

Common Ground: Henry George's Legacy Since the
19th Century

by

Reed Schwartz
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The land shall not be sold in perpetuity, for the land is mine. For you are strangers and sojourners with me.

Leviticus 25:23

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Introduction: Henry George and the Green Stick

In his memoirs, the novelist Leo Tolstoy recalls “Ant Brothers,” a game invented by his older brother Nicolai.¹ In the game, the Tolstoy children created covered forts with pillows and blankets. Pressing together inside the structures made Leo experience “a particular feeling of love and tenderness.”² Nicolai told Leo that somewhere on the family estate stood a green stick, and on the stick was written the secret to allow all humanity to play the game and share in the feeling.

The dream of universal brotherhood stuck with Tolstoy. Throughout his life, he never despaired that such a state could be achieved, “not under two chairs covered by handkerchiefs, but under the wide, blue vault of heaven.”³ To Tolstoy, the economics of Henry George, an American journalist and political economist, were just that green stick, a means by which all mankind might become “Ant Brothers.”⁴

Tolstoy wrote that George’s answer to the land question achieved “such a degree of perfection that... it is impossible to invent any other better, more just, practical, and peaceful solution,” and hung a portrait of George on the wall of his study.⁵ The protagonist of Tolstoy’s last novel, *Resurrection*, engages in lengthy tangents about Georgist economics (with little regard for narrative fluidity), and

¹ The name likely follows from a misremembering of the name of the Moravian Brotherhood, which sounds similar to the word for ‘ant’ in Russian, *myrabeñ* (*muravey*). A. N. Wilson, *Tolstoy*, (London: Atlantic Books, 2012), 26.

² Paul Birukoff, *The Life of Tolstoy*, (London, New York, Toronto and Melbourne: Cassell and Company, Ltd., 1911), 14-15.

³ Birukoff, *The Life of Tolstoy*, 15-16.

⁴ Andreï Zorin, *Leo Tolstoy*, (London: Reaktion Books, 2020), 171.

⁵ Leo Tolstoy, “A Great Iniquity” [1905], marxists.org, Updated 2021, <https://www.marxists.org/archive/tolstoy/1905/great-iniquity.html>.

the author wrote letters to the Russian Duma and Tsar Nicolai II advocating for Georgist policies after the Revolution of 1905.⁶

George figured prominently in Tolstoy's mind through his final days. In 1910, the novelist renounced his aristocracy and ran away from home. While on a train to Astapovo, Tolstoy lectured the carriage about pacifism and engaged passengers in discussions of George's land tax.⁷ These would be some of his last conversations, and Tolstoy died of pneumonia the next day, at the age of 82.

For modern readers, this admiration for an obscure political economist may be baffling. However, for a brief period, George enjoyed a celebrity on par with Tolstoy's own. *Progress and Poverty*, George's masterpiece of political economy, was one of the best-selling books of the 19th century, with some sources ranking it second to only the Bible;⁸ George's funeral was one of the best-attended in American history, surpassing even Abraham Lincoln's.⁹ Today, though, George is almost entirely forgotten. When he is mentioned, he is often little more than a footnote in the history of the Progressive Era or in classical economic thought. To fill in this gap, this thesis surveys the largely unstudied history of George's reception, focusing on his most prominent admirers and the factors that shaped their diverse readings.

⁶ Leo Tolstoy and Anthony Briggs, *Resurrection*, London: Penguin Books, 2009; Ilya Tolstoy, "Leo Tolstoy and Henry George," *Land and Freedom*, September-October, 1928, https://cooperative-individualism.org/tolstoy-ilya_leo-tolstoy-and-henry-george-1928.htm.

⁷ Wilson, *Tolstoy*, 353.

⁸ Jacob Oser, *Henry George*, (New York: Twayne Publishers, 1974), 68.

⁹ Edward J. Rose, *Henry George*, (New York: Twayne Publishers, Inc., 1968), 151-2.

Tolstoy understood George's ethics to align with his own Christian radicalism and the universalism of "Ant Brothers." He saw George's ideas as leading toward a higher state of social organization, human perfection on Earth. In the 20th century, though, these facets of George's ideology were often ignored. In sharp contrast with Tolstoy's reading, and with George's intentions, many of the most prominent exponents of Georgist thought used it in support of nationalist, individualist, and inegalitarian projects.

This thesis does not address the political Georgist movement of the late 19th and early 20th centuries. The movement's influence in the American Gilded Age and Progressive Era is comprehensively documented by Christopher William England in *Land and Liberty*, and George's importance to the Irish Land War is chronicled by Andrew Phemister in *Land and Liberalism*.¹⁰ It is also not a history of the land value tax, which, though closely associated with George, was formulated before him and has, in rare instances, been applied without reference to him or his project.

In this survey, George's world-historical legacy and its usage in contradictory projects are revealed. I emphasize George's fundamental ethical and egalitarian commitments, as well as the ways he betrayed them. I narrate the receptions of George among early Zionists, Chinese republicans, the American

¹⁰ The two authors published their books and chose their respective titles in the same year and without consulting each other. Christopher William England, *Land and Liberty: Henry George and the Crafting of Modern Liberalism*, Baltimore: Johns Hopkins University Press, 2023; Andrew Phemister, *Land and Liberalism: Henry George and the Irish Land War*, Cambridge, England: Cambridge University Press, 2023. The note on titles was shared by Christopher William England, Personal communication, September 15, 2023.

Old Right, and Silicon Valley technologists, and argue that the history of his reception is largely synecdochal. Peripheral aspects of his ideology have come, in the writings of many admirers, to stand for the whole. I argue that this paring down stems in large part from the salience of urban rents. George's ideology was a product of its time and spoke most powerfully to the problems of the Gilded Age, but to the extent that those problems persist, his relevance does as well.

Some of the readings cataloged are difficult to square with George's ethics; others, though facially dissimilar, are successful. Though Tolstoy's understanding of George as a "green stick" may have been more faithful to the author's intentions than those of later Georgists, most, though not all, of their appropriations are felicitous. Each thinker came to George through his primary works and emphasized threads latent in the texts. The extent to which their invocations appear divergent reflects the ideology's plasticity, not misuse. This diversity of interpretations is pivotal to understanding the movement's trajectory.

Tolstoy understood George's political economy as inseparable from his ethical commitments; he understood the messianic ambition of George's mission. Both understood political economy as a means of building "the City of God on earth."¹¹ George's economics may suffer from the limits of his era, but his theory, when restored to its full scope, offers a "green twig" meriting renewed interest.

¹¹ Henry George, *Progress and Poverty*, Fiftieth Anniversary Edition ed., (New York: Robert Schalkenbach Foundation, 1935), 552.

Chapter 1: The Great Enigma of Our Times: George and the Land Question

Although he is often overshadowed by his most famous policy, the land value tax, Henry George was a broadly insightful, if unusual, political economist. His understanding of the injustice of his era was deeply shaped by his own experience of deprivation, and an understanding of his biography gives weight to and informs the ethical claims of *Progress and Poverty*. In this chapter, I provide an overview of George's biography and the way it shaped his ideology, the main points of his most important work, *Progress and Poverty*, and the impact of his political movement in its own time. I also address the pernicious sinophobia of George's journalism, and what it reveals about his formal works.

Though some histories have reduced George to a one-trick pony, a comprehensive reading of his biography and work paints a picture of a radical, ecumenical theorist, enraged by inequality and with great faith in the progressive potential of humanity. George's work was enormously popular in his own time, and a comprehensive reading of his deeply moral theory illuminates his receptions after the 19th century.

Early Life

Henry George was born in Philadelphia in 1839. His father, an Episcopal vestryman, sent him to the Episcopal Academy, but George's formal education ended at age fourteen.¹² Still, he was a diligent reader with an insatiable curiosity:

¹² Phillip J. Bryson, *The Economics of Henry George: History's Rehabilitation of America's Greatest Early Economist*, (New York: Palgrave Macmillan, 2011), 26.

at sixteen, he joined the sailing ship *Hindoo*, furnished by his family with a Bible.¹³ Over the course of a year, the ship docked in Australia and Calcutta; the poverty George witnessed at each stop would inform his later ideology and anti-imperialism.

George trained as a typesetter after his return to Philadelphia before setting off to chase the dregs of California's Gold Rush. He arrived in San Francisco in 1858, after the transitory mining population had decamped. George found irregular work at low wages. He married an Australian orphan, Annie Fox, in 1861, and the family often teetered on the brink of starvation. Many years later, George would relate how his family's poverty had nearly pushed him to murder.

I walked along the street and made up my mind to get money from the first man whose appearance might indicate that he had it to give. I stopped a man, a stranger, and told him I wanted five dollars. He asked what I wanted it for. I told him that my wife was confined and that I had nothing to give her to eat. He gave me the money. If he had not, I think I was desperate enough to have killed him.¹⁴

George never forgot the experience of deprivation. Although their situation gradually improved, his livelihood was not fully secure until much later in his career. Though a graduation from typesetting into editorial journalism gave him more stability and a small following, the Long Depression of the late 1800s shuttered many of his employers.

George considered enlisting in the Union Army in the early 1860s. Unlike Tolstoy, he was not a pacifist and saw the Civil War as a just war. As a

¹³ Albert Jay Nock, *Henry George, an Essay*, (New York: William Morrow & Company, 1939), 20-21.

¹⁴ Henry George Jr., *The Life Of Henry George* [1900], (Honolulu: University Press of the Pacific, 2004), 149, in Bryson, *Economics of Henry George*, 32.

Californian, though, the risk of being assigned to the frontier gave George pause. Instead, he fixated on a new crusade, Mexico's war against France. George joined an organization that aimed to help President Benito Juarez oust Emperor Maximilian.¹⁵ The group outfitted a sailing ship but was intercepted by a revenue-cutter (a customs-enforcing predecessor to the Coast Guard) and shut down. The escapade demonstrated George's passion for justice beyond the bounds of the United States, but nothing ultimately came of it.¹⁶

In 1868, George became the managing editor of the *San Francisco Chronicle* and published "What the Railroad Will Bring Us" in the *Oakland Overland Monthly*.¹⁷ The article addresses hopes that a transcontinental railroad would bring prosperity to San Francisco and turn the city into a major metropolis.¹⁸ Although George agrees that the railroad would make many men rich, he contrasts California with the richer cities of the East and the Old World. In California, he concedes, there are brokes, and highwaymen, and very few millionaires. In the East, though, the mansions of robber barons stood in the same cities as slums. The railroad, George predicts, would bring growth, but a growth spread unevenly, and one that would decrease returns for both capitalists and laborers, except for a lucky few. Assessing the situation, he does not condemn the railroad (nor does he believe it could be stopped) but endorses a policy of redistribution, asserting that "the distribution of wealth is even a more important

¹⁵ Nock, *Henry George*, 77.

¹⁶ Nock, *Henry George*, 77; England, *Land and Liberty*, 28.

¹⁷ Rose, *Henry George*, 16.

¹⁸ Henry George, "Aftermath of the Railroad," *The Freeman*, May, 1939, https://cooperative-individualism.org/george-henry_aftermath-of-the-railroad-1939-may.pdf.

matter than its production.” The article was well received and proved prophetic in the following years, raising George’s prominence. However, his combativeness cost him his job with the *Chronicle* by the summer.¹⁹

George’s next posting was with the *San Francisco Herald*, which sent him to New York to secure a news service. Though he succeeded, the venture was crushed by the Associated Press, which colluded with the Western Union Company to block the arrangement. The ordeal fired George’s hatred of monopoly, and upon his return to California, he was able to convince state legislators to pass an anti-telegraph monopoly resolution.²⁰ However, the resolution was toothless and never enforced. George ran for the office of state representative on anti-monopoly platforms twice and lost both times.²¹

The trip to New York did not help the *Herald*, but it did put into relief ideas that had germinated throughout George’s life. In the city, he had “[seen] and recognized for the first time the shocking contrast between monstrous wealth and debasing want.”²² San Francisco, much less developed than New York, was not without poverty, as George’s own experience demonstrates. New York, though, blistered with street poverty more severe than anything in San Francisco—while at the same time boasting mansions that put the feudal manors of the Old World to shame. New York showed George both the heights of progress and new depths of poverty, the playgrounds of the *nouveau riche* and the misery of immigrants in

¹⁹ England, *Land and Liberty*, 30; Bryson, *Henry George*, 35.

²⁰ Nock, *Henry George*, 82.

²¹ Nock, *Henry George*, 87.

²² Henry George, “Acceptance Speech,” *New York World, New York Tribune, New York Star*, and *New York Times* (New York), October 6, 1886, <https://historymatters.gmu.edu/d/5321/>.

crowded tenements. The association between the two, which George described as “the great enigma of our times,” became the central focus of his subsequent writings.²³

George had grasped at the answer to the enigma with “What the Railroad Will Bring Us”; but it was not until 1871, as he rode through the Oakland foothills overlooking the San Francisco Bay, that George realized the idea that would define his ideology:

I asked a passing teamster, for want of something better to say, what land was worth there. He pointed to some cows grazing so far off that they looked like mice, and said, ‘I don’t know exactly, but there is a man over there who will sell some land for a thousand dollars an acre.’ Like a flash it came over me that there was the reason of advancing poverty with advancing wealth. *With the growth of population, land grows in value, and the men who work it must pay more for the privilege* [emphasis added].²⁴

It was rent, George realized, that caused the deprivation he had seen in New York—rent that increased as cities developed and became more desirable. Progress could not be understood without the poverty that necessarily followed it.

Later that year, George published *Our Land and Land Policy*, a major step in his intellectual development. The forty-eight-page pamphlet prefigured the arguments that George would elaborate in *Progress and Poverty*, namely that most economic benefits flow to landowners and that most social problems would be fixed if land were heavily taxed. He presents the core of his argument in ethical terms:

²³ George, *Progress and Poverty*, 10.

²⁴ Albert Jay Nock, “Henry George Unorthodox American II: Birth of a Great Book,” *The Freeman* (New York), August 1938, 19, https://cooperative-individualism.org/nock-albert-jay_henry-george-unorthodox-american-1938-aug.pdf.

man has... [a] right, declared by the fact of his existence—the right to the use of so much of the free gifts of nature as may be necessary to supply all the wants of that existence, and as he may use without interfering with the equal rights of any one else, and to this he has a title as against all the world. This right is natural; it cannot be alienated. It is the free gift of his Creator to every man that comes into the world—a right as sacred, as indefeasible as his right to life itself.²⁵

To George, the equal opportunity to exert one's labor on the land is a natural right. It cannot, morally, be alienated, nor does it descend from any terrestrial guarantor.

George devoted himself to the expansion of these ideas throughout the decade, building upon them through a correspondence with John Stuart Mill.²⁶ In 1876, George became California's State Inspector of Gas Meters, a sinecure from the governor rewarding his support. Now financially stable, George began to write what would become his most important and successful work.

George completed his masterpiece in just under two years. Unfortunately, the country was in the midst of a recession, and publishers were bearish on the prospects of a 600-page tome on political economy (rarely chartbusters, even in good times). With a messianic belief in the potential of his idea, though, George paid to set the plates himself, borrowing money from friends. Making use of his training, he personally set the first rows of type. He sold enough copies to cover the cost, and with the plates already completed, Appleton agreed to publish the book. Sending a copy to his father, George wrote that

[*Progress and Poverty*] will not be recognized at first—maybe not for some time—but it will ultimately be considered a great book, will be

²⁵ Henry George, *Our Land and Land Policy Speeches, Lectures and Miscellaneous Writings*, Edited by Henry George Jr., (Garden City, NY: Doubleday, Page & Company, 1911): 85.

²⁶ Rose, *Henry George*, 42.

published in both hemispheres, and be translated into different languages. This I know, though neither of us may ever see it here.²⁷

In time, this too would prove prophetic.

Immediately, however, the book was largely ignored. It won a handful of positive reviews from American newspapers and the Belgian economist Émile Louis Victor de Laveleye but sold very few copies in its first year.²⁸ Dejected, George returned to New York, finding work stumping for the Democratic Ticket. He lost even this job after agitating for free trade over President James Garfield's protectionism.²⁹

Progress and Poverty

Among George's published works, *Progress and Poverty* is the most complete encapsulation of what would become known as 'Georgism.'³⁰ It is by far the most common point of entry for Georgists, and an overview will provide the basis of the ideas that later adherents would adopt and adapt.

To be sure, the book is a doorstopper, and like other canonical tomes, its circulation numbers may exaggerate its actual readership. Regardless, *Progress and Poverty* is an unusually lively work of political economy. George was self-educated, and as a journalist, his writing was oriented toward mass audiences.

Though he deals with complex theories, George used anecdotes and appealed to

²⁷ Rose, *Henry George*, 61.

²⁸ Nock, *Henry George*, 122.

²⁹ Nock, *Henry George*, 123.

³⁰ The term "Georgist" is a neologism; followers of George were, in his time, referred to as "Georgians," "Georgites," "Henry George Men," or, later, "Single Taxers." Today, "Georgist" is by far the most common term for a devotee, and is the term I use throughout for consistency. "Geoist" is used interchangeably, albeit less frequently. For more on movement names, see England, *Land and Liberty*, 8.

emotion, capturing audiences that missed the finer points of his political economy. *Progress and Poverty* was printed in cheap “workingmen’s editions,” and in the 1880s, excerpts were often read aloud at union meetings.³¹ Edward O’Donnell notes that a Chicago union devoted the first twenty minutes of each meeting to readings from the text, while cigar makers in New York would listen to it read aloud as they worked. George’s informal style did, however, lower it in the eyes of academic economists. The profession did not warm to George for decades, and the first president of the American Economics Association, Francis Amasa Walker, was a strong anti-Georgist.³²

George wrote *Progress and Poverty* in rebuke of then-popular ideas of social Darwinism. Rather than blaming the poor for their condition, George sought to answer two questions: if industrialization had so radically improved the productivity of society, and created unprecedented wealth, why was poverty so much worse in old New York than in young San Francisco? And what had caused the industrial recessions that had plagued George’s career?

Some had laid the blame for poverty on local problems: tariffs, bad governance, autocracy, etc.³³ However, having traveled the world in his youth, George realized that poverty was universal. Deprivation, he finds, “[does] not arise from local circumstances, but [is], in some way or another, engendered by

³¹ Edward O’Donnell, *Henry George and the Crisis of Inequality: Progress and Poverty in the Gilded Age*, (New York: Columbia University Press, 2015), 153.

³² Robert L. Heilbroner, *The Worldly Philosophers: The Lives, Times, and Ideas of the Great Economic Thinkers*, Revised seventh ed. (New York: Simon & Schuster, 1999), 186; John K. Whitaker, “Enemies or Allies? Henry George and Francis Amasa Walker One Century Later,” *Journal of Economic Literature* 35, no. 4 (1997): 1891-915, <http://www.jstor.org/stable/2729882>.

³³ George, *Progress and Poverty*, 6.

progress itself [emphasis added].”³⁴ Poverty was systemic, and its roots could only be addressed through political economy.

George notes that it is universally recognized that “wages tend to a minimum which will give but a bare living.”³⁵ He asserts that the cause of this pattern is responsible for the persistence of poverty and is the subject of his first inquiry.

One explanation for the tendency of wages to decline to subsistence levels was the idea that wages are determined by the ratio of workers to capital, with fewer workers per unit of capital leading to high wages and vice versa. If this were true, and populations grow faster than capital is produced, then wages would decrease to the minimum level required to keep workers alive. This theory implies that high rates of interest on capital would correlate with low wages, and vice versa, and yet George finds the opposite to be true. He records that “where labor flows for higher wages, capital also flows for higher interest.”³⁶ Wages and capital returns tend to be higher in young countries and territories than in old ones: both were higher in the United States than in England, and in California than on the Eastern seaboard. Why then has this erroneous theory proliferated, George asks? The fault lies with another faulty theory: the ‘wage-fund doctrine,’ the idea that wages are drawn from a fund of capital.

If wages are drawn from capital, then they are limited to increasing at the rate of capital increase. Additionally, they must therefore be divided between all

³⁴ George, *Progress and Poverty*, 8.

³⁵ George, *Progress and Poverty*, 17.

