

## A Personal Study in Civic Ethics

*With the publication of this article THE FREEMAN inaugurates an "Old Timers Series," in which will be reprinted from time to time articles dealing with the speeches, writings and activities of pioneers in the Georgist movement as chronicled by journals of liberal thought in America around the turn of the century and in the years immediately following.*

*The initial article, by LOUIS F. POST, brilliant journalist and stout defender of human rights, appeared first in the Christmas, 1901, number of The Mirror, sparkling St. Louis periodical of which William Marion Reedy, forthright champion of economic freedom, was editor. It was reprinted in The Public, a Single Tax weekly edited by Mr. Post himself, in the issue of February 8, 1902. It tells a fascinating story of the coming of economic enlightenment to Tom L. Johnson, one of the most colorful figures in the earlier days of Georgism.*

*It is our thought that these articles will awaken stirring memories in the hearts and minds of those veteran Georgists who are still carrying on the good fight, as it is our confident belief that the younger generation will find in them abundant evidence that those qualities of flaming zeal, brilliant dissertation, courage of conviction, unflagging determination and untiring effort in the cause of civic righteousness, are by no means peculiar to the crusaders of their own day and age.*

*There were giants in those days.*

\* A group of enthusiasts met in New York 15 years ago to consult about bringing into practical politics what is now known as Henry George's single tax reform. One was the late Father McGlynn, the "soggarth aroon," or beloved priest, of St. Stephen's Roman Catholic parish, a notable man in New York even then. The most notable person present, however, was Henry George. He not only represented especially the cause which had brought about the meeting, but he had already achieved an international reputation. Three months later, as candidate for mayor upon a platform indorsing his cause, and after a campaign in which this cause was the sole issue, he polled 68,000 votes, being second in a triangular contest between himself, Abram S. Hewitt, who was

elected, and Theodore Roosevelt, now president. Whether or not this campaign was in any wise due to the meeting mentioned above, that meeting served, at all events, to introduce to the single tax movement, and thereby to the political world, an obscure western millionaire, who, no longer obscure, but known throughout the country as Tom L. Johnson, has ever since been an unwavering supporter, as he is now the most conspicuous promoter, of the cause he then first publicly espoused.

Brought actively into politics by fidelity to this cause, Johnson has developed into a political leader of originality, skill, popularity and expanding influence, who interests himself in broad political principles instead of wire pulling, and supports or opposes men with reference only to their attitude toward public measures. Yet, until 1886, he had acquired no experience in general politics, nor taken more than a bare business interest in political affairs.

His abilities had been devoted, from his youth up, to making a fortune. In this he had so far succeeded as to have advanced from a penniless boy, son of an impoverished Confederate officer, at the close of the civil war, to the financial grade of a millionaire while still under 35 years of age. His business success had not been achieved by laboriously and penuriously piling dollar upon dollar. The palaver about the magic of industry and thrift, so much in vogue in his boyhood, had never deceived him. He did, indeed, work hard; but not at what he could hire cheaper men to do as well. He did cultivate habits of thrift; but not of the penurious kind. He did use judgment, foresight, skill, and all the other industrial virtues; but these were not the foundation of his fortune. His fortune, like all other stable fortunes, rests upon monopoly. From the hour when as a newsboy he worked a railway paper route for which he had shrewdly secured the exclusive privilege, until a generation later, when he withdrew from business to devote himself to the cause Henry George bequeathed him, every business enterprise into which he embarked was bottomed upon and buttressed by legal privilege.

Johnson had early realized that this is imperative. He knew that the three requisites of business success are, first, monopoly, second, monopoly, and third, monopoly. He saw that in so far as the industrial virtues play a part in fortune-making at all, it is much more in monopolizing what people need than in producing what they want. These intimate relations of monopoly to business success were with him as with all successful business men, mere common places of business theory and practice. He had given no consideration, however, to the subject in its ethical and broadly political aspects. Getting a fortune without getting into jail had seemed to him, as it seems to most energetic men of this commercial era, the one great object of life.

