Poverty*. A not inconsiderable part of the present wholesome growth of interest in economics is due to its publication."

Why George did not more directly influence the professional economists of his day has always been a moot question.

Scholars of that day were then making an effort to replace the theories of the Smith, Ricardo, Mill schools with views consonant with the latest scientific principles—views based on data and facts rather than on standards and values. Perhaps George's deliberate fusion of

economics with ethics struck them as rank heresy, being contrary to their painful attempts to divorce the two disciplines. Perhaps his proposed remedy of taxing land values to the exclusion of all other taxes appeared to them as unscientific, and in view of this great popular appeal, dangerously demagogic. We know that the situation between George and the professors was worsened in March 1880, when in a lecture on the nature of political economy delivered at your University of California he charged that men went through the whole educational machinery and came out learned fools, crammed with knowledge which they could not use, and after this denunciation appealed to the students to think, and to think for themselves.

For direct examples of legislation applying the Georgist principle of taxing land at a greater rate than improvements, or in lieu of improvements, we can point in the United States to Pittsburgh and Scranton, to the three small enclaves of economic rent—Fairhope, Alabama; Arden, Delaware; and Free Acres, New Jersey, and here in the West to the irrigation districts of California and other western states. Abroad we know that the Georgist principle has directly and importantly influenced the taxing policies of Denmark, Australia, New Zealand, South Africa, and that it is practised in Canada.

#### ***The End Is Not Yet***

What then, is the future of this book that has survived seventy-five turbulent years? It will survive because, as in the past, it will continue to talk to the hearts of men, because it will continue to remind men of the dignity of the human person. It will survive because it will continue to remind men that in the final analysis it is society, men themselves, that make governments, and not governments that make societies and men. It will survive because it is a way-shower.

We know that two great world wars have diverted the minds of men. That a great depression has sent them scurrying after expedients and that long-term social good, such as Henry George worked to achieve has been sacrificed to the pressures and fears of the hour. We know that in this long period of suffering, much that George never wanted or stood for is attributed to him. He is thought of as a land nationalist. George was not for land nationalization. He is thought of as a Socialist because he shares with them belief in that first basic principle—that the value of land belongs to the people as a whole. This is not a principle belonging to the Socialists alone. This is a principle belonging to all—a universal truth. Belief in it does not make a Socialist. George believed in the individual, as *Progress and Poverty* clearly shows, and in the right of the individual to the full product of his labor,

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to do with as he wills. The Socialist would direct the affairs of men, and control their production, from the cradle to the grave.

Today economists believe in the ability-to-pay theory of taxation. George believed in payment according to benefits received. Today the benefits of a tax on land values and the exemption of repressive taxes are little understood. The tax is called "inelastic." It is said that it would be inequitable and politically unwise to tax only owners of land and to have the majority in a democracy free from obligation to meet government revenues while a single class is compelled to incur all the burdens. It is said that the Georgian idea ignores the fact that land is not the only source of private gain resulting from social forces. It is said, again erroneously, that the proposal to exempt improvements on land from taxes would create greater burdens upon the farm population than upon owners of real property in urban communities.

The task of correcting these errors in current thought is the task of education. Education can be carried on in many ways. We must find and utilize all those ways. Only through education can we wipe out the errors that exist today in the understanding of the Georgist philosophy. *Progress and Poverty* will live, because the truth cannot be assassinated. But, whether or not *Progress and Poverty* will live effectively depends largely on us.