³⁶ George, *Progress and Poverty*, 19.

laborers, and so population increases will only drive wages down. In contrast, George asserts a labor theory of value. He uses the example of a fishing village to illustrate this point.³⁷

A single fisherman may catch his own fish and dig his own bait, with his return (fish) being entirely the product of his own labor applied to the land—no capital necessary.³⁸ He will soon realize that it is better to collaborate with his colleagues and divide labor: one digging bait, one fishing, one cooking the fish, etc., but here too, it is clear that each cog in the production is contributing labor to a general fund, and receiving their wages from the same fund as the fishermen. Even if they are compensated in money instead of fish, it is merely a certificate indicating ownership in the general fund produced by labor.³⁹ Even in more complex systems, whether the worker draws plans for steam engines or swings a lariat on the Argentinian pampa, the source of their wages—labor—remains the same.⁴⁰ If wages are drawn from labor, not capital, then the idea that wages are determined by the ratio of capital to labor is fallacious.⁴¹

³⁷ George, *Progress and Poverty*, 27-28.

³⁸ One imagines the fisherman investing in, at least, a fishing rod and canoe; for the sake of this example, the fisherman might be best imagined as picking up his catch from a shallow stream.

³⁹ Notably, George asserts that services are not paid for out of labor, but out of wealth used for consumption.

⁴⁰ George, *Progress and Poverty*, 29.

⁴¹ George does not say that labor should determine exchange value, but simply asserts that labor, applied to land and potentially enhanced by capital, is the source of wages.

The Factors of Production

To explain George's own diagnosis of declining wages, it is first necessary to define the terms that George uses and to establish their relations. Per George, there are three factors of production, each with their own returns:

- **Labor** is all human exertion used for productive purposes. The return labor earns is **Wages**.
- **Capital** is "wealth devoted to procuring more wealth."⁴² George divides the returns to capital into three categories: wages of "superintendence," or income for the work of management (better understood as labor wages); compensation for risk, which George asserts averages out over all transactions, and thus does not factor into total wealth;⁴³ and the part of the produce which goes to capital, what George calls "**Interest**." The word, of course, has other meanings, but this is the sense in which it will be used going forward. George finds that there is also "false interest," the profits that derive from monopoly, but monopoly privilege does not contribute to the total amount of production. Monopoly rents are therefore excluded from interest in George's scheme.
- **Land** is everything provided by nature: "all natural materials, forces, and opportunities." The return to land is **Rent**.

⁴² George, *Progress and Poverty*, 37.

⁴³ It is notable that George would make this assertion in a time when so many speculative ventures, especially railroads, were failing, a negative outcome for all investors that would not "average out."

- **Wealth** is everything that is created by mixing labor and land, or labor, land, and capital—everything from fruit picked off a tree to a steamship assembled by thousands. Notably, however, many things that are commonly described as wealth have not been, according to George, correctly identified. Stocks, bonds, and money are not themselves wealth, as “their increase or decrease does not affect the sum of wealth.”⁴⁴ Rather, they indicate ownership of wealth. Though all capital is wealth, wealth in the hands of consumers, not meant for further production, is only wealth, and not capital.

Capital, for George, is an optional factor of production that increases the productivity of labor. In the state of nature, no capital is necessary—a person can pick fruit off a tree and live on that, though if they are provided with capital in the form of tools, they can produce significantly more. Because of the importance of the wage-fund doctrine to George’s contemporaries, he found that all of their solutions, “which look to the alleviation of poverty either by the increase of capital or the restriction of the number of laborers or the efficiency of their work, must be condemned.”⁴⁵ The idea that wages are drawn from capital was spurious and thwarted attempts at reform.

Rather, if labor creates its own wages, then wages cannot be reduced by additional workers. On the contrary, because of the possibilities enabled by economies of scale and the further division of labor, “the more laborers, other

⁴⁴ George, *Progress and Poverty*, 40.

⁴⁵ George, *Progress and Poverty*, 88.

things being equal, the higher should wages be.”⁴⁶ Of course, “all things being equal” obscures the complexity of population growth. To address this, George considers the question of whether the productive powers of nature decrease as the demands of a growing population increase.

The most famous theory to this effect was and is Malthusianism, based on the writings of the Rev. Thomas Robert Malthus. Malthus described how, as human population growth is exponential while productivity increases are linear, communities will inevitably multiply past their environment’s carrying capacity, leading to famine and misery. The theory was used to justify social Darwinism, as well as the exploitation of colonial possessions and the poor, who, it was claimed, would only suffer more if they were offered charity or released from their yokes.

George asserts that “Malthusian doctrine... furnishes a philosophy by which Dives as he feasts can shut out the image of Lazarus who faints with hunger at his door.”⁴⁷ It justifies the greed of the rich at the expense of the poor. In George’s time, Malthus was used to exonerate the English of responsibility for the Irish Potato Famine as well as their exploitation in India and China. English administrators claimed that Ireland in the Hungry Forties was hitting a natural resource ceiling and that charity (or the halting of food exports from the island) would only prolong the suffering.

Disputing this, George identifies extortionate rents as the cause of the famine and notes that under a just system, “the potato blight might have come and

⁴⁶ George, *Progress and Poverty*, 88.

⁴⁷ George, *Progress and Poverty*, 99; Lars A. Doucet, *Land Is a Big Deal*, (College Station, TX: Shack Simple Press, 2022), 40.

gone without stinting a single human being of a full meal.”⁴⁸ Famines in India and China, too, “can no more be credited to over-population than the famines of sparsely populated Brazil.”⁴⁹ Poverty is the product of misallocation, not scarcity. Under a more uniform distribution, “the natural increase of population would constantly tend to make every individual richer instead of poorer.”⁵⁰ Population growth creates wealth, not poverty, in both absolute and per-capita terms.

George has so far demonstrated that the cause of poverty is neither lack of capital nor lack of natural resources. Thus, poverty must arise from the distribution of wealth, a social problem. To identify exactly where it arises, it is necessary to assess the laws of political economy endorsed by George’s contemporaries. As he records, they state that:

- Wages are derived from the amount of capital used to pay and maintain labor divided by the number of laborers (the wage-fund doctrine);
- Rent is determined by the margin of production, the difference between the productive capacity of a particular piece of land compared to the most productive piece of open land, rising as it falls and falling as it rises;
- Interest depends upon the equation between the supply of and demand for capital; or, on the cost of labor, rising as wages fall, and falling as wages rise.⁵¹

⁴⁸ George, *Progress and Poverty*, 125.

⁴⁹ George, *Progress and Poverty*, 128.

⁵⁰ George, *Progress and Poverty*, 142.

⁵¹ George, *Progress and Poverty*, 219.

George faults these laws for their inability to explain each other. If there are only three factors of production, labor, capital, and land, then production must be constituted of a ratio of each, and the increase in one must, *ceteris paribus*, entail a decrease in the fraction of one or both of the others. George's new laws enable this algebra. They are:

- Rent depends on the margin of production—rising as it falls, and falling as it rises.
- Wages depend on the margin of production—falling as it falls, and rising as it rises.
- Interest (its ratio with wages being fixed by the net productivity increase that capital carries) depends on the margin of production—falling as it falls, and rising as it rises.⁵²

By George, labor can only produce wealth when exerted upon land (if one has nowhere to work, they cannot), all of the materials that labor works into wealth come from land (the same for materials to work with), and capital is not a necessary factor of production (as demonstrated by the man subsisting off of nature's fruit). Land and the rents its owners receive are therefore the next subject of his exploration.

By "rent," George does not mean all economic rents—the difference between a total return and the prices of its component parts—but specifically land rents, "the share in the wealth produced which the exclusive right to the use of

⁵² George, *Progress and Poverty*, 219.

natural capabilities gives to the owner.”⁵³ Because each piece of land has only one seller, the rent on plots of land is always a monopoly rent.⁵⁴ In George’s scheme, the rent of a particular piece of land is determined by the margin of production. An example:

In a moderately developed area, there are three pieces of land: one in a city, the second on its periphery, and the third far out in the desert.⁵⁵ The first is owned by a landlord and has a productive capacity of 100 utils; the second, unowned, has a productive capacity of 90 utils. If the landlord wants to charge for the use of her land, she must compete with the free land: she would not be able to charge more than 10 utils, or else her tenant would move to the unsettled land ($100 - 10 = 90 - 0$). If a buyer takes the open peripheral plot off the market, though, the margin of production moves out to the third plot, with a productive capacity of, say, 10 utils. Suddenly, the rent on the first plot can increase to 90 utils without a tenant being able to complain—their total production on the plot (100), minus the rent (90), equals 10, the same total product as the next best piece of free land.

The landlord has not done any labor or investment to improve her property, but she reaps the benefit of reduced land availability because laborers cannot work without land to do it on: they must accept the monopoly prices set by landlords. If total Production is the sum of Rent, Interest, and Wages, then

⁵³ George groups all naturally occurring resources under the category of “land.” George, *Progress and Poverty*, 166.

⁵⁴ Doucet, *Land is a Big Deal*, 53.

⁵⁵ Example adapted from Doucet, *Land is a Big Deal*, Ch. 6.

Production minus Rent equals Wages plus Interest: landlords eat first, and labor and capital divide up the remainder.

Further, even if productivity increases, landlords will simply increase their rent. Imagine that the productivity of the first lot increases—the tenant invests in, say, irrigation, or the city improves the surrounding area. Now, the productive capacity of the lot is 150 utils. What does the landlord do? She raises the rent to 140 utils: her only competition is with the marginal land’s capacity of 10 utils. Only in situations where productivity rises faster than land values can capital and interest claim a larger return, without rent claiming more of the pot. In summation:

Where land is free and labor is unassisted by capital, the whole produce will go to labor as wages.

Where land is free and labor is assisted by capital, wages will consist of the whole produce, less that part necessary to induce the storing up of labor as capital.

Where land is subject to ownership and rent arises, wages will be fixed by what labor could secure from the highest natural opportunities open to it without the payment of rent.

Where natural opportunities are all monopolized, *wages may be forced by the competition among laborers to the minimum at which laborers will consent to reproduce* [emphasis added].⁵⁶

In this system, wages and interest cannot increase, regardless of how the area develops, “yet the invariable accompaniment and mark of material progress is the increase of rent—the rise of land values.”⁵⁷ As George saw in New York, as areas

⁵⁶ George, *Progress and Poverty*, 213; Doucet, *Land is a Big Deal*, 62.

⁵⁷ George, *Progress and Poverty*, 222-3.

develop, they may sprout luxurious mansions; but following them will be almshouses.⁵⁸

Material Progress

In possession of the relation between factors of production, George examines the causes of progress to identify why they have not brought an end to poverty. The first is population growth, which allows for a greater division of labor. Unfortunately, as populations grow, they increase the demand for land and the value of proximity, driving up land values and thus pushing down wages as a share of the return to production. The second cause, improvements in technology and the means of exchange, brings the same problems. As new technological developments increase the productive capacity of land, they push the margin of production further out, increasing rents. The cotton gin is a prime example of such a development. Although its inventor hoped it would reduce demand for slave labor, it instead increased productivity, reducing costs to the extent that marginal lands became profitable to grow on and ultimately preserving slavery.

Improved exchange, though good for total wealth, will also see its returns accrue to landlords, not workers. George was an ardent free trader (his 1885 *Protection or Free Trade* was the economist Milton Friedman's favorite book on trade), but he notes that 19th-century liberalizations of trade laws had "increased the wealth of Great Britain, without lessening pauperism."⁵⁹ Gains from

⁵⁸ George, *Progress and Poverty*, 294.

⁵⁹ Jim Powell, "Milton Friedman's Favorite Book on Trade," *The Wall Street Journal* (New York), June 13, 2016,

improvements in education, governance, policing, and general ethics, though they too lead to increases in production and temporary wage increases, will inevitably be drained away by rising rents.

Industrial Depression

George next turns to his second question, one that had haunted him throughout his career: what is the cause of the then-new phenomena of industrial depressions? He admits that there are a variety of causes, including tariffs and currency and credit fluctuations.⁶⁰ The root cause, though, is land speculation. Settlers always claim more land than they can use themselves in the hopes that it will appreciate, driving the margin of production further out than can be sustained. Even worse, in developed areas, speculators will leave highly productive and valuable land empty and unused in the hopes of collecting a higher return in the future. Once the margin of production moves too far out, labor and investment can no longer collect any meaningful returns, and firms begin to shutter.⁶¹ Rather than slowing progressively, the extension of credit may allow the system some give; but, when it breaks, it “will break with a snap,” causing recessions.⁶²

<https://www.wsj.com/articles/milton-friedmans-favorite-book-on-trade-1465597043>; George, *Progress and Poverty*, 254.

⁶⁰ George, *Progress and Poverty*, 263.

⁶¹ George, *Progress and Poverty*, 264.

⁶² As an aside, George’s explanation for recessions has not held up well. The Long Depression that he lived through was in large part due to the Coinage Act of 1873, which switched the United States from the bimetallic to the gold standard, causing a contraction in the money supply and prolonged deflation. Economic historians do not often cite land speculation (although railroad speculation was certainly a factor) as a primary cause. This interpretation is still notable for demonstrating how deeply George believed that private land ownership distorted all aspects of the economy. Though this aspect of the theory was not cited by any of the figures I address, it was

Recessions end due to a combination of three factors: the speculative advance of rent ends; productivity improvements cause the margin of production to overtake speculation; and labor and capital are willing to work for lower returns. Once these lower returns are accepted, they do not recover their lost ground.⁶³

The Problem Solved

George has answered both initial questions: poverty arises because progress increases land values while draining away wage increases, and recessions occur when the line of speculation overtakes the normal margin of production, causing production to halt. Together, these explain the more severe vice and misery that appear in older countries compared to the young frontiers.⁶⁴ Fortunately, neither poverty nor recessions are inherent to industrial economies: they arise from the unjust distribution of land, and they can be ended by the same means.

George was not the only reformer interested in ending poverty and recessions. Having identified the true problem, he spends a chapter lambasting false solutions. They are:

also not a point of contention. Richard Adelstein, Personal communication, March 13, 2024. Quote from George, *Progress and Poverty*, 279.

⁶³ Wages have recovered since, of course. This is another facet that has not been borne out by history. George, *Progress and Poverty*, 281.

⁶⁴ George, *Progress and Poverty*, 287-8.

1. **More efficient government.** Although lower taxation and less corruption would indeed increase overall production, they would not release laborers from the burdens of either rent or recessions.
2. **Better education and work habits.** Again, this would increase production, but it would not change the distribution.
3. **Unions.** George finds this proposal the most convincing—he agrees that unions can claw back some portion of the product captured as rent by landlords (and he finds that unionization does not lower returns to capital, either).⁶⁵ However, he notes that their most effective tactic—the strike—is ultimately biased in favor of landlords. In these situations, “land will not starve like laborers or go to waste like capital—its owners can wait. They may be inconvenienced, it is true, but what is inconvenience to them, is destruction to capital and starvation to labor.”⁶⁶ Labor cannot hope to wait out land. Even in the best case, George writes, unions can only improve wages for their members. In his view, the most destitute, the unemployed, see no benefit from their bargaining.
4. **Cooperation between labor and capital.** This is again a misunderstanding of the distribution: for George, labor and capital are on the same side, fighting against landlord exploitation.⁶⁷ A fairer distribution between labor and capital will not affect the portion of production that is

⁶⁵ George, *Progress and Poverty*, 310.

⁶⁶ George, *Progress and Poverty*, 313-4.

⁶⁷ George, *Progress and Poverty*, 313.

dedicated to rent, and assertions to the contrary are merely confusing land rents with capital gains.

5. **Regulation or socialism:** *Progress and Poverty* is George's attempt "to unite the truth perceived by the school of Smith and Ricardo to the truth perceived by the schools of Proudhon and Lasalle; to show that *laissez faire* (in its full true meaning) opens the way to a realization of the noble dreams of socialism."⁶⁸ However, he believes that this cannot be brought about through central planning, but only through a flourishing of human freedom. "All that is necessary to social regeneration," he writes, "is included in the motto of those Russian patriots sometimes called Nihilists—'Land and Liberty!'"⁶⁹

6. **Redistribution of land:** George firmly opposes land reform through redistribution. Though it might expand the ranks of the comfortable classes, it would do nothing for those left without land, nor would it prove an enduring solution to the problems he identified. Even if every human were given an equal share, this would do nothing for their children, nor would it fix the tendency toward inequality. Worse, land redistribution would strengthen the existing system by creating a large class of stakeholders interested in its maintenance.⁷⁰

⁶⁸ George, *Progress and Poverty*, xvii.

⁶⁹ Russian Nihilism was a philosophical and political movement in Russia in the late 19th century that rebelled against traditional authority. George, *Progress and Poverty*, 321.

⁷⁰ George, *Progress and Poverty*, 324.

What is the true solution? Simple: “*we must make land common property.*”⁷¹ The moral case for this is obvious: even if one agrees with Locke’s theory of property, in which production grants ownership over the product, there is no reason to follow his corollary, that land can belong to those who “mix their labor” with it. None of us made the land; it belongs to us in usufruct, a gift we hold in common from our Creator.⁷² As Herbert Spencer wrote in his 1851 *Social Statics*, the consideration of equity leads to “a protest against every existing pretension to the individual possession of the soil; and... the assertion, that the right of mankind at large to the earth’s surface is still valid; all deeds, customs, and laws, notwithstanding.”⁷³ Private ownership represents an illegitimate surrendering of our common inheritance.

In addition, the private ownership of land prevents workers from exercising their natural right to meet their wants and needs through labor. For George, humanity “must have liberty to avail themselves of the opportunities and means of life” or else the right to vote and to equality before the law cannot stand, and “Liberty withdraws her light!”⁷⁴ For George, democracy itself requires equality of opportunity for it to have any legitimacy.

George expands this principle in a broader critique of monopoly. He notes that monopoly is inherently tied to political power, a major concern given the

⁷¹ George, *Progress and Poverty*, 328.

⁷² Usufruct is a right to use another’s property for profit without owning it outright.

⁷³ Spencer later retracted this statement, prompting George to pen *A Perplexed Philosopher* in protest. His promotion of social Darwinism also made him a target. Herbert Spencer, *Social Statics: Or, the Conditions Essential to Happiness Specified, and the First of Them Developed*, (London: John Chapman, 1851), 75.

⁷⁴ George, *Progress and Poverty*, 538.

leverage of powerful trusts in the Gilded Age. One of the most visible monopolies of the time was the railroad. As an example, George writes “A railroad company approaches a small town as a highwayman approaches his victim.”⁷⁵ A company’s economic weight can influence politics, with the threat to leave a town off of a line “as efficacious as the ‘Stand and deliver,’ when backed by a cocked pistol.”⁷⁶ A town may refuse, but it may not want to risk economic retaliation; thus, an aggressive regulation of monopolies, and the public ownership of natural monopolies, is essential to preserving a democratic society. George suggests that utilities, natural resource extraction, mail delivery, and railroads, along with other natural monopolies, should be state-owned, while other monopolies should be trust-busted.⁷⁷

For the greatest monopoly, land ownership, a one-time redistribution will not suffice. Rather than redistribute land, rent itself must be abolished.

Fortunately, this is much easier to achieve than land reform. By George,

I do not propose either to purchase or to confiscate private property in land. The first would be unjust; the second, needless. 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. *It is not necessary to confiscate land; it is only necessary to confiscate rent.*⁷⁸

The means to achieve this abolition is George’s signature policy: the land value tax, or LVT. Under a Georgist regime, all existing taxes would be abolished, and

⁷⁵ George, *Progress and Poverty*, 192.

⁷⁶ George, *Progress and Poverty*, 192.

⁷⁷ George, *Progress and Poverty*, 412.