But Johnson's better mind awakened. His nightmare visions of piled-up dollars, pyramid after pyramid in vanishing perspective, were dispelled, and great realities burst upon his moral consciousness. The circumstances of his awakening, how in a railroad car he was misled by the title of Henry George's "Social Problems" into supposing it a trashy essay on marriage and divorce, and refused therefore to look into it; how the train conductor enlightened him on that point and advised his reading the book; how he did read it, and how his interest grew; how upon finding in this book a reference to "Progress and Poverty," he bought and read that; how completely he fell under the sway of this greatest of George's books, yet, fearing that his mind, then untrained in abstract reasoning, might have been tricked by fallacies, how he solicited the opinion of his lawyer and his lawyer pronounced the reasoning flawless but the premises false; how this clinched his conversion, because, though from lack of academic culture he was timid as to the logic of the book, he had, as an experienced business man, already acknowledged the truth of its premises; and how at the end he converted his lawyer, when the latter undertook to argue him out of his waywardness—this has all been told before in interesting detail. What concerns the present subject is the fact that Johnson was startled by seeing in George's book the commonplace principles of business translated into terms of political economy and civic morality. He now realized that whatever of wealth any man wins as a monopolist, other men must lose as productive workers.

The great economic truth that had been disclosed was the elemental economic power of the monopoly of land. Other monopolies there are, but without this the others could not flourish, and if they were abolished it would absorb their strength. Railroad monopoly, for instance, Johnson now recognized as land monopoly, its power consisting in exclusive rights of way and in terminal points. Street car monopoly, city service monopolies of all kinds, are also at bottom land monopolies, for it is by their exclusive rights of way over land that they control conditions of traffic. And in ordinary so-called competitive industry, whatever monopoly exists, the monopoly of patents alone excepted, has its roots in land monopoly. Moreover, if every monopoly except that of land were abolished, the financial benefits would go ultimately to monopolists of land. So, as Johnson saw the matter after his conversion from money-getting ambitions to humanitarian ideals, the monopoly of monopolies is the monopoly of land.

He saw also the great moral truth that land monopoly is robbery. To see this truth he did not need to have been a college fledgling. All he needed was common sense. Granted that God is no respecter of persons, and it follows that all men are intended by Him to enjoy equal rights of usufruct in the earth. This enjoyment the monopoly of land prohibits. Or, if the idea of a bountiful Creator be considered "unscientific," then, granted that Nature yields her stores only to productive labor (an hypothesis which defies dispute), and it fol-

lows, unless righteous principles be rejected altogether and moral adjustments are to be referred to the pirates' code of simple might, that there can be no moral title to products from the earth—which include every consumable thing—except it be derived from productive laborers with their free consent. Inasmuch, then, as monopoly of the earth enables monopolists to extort from productive laborers part of their earnings, it stands morally condemned. . . .

The truth is that Johnson's awakened conscience looked out upon an iniquitous social institution. It was not from the machinations of bad men, but from the development of a bad institution, that industry was plundered and that society suffered. The immorality to which he awoke, and out of which he had secured a fortune partly unearned but in which millions had found only poverty and distress wholly undeserved—this immorality was not individual and capable of correction by individual reform. It was an institutional immorality, which could be corrected only by institutional reform.

The notion that institutional evils can be put away, like personal evils, by individual abstention, is an eccentricity of narrow minds. Though every individual but one were to abstain from monopolizing land, land monopoly would not die out if the institution were still acknowledged, but would be worse. For the one unregenerate individual would then monopolize the whole earth, and all the regenerate would become his submissive serfs. Individuals can no more alter unjust institutions by declining to profit by them than they could alter the direction of a stream by not swimming in it.

Institutional wrongs can be remedied only by institutional reforms. Individual action there must be, of course, for society is composed of individuals. But it must be cooperative and not segregated individual action; not the action of the recluse, but that of the citizen.