⁷⁸ George, *Progress and Poverty*, 405.

the government would be entirely funded by a 100% “single tax” on land values. Unlike excise taxes or taxes on capital gains or income, the LVT would not bear at all on production: the supply of land is fixed, and so no deadweight loss is created by taxing it at arbitrarily high rates. For this reason, Milton Friedman once described it as the “least bad tax.”⁷⁹

Land value taxes are notably distinct from current property taxes, which punish landholders for improving their land. Under George’s policy, a vacant lot next to the Empire State Building and the lot on which it rests would be taxed at the same rate, while in the present system, the latter is taxed at a higher rate due to the value of the building. The current system thus punishes a productive owner’s investment while rewarding speculation. This tax is also practical: the separation between lot and structure value is not difficult to assess. Land values are more uniform than structure values, and many municipalities already use different formulas to assess each.⁸⁰

As the value of land is created by society, George believes that revenues from the LVT should be distributed to society as well. George imagined the LVT funding “public baths, museums, libraries, gardens, lecture rooms, music and dancing halls, theaters, universities, technical schools, shooting galleries, play grounds, gymnasiums, etc.,” as well as funding the public provision of utilities

⁷⁹ Mark Blaug, “Review: Critics of Henry George: A Centenary Appraisal of Their Strictures on *Progress and Poverty* by Robert V. Andelson,” *Economica* 47, no. 188 (1980): 472, <http://www.jstor.org/stable/2553394>.

⁸⁰ Center for Innovative Financial Support, “Land Value Tax,” U.S. Department of Transportation Federal Highway Administration, accessed April 17, 2024, https://www.fhwa.dot.gov/ipd/value_capture/defined/land_value_tax.aspx

and subsidies for scientific research.⁸¹ George is sometimes associated with proposals for a universal basic income (UBI), but that view does not appear in *Progress and Poverty*. Wealth would be returned to society in the form of benefits and infrastructure, not cash.⁸²

For George, private rent has an indefensible origin, and thus its abolition is justified today. Historically, the ownership of land has rested on conquest, and the worst excesses of private property, as in Ancient Rome, have led to slavery.⁸³ Here, George is again in agreement with Spencer, who wrote that “Not only have present land tenures an indefensible origin, but it is impossible to discover any mode in which land can become private property.”⁸⁴ Just as the first arrival in a theater has no right to shut the door and watch the performance by himself, neither do landowners have a right to shut out the rest of the world from our common inheritance.⁸⁵

Further, the LVT would lead to a smaller and more efficient government. Armies of tax collectors, tariff managers, and other bureaucrats would no longer be needed, and welfare demands would decrease as labor received a fuller share of its wages. As it would be too expensive for landowners not to use urban land to its full capacity, full employment would be achieved, and any worker would be

⁸¹ George, *Progress and Poverty*, 456.

⁸² Anton Jäger and Daniel Zamora, *Welfare for Markets: A Global History of Basic Income*, (Chicago, IL: University of Chicago Press, 2023), 21.

⁸³ George, *Progress and Poverty*, 370, 347.

⁸⁴ Spencer, *Social Statics*, 75.

⁸⁵ George, *Progress and Poverty*, 344.

able to begin their own business on the newly proximate margin of production for as long as it remained profitable.

The LVT has positive environmental effects as well. As “destruction of speculative land values would tend to diffuse population where it is too dense and to concentrate it where it is too sparse,” the LVT would decrease transportation emissions and encourage more responsible land usage (although George did not, of course, consider the tax in these terms.)⁸⁶

Even sin would decrease under the LVT. George was an ardent believer in human perfectibility: he understood greed and vice as functions of want that could be cured under a just system. To him, humanity was the progressive animal, “the mythic earth tree, whose roots are in the ground, but whose topmost branches may blossom in the heavens!” and would be nearly infinitely improvable if unshackled from its distorted conditions.⁸⁷ The founder of the social gospel movement, Walter Rauschenbusch, identified Henry George as a key inspiration. He committed entire chapters of *Progress and Poverty* to memory, testifying that he owed his “first awakening to the world of social problems to the agitation of Henry George in 1886” and noting his “lifelong debt to this single-minded apostle of a great truth.”⁸⁸ Rauschenbusch believed, with both George and Tolstoy, in the application of Christian ethics to social problems and understood George’s economics as doing so.⁸⁹

⁸⁶ George, *Progress and Poverty*, 451.

⁸⁷ George, *Progress and Poverty*, 137, 476.

⁸⁸ Fred Nicklason, “Henry George: Social Gospeller,” *American Quarterly* 22, no. 3 (1970): 661-2, <https://doi.org/10.2307/2711617>.

⁸⁹ George, *Progress and Poverty*, 552.

Not only is land value taxation just and practical, but it had a prestigious cabinet of supporters even before George popularized it. David Ricardo noted that such a tax could not be shifted to consumers, nor would it cause rents to increase;⁹⁰ John Stuart Mill (as noted, one of George’s interlocutors) had suggested that land rents belong to society by natural right, and should be justly appropriated; Millicent Fawcett noted the “economic perfection” of land taxation.⁹¹ The Physiocrats, despite other failings, had endorsed abolishing all taxes except those on land as well.⁹²

By this point, though, the reader may be puzzled by an oversight in George’s system. If the moral basis of rent socialization is humanity’s right to its common inheritance; if the land tax promises to bring all of humanity to a higher state; and if all land value is created socially, whether national borders divide it or not; then why would land rents be nationalized and not internationalized?⁹³ A land tax in San Francisco would unjustly seize value created in Mexico or China for the United States. George’s dedication to free trade only highlights that, given the dependence of large cities on international trade networks, his scheme should properly be administered by a single world authority. No reference is made to this possibility, and later Georgists would also ignore it, limiting their systems to national boundaries.

⁹⁰ Rent is a price governed by supply and demand. Land value taxes reduce both demand for land and its value (as prices must take into account future fees attached to the property). As land taxes cannot reduce the supply of land, which is fixed, they do not increase the cost of rent.

⁹¹ George, *Progress and Poverty*, 422-3.

⁹² George, *Progress and Poverty*, 423-4.

⁹³ Charles A. Barker, *Henry George* [1955], (New York: Robert Schalkenbach Foundation, 2020), 349, <https://schalkenbach.org/wp-content/uploads/Henry-George-Charles-Albro-Barker.pdf>.

Ultimately, George believed that under an LVT, “Society would... approach the ideal of Jeffersonian democracy... the abolition of government... as a directing and repressive power.”⁹⁴ Economic equality would provide a guarantee for Republican freedom and self-sufficiency. It would at the same time realize what he understood as “the dream of socialism,” increased worker power, fairness of distribution, the end of poverty, and the destruction of landed interests, at least in the United States.

The Margin of Speculation and the Frontier

Students of American history may notice the similarity between George’s theory and that of the most famous historian of his era, Frederick Jackson Turner.⁹⁵ At the 1893 Columbian Exposition, while George attended a nearby conference on the single tax, Turner presented his frontier thesis: the idea that the open West was pivotal in shaping American character.⁹⁶ Almost overnight, the theory made him a household name.⁹⁷

Turner claimed that life on the frontier built self-reliance through frequent interactions with the harsh wilderness and hostile Native Americans.

Homesteaders, unlike their brethren in the more cosmopolitan East and Old

⁹⁴ George, *Progress and Poverty*, 455-6.

⁹⁵ Allan G Bogue, “Frederick Jackson Turner Reconsidered,” *The History Teacher* 27, no. 2 (1994): 195-6, <http://www.jstor.org/stable/494720>.

⁹⁶ Ian Barron, “Frederick Jackson Turner’s Debt to Henry George,” *Land & Liberty*, January-February, 1991, https://www.cooperative-individualism.org/barron-ian_frederick-jackson-turner%27s-debt-to-henry-george-1991-jan-feb.htm.

⁹⁷ Turner’s thesis is no longer supported by most American historians, though its influence on American self-perception is indisputable.

World, thus developed an aversion to collectivism. While city-dwellers on the East Coast came into frequent contact with government services, these families saw the tax collector as merely a repressive organ: the Whiskey Rebellion, among other revolts, demonstrates the disunity between urban core and frontier views of taxation.

For Turner, America's democratic character, too, was a product of the frontier. Western states granted suffrage to women far earlier than those in the East, and when popular suffrage had first arrived in those states, it had often started on their undeveloped Western borders.⁹⁸ In *The Significance of the Frontier in American History*, Turner asserts that "So long as free land exists, the opportunity for a competency exists, and economic power secures political power."⁹⁹ In doing so, he echoes Henry George, who claims in *Progress and Poverty* that in areas with plentiful land, workers oppressed by high rents and low wages could escape to empty lots and create their own livelihoods—or at least threaten to, creating upward pressure on wages and downward pressure on rents. However, when the margin of speculation advances past the margin of production, this economic frontier closes, inequality and poverty increase, and monopolist power grows.

George's theory may even have inspired Turner's. The historian read George as a graduate student, and again in Richard Ely's course at Johns

⁹⁸ On universal white male suffrage, see Frederick Jackson Turner, *The Significance of the Frontier in American History* [1893], (London: Penguin, 2008), 19, <https://www.overdrive.com/search?q=23FEBF3D-3424-4962-89DD-EE5A4840956F>.

⁹⁹ Turner, *Significance*, 20.

Hopkins.¹⁰⁰ Further, the historian Ray Allen Billington found a note in Turner's copy of *Progress and Poverty*, reminding him to transcribe a passage from page 349. In the passage, George writes that

the free, independent spirit, the energy and hopefulness that have marked our people, are not causes, but results— they have sprung from unfenced land. The public domain has been the transmuting force which has turned the thriftless, unambitious European peasant into the self-reliant Western farmer.¹⁰¹

The seeds of Turner's idea are apparent. Billington notes that George "bolstered Turner's realization that a connection existed between free [unmonopolized] land and the frontier characteristics he was isolating," though Turner never cited George in his published work.¹⁰²

In 1890, the U.S. Census declared the country too settled to have a meaningful frontier, prompting Turner to note that "at the end of a hundred years of life under the Constitution, the frontier has gone, and with its going has closed the first period of American history."¹⁰³ George had made a similar claim about the lack of unfenced land in 1879, and with the land value tax, offered a way to open it back up. By shrinking the margin of production, workers would again be able to secure economic, and thus political, power. Though Turner did not write about George directly, as Alex Lough notes, he would have seen in George's

¹⁰⁰ George, *Progress and Poverty*, 349 in Ray Allen Billington, *Frederick Jackson Turner: Historian, Scholar, Teacher*, (New York: Oxford University Press, 1973), 120, <https://hdl.handle.net/2027/heb00711.0001.001>.

¹⁰¹ Alex Wagner Lough, "Henry George, Frederick Jackson Turner, and the 'Closing' of the American Frontier," *California History* 89, no. 2 (2012): 22, <http://www.jstor.org/stable/23215319>.

¹⁰² Billington, *Turner*, 120.

¹⁰³ Turner, *Significance*, 23.

remedy a “substitute for that former safeguard of democracy’ America had enjoyed in the frontier.”¹⁰⁴

Inequality and History

George’s final argument uses history to support his moral opposition to inequality. He warns that no society built on injustice has gone unpunished, and that the high-profile inequality of the Gilded Age demonstrated the frailty of private property in land as the foundation of American prosperity.¹⁰⁵ Inequality in itself is a core concern for George, who writes that the “dangerous classes politically are the very rich and very poor” and that “What [American civilization] suffers from, and what, if a remedy be not applied, it must die from, is unequal distribution!”¹⁰⁶ Fortunately, under the land value tax, inequality would be reduced as large, vacant estates would be devoted to more productive use or hit with high taxes.

George uses the fall of Rome as a harbinger of the chaos to come if inequality were not remedied. In his telling, as estates expanded, and plebeians were forced to pay rising rents, landowners gained progressively more control over their tenants until the system collapsed into feudalism. The whole imperial apparatus became corrupt, even before the Praetorians auctioned the purple. “Whence shall come the new barbarians?” George asks. “Go through the squalid

¹⁰⁴ Frederick Jackson Turner, “Social Forces in American History,” *The American Historical Review* 16, no. 2 (1911): 224, <http://www.jstor.org/stable/1862991>; Lough, *Henry George*, 20.

¹⁰⁵ George, *Progress and Poverty*, 551.

¹⁰⁶ George, *Progress and Poverty*, 427, 446.

quarters of great cities, and you may see, even now, their gathering hordes!”¹⁰⁷ For George, the poor crushed under the weight of landlord exploitation could become just as dangerous as foreign invaders.

There was still time to avert the Dark Ages that had followed the death of Rome; but the abolition of rent had to be implemented, in full, quickly. In doing so, George would fulfill the guarantees of the Declaration of Independence, of life, liberty, and the pursuit of happiness—rights that “are denied when the equal right to land—on which and by which men alone can live—is denied.”¹⁰⁸

George’s Political Career

In the early 1880s, agrarian tenant agitations in Ireland, known as the Irish Land War, drew global attention. This was especially true for New York’s large Irish-American population, many of whom were in frequent contact with family members across the Atlantic. In 1881, with sales of *Progress and Poverty* stagnant, George penned *The Irish Land Question*, a pamphlet that took the side of Irish tenants against their landlords and the British. In sharp contrast with his first book, the pamphlet was an immediate hit.

George became an overnight authority, and his prescriptions—following the scheme elaborated in *Progress and Poverty*—were endorsed by Michael Davitt, a co-founder of the Irish Land League. Davitt and the *Irish World*

¹⁰⁷ George, *Progress and Poverty*, 538.

¹⁰⁸ George, *Progress and Poverty*, 545.

newspaper arranged for George to embark on a speaking tour of Britain, where *Progress and Poverty*, despite its tepid launch, caught fire.

In the following years, the book became an international bestseller. By 1886, it had been translated into German, French, Swedish, Danish, Norwegian, and Dutch, and soon after Spanish, Italian, Hungarian, Russian, Bulgarian, Chinese, and Yiddish.¹⁰⁹ In total, *Progress and Poverty* has sold millions of copies and was one of (if not the) best-selling books of the 19th century, behind only the Bible.¹¹⁰

Following the success of his speaking tours, George was drafted by the Knights of Labor, a predecessor of the American Labor Federation, to run for mayor of New York. Initially, George declined, seeing little upside: New York was a poor stepping stone for higher office, and the campaign promised to bog him down in municipal trivialities. George's reputation could only be diminished. However, he changed his mind when he was taken aside by a Tammany Hall Democrat, who warned him against running. The emissary told George that he would be given a state office if he stayed out of the race, and that even if he were to win the vote, he would be "counted out" behind the scenes. If he were no threat to Tammany, George asked, then why bother with the threat? He was told that Tammany was afraid that his campaign would raise hell. "You have relieved me of embarrassment," George told him. "I do not want the responsibility and the

¹⁰⁹ Rose, *Henry George*, 89.

¹¹⁰ Oser, *Henry George*, 68.

work of the office of the Mayor of New York, but I do want to raise hell.”¹¹¹

Receiving a petition of 30,000 signatures, George accepted the United Labor Party’s nomination.

Although workers’ parties had been unsuccessful in previous years, the unrest of the mid-1880s, reaching a fever pitch after the Haymarket Affair in May of 1886, had brought new vigor to labor politics. A labor-sympathetic intellectual, though an opponent of state socialism, George was uniquely positioned to take advantage of working-class unrest without spooking the middle class. In the end, after a hard-fought campaign, George (with 31% of the vote) was defeated by the Democrat, Abram Hewitt (41%), though he placed above Republican candidate and future president Theodore Roosevelt (27%). George’s biographers often suggest foul play, though no hard evidence remains; George himself wrote in a letter that “on a square vote I would undoubtedly have been elected.”¹¹²

Although the campaign had raised his profile without burdening him with the mayoralty, George’s reputation declined after 1886. Although during the campaign he had spoken stridently against the exploitative rich, and loudly taken the side of the working class, George began to align himself with middle-class interests. He astonished supporters when he announced his support for the execution of the anarchists imprisoned for alleged involvement in the Haymarket Affair, men he had once suggested he would like to visit.¹¹³ George’s

¹¹¹ Jill Lepore, “Opinion: Forget 9-9-9. Here’s a Simple Plan: 1,” *The New York Times* (New York), October 15, 2011,

<https://www.nytimes.com/2011/10/16/opinion/sunday/heres-the-guy-who-invented-populism.html>.

¹¹² O’Donnell, *Henry George*, 234-5.

¹¹³ O’Donnell, *Henry George*, 264-5.

anti-collectivist turn led to rifts in the Knights, splitting the group between Georgists and Socialists, and the relevance of both George and the Knights of Labor declined.¹¹⁴

More damaging was the Catholic Church's condemnations of George. In 1888, Father Edward McGlynn was excommunicated from the Church over insubordination in support of George; *Progress and Poverty* was condemned by the Church *sub secreto* in 1889.¹¹⁵ In 1891, Pope Leo XIII issued the *Rerum Novarum*, which, although it condemned land confiscation, also legitimized some of George's claims. The encyclical asserted that "the blessings of nature and the gifts of grace belong to the whole human race in common." It also affirmed, with George, that economic value was fundamentally derived from labor and the primacy of labor's claim to wages.¹¹⁶

Rifts with the Church may have arisen more out of fear of George's populism than his doctrine. Georgist policies were initially understood as fully compatible with Catholicism. His claims arise from an ecumenical Christianity, and in *Progress and Poverty* he asserts that "Political economy and social science cannot teach any lessons that are not embraced in the simple truths that were taught to poor fishermen and Jewish peasants by One who eighteen hundred years ago was crucified."¹¹⁷ Even the *Rerum Novarum* was not explicitly anti-Georgist, though George himself read it in that light.¹¹⁸ The doctrine of natural rights and

¹¹⁴ O'Donnell, *Henry George*, chapter 8.

¹¹⁵ England, *Land and Liberty*, 72.

¹¹⁶ Phemister, *Land and Liberalism*, 129.

¹¹⁷ George, *Progress and Poverty*, 526.

¹¹⁸ Nock, *Henry George*, 207-8.

notions of human perfectibility in *Progress and Poverty* sprang from religious fonts easily identified by contemporary devotees.

Still, the Church's fights with George took a toll among his Irish and Irish American supporters: Christopher England finds that it was the rift with the Church that most damaged George's popular support.¹¹⁹ Patrick Ford, the founder of *Irish World*, a paper instrumental to George's rise, condemned him as anti-Catholic and devastated his support among the Irish and Irish-Americans.¹²⁰ Despite his Christian grounding, Georgism was seen and treated as more threatening to the institutional Church than Marxist atheism.¹²¹

Though 1886 was the high-water mark for George's public profile, he remained a respected intellectual until his death, and the single-tax movement remained fairly mainstream in the United States until the First World War. He was especially relevant as a voice for free trade: in 1892, Tom Johnson, a Georgist representative from Ohio, arranged for *Protection or Free Trade* to be read into the Congressional Record. Once recorded, representatives used their franking privileges—the right of members of Congress to send mail to their constituents for free—to distribute over a million copies of the book.¹²²

By 1892, George had published *A Perplexed Philosopher*, a detailed response to Herbert Spencer's renunciation of land value socialization, and started *The Science of Political Economy*, although the work was only published

¹¹⁹ England, *Land and Liberty*, 76.

¹²⁰ England, *Land and Liberty*, 76-77.

¹²¹ Phemister, *Land and Liberalism*, 152.

¹²² England, *Land and Liberty*, 79.

posthumously.¹²³ In 1897, George began a second quixotic campaign for mayor of New York for the Party of Thomas Jefferson. Though his doctor warned him that the campaign would threaten his health, George campaigned hard, making as many as five speeches each day.¹²⁴ The doctor proved correct, and three days before the election, a stroke ended Henry George's life. His son, Henry George Jr., stood in his place, but the race was over.

Though George was well past the peak of his reputation, his funeral was one of the largest in American history. The number of people who attended George's funeral is sometimes quoted as 200,000; even conservative estimates compare the attendance at George's funeral to that of Abraham Lincoln's.¹²⁵ Even after his death, George's legacy, both at home and abroad, was only beginning to come into its own.

George and Sinophobia

Throughout George's writing, one theme sticks out in contradiction with his universalist ethics. That contradiction is George's sinophobic racism, which, though it does not appear in *Progress and Poverty*, stains George's legacy—and establishes a precedent for later nationalist Georgist projects.

George's sinophobia is most pronounced in an article he wrote for the *New York Tribune* on Chinese immigration in 1869. He begins the article by lauding the skill and thrift of Chinese workers, but his rhetoric quickly devolves into

¹²³ Nock, *Henry George*, 139.

¹²⁴ O'Donnell, *Henry George*, 218.

¹²⁵ Rose, *Henry George*, 151-2.

racism. He accuses Chinese immigrants of being dirty, insular, and unable to adapt to the culture and political system of the United States; he also asserts that they would refuse to convert to Christianity, and would remain a “State within a State.”¹²⁶ “Their moral standards are as low as their standards of comfort,” he states, accusing Chinese immigrants of practicing infanticide.¹²⁷

In the article, George notes that China was once the most advanced civilization on Earth, but says that the country has not progressed for thousands of years. He even repeats the Malthusian claim that China is so overpopulated that emigrants are immediately replaced by “new Chinamen [who] would spring into the vacancies created by those who left as air into a vacuum.”¹²⁸ He grounds his argument in the claim that an increase in the supply of labor without an attendant increase in the supply of capital would drive wages down, a claim he would repudiate in *Progress and Poverty*, but the bulk of the article is made up of sinophobic attacks. George believed that the Pacific Coast should be closed to the Chinese, who would be unable to assimilate and would put downward pressure on the wages of white laborers. Reflecting the zeitgeist among white Californians, George wrote dozens of articles on “the Chinese question” over the next few years, including one where he quoted a concurring letter from J. S. Mill—though Mill was more enthusiastic about George’s economics than his sinophobia.¹²⁹

¹²⁶ Henry George, “The Chinese in California,” *New-York Tribune* (New York), May 1, 1869, 10, https://cooperative-individualism.org/george-henry_chinese-in-california-1869-may.pdf

¹²⁷ Henry George, “The Chinese in California.”

¹²⁸ Henry George, “The Chinese in California,” 1.

¹²⁹ England, *Land and Liberty*, 31.

However, after witnessing a particularly nativist speech by Dennis Kearney, leader of the exclusionist California Workingmen's Party, George turned on economic arguments against immigration as "infantile."¹³⁰ In an 1880 article for *Popular Science Monthly*, George described his past writing as "crude" and regretted that he "had not then come to clear economic views."¹³¹

Although in *Progress and Poverty* George continues to describe China as a "petrified" civilization, he emphasizes its history of "great cities, highly organized and powerful governments, literatures, philosophies, polished manners, considerable division of labor, large commerce, and elaborate arts."¹³² Though he acknowledges these achievements from a perch of patronizing superiority, the vitriol of his *Tribune* article is gone, and he writes passionately against the injustices the British have forced on the Irish, Indians, and Chinese. As he explains in Book X, Chapter II, "Differences in Civilization—To What Due," he does not attribute national poverty to heredity but places all blame on political economy.¹³³ Per George, empires like Rome and Egypt fell not because of the characters of their people, but because of inequality in land. In the same vein, China and India were poor not because of their national characters but because of British extraction and systems of production.

As George expressed in a letter to Pope Leo XIII, he believed that a single tax system that freed up land for laborers would even quash anti-immigrant

¹³⁰ Henry George, "The Kearney Agitation in California," 1880, <https://sfmuseum.org/hist9/hgeorge3.html>.

¹³¹ England, *Land and Liberty*, 31.

¹³² George, *Progress and Poverty*, 481-2.

¹³³ George, *Progress and Poverty*, 494-5.

sentiment; still, he continued to oppose Chinese immigration on the grounds that China's culture was too different to allow for assimilation.¹³⁴ His anti-immigration views did not impact his views on trade, as he wrote that "if we cannot throw open our doors to the ingress of Chinese we can at least throw open our ports to their trade."¹³⁵

The Georgists that are analyzed in the following chapters largely, though not entirely, ignore this strand of George's thought. Likely, most of their authors were unaware of these articles. This thesis does not attempt to grasp George's internal state; however, the fact that George's sinophobia cohabitated with his ideas of universal perfectibility and egalitarian justice makes later interpretations to the same ends more plausible. George saw all of humanity as stewards of the "well provisioned ship... which we sail through space," yet he did not consistently assert that all of its crew should be treated with the same dignity.¹³⁶

Conclusion

Henry George's *Progress and Poverty* provided a comprehensive and actionable remedy to the most pressing problems of the Gilded Age. Drawing on George's experience as a laborer in a young city, as well as on his self-taught education in political economy, *Progress and Poverty* outsold *The Wealth of*

¹³⁴ Henry George, "The Condition of Labor: An Open Letter to Pope Leo XIII," in *Social Problems*, (Garden City, NY: Doubleday, Doran & Company, 1930), 35 in John H. Beck, "Henry George and Immigration," *The American Journal of Economics and Sociology* 71, no. 4 (2012): 966-87. <https://www.jstor.org/stable/41721434>; England, *Land and Liberty*, 31.

¹³⁵ Henry George, "Issue of Chinese Immigration," *The Standard*, October 29, 1890, 4, https://www.cooperative-individualism.org/george-henry_issue-of-chinese-immigration-1890.htm.

¹³⁶ George, *Progress and Poverty*, 243.

Nations and catapulted him to international recognition. However, his political career never matched the achievement of his writings, and the field of economics would not accept his most valuable conclusions until well after his death.

For George, political economy was inseparable from moral theory. His conclusions are built on a detestation of inequality and the distortions it creates in politics and economics just as much as they are on Ricardo and Smith. He was not always consistent in his applications, most notably in his anti-Chinese writings; but at his best, he was a masterful social theorist, weaving theology, political economy, and ethics together with masterful rhetoric that would resonate, in a variety of forms, among a diverse group of intellectuals for over a century.

Chapter 2: The City of God on Earth: Georgism and Zionism

As the son of an Episcopal vestryman, George was intimately familiar with Mosaic Law and its teachings on land ownership. That American and European Jews would pick up on these roots is no surprise: *Progress and Poverty* is laced with Biblical references and language throughout, to great rhetorical effect. In the hands of Franz Oppenheimer and Theodor Herzl, two early leaders of the Zionist movements, these formulations were further adapted to serve nationalist ends.

The exclusion of certain communities from the fruit of the land was not novel. George's writings on Chinese laborers demonstrated that he had not seen a contradiction between the ethics of *Progress and Poverty* and exclusion. Though largely in keeping with core tenets of Georgism that later adherents would cast off—utopianism and equality, among others—some, though not all, Zionist Georgists made an early departure from the ideology's universal promise.

George and Mosaic Law

In the Book of Leviticus, God, through Moses, tells the Israelites that they must observe a sabbath year (שמיטה, *shmita*) on their lands. Every seventh year, they must let the land lie fallow and eat only crops from previous years and those that grow naturally in the fields.¹³⁷ They must also forgive all debts and free all slaves.¹³⁸ Every fifty years, a Jubilee (יובל, *yovel*) is observed, and all land returns

¹³⁷ Lev. 25:8-12.

¹³⁸ Debts converted to פרוזבול, *prozbul*, are ineligible for cancellation, a workaround ensuring that the poor can still obtain credit immediately before the sabbath year.

to its original owners.¹³⁹ This serves two functions, one egalitarian and one conservative.¹⁴⁰ First, it ensures that there is no generational inequality and that no family is allowed to possess too much. Second, it guarantees that the estates of the original holders—eleven of the Twelve Tribes of Israel, excluding the priestly Cohens—are preserved. It is rooted in the idea that, though the Israelites may lease the land, “The land shall not be sold in perpetuity, for the land is [God’s].”¹⁴¹ No landlord has a claim stronger than God’s to the fruits of His labor.

George was the product of a religious upbringing, and he often used Biblical language and analogies in his rhetoric. In a speech to the Young Men’s Hebrew Association of San Francisco in 1878, George celebrated the Mosaic code and its protection of liberty, property, and prosperity. In Exodus, he finds evidence that Moses agreed with his diagnosis of the root of human problems, declaring that

Moses saw that the real cause of the enslavement of the masses of Egypt was – what has everywhere produced enslavement – the possession by a class of land upon which and from which the whole people must live.¹⁴²

George saw the Jubilee as a way of restoring equality in land and preventing unjust accumulation.¹⁴³ Ambitiously, he goes on to claim that his preferred system of land value taxation is an improvement upon the Jubilee. He allows that “Moses had to work, as all great constructive statesmen have to work, with the tools that

¹³⁹ Lev. 25:28; Lev. 25:39-42.

¹⁴⁰ Rabbi David Teva, Personal communication, October 2, 2023.

¹⁴¹ Lev. 25:23 ESV.

¹⁴² Henry George, “Moses: An Address Delivered before the Young Men’s Hebrew Association of San Francisco, USA,” 1878, accessed March 15, 2024, <https://bibliotek1.dk/english/by-henry-george/articles-and-speeches/moses>.

¹⁴³ George, “Moses.”

came to his hand, and upon materials as he found them,” but with the benefit of modern political economy, asserts that land value taxation could better facilitate Moses’ goals.¹⁴⁴ A contemporary *New York Times* article claims that the speech “turned several hundred dollars into his campaign treasury,” demonstrating its persuasiveness to a Jewish audience.¹⁴⁵

Enthusiasm for George was common among Jews across the United States.¹⁴⁶ Upon George’s death, *Forverts*, the highest-circulation Yiddish language newspaper, devoted its front page to his portrait and obituary.¹⁴⁷ During George’s life, one of his most prominent Jewish supporters was Emma Lazarus, whose sonnet “The New Colossus” is inscribed on the Statue of Liberty. Lazarus was won over by *Progress and Poverty* and dedicated a poem to it, which deeply moved George.¹⁴⁸ He expressed his gratitude to her in a letter, to which she responded that once an audience received the ideas set forth in *Progress and Poverty*, “no person who prizes justice or common honesty can dine or sleep or read or work in peace until the monstrous wrong in which we are all accomplices

¹⁴⁴ George’s assumption that the divine is less insightful than Smith and Ricardo did not seem to bother his religious supporters. George, “Moses.”

¹⁴⁵ “Moses and Henry George: Their Land Systems Compared and Found Similar,” *The New York Times* (New York), October 18, 1886, <https://nyti.ms/46ymPjC>.

¹⁴⁶ England, *Land and Liberty*, 153.

¹⁴⁷ “הענרי דזשארדזש טרייט,” *Forverts* (New York & Philadelphia), October 29, 1897, translated by Orly Meyer, <https://www.nli.org.il/en/newspapers/frw/1897/10/29/01/?&e=-----en-20--1--img-txIN%7ctxTI-----1>. Suggested by Yaacob Shavit via Avner Shavit, Personal communication, April 7, 2024. On *Forverts*’ national reach, see Matthew Kassel, “Seth Lipsky Looks Forward,” *Observer*, October 15, 2013, <https://observer.com/2013/10/seth-lipsky-looks-forward/>.

¹⁴⁸ Jack Schwartzman, *Henry George and Emma Lazarus, Comparative Views*, (New York, 1998), 7.

be done away with.”¹⁴⁹ To Lazarus, as to Tolstoy, George’s principles were indisputable and demanded immediate action.

In addition to her Georgism, Lazarus was a proto-Zionist, founding the Society for the Colonization and Improvement for Eastern European Jews in 1883. She was not alone in her simultaneous embrace of Georgism and Zionism, ideologies that their adherents found entirely compatible. Later Georgist Zionists included Justice Louis Brandeis, who “[found] it difficult to disagree with the principles of Henry George,” and wrote that he “[believed] in the taxation of land values only,” and Albert Einstein, who wrote of *Progress and Poverty* that “One cannot imagine a more beautiful combination of intellectual keenness, artistic form and fervent love of justice.”¹⁵⁰ The most influential Zionist to embrace George was the modern movement’s founder, Theodor Herzl, who came to *Progress and Poverty* through the works of the sociologist Franz Oppenheimer. Herzl described Oppenheimer’s conversion to the cause as “One of Zionism’s greatest conquests”; the latter’s influence on the former can be ranked as one of George’s.

¹⁴⁹ Schwartzman, *Henry George and Emma Lazarus*, 7.

¹⁵⁰ Although Einstein considered himself a Zionist, in a 1938 speech he rejected the idea of “a Jewish state with borders, an army, and a measure of temporal power, no matter how modest.” See “Einstein Warns against Partition as Leading to ‘Narrow Nationalism’,” *Jewish Telegraphic Agency* (New York), April 19, 1938, <https://www.jta.org/archive/einstein-warns-against-partition-as-leading-to-narrow-nationalism>; Albert Einstein, “Henry George and His Principles,” *Land and Freedom*, May-June 1934, https://www.cooperative-individualism.org/einstein-albert_henry-george-and-his-principles-1934.htm; Dusty Sklar, “Henry George and Zionism,” *Jewish Currents*, 2014, <https://jewishcurrents.org/henry-george-zionism>.

Oppenheimer and *The State*

Oppenheimer likely read *Progress and Poverty* in German around the turn of the century.¹⁵¹ He described the book as an “unmatched success, which in fact elevates it to a kind of Bible of our time,” and George’s theory of wages as “‘evident,’ i.e., needs no proof.”¹⁵² A Georgist overlap is obvious in Oppenheimer’s seminal work of sociology, *The State*, and in his policy toward Palestine—though his application of the ideology was limited to a select community.

In *The State*, Oppenheimer asserts that the state is “a social institution, forced by a victorious group of men on a defeated group, with the sole purpose of regulating the dominion of the victorious group over the vanquished.”¹⁵³ His emphasis on domination contrasts with the theories of John Locke and Jean-Jacques Rousseau, who assert that states are built on initially consensual social contracts. Violence and exploitation are, to Oppenheimer, the driving forces of both state development and history, and the foundations on which landlordism rests.

¹⁵¹ *Progress and Poverty* was not translated into Hebrew until 1964. “Henry George’s ‘*Progress and Poverty*’ Published in Hebrew in Israel,” *Jewish Telegraphic Agency Daily News Bulletin* (New York), May 6, 1964, reproduced at

<https://www.jta.org/archive/henry-georges-progress-and-poverty-published-in-hebrew-in-israel>.

¹⁵² Franz Oppenheimer, “Henry George und sein Werk,” *Neu Freie Presse*, No. 13641, (Vienna, 1902), 10, in Michael Silagi and Susan N. Faulkner, “Henry George and Europe: The Far-Reaching Effect of the Ideas of the American Social Philosopher at the Turn of the Century,” *The American Journal of Economics and Sociology* 45, no. 2 (1986): 201–13, <http://www.jstor.org/stable/3486924>; Franz Oppenheimer, “A Critique of Political Economy. II. A Post-Mortem on Cambridge Economics,” *The American Journal of Economics and Sociology* 2, no. 4 (1943): 538, <http://www.jstor.org/stable/3483709>.

¹⁵³ Franz Oppenheimer and Paul Avrich, *The State: Its History and Development Viewed Sociologically*, (New York: Vanguard Press, 1926), 15.

For Oppenheimer, in the state of nature, there are two ways by which one can win sustenance: the “economic means” of exchange and production, and the “political means” of appropriation by force. Before the emergence of a state, peaceful groups such as huntsmen and peasants subsist on common land through the economic means. In the beginning stages of state formation, these producers suffer raids by warfare-oriented tribes. Eventually, the exploiting tribes realize that it is more efficient to take only the surplus from the peasantry, allowing them enough to continue production. The conquerors begin to formalize the political means, receiving tribute instead of taking spoils by force. In doing so, they preserve peasant lives and reduce the costs of exploitation.

The warrior tribes then begin to defend their peasants against incursions by other tribes, winning gratitude and legitimacy even as they continue their robbery. As the two groups live in proximity, they develop bonds through intermarriage and the development of shared language and eventually create a formal political organization. Finally, “The necessity of keeping the subjects in order and at the same time of maintaining them at their full capacity for labor,” leads to the need for better-developed means by which “to interfere, to allay difficulties, to punish, or to coerce obedience; and thus develop the habit of rule and the usages of government.”¹⁵⁴ The state is reified through further refinement of the violent political means.

Oppenheimer describes how, in states in which the exploiting class settles on tracts of land, the conquering class will accumulate increasingly large estates.

¹⁵⁴ Oppenheimer, *The State*, 80.

Newly minted “lords” collect the surplus ground rents created by their increasingly subjugated peasants and serfs, and a hierarchical system develops, with each strata exploiting those below them. In Oppenheimer’s analysis, as in Marx’s, “This contest of classes is the content of all history of states,” and drives the state into a further, self-destructive stage.¹⁵⁵

Like Marx, Oppenheimer imagines the state withering away. However, rather than occurring through the socialization of industry, Oppenheimer imagines politics being superseded by commerce. To increase economic output, the state gives increasing freedom to the producing class, and a judicial system ensures that extraction happens predictably and procedurally. Coerced labor is inefficient compared to taxation, especially as systems of production grow increasingly complicated, and is thus eliminated. An emerging bourgeoisie fights against political repression, and the proliferation of claims to rights will make coercion less tenable. Finally, the state and its political means will disappear in favor of the economic cooperation that had preceded them. Society will become strong enough to act as a purely economic “state,” operating under harmonious self-government.¹⁵⁶

Even in this future, though, Oppenheimer anticipates one durable remnant of the political means: landed estates, which disguise themselves as following from economic right.¹⁵⁷ Still, he asserts that the “development of economics is on

¹⁵⁵ Oppenheimer, *The State*, 261.

¹⁵⁶ Oppenheimer, *The State*, 275.

¹⁵⁷ Oppenheimer, *The State*, 282.

its way to destroy [them].”¹⁵⁸ He echoes George’s assessment that the misallocation of land is the cause of poverty and rejects competing Marxist and Malthusian explanations.¹⁵⁹

Oppenheimer finds that historically, in societies where “estates did not exist to draw an increasing rental... ‘pure economics’ existed, and society approximated the form of the state to that of the ‘freemen’s citizenship.’”¹⁶⁰ In *The State*, he asserts that as productivity increases and the price of agricultural commodities falls, and as more serfs and peasants are granted the right to emigrate, especially to the New World, rents will be reduced from two sides.¹⁶¹ Consequently, “the system of vast territorial estates falls apart.”¹⁶² As in Oppenheimer’s state of nature, the legitimate economic means of production will return to preeminence.

Georgist ideas in this chapter are apparent. Oppenheimer’s idea that the possession of land is a remnant of feudal privilege protected by the state matches *Progress and Poverty*, as does his assertion that landlords stand in the way of human progress.¹⁶³ As Oppenheimer writes, “Only a small fraction of social liberals, or of liberal socialists [with whom he identified] believe in the evolution of a society without class dominion and class,” an idea “taken up in modern times by Henry George.”¹⁶⁴ Both George and Oppenheimer agreed that in a state of

¹⁵⁸ Oppenheimer, *The State*, 282.

¹⁵⁹ Oppenheimer, *The State*, 283-4.

¹⁶⁰ Oppenheimer, *The State*, 285-6.

¹⁶¹ Oppenheimer, *The State*, 284-5.

¹⁶² Oppenheimer, *The State*, 285.

¹⁶³ Oppenheimer, *The State*, 278.

¹⁶⁴ For Hertzka, see Peter Rosner, “Theodor Hertzka and the Utopia of ‘Freiland’,” *History of Economic Ideas* 14, no. 3 (2006): 113-37, <http://www.jstor.org/stable/23722864>.

economic cooperation, society would flourish and most taxes would become unnecessary.¹⁶⁵

However, Oppenheimer did not have the same faith in individuals' capacity for improvement as George. Oppenheimer was less of an individualist and believed that rural peasants—the primary subjects of his reforms—would best flourish organized in cooperative, egalitarian societies.¹⁶⁶ This strain of his thought was applied to kibbutzim like Merhavia, which was founded on Oppenheimer's ideas in 1914.¹⁶⁷

Herzl, Oppenheimer, Rosenblatt, and George

At its inception a dominantly left-wing movement, early 20th-century Zionism proved fertile ground for Georgist ideology and policy. Like Lazarus, leaders like Franz Oppenheimer and Theodor Herzl, among others, found George's ethical vision and political economy compelling. In contrast with the universalism of *Progress and Poverty*, though, the Zionism of these figures was,

¹⁶⁵ Oppenheimer does not mention the land value tax in this work, nor in the rest of his translated bibliography. This may, however, represent a failure of research or translation more than a lack of belief in the policy: Oppenheimer's founding and support for the *American Journal of Economics and Sociology*, an avowedly Georgist journal that has argued for the single tax since its inception, would be difficult to reconcile with disapproval.