So Johnson solved his problem in the only way in which it could be morally and sensibly solved. He decided to devote himself to the destruction of the institution of land monopoly, by the method advocated by Henry George and now known as the single tax; and to do this without regard to its ultimate effect upon his personal fortune, and without any affectations meanwhile of an impossible consistency between his private business, in which monopoly was a factor, and his public work of abolishing monopoly.

He raised his lance not against millionaires nor monopolists, not against the rich because they are rich nor for the poor because they are poor; but against the institution of monopoly and for institutions of justice. The distinction he drew between utilizing monopolies in business and maintaining the monopoly institution, was sharply illustrated by him upon the floor of Congress while he was a member. Congressmen representing the steel trust were struggling for the protective tariff on steel. Johnson himself was then in the steel business and his company was a member of the steel trust. He, therefore, like the others, was getting a tariff "rake-off." Yet he vigorously opposed the tariff measure. One of the steel trust congressmen, twitting him in the debate

with his connection with the steel trust, implied that as he was getting part of the plunder he ought to support the law that secured it. "Gentlemen," retorted Johnson, "as a monopolist in the steel business I will take advantage of the bad laws you pass; but as a member of this house, I will not help you pass them, and I will try to get them repealed."

More in detail, and as a private citizen instead of a congressman, he made the same distinction at a public meeting in New York in 1891. A questioner in the audience asked him:

"You have just advocated the abolition of land monopoly, of the tariff monopolies, of the patent monopolies, and of the street railroad monopolies. Is it not a fact that you have been, and are now, a shining beneficiary of all these iniquities? And if you are, how do you reconcile your actions with your professions?"

To that searching question Johnson replied:

"I advocate now and have advocated the abolition of all these forms of monopoly, and yet I am and have been a beneficiary of them all. If there is any inconsistency in that it is not my fault. I preach what I sincerely believe to be the true and just social condition—the condition of equal rights, of real freedom. Yet I must live under such laws and usages as the majority of the people decree. They say that these monopolies shall exist; that bread-winning shall be a scramble; that there shall be many poor among us and comparatively few rich. I do not believe that this is right, and I am raising my voice wherever possible against it. But the people will not yet listen. They have different views from mine, and they hold to them. Now being compelled to live in this state of things where life is a scramble which the people will not stop, I am bound to do the best I can for myself. And so I rush in and grab all the monopolies I can get my hands on, firm in the purpose, however, to use the wealth so obtained to teach the people how misguided they are to permit themselves to be robbed in this way."

That purpose of using his fortune acquired by monopoly to break up monopoly has been faithfully adhered to. Not as an atonement, not as a means of satisfying his conscience for having got the fortune through monopoly. In no sense for personal reasons, but with the same motive that he gives to this work of his life what is incontestably all his own. . . .

One such man as Tom L. Johnson, who profits by monopoly and excuses monopolists, yet denounces the institution of monopoly and makes relentless war upon it, is worth more to the cause of civic justice than a host of men who rail at monopolists as wrong doers merely because they are monopolists, yet allow the institution of monopoly to go unchallenged, or challenge it without

intelligence. The true principle of civic ethics is that which Johnson exemplifies. It does not consist in rejecting profits which unjust institutions yield to the favored or fortunate. So long as social adjustments are such that those profits cannot be relinquished to the persons who earn them, justice is served neither by giving them to others nor by rejecting them altogether. It is not affirmatively ethical to get rid of them; consequently it is not unethical to keep them. What ethics does demand is that the beneficiary of such profits shall awaken to the enormity of the social institution that diverts them from their unidentified producers, and in his capacity of citizen aid his fellow citizens of like enlightenment and moral impulse to bring that vicious institution to an end.

*Without land, life as well as the creation of wealth would have no meaning.*

GEORGE RAYMOND GEIGER, PH.D.