¹⁶⁶ Oppenheimer was a major influence on the founders of early kibbutzim. In addition, a few utopian single-tax communities, also founded by Zionists, remain in the United States. Joseph Fels, a Zionist philanthropist, founded Arden, Delaware, on Georgist principles, and was a major contributor to the single-tax colony of Fairhope, Alabama, both of which are in operation today. Alvin Johnson, "Franz Oppenheimer," *The American Journal of Economics and Sociology* 3, no. 3 (1944): 288, <http://www.jstor.org/stable/3483772>. England, *Land and Liberty*, 153; for Joseph and Mary Fels, see England, *Land and Liberty*, chapter 9; on Fairhope and Arden, see England, *Land and Liberty*, 81.

¹⁶⁷ Merhavia's best-known resident was Golda Meir, the fourth prime minister of Israel, who was a member of the kibbutz in the early 1920s. The kibbutz exists today with a population of just over 1,000. "Co-Operation in Palestine: Dr. Oppenheimer Says His Colony Is on Road to Success," *The New York Times* (New York), March 17, 1914, <https://timesmachine.nytimes.com/timesmachine/1914/03/17/101754909.pdf>.

definitionally, nationalist. To that end, some proposals for Georgism in the Jewish state eschewed universalism in favor of exclusion.

In a series of works in the 1910s and 20s, Oppenheimer expressed how common ownership could benefit a new Jewish state.¹⁶⁸ Many of the proposed benefits could have been taken directly from George's writings: Oppenheimer notes that 'fee simple' (irrevocable and total) claims threaten the total production of the state, as "speculative locking-up of the land, that is, rendering the land useless" would destroy the potential of "this indispensable means of production."¹⁶⁹ To create a sustainable state, he argued that "one must deprive [the citizenry] of the possibility of speculative sales; and only then will they apply themselves with complete devotion to their noble calling" of cooperative agriculture.¹⁷⁰ The idea that removing the temptation of speculation would strengthen the character of the community is drawn from George, and increasing productive capacity is one of his main aims and not unique to the Zionist context.

Theodor Herzl echoed these ideas in his speculative fiction. In his utopian novel *Altneuland (Old New Land)*, the New Society of Israel leases out a socialized body of land to private workers, maintaining a version of a Georgist system. Refashioning the jubilee from Leviticus, the system ensures that "The

¹⁶⁸ Complete common ownership can be understood as aligning with George's assertion that "we must make land common property," even if it goes beyond merely the "kernel," taking the "shell" as well. George, *Progress and Poverty*, 405. For more on the land reform movements Oppenheimer would have been influenced by in Germany, and George's influence on them, see Kevin Repp, *Reformers, Critics, and the Paths of German Modernity: Anti-Politics and the Search for Alternatives, 1890-1914*, (Cambridge, MA: Harvard University Press, 2000), chapter 2.

¹⁶⁹ Franz Oppenheimer, and Jacob Oettinger, *Land Tenure in Palestine*, (The Hague: Head Office of the Jewish National Fund, 1917), 12, https://cooperative-individualism.org/oppenheimer-franz_land-tenure-in-palestine-1917.pdf.

¹⁷⁰ Oppenheimer, *Land Tenure in Palestine*, 16.

increases in land values accrue not to the individual owner, but to the public.”¹⁷¹ Notably, Herzl envisions Palestinian landlords benefitting from Jewish immigration. In the book, they are well-compensated for selling their land to the New Society.¹⁷² Further, Herzl envisions landless Arab laborers gaining “Opportunities to work, means of livelihood, [and] prosperity.” Under the Georgist system, they would benefit “whether they wanted to or not, whether they joined it or not,” and without their customs or religion interfered with.¹⁷³

In contrast, many of Oppenheimer’s writings do not aim to promote virtue and production inside Zionist communities but to exclude Arab Palestinians. In *Land Tenure in Palestine*, Oppenheimer repeats his theory of the origin of the state and reasserts that only the application of the economic means gives legitimate usage rights to land.¹⁷⁴ He writes that one who works the land must not be evicted from it as long as “he rests with his [back] upon it.”¹⁷⁵ However, he further asserts that, rather than following from natural or divine right as in George, the right to land stems from the individual’s membership in a community. Land usage thus carries the responsibility to maintain that community against “alien and unacceptable elements.”¹⁷⁶ Common ownership in land is ultimately key to forbidding “any alien element [from entering] into the corporation,” a basis

¹⁷¹ I limit my inquiry here to Herzl’s writings on Georgism, not his full bibliography; his broader sentiments are beyond the scope of this thesis. Theodor Herzl, *Old New Land (Altneuland)*, (Filiquarian, 2007), 143, https://archive.org/details/oldnewlandaltneu0000herz_h9i7/page/6/mode/2up?q=owner.

¹⁷² Herzl, *Old New Land*, 142.

¹⁷³ Herzl, *Old New Land*, 144.

¹⁷⁴ Oppenheimer, *Land Tenure*, 6.

¹⁷⁵ Oppenheimer, *Land Tenure*, 6.

¹⁷⁶ Oppenheimer, *Land Tenure*, 6.

for exclusion rather than for equal access to production. Unlike George, who emphasized the egalitarian implication of the Jubilee, Oppenheimer understands it as a way of reasserting the power of the tribe against foreign threats.¹⁷⁷ He understood communal ownership in the same way: not as egalitarian, but as defensive.¹⁷⁸

Oppenheimer's contemporaries in the Zionist movement were also interested in communal ownership schemes for their defensive promise. Bernard Rosenblatt, an American lawyer, wrote in *Social Zionism* (nearly twenty years after *Altneuland*) how Georgist land value taxation might prevent Palestinian landholders from benefiting from Jewish migration. In a passage, he imagines the effects of Jewish settlement in the absence of land value taxation:

Present land owners of Palestine, who, in the main, have done little to develop the country, would reap a golden harvest from the establishment of a new government; and with the influx of Jews, land values would go sky-high, so that every Jew who migrated to Palestine from Russia, Roumania, or America—a pioneer in the Jewish Renaissance—would be compelled to purchase lands at inflated values or pay exorbitant rents, thereby helping to develop a class of absentee Palestinian landlords, who would be spending their incomes (obtained from Palestinian workers), and idling their time in the luxurious capitals of the world.¹⁷⁹

Rosenblatt asserts that Palestinian landlords would reap windfall profits from Jewish settlers. Without taxation to curb monopoly pricing, Jews would be crushed by unfair rents, while their landlords would collect rents in absentia, keeping the country undeveloped. A land value tax would, if applied equally,

¹⁷⁷ Oppenheimer, *Land Tenure*, 6.

¹⁷⁸ Oppenheimer, *Land Tenure*, 7.

¹⁷⁹ Bernard A. Rosenblatt, *Social Zionism: Selected Essays*, (New York: Public Publishing Company, 1919) 117-8. <https://books.google.com/books?id=B8r-nSkRvfoC>.

solve many problems while facilitating Jewish immigration. It would drive out speculators, opening unclaimed land to settlers and pushing down prices. Unlike in Oppenheimer's writing, Rosenblatt also imagines the redistribution of the land value created by Jewish migration as benefitting all of Mandatory Palestine, Arabs and Jews alike.

Although his portrayal of Palestinian landlords as lazy and absent draws on cynical, orientalist tropes, Rosenblatt suggests that Palestinian workers would benefit from a land tax, as in Herzl's fictional depiction. He notes that under a land value tax, although the surplus would be confiscated, the "plan will not deprive any present-day landlords in Palestine of any rights," and ends *Social Zionism* with the assertion that in a new Jewish commonwealth, "nothing shall be done which shall prejudice the civil and religious rights of existing non-Jewish communities in Palestine." In contrast with *Altneuland*, Rosenblatt imagines the land value tax as limiting Palestinian profit but ultimately benefiting the entire territory.

Oppenheimer was more exclusive than either in his nationalism. He suggests that common ownership could allow the Jewish National Fund, an organization dedicated to purchasing land in Palestine, to stop residents from engaging in economic activity with non-Jews and introducing "germs of discord."¹⁸⁰ He characterizes the Jewish community from which land rights derive

¹⁸⁰ Oppenheimer, *Land Tenure*, 13.

as an unbreakable “bundle of arrows,” and suggests that allowing free trade in land (a right that George would preserve) would loosen its bond.¹⁸¹

Oppenheimer is authentically following George’s political economy by endorsing communal ownership, but the strict border he places around his preferred community encloses the ideology’s global aspiration. However, this exclusion is not unprecedented: as noted in Chapter 1, George himself wrote many virulently sinophobic articles. Although this prejudice is absent from his works of political economy, which seek to guide all nations to a higher state (including, notably, China), George evidently did not see the two in conflict. Oppenheimer’s limited scope cannot, then, be considered a total departure from George.

George’s tangible influence in Palestine was ultimately marginal; the ideology was written in the context of industrializing cities and had reduced salience in an area with few monopoly landholders.¹⁸² Still, the distorting effects of land ownership were taken seriously, and powerful movement leaders proposed Georgist policies to prevent landowner exploitation. Though Georgism was not implemented, communal land ownership remained a core value, and Israel’s Basic Laws guarantee that state land is held in common and cannot be sold.¹⁸³

Oppenheimer continued to promote Georgism well after the ideology faded from prominence in the late 1910s. Fleeing Germany after Hitler’s

¹⁸¹ Oppenheimer, *Land Tenure*, 13.

¹⁸² Yaacob Shavit via Avner Shavit, Personal communication, April 7, 2024.

¹⁸³ Knesset, “Basic Laws of Israel: Israel Lands,” Jerusalem, 1960, <https://www.jewishvirtuallibrary.org/basic-law-israel-lands>; England, *Land and Liberty*, 152.

ascension to the chancellorship in 1931, Oppenheimer taught in France and Mandatory Palestine before settling in Los Angeles. He was a founding member of the *American Journal of Economics and Sociology* (*AJES*), a Georgist economics journal. In the first issue, he wrote that “Ours is the task of breaking up the monopoly of the land in order to bless mankind at last with full freedom, real free competition and true democracy,” to follow the way Henry George had revealed but could not himself follow.¹⁸⁴ He died in 1943.

One of Oppenheimer’s doctoral students, Ludwig Erhard, became chancellor of West Germany in the 1960s. Though Erhard rejected Oppenheimer’s collectivism, he attributed to the man his vision of a “European society of free and equal men.”¹⁸⁵ Though it would be presumptive to attribute the genesis of this idea to George, it is safe to say that he shared this view, if at his best on a global, not solely European, scale.

Conclusion

Herzl, Oppenheimer, and other Zionists understood George’s ideas as methods of increasing production, remedying inequality, and progressing to a higher state of cooperation, though in notably different ways. They, too, understood *Progress and Poverty* as a “green stick” on which the solution to material strife was written—if less fervently than Tolstoy did. The most significant deviation that Zionists made from George’s writings was in their

¹⁸⁴ Franz Oppenheimer, “Foreword to a Venture in Scientific Synthesis,” *The American Journal of Economics and Sociology* 1, no. 1 (1941): v. <http://www.jstor.org/stable/3484195>.

¹⁸⁵ Franz Oppenheimer and Paul Gottfried, *The State: Its History and Development Viewed Sociologically*, (New Brunswick, NJ: Transaction Publishers, 1999), x.

delineation of the community to whom the land belonged. As noted, though, even in its most exclusionary form, this move is prefigured in George's anti-Chinese racism. The exclusion cannot be justified by *Progress and Poverty* or George's other works of formal political economy but is well-precedented by his journalistic work. The appropriation by Zionists in the early 20th century does not represent a significant break with George's original intent. It is simply a refashioning for a specific national context, at its most extreme with a restrained imagination of who deserves the right to land.

Chapter 3: A Model for China's Future: Georgism in the Republic of China

The man most successful in propagating George's ideology was indisputably Sun Yat-sen, the father of the Republic of China. Venerated by both Taiwanese and CCP officials, Sun's political thought—much of which, especially the principle of *Mínshēng*, he attributed to George—remains influential in East and Southeast Asia.¹⁸⁶ Today, Taiwan relies on a land value tax for a significant portion of its revenues and is the country where George's legacy is most tangible.

It should come as no surprise that the way Sun used George in China departed from the ideology's roots in Gilded Age America. Sun was more concerned with ending imperial exploitation than ensuring republican liberties, and his proposed system of taxation does not extract land value at nearly the same rate as George's. In addition, China was not sufficiently industrialized for inequality to have the prominence it did in George's New York, though Sun understood speculation as a major threat to the developing nation. Ultimately, Sun held the same core values as George, as expressed in his *San Min Chu I*, and his appropriations and legacy can be understood within the Georgist tradition.¹⁸⁷

¹⁸⁶ For Sun's influence on Vietnam, Indonesia, and the Philippines, as well as Muammar Gaddafi's Libya, see Audrey Wells, *The Political Thought of Sun Yat-Sen: Development and Impact*, (Basingstoke, England: Palgrave, 2001), chapters 15 (Southeast Asia) and 16 (Libya).

¹⁸⁷ The standard transliteration of the text is *Sānmín Zhūyì*, but I use *San Min Chu I* to match the translation I worked with. Sun Yat-sen and Chiang Kai-shek, *San Min Chu I*, translated by Frank W. Price, Taipei: China Publishing Co., 1935.

Sun Yat-sen and the Republic of China

Sun Yat-sen was born in 1866 to a family of peasants in Guangzhou. Following his brother, who had emigrated and found success in Hawaii, he studied English and the Bible in Honolulu before returning to China. Sun was baptized by an American minister while studying medicine in Hong Kong, where he began to discuss revolutionary ideas with his peers.

The Qing dynasty, which had held the Mandate of Heaven since the 17th century, entered the 20th in a state of precarity. The empire had lost the Opium Wars to the British and was forced by a series of “unequal treaties” to cede zones to Europeans; its failures to modernize and its oppressive taxation stoked revolutionary sentiments among both the peasantry and intelligentsia. Sun helped fund a revolt in Guangzhou in 1895, but the rebels were suppressed and he was forced to flee the country. Sun would remain abroad for most of the next sixteen years, attempting to gather support from foreigners and expats to instill a republic; he likely read *Progress and Poverty* in 1897, while traveling through London.¹⁸⁸

While in Japan, Sun helped found the Tóngménghuì, an underground organization

¹⁸⁸ Sun may also have learned about land taxation through news of Kiautschou Bay, a German leased territory that enclosed the city of Tsingtao and implemented a land tax of 6% in 1898. Upon visiting the city in 1912, Sun is alleged to have said “I am impressed. The city is a true model for China’s future.” The city’s Tsingtao brewery, today China’s largest beer exporter, is another remnant of German influence. For Kiautschou and land taxation, see Michael Silagi and Susan N. Faulkner, “Land Reform in Kiaochow, China: From 1898 to 1914 the Menace of Disastrous Land Speculation Was Averted by Taxation,” *The American Journal of Economics and Sociology* 43, no. 2 (April 1984): 167-77, <http://www.jstor.org/stable/3486727>. For Sun on Kiautschou, see Frances Wood and Christopher Arander, *Betrayed Ally: China in the Great War*, (Barnsley, England: Pen & Sword Books, 2016), 4, <https://books.google.com/books?id=qjGWDQAAQBAJ>, and Wells, *Political Thought*, 27-28. For Sun’s encounter with *Progress and Poverty* in London, see Paul B. Trescott, “Henry George, Sun Yat-Sen and China—More Than Land Policy Was Involved,” *The American Journal of Economics and Sociology* 53, no. 3 (July 1994): 363, <https://www.jstor.org/stable/3487301>.

devoted to the abolition of the Qing monarchy. While working with the Tóngméng huì, Sun published what would become the core of his political philosophy, the Three Principles of the People: People's Rights, Nationalism, and Mínshēng.

Finding little support in a period of warming relations with China, Sun left Japan to seek support from Chinese Americans in the United States. During his travels, he befriended Henry George Jr., George's son and biographer.¹⁸⁹ In Sun's absence, a Tóngméng huì magazine published a Chinese-language summary of *Progress and Poverty* in 1910, exposing Chinese intellectuals to George for the first time.¹⁹⁰

The revolution began, without Sun, the following year: a bomb prepared by revolutionaries was set off by accident in Wuhan, and the survivors were captured by imperial police. Fearing that they would be exposed, their co-conspirators put their plan into motion prematurely and were able to capture the province. Sun read about the success days later in a Denver newspaper. Rather than returning to China immediately, though, he traveled to New York, London, and Paris to solicit loans for the rebellion. Although the bankers were unwilling to commit funds, he secured their non-intervention until the conflict was resolved.

¹⁸⁹ England, *Land and Liberty*, 152; "Single Tax Attracts Orient: Dr. Sen's Advocacy Due to Missionaries, Says Henry George, Jr.," *The New York Times* (New York), April 6, 1912, <https://nyti.ms/3J8PGlk>.

¹⁹⁰ Wu Shang-ying, "Sun Yat-sen and Land Reform in China," *Henry George News* (New York), March 1955, https://cooperative-individualism.org/shang-ying-wu_sun-yat-sen-and-land-reform-in-china-1955.htm.

Upon his return, Sun, a powerful orator, was elected provisional president of the new Republic of China (RoC). In an interview with American journalists after his election, Sun declared:

The teachings of your single-taxer, Henry George, will be the basis of our program of reform. The land tax as the only means of supporting the government is an infinitely just, reasonable and equitably distributed tax, and on it we will found our new system. . . We will embrace all the teachings of Henry George and will include the ownership by the national government of all natural monopolies.¹⁹¹

Before any program was implemented, though, Sun ceded his position to General Yuan Shikai and founded the Kuomintang (Nationalist Party or KMT) to contest the first national elections. Sun's provisional government was weak; Yuan, endorsed by both revolutionary and conservative forces, was thought to be the only man who would be able to stabilize China under the new regime. However, after the KMT won a plurality of seats, Yuan began to ignore parliament, and, after a failed assassination attempt, banned the party and proclaimed himself emperor. He died in 1916 as the country shattered into a period of warlordism.

In 1917, Sun declared himself generalissimo of a KMT military government in Guangzhou in the name of Chinese reunification. During the pauses between his political and military activities, he studied and wrote, and in 1924 he published the *San Min Chu I (The Three Principles of the People)*, an elaboration of the values he had professed in the *Tóngménghuì* and his final major

¹⁹¹ "Sun Yat Sen's Economic Program for China," *The Public*, April 12, 1912, in Harold Schiffrin, "Sun Yat-Sen's Early Land Policy: The Origin and Meaning of 'Equalization of Land Rights,'" *The Journal of Asian Studies* 16, no. 4 (1957): 555n18, <https://doi.org/10.2307/2941638>.

work.¹⁹² The text, composed from Sun’s lectures, provides a comprehensive overview of his program.¹⁹³

San Min Chu I

The following is by no means a comprehensive account of every instance of Georgist philosophy in the writings of Sun Yat-sen; however, drawing on the analyses of Marie-Claire Bergeré, Paul Trescott, and Sein Lin, it aims to provide a representative account of the prevalence of Georgist ideas in Sun’s core works, especially *San Min Chu I*.

Of the Three Principles, mínshēng is the one most obviously influenced by George; it is also the hardest to pin down. “Mín” (民) translates to “people” and “shēng” (生) to “life,” and the term is frequently translated as “people’s livelihood.” At times, Sun used mínshēngzhǔyì (the doctrine of the people’s livelihood) interchangeably with shèhuìzhǔyì (socialism), while at other times he used it as “welfarism,” without the statist connotations.¹⁹⁴ In the *San Min Chu I*, Sun’s elaboration of mínshēng is notably Georgist.

In the second lecture of the *San Min Chu I*, Sun presents the moral case for land rent expropriation. He describes a drunken man who had bid on a plot of cheap land in Australia. Angry about his accidental purchase, the man ignores the plot for a decade, even as buildings and industry spring up around it. He eventually finds himself the wealthiest man in the country as the plot soaks up the

¹⁹² Marie-Claire Bergère, *Sun Yat-Sen*, Translated by Janet Lloyd, (Stanford, CA: Stanford University Press, 1994), 352.

¹⁹³ Bergère, *Sun Yat-Sen*, 353.

¹⁹⁴ Bergère, *Sun Yat-Sen*, 382.

value others have created around it. “To whom did these millions really belong?” Sun asks, and finds: “they belonged to everybody.”¹⁹⁵ Land value is created socially, thus society, as the source of the spillover captured by landlords, has the right to harvest it.

Sun explains that the most pernicious habit of Western capital has been land speculation, and that land reform had to be effected before capital could entrench itself further.¹⁹⁶ Like George, Sun proposes the full equalization of land rights while ensuring that “present landowners can set their hearts at rest.”¹⁹⁷ Notably, though, his solution looks more similar to one put forward by the American economist Arthur Harberger in 1965 than George’s.¹⁹⁸ Sun supports a land value tax, but rather than appropriating all of the value as George would, his proposed initial rate is only 1%. His pricing mechanism also differs from George’s: while George proposes that the government or locality assess the value of a plot, Sun allows landowners to set the prices themselves. He also gives the government the right to buy any plot at the price set by the landlord. In this way, “neither landowner nor government will suffer”:¹⁹⁹

¹⁹⁵ Sun, *San Min Chu I*, 175.

¹⁹⁶ Sun, *San Min Chu I*, 176.

¹⁹⁷ Sun, *San Min Chu I*, 177.

¹⁹⁸ Eric Posner and Glen Weyl have theorized a version of Sun’s scheme, called the Common Ownership Self-assessment Tax (or COST) in which all people have the right to buy each other’s property at the self-assessed tax, granting the state’s power of eminent domain to all buyers. They do not refer to Sun, instead describing the policy as an updated Georgist land value tax. For the COST, see Eric A. Posner and E. Glen Weyl, *Radical Markets: Uprooting Capitalism and Democracy for a Just Society*, Princeton: Princeton University Press, 2018. For Harberger and Sun, see Arnold C. Harberger, “Issues of Tax Reform for Latin America,” *Joint Tax Program of the Organization of American States*, eds, *Fiscal Policy for Economic Growth in Latin America*, (Baltimore: The Johns Hopkins Press, 1965), 116–21 in Eric A. Posner and E. Glen Weyl, “Property Is Only Another Name for Monopoly,” *Journal of Legal Analysis* 9, no. 1 (2017): 51-123, <https://doi.org/10.1093/jla/lax001>.

¹⁹⁹ Sun, *San Min Chu I*, 178.

...if the landowner makes a low assessment, he will be afraid lest the government buy back his land at that value and make him lose his property; if he makes too high an assessment, he will be afraid of the government taxes according to this value... he will certainly not want to report the value of his land too high or too low; he will strike a mean and report the true market price to the government.²⁰⁰

This policy would lead to industrialization as the government, granted the right to purchase large, uninterrupted swaths with ease, would coordinate railroad corridors and centers of industry. Despite the implementation differences, the root of taxing the unimproved value of land is clearly Georgist.

In addition, Sun, like both George and Marx, asserts that economic systems determine the character of society, that “if livelihood does not go right, social culture cannot advance, economic organization cannot improve, morals will decline, and other forms of oppression will spring up.”²⁰¹ However, he agrees with George that “The primary force of human evolution is cooperation and not struggle.”²⁰² While Marxism (which Sun rejected) asserts a dialectical struggle between classes as the driving force of history, for Sun and George, enduring progress can only be achieved through collaboration.²⁰³

²⁰⁰ Sun, *San Min Chu I*, 177-8.

²⁰¹ Sun, *San Min Chu I*, 176.

²⁰² Sun Yat-sen, *The International Development of China*, Project Gutenberg, 2014, <https://www.gutenberg.org/files/45188/45188-h/45188-h.htm>.

²⁰³ Sun’s anti-Marxism was largely informed by the writings of Maurice William, especially his *The Social Interpretation of History*. See Harry Saunders, “The American Dentist Who Turned Sun Yat-Sen Off Marxism,” *The China Project*, Updated October 23, 2023, <https://thechinaproject.com/2023/10/23/the-american-dentist-who-influenced-sun-yat-sen-and-his-nationalist-party/>.

George and Sun

Sun aligned with George on a host of issues beyond mínshēng. Most obvious is their mutual appreciation for Chinese tradition and history: *Progress and Poverty* contains more references to China than to any countries other than the United States and Britain, and George applied his theory to the Chinese case in depth.²⁰⁴ They also shared affinities for anti-Malthusianism and population growth. Both asserted the (since disproven) theory that China's population had declined significantly by the 19th century, and Sun feared that this had made it an easy target for imperialism; he describes Malthus's ideas as "poisonous," and asserts that China had the resources to sustain a significantly larger population.²⁰⁵

Like George, Sun was both a utopian and a Christian. He references the Confucian idea of dàtóng, Great Unity, in the speech that became the national anthem of the Republic of China, and would have recognized this idea in George's description of "moral conditions realizing the golden age of which mankind have always dreamed [*sic*]."²⁰⁶ Both believed in the application of Christian ethics to social problems: George suggested that the institution of the land value tax would lead to "the City of God on earth" and "the reign of the

²⁰⁴ As noted in Chapter 1, George published multiple sinophobic essays and articles early in his career. Although he had recanted most of those views by *Progress and Poverty*, he continued to oppose Chinese immigration on economic grounds into the 1890s. Sun likely never saw these articles, but it's notable that the most significant figure George influenced was himself a Chinese immigrant to the U.S.

²⁰⁵ Trescott, "Henry George, Sun Yat-Sen and China," 366.

²⁰⁶ George, *Progress and Poverty*, 4; Bèrgere, *Sun Yat-sen*, 369.

Prince of Peace!”²⁰⁷ Similarly, Sun saw Jesus, a “religious revolutionist,” as a model for Chinese nationalism.²⁰⁸

Liberty and Prosperity

Despite his admiration for George, Sun was not in lockstep with the values of *Progress and Poverty* and disputed the book’s emphasis on liberty. He did not believe that the concept could be imported from the Western context without substantive changes. Sun criticized Chinese student activists for repeating the words “Give me liberty or give me death,” observing that they did not know what the word meant and that it was a concept foreign to China.²⁰⁹ Rather, he asserts that “everybody’s liberty [makes] us a sheet of loose sand and...if all are [to be] united in a strong body, we cannot be like loose sand.” The stability of the state would trump individual freedoms, a reversal of George’s priorities.

To justify this, Sun claims that after the despotic Qin Dynasty (221-206 B.C.) collapsed, most Chinese peasants rarely came into contact with the state.²¹⁰ Subsequent dynasties were more interested in preserving their power than in directly managing the lives of the people. Poverty, rather than the systematized tyranny that inspired Europeans to fight for liberty, was the main burden under which the Chinese population toiled. Faced with the threat of imperialism, Sun emphasizes that it is state power, rather than republican liberties, that is thus essential to prevent foreign domination and ensure popular well-being. Sun

²⁰⁷ George, *Progress and Poverty*, 552.

²⁰⁸ Sun, *San Min Chu I*, 15; Trescott, “Henry George,” 369.

²⁰⁹ Sun, *San Min Chu I*, 68.

²¹⁰ Sun, *San Min Chu I*, 70-71.

applied this idea to economic as well as political liberty: while George was an adamant free trader, Sun believed that China should levy tariffs to protect burgeoning industries from European imports.²¹¹

Sun's assertion in the *San Min Chu I* that "each tiller of the soil will possess his own fields," a call for broadening land ownership, was also out of line with George. George was a staunch defender of property rights and an opponent of land redistribution.²¹² He believed that efforts by the state to divide land ownership would decrease production, and further, would "...not reduce rent, and therefore [not] increase wages. It may make the comfortable classes larger, but will not improve the condition of those in the lowest class."²¹³ George imagined that proposals like Sun's would broaden the constituency for an unjust system and would place a remedy further out of reach.

Still, this contrast may not be as sharp as it first appears. As Marie-Claire Bergère notes, the *San Min Chu I* is primarily a work of propaganda, not a comprehensive system. It presents a variety of ideas without probing their inconsistencies or incoherencies.²¹⁴ The extent to which Sun's writings justified land reform in practice is also unclear. For example, he rejected a plan for land confiscation and redistribution in 1923–24.²¹⁵ As is detailed below, his influence on Taiwan's "Land to the Tiller" program is subject to interpretation.

²¹¹ Sun, *San Min Chu I*, 10-11.

²¹² Sun, *San Min Chu I*, 188.

²¹³ Trescott, *Henry George*, 371; George, *Progress and Poverty*, 324.

²¹⁴ Bergère, *Sun Yat-sen*, 353.

²¹⁵ Trescott, *Henry George*, 371; James Lin, "Capitalism with Socialist Characteristics: The Land Reform Training Institute, 1968-1979," Draft Manuscript, November 15, 2023, 5-6.

Sun's Georgist Legacy in the Republic of China

Sun died of cancer in 1925 and was succeeded by his lieutenant, Chiang Kai-shek. Long after Sun's death, his Georgist influence on the Republic of China persisted. In a midcentury article for the *Henry George News*, Sun's former secretary Wu Shang-ying describes how the RoC's legislature promulgated a land law in 1930.²¹⁶ Built around Sun's Georgist principle of "Equal Right to the Use of Land," the law laid the groundwork for the taxation of land values. In 1931, a central land administration was created to enforce the law and Wu was appointed as its chief executive. However, the increasing political and military turmoil of the Chinese Civil War and the Japanese invasion prevented implementation. The central land administration still existed, but the ideas of Sun Yat-sen's land program were mainly used for governmental propaganda.²¹⁷

Despite these practical difficulties, Sun's successors still gave his program paramount importance. Signed on the mainland in 1946 and still in effect in Taiwan today, the Republic of China's constitution embedded Sun's Georgism into the DNA of the state. In the first sentence of its section on National Economy, the document asserts that "National economy shall be based on the Principle of the People's Livelihood [mínshēng] and shall seek to effect equalization of land ownership."²¹⁸ The Georgist implications of this and the succeeding articles are unmistakable:

²¹⁶ Wu, "Sun Yat-sen and Land Reform."

²¹⁷ Wu was promoted to cabinet status after the war. Wu, "Sun Yat-sen and Land Reform."

²¹⁸ Constitution of the Republic of China (Taiwan), art. 142.

All land within the territory of the Republic of China shall belong to the whole body of citizens. Private ownership of land, acquired by the people in accordance with law, shall be protected and restricted by law. Privately-owned land shall be liable to taxation according to its value, and the Government may buy such land according to its value.

Mineral deposits which are embedded in the land, and natural power which may, for economic purposes, be utilized for the public benefit shall belong to the State, regardless of the fact that private individuals may have acquired ownership over such land.

*If the value of a piece of land has increased, not through the exertion of labor or the employment of capital, the State shall levy thereon an increment tax, the proceeds of which shall be enjoyed by the people in common [emphasis added].*²¹⁹

The constitution asserts common ownership of all land while simultaneously protecting private ownership of land. This seeming contradiction is reconciled by taxation and compulsory purchase based on land value, the George-inspired policies Sun advocated in the *San Min Chu I*. A land value increment tax allows common enjoyment of socially created value while leaving to individuals the value they create through labor and capital. It is precisely the Georgist formulation of common land rights: in *Progress and Poverty*, George asserts that “*It is not necessary to confiscate land; it is only necessary to confiscate rent* [emphasis *sic*].” Landowners may keep the “shell” of ownership as the state takes the land value “kernel.”²²⁰

With the Japanese defeated in 1945, the KMT’s civil war with the Chinese Communist Party resumed. By 1949, Chiang and the KMT were forced to the island of Formosa, known today as Taiwan. With the military conflicts of the first

²¹⁹ Constitution of the Republic of China (Taiwan), art. 143.

²²⁰ George, *Progress and Poverty*, 405.

half of the century at an end, the RoC, under Chiang's dictatorship, began to put Sun's reforms into practice.

The most well-known of Taiwan's land policies began in the late 40s and early 50s. Rent caps, sales of public lands, and forced sales of large estates under the "Land to the Tiller" program were passed between 1949 and 1953. A more conventionally Georgist reform came in 1954. The *Equalization of Land Rights Statute* set the foundation for the country's future tax law, establishing

1. fair assessment of land value,
2. taxation according to declared value,
3. government optional purchase at declared value, and
4. public enjoyment of future land value increment.²²¹

In the 70s, enforcement power for local revenue collection was added to both land value taxation and to a transfer tax on land appreciation.²²² In this period, land value taxation became a regular and general part of state revenue, and as the Taiwanese real estate market boomed, these revenues became increasingly important. By 1995, 75.3 percent of all municipal and prefectural tax revenues came from the land value increment tax (60.4 percent) and land value tax (14.9

²²¹ Alven H. S. Lam and Steve Wei-cho Tsui, "Policies and Mechanisms on Land Value Capture: Taiwan Case Study," Lincoln Institute of Land Policy (Cambridge, MA: 1998), 3.

²²² The transfer tax is another example of Taiwanese deviation from Sun's original text. It is inefficient as it imposes a cost on land transactions, something neither George nor Sun prescribed. As an attempt to capture land value, however, it is again in the spirit if not the letter of Sun. Lam and Tsui, "Policies and Mechanisms," 3.

percent).²²³ In modern Taiwan, taxes on land value still make up the majority of local government revenue, though they have declined as a share of national revenue from 13% in 2003 to under 7% in 2021.²²⁴

In a working paper presented to the United Nations in 1966, RoC representatives stated that “the policies and programs of land reform implemented in Taiwan by the Government of the Republic of China are based on the teachings of Dr. Sun Yat-sen, Founder of the Republic” and that “all unearned increment from the land shall be enjoyed by the public,” tracing the genealogy of the reforms to the *San Min Chu I*.²²⁵ At a conference at the University of Hartford the same year, Shen Shike, an RoC bureaucrat, again asserted the Georgist roots of these programs and attributed the country’s economic success to them.²²⁶ He noted the breathtaking leaps in economic development that the country had experienced since its land reforms. Agricultural productivity had grown over

²²³ The gains could have been even greater if not for flawed implementation: issues like poor assessment and low rates meant that significant revenues were not captured and land speculation was not eliminated. Ironically, this may have been due to the continued political dominance of the KMT itself. Land policy specialist Alven Lam claims the party and its leadership became immensely wealthy through ownership of the most valuable locations and land speculation. This meant the government lost motivation to adhere to its original policy goals and fix the administrative issues with the land taxes. For example, popular demands for a “Second Land Reform” in the early 90s were ignored, with a cabinet member who proposed an increase in the LVT sacked. The overall result was a failure to solve the land problem through Georgist policy as Sun had envisioned. See Lam and Tsui, “Policies and Mechanisms,” 8-9, 19-21; Alven H. S. Lam, “Republic of China (Taiwan),” *The American Journal of Economics and Sociology* 59, no. 5 (2000): 335, <http://www.jstor.org/stable/3487821>.

²²⁴ See Lam and Tsui, “Policies and Mechanisms on Land Value Capture,” 19; *Guide to ROC Taxes, Taxation and Tariff Commission*, Ministry of Finance, Republic of China, 2010, <https://books.google.com/books?id=Uy4mAOAAMA AJ>; and *Guide to ROC Taxes, Taxation and Tariff Commission*, Ministry of Finance, Republic of China, 2022, <https://www.mof.gov.tw/download/a9da3c5a7ff146f7bde6aa2c3337abc5>.

²²⁵ Chinese Delegation to the United Nations, “Land Reform in the Republic of China,” in *Readings in Land Reform*, ed. Sein Lin (University of Hartford, 1970), 304 in Lin, “Capitalism,” 5-6.

²²⁶ The Lincoln Foundation, today the Lincoln Institute of Land Policy, is a Georgist nonprofit established by the founder of Lincoln Electronics in 1946.

100%, industrial productivity over 300%, and the standard of living nearly 350%, each credited to the more equal distribution of land.²²⁷ These successes led Shen to present a Georgist toolbox for future land reform programs in the Third World, one that was briefly used by South Vietnam before reunification.²²⁸

Yet, Taiwanese historian James Lin argues that the ideas presented had no direct lineage from Sun's writings.²²⁹ In his view, given the skepticism of both George and Sun toward agrarian expropriation, the presentation of the country's reform as Georgist was an attempt by technocrats to claim a moral basis for a capitalist dictatorship.²³⁰ Taiwan, under martial law from 1949 to 1987, was hardly the "ideal of Jeffersonian democracy" that George had imagined.²³¹ That the officials would make these claims at all, though, shows how powerfully Sun's Georgism had influenced the RoC.

By the 1960s, the Georgist movement was a marginal fringe, rapidly fading from the world's memory. Yet, RoC representatives were keen to claim a Georgist pedigree through Sun. Their perception of this claim as an asset against Communist China reveals how Sun's influence went deeper than just enabling the implementation of land value taxation.

Sun was not a "policy wonk," and the fact that the letter of his writing was not followed was in no sense a betrayal. KMT members, who even today venerate

²²⁷ Lin, "Capitalism," 13-14.

²²⁸ Lin, "Capitalism," 21.

²²⁹ Lin, "Capitalism," 14.

²³⁰ Lin, "Capitalism," 29.

²³¹ George, *Progress and Poverty*, 455.

Sun as the “Father of the Nation,” did not see it as such.²³² Sun likely never imagined his successors would be forced off the mainland, and yet they continued to work toward the “equalization of land rights” with the tools they had available. Still, Lin is ultimately correct to question the Georgist lineage. If nothing else, the Chiang regime’s claim to the term was far weaker than Sun’s own.

Conclusion

Sun’s writings in the *San Min Chu I* and his actions on land reform were largely consistent with *Progress and Poverty*. The sharpest gap between the two is Sun’s decreased emphasis on liberty in favor of national power, though this must be understood in China’s post-Qing context. *Progress and Poverty* is a book written against inequality, not imperialism. Though it is applicable for young states, especially in its promise to keep land in productive use, it does not comment on national defense or invasion. George was a strong anti-imperialist, and in his own lifetime, was briefly more popular in Ireland than he was in the United States. There, though, he had focused his attacks on landholders as a class rather than the English army. In his condemnations of imperialism in China and India he makes normative judgments but does not provide strategy. Given this lack, and China’s lack of a liberal tradition, it is unsurprising that Sun would support policies more relevant to his own situation. These changes do not threaten Sun’s status as a Georgist, if a heterodox one.

²³² Sun is more commonly honored in mainland China as the “Forerunner of the Revolution.”

Georgism in Taiwan, though, was reduced under the Chiang regime to an economic policy. Though created with reference to George, the proponents of “Land to the Tiller” and subsequent reforms were more concerned with rhetoric and economics than fidelity to *Progress and Poverty*. Though George’s legacy has not matched his full vision, it was useful nonetheless.

Chapter 4: The Least Bad Tax: American Georgism in the 20th Century

In George's life and during the Progressive Era, *Progress and Poverty* had been understood as egalitarian, an attack on the unchecked accumulation of wealth. Tolstoy, Oppenheimer, Herzl, and Sun each noted this aspect of the text, though they understood it in varying lights. Though George shifted his allegiance from labor to the middle class after his first mayoral campaign, *Progress and Poverty* was championed by Progressive, liberal, and socialist supporters of government intervention in the 19th century.

The character of American Georgism changed drastically in the 20th century. Collapsing after World War I, the Georgist movement's most prominent representatives changed from Progressive politicians to heterodox writers opposed to collectivism and loosely aligned with the political right. They emphasized George's assertion that "Government should be repressive no further than is necessary to secure liberty by protecting the equal rights of each from aggression on the part of others" over his expansive vision of public welfare and ownership.²³³

Breaking from its roots in egalitarian populism, the dominant strain of 20th-century American Georgism rejected the idea of a "green stick" and aligned itself with elitist individualism.

²³³ Henry George, *Social Problems*, (New York: Doubleday & McClure Co., 1901), 273, https://upload.wikimedia.org/wikipedia/commons/5/52/Social_problems_%28IA_socialproblems00geor%29.pdf.

The Progressive Era and the Old Right

The collapse of the egalitarian Georgist movement and its shift to libertarianism must be understood in the context of the First World War. Billed by President Woodrow Wilson as a war “to make the world safe for democracy,” and thought of as a “war to end all wars,” many Progressive activists were initially supportive:²³⁴ John Dewey, one of the most influential philosophers in American history, suggested that the war’s “Social Possibilities” would assert “the supremacy of public need over private possession” and temper American individualism.²³⁵ As Christopher England writes, Georgists were no exception, and, building on a string of victories in the Midwest, the movement reached its political zenith during Wilson’s second term. Several members of Wilson’s cabinet were Georgists, and during his first term, thirty congressmen formed an unofficial Georgist caucus.²³⁶

Like George himself, most Georgists were not committed to Tolstoyan pacifism, and many took prominent roles in the war effort. Both the Secretary of War and the head of Wilson’s Committee on Public Information were Georgists, and the War Department distributed copies of the Georgist newspaper *The Public*

²³⁴ Sean Dennis Cashman, *America in the Age of the Titans*, (New York: New York University Press, 1988), 483, <https://doi.org/10.18574/nyn/9780814723586.001.0001>.

²³⁵ John Dewey, “The Social Possibilities of War,” *Teaching American History*, 1918, accessed April 7, 2024, <https://teachingamericanhistory.org/document/the-social-possibilities-of-war-2/>; Michael McGerr, *A Fierce Discontent: The Rise and Fall of the Progressive Movement in America*, (New York: Free Press, 2003), 293, <http://ebookcentral.proquest.com/lib/wesleyan/detail.action?docID=4934653>.

²³⁶ England, *Land and Liberty*, 212. See chapters 5-11 for a comprehensive account of George’s influence on the Progressive Era. For the congressional caucus and administrative power of Georgists during the Wilson administration, see England, *Land and Liberty*, 182-7.

to military camps.²³⁷ With funding from *The Public*, the Department also sent books by George and other Progressives to the front lines.²³⁸ However, *The Public* died with Wilsonian internationalism: England notes that the paper ceased publication without explanation in 1919.²³⁹ Sun Yat-sen wrote the feature for its final issue.²⁴⁰

World War I is widely credited with ending the Progressive Era.²⁴¹ Its brutality and perceived futility shattered American faith in the concept of progress, and Georgism, with other Progressive ideologies, crumbled.²⁴² The Georgists of the Wilson administration were discredited and replaced by Harding Republicans. The movement saw further hemorrhage as the American radical left, inspired by the success of the Russian Revolution and the ascendance of Marxism, rejected George's framing of capital and labor as allies against landowners. American Georgists have never since held meaningful power.²⁴³

Most damaging was the growth of car ownership and infrastructure, which expanded the margin of production and brought a release valve to dense cities.²⁴⁴ Highways pushed the margin of production out much further, and workers were,

²³⁷ England, *Land and Liberty*, 202.

²³⁸ England, *Land and Liberty*, 202.

²³⁹ England, *Land and Liberty*, 212. The termination may have followed from the increasing responsibilities of Louis Post, the paper's founder, as Assistant United States Secretary of Labor in the Wilson Administration. Edward Dodson, Personal communication, April 25, 2024.

²⁴⁰ England, *Land and Liberty*, 212.

²⁴¹ Lewis L. Gould and Courtney Q. Shah, *America in the Progressive Era, 1890-1917*, Second edition, (Abingdon, England: Routledge, 2021), 63, <https://doi.org/10.4324/9781003005773>.

²⁴² McGerr, *A Fierce Discontent*, 9; Cashman, *America in the Age of the Titans*, 542.

²⁴³ England, *Land and Liberty*, 216.

²⁴⁴ England, *Land and Liberty*, 216.

until rents caught up, able to achieve significant wage gains. As the salience of urban rents declined, so too did Georgism.

In the Interwar period, the American Georgists who spurned Marxism and repudiated new forms of welfare liberalism—despite the changes in material conditions between George’s time and their own—were devout individualists, opposed to state coercion of all kinds and fixating on the “single” aspect of the single tax. The changes they would make to the ideology followed from the characteristics that allowed their Georgisms to survive the broader movement’s collapse.

Mainstream Georgism did not fade away completely. John Dewey continued to praise George in his writings and served as an advisor to multiple Georgist organizations throughout his career. However, the movement’s torch was most prominently held in the Interwar years by proto-libertarians, notably distinct from the Progressive Georgists that had preceded them.

Though neither Albert Jay Nock nor Frank Chodorov are widely read today, their importance to libertarian thought cannot be overstated. The historian George Nash identifies the two as founding figures of the anti-Roosevelt “Old Right” and of the modern conservative intellectual movement. Murray Rothbard, himself a libertarian juggernaut, traced the seeds of his anarcho-capitalism to Nock’s anti-statism and was first published by Chodorov.²⁴⁵ Most notable is the influence of the latter two on William F. Buckley, the founder of *National Review*

²⁴⁵ Murray N. Rothbard and Thomas E. Woods, Jr., *The Betrayal of the American Right*, (Auburn, AL: Ludwig von Mises Institute, 2007), 73, <https://mises.org/library/betrayal-american-right-0>.

and a pivotal figure in the turn to New Right fusionism. Buckley, too, identified as a Georgist, though his claims do not hold up under scrutiny.

John Dewey

As noted, John Dewey was one of the most important philosophers in American history and a widely influential scholar. His contributions to education, epistemology, aesthetics, and ethics, among other fields, are vast. He was also an adamant Georgist. The most comprehensive account of George's influence on Dewey is England's "John Dewey and Henry George: The Socialization of Land as a Prerequisite for a Democratic Public," which I will not replicate in full,²⁴⁶ however, an overview of the key points presents a notable contrast to Dewey's Old Right contemporaries and demonstrates the contingency of the movement's character after the War.

Like other admirers, Dewey often took a hagiographic tone when referring to George. In 1928, Dewey wrote an introduction to an edition of *Progress and Poverty* in which he describes George as "one of the great names among the world's social philosophers."²⁴⁷ He further writes that "It would require less than the fingers of the two hands to enumerate those who from Plato down rank with him," and that "No man... has a right to regard himself as an educated man in social thought unless he has some first-hand acquaintance with [George.]"²⁴⁸

²⁴⁶ Christopher England, "John Dewey and Henry George: The Socialization of Land as a Prerequisite for a Democratic Public," *The American Journal of Economics and Sociology* 77, no. 1 (2018): 169–200, <http://www.jstor.org/stable/45129516>.

²⁴⁷ John Dewey, "An Appreciation of Henry George," New York, Robert Schalkenbach Foundation, 1927.

²⁴⁸ Dewey, "An Appreciation of Henry George."

George Raymond Geiger, future co-founder of the Henry George School of Social Science (HGSSS), was Dewey's final doctoral student and wrote his dissertation on George. In an introduction, Dewey wrote that "It is impossible to conceive any scheme of permanent tax reform which does not include at least some part of George's appropriation by society for social purposes of rental value of land."²⁴⁹ Dewey thought exceptionally highly of *Progress and Poverty* and incorporated Georgism into his own philosophy.

England finds that Dewey saw the socialization of rents as necessary for the creation of a public ready for democracy.²⁵⁰ He notes that Dewey, although a defender of democracy, believed that "the prime condition of a democratically organized public... does not yet exist," as powerful interests had undue influence over political processes.²⁵¹ To achieve that "prime condition," "a large measure of reconstruction" had to be enacted, which might include the socialization of businesses or land rents.²⁵² Dewey agreed with George that land speculation was detrimental to the cultural and intellectual life of communities, as it pushed people far away from institutions and associations necessary for their development.²⁵³ He found that dense slums, arising from the same factors, also hampered the development of an informed public, and argued for the single tax as their only solution.²⁵⁴ Although he emphasizes the epistemological effects more strongly

²⁴⁹ England, "Dewey and George," 189.

²⁵⁰ England, "Dewey and George," 171.

²⁵¹ John Dewey, *The Public and its Problems: An Essay in Political Inquiry*, (Chicago: Gateway Books, 1954), 166, in England, "Dewey and George," 173.

²⁵² Dewey, *The Public*, 73, in England, "Dewey and George," 172.

²⁵³ England, "Dewey and George," 174.

²⁵⁴ England, "Dewey and George," 176-7.

than George, Dewey is reproducing the claims in *Progress and Poverty* that a land tax would both improve the character of communities and allow them to achieve the full promise of democracy.²⁵⁵

With the figures discussed later in this chapter, Dewey opposed the New Deal on Georgist grounds.²⁵⁶ He claimed that its scattered reforms would fail unless they were paired with a land value tax and that the entire program was “compromised, prejudiced, yes, nullified, by private monopolization of opportunity [in land].”²⁵⁷ He imagined farm subsidies, for example, would prop up land values and ultimately create another bubble, and though he supported the ambitions of the Tennessee Valley Authority, he worried that its benefits would primarily accrue to landholders.²⁵⁸ In a 1933 radio address, he explained “I do not claim that George's remedy is a panacea that will cure by itself all our ailments. But I do claim that we cannot get rid of our basic troubles without it.”²⁵⁹ For Dewey, George's policy was not the only road to reform, but it was an essential starting point.

Dewey had never been in total alignment with George, and his references dwindled in the later 1930s.²⁶⁰ Notably, he did not believe in natural law, on which

²⁵⁵ George, *Progress and Poverty*, 455-6.

²⁵⁶ England, “Dewey and George,” 191.

²⁵⁷ John Dewey, “Socialization of Ground Rent [1935],” in *John Dewey, the Later Works, 1925–1953: Volume 11, 1935–1937*, Ed. Jo Ann Boydston, (Carbondale, IL: Southern Illinois University Press, 1990), 256–7 in England, “Dewey and George,” 191.

²⁵⁸ England, “Dewey and George,” 191.

²⁵⁹ John Dewey, “‘Steps to Economic Recovery.’ Radio address. WEVD. New York. April 28. [1933],” In *John Dewey, the Later Works, 1925–1953: Volume 9, 1933–1934*, Ed. Jo Ann Boydston, (Carbondale, IL: Southern Illinois University Press, 1986), 65, in England, “Dewey and George,” 191.

²⁶⁰ England, “Dewey and George,” 196.

George's moral case rests, though he did support the mingling of political economy with ethics.²⁶¹ Additionally, Dewey was much more willing to nationalize capital than George, who had argued that capital should be largely unregulated after land was socialized.²⁶² However, he did not see these disagreements as fundamental, writing that if he had lived in the '30s, George would have "draw[n] the line between [un]planned and directed cooperation different from the place where he did draw it" and been more open to the nationalization of industry.²⁶³ Dewey remained involved with Geogist organizations, serving as honorary president of the Henry George School of Social Science and helping to found the *American Journal of Economics and Sociology* in 1941.²⁶⁴

Dewey believed in the egalitarian and epistemological potential of *Progress and Poverty*. Though later Pragmatists have largely ignored this aspect of his thought, Dewey's high-profile celebration of George demonstrates that the movement was not yet severed from its egalitarian foundations and that there was still room for left-Geogists in the 1930s. Ultimately, though it has persisted in organizations like the HGSSS and the *AJES* to this day, the left wing of the movement would be overshadowed by writers less interested in the egalitarianism

²⁶¹ England, "Dewey and George," 193.

²⁶² England, "Dewey and George," 193.

²⁶³ John Dewey, "Incomplete Draft Address on Henry George," Box 53, folder 6, John Dewey Papers, Special Collections, Southern Illinois University, Carbondale, IL, in England, "Dewey and George," 194.

²⁶⁴ England, "Dewey and George," 196.

of George's system than in its promise to liberate them from their societal obligation.

Albert Jay Nock

Albert Jay Nock was an intensely private person; though in a note to a friend he once claimed that "There is nothing in my history that I should have any wish to cover up," biographers emphasize how little of Nock's past appears in his vast bibliography.²⁶⁵ While writing for *The Nation*, he refused to provide the office with a home address.²⁶⁶ Even his *Memoirs of a Superfluous Man* tells very little of his personal life, omitting a place of birth. Still, segments of his biography have been recorded: Nock's father was an Episcopal clergyman, and his mother was a descendant of John Jay. He was born in Scranton, Pennsylvania, and his family moved to Brooklyn and later Alpena, Michigan when he was very young.²⁶⁷ For Nock, the town was a "standing advertisement for Mr. Jefferson's notion that the virtues which he regarded as distinctively American thrive best in the absence of government," and its isolation helped shape his individualism.²⁶⁸

Nock's father educated him in the classics, and he learned to read Latin and Greek by age 8, beginning formal schooling only at age 14. His advanced classical education and frontier upbringing instilled in Nock a superiority not mediated by the strict hierarchies of the East Coast. His early writings are often

²⁶⁵ Michael Wreszin, *The Superfluous Anarchist: Albert Jay Nock*, (Providence: Brown University Press, 1972), 17.

²⁶⁶ Wreszin, *The Superfluous Anarchist*, 7.

²⁶⁷ Wreszin, *The Superfluous Anarchist*, 9.

²⁶⁸ Albert Jay Nock, *Memoirs of a Superfluous Man*, (New York: Harper & Brothers, 1943), 60.

condescending but are underpinned by a belief in the improbability of his audience.

Leaving Alpena, Nock attended Bard, an Episcopal college, and then Berkeley Divinity School.²⁶⁹ Although he did not graduate from Berkeley, Nock became a deacon in 1896. The profession did not take. Nock bounced between parishes, left his wife in 1905, and resigned from his final rectorship in 1909.²⁷⁰

Writing suited Nock better. Within a few years of his resignation, he took a job at *The American Magazine*, and in 1917 joined *The Nation*, one of the few publications to oppose American participation in World War I. Nock despised both the war and the Wilson administration: an article he wrote for the magazine criticizing American Federation of Labor founder Samuel Gompers' work for the administration was so caustic that it caused the Post Office to suspend publication of the issue.²⁷¹

Nock, like Tolstoy, was an ardent pacifist. Initially, he found common cause with *The Nation's* editor, Oswald Villard, in attacking the Versailles settlements as French, American, and British imperialism. Only in Moscow, the two agreed, was militarism dead, while Prussianism still burned in London, Paris, and New York.²⁷² However, Nock clashed with Villard's progressivism after the

²⁶⁹ In Nock's time, Bard College was called St. Stephen's, and Berkeley Divinity School was located in Middletown, Connecticut.

²⁷⁰ Wreszin, *The Superfluous Anarchist*, 16.

²⁷¹ Gompers was a Georgist as well, and had stumped for George's first campaign in New York, though he moved away from full allegiance after the defeat. Rothbard, *Betrayal*, 5; England, *Land and Liberty*, 197.

²⁷² In a demonstration of his ideological heterodoxy, the anarcho-capitalist Nock found common cause with Russian defeatists like Lenin. He endorsed the Russian Revolution in the hopes that it would successfully wither away the Tsarist state, and supported the Bolsheviks into the 20s. Wreszin, *The Superfluous Anarchist*, 50.

war and left to become the founding editor of *The Freeman*, a classically liberal and Georgist magazine.²⁷³ The weekly published a diverse collection of writers, including the mathematician and philosopher Bertrand Russel, economist Thorstein Veblen, and novelist John Dos Passos, before folding in 1924.²⁷⁴

Building on the work of Franz Oppenheimer, Nock understood the state as a method by which antagonistic classes appropriate each other's wealth.²⁷⁵ His most famous work, *Our Enemy, the State*, is essentially a historical companion to Oppenheimer's sociological *The State*. In Nock's view, the state kept (a theoretically improvable) population at war with itself, degrading them by association. He found the state itself to be the cause of the antagonism: only without a state, he believed, could exploitation be eliminated and humanity allowed to flourish. Nock believed in markets rather than the state, but as a committed individualist, he strongly opposed the Hoover administration and its pro-business, protectionist, and prohibitionist policies. Business interests, Nock saw, were just another group using the "political means" to carry out their thefts.²⁷⁶

Nock's disgust for the Western states that had architected WWI intensified during the Depression. In his eyes, the expansion of governmental responsibility under Roosevelt had been an immense blow to liberty, an instance of, as Madison wrote, "the old trick of turning every contingency into a resource for

²⁷³ Rothbard, *Betrayal*, 11.

²⁷⁴ Francis Neilson, "The Story of 'The Freeman'," *The American Journal of Economics and Sociology* 6, no. 1 (1946): 40, <http://www.jstor.org/stable/3484041>.

²⁷⁵ Oppenheimer, *The State*, 15.

²⁷⁶ Albert Jay Nock, *Our Enemy, the State*, (New York: W. Morrow & Co., 1935), 30.

accumulating force in the government.”²⁷⁷ As the country lauded Roosevelt’s interventions, Nock—certainly an elitist, but also a radical anarchist and believer in the single tax—found himself accused of the Hooverite conservatism he had lambasted for years.²⁷⁸ Objecting also to the term “liberal,” believing that it had been perverted by its association with the New Deal, Nock began to self-identify as a “libertarian.”²⁷⁹

To call Nock a conservative is not entirely unfair—he was certainly anti-collectivist and pro-market—and though it is misleading to pair Nock’s ideology with that of Herbert Hoover or the Liberty League, Nock accepted some degree of alliance with the Right in the 30s.²⁸⁰ He began to write for the conservative *American Mercury*, and his elitism accelerated still further.

Unlike in his early writing, when Nock had seen the public’s immaturity as improvable, a combination of time in the political wilderness and exposure to the elitist writings of Herbert Spencer, H. L. Mencken, Ralph Cram, and José Ortega y Gasset fractured Nock’s belief in human perfectibility.²⁸¹ By the time Nock wrote *Our Enemy, the State*, it was clear that he had given up hope of rolling back the New Deal.

In the work, Nock concludes that state expansion, facilitated by business interests, is inevitable. Thus, as Nock expressed in “Isaiah’s Job,” an article for

²⁷⁷ Nock, *Our Enemy, the State*, 9.

²⁷⁸ Robert M. Crunden, *The Mind and Art of Albert Jay Nock* (Chicago: Henry Regnery, 1964), 172.

²⁷⁹ Jennifer Burns, *Goddess of the Market: Ayn Rand and the American Right* (Oxford: Oxford University Press, 2009), 48.

²⁸⁰ The Liberty League was a group of anti-New Deal politicians and business elites that Nock found himself in alliance with during the Roosevelt administration.

²⁸¹ Nock, *Memoirs of a Superfluous Man*, 205.

The Atlantic, all that a libertarian can try to do is educate the “remnant,” the few capable of understanding individualist philosophy. Nock praised the methods of the prophet Isaiah, who disregarded the masses hardened against him in his pursuit of a remnant that would rebuild Jerusalem.²⁸² In doing so, he echoes the esotericism of Leo Strauss, though I found no record of the two encountering each other’s work.

Henry George’s belief in the fundamental goodness of mankind and our ability to build “the City of God on earth” is in clear conflict with Nock’s pessimism.²⁸³ This faith, Nock decided, was one of George’s few failings. As Nock notes, George and his disciples had assumed that their message could be spread through evangelizing, organizing, and politicking, and that the masses would have the capacity to comprehend and spread their message if they only knew its merits. However, Nock writes, “If that postulate be sound... the results might be expected to show, at least measurably, that he was right.”²⁸⁴ Witnessing the total failure of the Georgist movement in his lifetime, Nock found the postulate spurious.

Yet, Nock remained persuaded of the truths of *Progress and Poverty* till the end of his life, even endorsing Tolstoy’s assertion that “people do not argue with the teaching of George; they simply do not know it... for he who becomes acquainted with it cannot but agree.”²⁸⁵ Nock was convinced that no man has a

²⁸² Albert Jay Nock, “Isaiah’s Job,” *The Atlantic Monthly*, 1936, <https://www.theatlantic.com/magazine/archive/1936/06/isaiahs-job/652293/>.

²⁸³ George, *Progress and Poverty*, 552.

²⁸⁴ Nock, *Henry George*, 217.

²⁸⁵ Nock, *Henry George*, 115.

right to monopolize land and that the state should not facilitate the private collection of publicly created rent.

Though he embraced the land value tax as a just means of collecting the revenue owed to society, Nock disagreed with George's implementation, arguing that granting ownership of land value to the federal government would only feed its tyrannical character. Still, Nock notes that this "weak spot in George's social scheme [was] easily amended and therefore unimportant."²⁸⁶ The land value tax could be legitimated if administered by localities instead of the national state. Like George's own limiting of the land value tax to the national community over the global, and his further denial of the right to immigrate to Chinese laborers, Nock's amendment would sever a community's responsibility to others and is out of step with the universal aspiration of *Progress and Poverty*.

Nock believed, with George, that the replacement of the property tax with the single tax would relieve Americans of the corruption of unearned wealth, improve labor relations, and bolster morality and quality of life. The system would "create economic circumstances that will take off all immoral pressure from every man, and enable him to be just as good as he might be and as he really wants to be, and would be if he had the power."²⁸⁷ He saw the land value tax as a way of ending Oppenheimer's "political means," and creating equal opportunity without succumbing to coercive redistribution. Nock's pacifism follows from his

²⁸⁶ Nock, *Henry George*, 174, 154.

²⁸⁷ Wreszin, *A Superfluous Anarchist*, 24.

belief that coercion in any form, whether by soldiers or tax collectors, is illegitimate, and that only a society built on free association could be truly moral.

Nock wrote his most comprehensive treatment of George and his philosophy in 1939.²⁸⁸ Even just forty years after George's death, Nock laments his obscurity, referring to him as the "Forgotten Man of Anglo-American civilization."²⁸⁹ *Henry George, an Essay* is Nock's attempt to explain this anonymity through a historical analysis of George's biography. The elitism that pervades Nock's later writing is apparent: gone is the perfectionism that he had espoused in the 1910s and 20s, replaced with references to "the ineducable nine-tenths, or more, of the human race."²⁹⁰ Still, Nock continues to endorse George's system so as to avoid "[leaving] the small but socially valuable minority [the remnant] somewhat out in the cold."²⁹¹ George himself, in Nock's estimation, was one of these gifted few.

After a long stretch spent cataloging George's many bouts of unemployment and his destitution at the hands of the business cycle, Nock arrives at George's start in journalism. This was "as poor and irrelevant a novitiate for a philosopher as could well be devised," he determines. The journalist's job is to sensationalize minutia, and Nock asserts that George developed intellectual

²⁸⁸ Progressive Georgists were immediately unsympathetic. Clifford Kendal, in a review for *Land and Freedom*, wrote that "Just why Albert J. Nock saw fit to inflict his "essay" upon Georgeists, and at this time in particular, is more than we can guess." Clifford Kendal, "Review of the Book 'Henry George' by Albert Jay Nock," *Land and Freedom*, September-October, 1939, https://cooperative-individualism.org/kendal-clifford_review-of-albert-jay-nock-henry-george-1939-sep-oct.htm.

²⁸⁹ Nock, *Henry George*, 7.

²⁹⁰ Nock, *Henry George*, 40.

²⁹¹ Nock, *Henry George*, 40.

myopia as a consequence.²⁹² Nevertheless, his “saving instinct of the philosopher kept coming to his aid unbidden in the face of all that the practice of journalism could do to repress it... albeit with lamentable disfigurement.”²⁹³ Journalism, to Nock, taught writers to appeal to the mass man, while a proper philosopher would ignore their own reception.²⁹⁴

Journalism also convinced George that political action was the primary way to effect change, a catastrophic error in Nock’s eyes.²⁹⁵ Nock was skeptical of democracy, writing that under “The degree to which distinctively human qualities have degenerated under the sanction of a completely universal suffrage... [necessitates] a revision of eighteenth-century theory concerning the nature of man.”²⁹⁶ Again, Nock’s disillusionment with human perfectibility leads him to conclude that George’s attempts to change the world rested on faulty premises and were ultimately futile.

It is only once George shifts his attention from “the supposititious villainy of Murdstone [monopolists], and [fastens] it on the weaknesses of Murdstone’s economic system”—once George realizes that “if Murdstone’s system were re-vamped and put in proper working-order, every so-called labour-problem would disappear”²⁹⁷—does Nock see George as a “philosophic mind surpassed in

²⁹² Nock, *Henry George*, 79.

²⁹³ Nock, *Henry George*, 79-80.

²⁹⁴ Nock’s attacks on journalism as a profession are difficult to reconcile with his own decades-long career as a magazine writer, even an uncompromising one.

²⁹⁵ Nock, *Henry George*, 86.

²⁹⁶ Nock, *Memoirs*, 80.

²⁹⁷ Throughout the work, Nock uses Murdstone, the villain of Dickens’ *David Copperfield*, to represent Gilded Age capitalism. Nock, *Henry George*, 94.

power [only] by one or two in his generation.”²⁹⁸ Finally, George achieved the epiphany that the social problems he had denounced “might all alike be symptomatic of one fundamental and general disorder,” the illegitimate monopolization of land, rather than individual owners.²⁹⁹

Despite these laudatory words, Nock finds George to be hopelessly mired in his belief in politics. He describes George’s publication of *The Irish Land Question*, the pamphlet that had first catapulted him into global fame, as “the very worst thing” that could have taken place. Although Nock celebrates the work itself, ranking it with Thomas Paine’s *Common Sense* and *The Rights of Man*, the way it exposed George to the uneducable masses—thus steering him toward electoral office—was devastating for his true calling as a philosopher.³⁰⁰ In Nock’s view, when George left New York for the Emerald Isle, he “checked his whole philosophical equipment into storage,” only to briefly retrieve it in 1885 for *Protection or Free Trade* and in 1891 for *The Science of Political Economy*.³⁰¹ In all, George’s foray into politics was one that Nock “follow[ed] with profound and unrelieved regret.”

Why was George’s attempt to fight for his politics in the political arena so tragic? First, as noted, Nock objected to the entire idea of political pursuit. The fact that George believed in reform shows, in Nock’s view, a misreading of Spencer’s *Social Statics* beyond the brief passage on land reform cited in *Progress*

²⁹⁸ Nock, *Henry George*, 117.

²⁹⁹ Nock, *Henry George*, 99.

³⁰⁰ Nock, *Henry George*, 136.

³⁰¹ Nock, *Henry George*, 139.

and Poverty.³⁰² Nock's second objection was to the coalition that George surrounded himself with during his first campaign. Beyond the quibble about local versus national rent collection, Nock had seen nothing wrong in *Progress and Poverty*, asserting that "Nothing substantial has ever been said against [it]; nothing can be said."³⁰³ Yet, the campaign for the United Labor Party consigned him to history as "no more than the political file-leader of a class, a labour-skate."³⁰⁴ To Nock, George's offenses against Rome had lowered his stature, and his association with labor parties had encouraged the adulteration of Georgism with "matters ranging all the way from proportional representation to dietetics and promiscuous love-making."³⁰⁵ An entry into the messy world of party politics had irrevocably tainted the legacy of the "prophet of San Francisco."³⁰⁶

Nock had seen George as a committed anti-socialist, regardless of anything he might have written in *Progress and Poverty* about Proudhon and Lasalle. This is a fair interpretation, especially given George's work to expel socialists from the Knights of Labor after 1886. However, Nock imbues his portrait of George with a uniquely fervent anti-collectivism:

On the Marxians led by the brilliant and able Hyndman, he declared open war, no quarter, and no prisoners taken. Socialists and near-socialists of whatever breed or brand went into debate with him only to die a horrible death under torture of the rack and thumbscrew... Never had the world

³⁰² Nock, *Henry George*, 142.

³⁰³ Nock, *Henry George*, 153.

³⁰⁴ Nock, *Henry George*, 192.

³⁰⁵ Nock, *Henry George*, 202.

³⁰⁶ A nickname derisively assigned to George by the Duke of Argyll. Nock, *Henry George*, 191.

seen such a powerful popular exponent of uncompromising individualism, nor has it seen another like him since his day.”³⁰⁷

To Nock, the single tax movement that spun off of George’s ideas entirely missed this aspect of his ideology, and went awry nearly from the beginning.³⁰⁸ Although George certainly believed in republican liberty, the single taxers can be forgiven for their view of George as less than “uncompromising” in his individualism given his constant references to how value is socially created and should be distributed.

Nock wrote that “All of [George’s] battles were fought to vindicate the natural rights of man as against those who would deny or over-ride them,” yet supposed adherents promoted double- and triple-taxation, compensation to landlords, and even protectionism.³⁰⁹ By Nock’s day, George was seen as merely a heterodox economist, rather than as a “proponent of human freedom.”³¹⁰ “[George] was one of the greatest of philosophers, and the spontaneous concurring voice of all his contemporaries acclaimed him as one of the best of men,” he wrote, yet Nock found himself among the small remnant still committed to George’s cause.³¹¹

Nock wrote prolifically, both books and articles for publications like *The Atlantic Monthly*, until an antisemitic essay for the magazine, “The Jewish Problem in America,” effectively ended his career.³¹² He published his *Memoirs of*

³⁰⁷ Nock, *Henry George*, 167.

³⁰⁸ Nock, *Henry George*, 202.

³⁰⁹ Nock, *Henry George*, 216.

³¹⁰ Nock, *Henry George*, 203.

³¹¹ Nock, *Henry George*, 223.

³¹² In response to the accusation of antisemitism, Nock recorded that “it was certainly true, not at all because they are Jews but because they are folks, and I don’t like folks.” Quote from Albert Jay

a Superfluous Man in 1943 and died of leukemia in 1945. Nock was one of the best-known Georgists of his day, but of the Old Right, he may have been surpassed in his devotion to George by his friend and contemporary Frank Chodorov.

Frank Chodorov

The essays of Frank Chodorov (née Fishel Chodorowsky) are less frequently read than Nock's; still, his impact on foundational conservative institutions was enormous.

Chodorov read *Progress and Poverty* in 1912, five years after graduating from Columbia. Like so many others, Chodorov received George's ideas as revelatory, noting that he "read the book several times, and each time I felt myself slipping into a cause."³¹³ Believing it was his duty to "teach the kids Henry George," Chodorov began teaching at the Henry George School of Social Science in 1934.³¹⁴ He became its director in 1937, a job that he wrote "proved to be something that I had spent my life preparing for."³¹⁵

Founded in 1932 by George Geiger and his father, by 1937, the school was enrolling over a thousand students in Georgist economics classes. It also hosted

Nock, "Autobiographical Sketch," The Nockian Society, Updated July 19, 2017, <https://web.archive.org/web/20170719030814/http://alumnus.caltech.edu/~ckank/FultonsLair/013/nock/biography.html>; Albert Jay Nock, "The Jewish Problem in America," *The Atlantic Monthly*, June, 1941, https://www.theatlantic.com/magazine/archive/1941/06/the-jewish-problem-in-america/306268/?single_page=true.

³¹³ Frank Chodorov, "The Single Taxer," in *Out of Step: The Autobiography of an Individualist*, (New York: Devin-Adair Co., 1962), 50.

³¹⁴ Chodorov, *Out of Step*, 78.

³¹⁵ Chodorov, *Out of Step*, 78.

lectures with prominent movement figures. A 1944 lecture featured Alexandra Tolstoy, the daughter of the novelist, and Anna George de Mille, George's granddaughter, speaking on Tolstoy's Georgism. Maurice William, himself a major influence on Sun Yat-sen, followed with a talk on George's importance in the Republic of China.³¹⁶

In 1937, Chodorov began publishing a new iteration of *The Freeman* through the HGSSS. Though in its new form an explicitly Georgist, rather than individualist, publication, Albert Jay Nock made occasional contributions; other notable writers included John Dewey, George Bernard Shaw, Bertrand Russell, and Francis Neilson.³¹⁷ However, Chodorov's tenure at both *The Freeman* and the HGSSS was ultimately short-lived.

Chodorov, like Nock, was a committed isolationist. He saw this as following naturally from George's ideas, writing in a 1940 editorial "Truth Faces War Hysteria" that "the private collection of rent and the public appropriation of private property are the ingredients of the war economy."³¹⁸ Informed by the failures of World War I, Chodorov saw war as the product of unjust economic conditions and imperialism. He reasoned that "nothing short of the abolition of these two institutions [land rents and taxation] will stop war."³¹⁹ After Pearl Harbor, Chodorov's isolationism became untenable, and in 1942 he was pushed

³¹⁶ Edward Dodson, "The History of the Henry George School of Social Science History (Part 1)," Youtube video, January 23, 2024, <https://www.youtube.com/watch?v=B3pzVGMK-jg>.

³¹⁷ Frank Chodorov, Charles H. Hamilton, and Paul Avrich, *Fugitive Essays: Selected Writings of Frank Chodorov*, (Indianapolis: Liberty Press, 1980), 9.

³¹⁸ Frank Chodorov, "Truth Faces War Hysteria," *The Freeman*, August, 1940, https://cooperative-individualism.org/the-freeman_truth-faces-war-hysteria-1940-aug.pdf.

³¹⁹ Chodorov, "Truth Faces War Hysteria."

out by the trustees of the HGSSS.³²⁰ Chodorov was devastated by the expulsion, writing later that “It seemed to me then that the only thing for me to do was to blow my brains out, which I might have done if I had not had Albert Jay Nock by my side.”³²¹ The expulsion pushed Chodorov closer to Nock’s radical right-Georgism.

In fairness to the trustees, Chodorov’s interpretation of George was far from orthodox. The writer saw George’s emphasis on liberty as far more important than his egalitarianism, describing the land value tax as only “a minor detail in [George’s] economic and social system.”³²² In Chodorov’s eyes, George was a committed capitalist.

In a 1941 article in *The Freeman*, Chodorov wrote that “George is the apostle of individualism. He teaches the ethical basis of private property.”³²³ Like Nock, Chodorov understood the state as the enabler of all injustice, echoing the analysis of Franz Oppenheimer. Rather than seeing the single tax as the foundation of an active government, as Sun and the Progressive reformers of the 1900s had promoted, Chodorov fixated on George’s abolition of non-land taxes. In a 1947 essay, he wrote “There cannot be a good tax nor a just one; every tax rests its case on compulsion.”³²⁴ His appreciation (if limited) of the land tax, then, rests on an understanding of it not as taxation, but as a fee.

³²⁰ Chodorov, *Fugitive Essays*, 10.

³²¹ Chodorov, *Fugitive Essays*, 10.

³²² Chodorov, *Fugitive Essays*, 8.

³²³ Chodorov, *Fugitive Essays*, 8.

³²⁴ Chodorov, “Taxation is Robbery,” in *Out of Step*, 239, 231.

In Chodorov's view, in a frontier community, essential services such as firefighting and road building are done by volunteers.³²⁵ In larger communities, where services necessarily become too complex and benefits too dispersed to be carried out by individuals, the same services are purchased through compulsory taxation—with no right to abstain, nor to obtain them privately. *Cui bono?* With George, Chodorov identifies landlords as the beneficiaries of spending on public goods. He notes that urban land values rise “tremendously, in fact in proportion to the multiplicity of social services which the burgeoning population calls for.”³²⁶ Taxes ultimately accrue to the benefits of real estate owners, not the community.

Chodorov prefers the model of an office building, in which the rent paid by tenants is used to cover heating and other common amenities. “In a polity free from political coercion such an arrangement would apply,” Chodorov writes, “and in some historical instances of weak political power we find that land rent was used in this social manner,” as it might be in Oppenheimer's imagined society of pure economic means.³²⁷ The formulation is not far from George's: land taxes would fund the government and public works, and would be replenished as the value of the services they paid for trickled back into the land's value aquifers.

To Chodorov, taxes on land are not robbery, unlike direct or excise taxes, but could be understood as a fee in exchange for the exclusive usage of plots of land, a fee paid to the community through the state. As Chodorov wrote, if rents derive from the privilege of ownership, as enforced by the state, and the

³²⁵ Chodorov, *Fugitive Essays*, 229.

³²⁶ Chodorov, *Out of Step*, 232.

³²⁷ Chodorov, *Out of Step*, 231.

remaining land value is created by the community, one hundred percent taxes on natural resources and land are just.³²⁸ Following the principle that the state has the right to tax away the profits it creates, Chodorov also endorsed the taxation of the profits of subsidized businesses, “Bounties, doles, the ‘black market’ profits made possible by political restrictions, [and] the profits on government contracts,” although he notes that it “would be fairer if the state did not establish the privilege[s] in the first place.”³²⁹ The state would simply be appropriating the fruit of its labor, although it would be preferable in these cases if the state did no labor at all.

That coercive taxation should be abolished in favor of transactional taxes followed from Chodorov’s individualism. He did not believe that anyone should be forced to turn over their property to the government unless they chose to enter a voluntary transaction. However, the implementation of such a scheme was less clear. For Chodorov, George’s belief in the state’s power to collect land rents was based on an “excusable naïveté.”³³⁰ George had too much faith in the morality of politicians, Chodorov asserts, writing that “If the ‘single tax’ were nationally instituted, or even on a state-wide basis, though production would go up, freedom might be impaired” as politicians were given more funds with which to engage in corruption.³³¹ As to the solution, Chodorov wrote, “I have not resolved it yet.”³³²

³²⁸ Despite his admiration for the free market, Chodorov, like George, neglects at least one benefit of landholders, their contributions to price discovery. Reproduced in Robert V Andelson, “Heath: Estranged Georgist,” *The American Journal of Economics and Sociology* 63, no. 2 (2004): 413, <http://www.jstor.org/stable/3488074>.

³²⁹ Chodorov, “Taxation is Robbery,” in *Out of Step*, 238.

³³⁰ Chodorov, “The Single Taxer,” in *Out of Step*, 59.

³³¹ Chodorov, “The Single Taxer,” in *Out of Step*, 61.

³³² Chodorov, “The Single Taxer,” in *Out of Step*, 61.

Spencer Heath, a founding member of the HGSSS, reconciled the tension between Chodorov's distrust of politicians and his belief in the illegitimacy of land rents by suggesting that the state be abolished and replaced by private, quasi-state communities in an archipelago of free association.³³³ In these communities, imagined by Heath's grandson Spencer Heath MacCallum to be loosely modeled on shopping malls and cruise ships, proprietors would provide the services normally provided by governments (including defense, policing, and public works) in exchange for rents.³³⁴ As the progenitors of all improvements in a community, the landlords' appropriation of monopoly rents would be legitimate, as they would only be collecting the product of their investment. Corruption would, in this society, be punished as tenants left for better-managed communities. Even Chodorov found this proposal too radical and fired Heath in the late 1930s.³³⁵

Chodorov returned to publishing with a new broadsheet, *analysis (sic)*, in 1944. In his words, the paper “[stood] for free trade, free [unmonopolized] land and the unrestricted employment of capital and labor. Its economics stem from

³³³ See Spencer Heath, *Citadel, Market, and Altar: Emerging Society, Outline of Socionomy, the New Natural Science of Society*, Baltimore: Science of Society Foundation, 1957.

³³⁴ Spencer Heath MacCallum, *The Art of Community*, (Menlo Park, CA: Institute for Humane Studies, 1970), ch. 7, <https://archive.org/details/artofcommunity00maccguat>.

³³⁵ Heath, a wealthy engineer and polymath, believed in George's work on free trade but not in his opposition to private property. He later hosted Murray Rothbard and the “Circle Bastiat” at his New York apartment and was an influence on Rothbard's own opposition to Georgism. Heath and MacCallum have remained influential on the “charter cities” movement, which Peter Thiel, the subject of the following chapter, has invested in. Spencer Heath MacCallum, “Looking Back and Forward,” Updated December 19, 2003, <https://web.archive.org/web/20120927004251/http://www.lewrockwell.com/orig4/maccallum1.html>; Mark Lutter, Personal communication, December 19, 2023.

Adam Smith and Henry George.”³³⁶ Murray Rothbard wrote for the paper, and George Nash identifies it as a major influence on William F. Buckley.³³⁷ Identifying him as one of the remnant, Chodorov recruited Buckley to head a new organization, the Intercollegiate Society of Individualists (ISI), in 1953.

The ISI was originally funded by donations from J. Howard Pew and the Foundation for Economic Education (FEE).³³⁸ It was a “pioneer of what would become a sprawling conservative counterestablishment,” though Chodorov never identified with the label.³³⁹ Responding to the description in a 1956 *National Review* article, he wrote “As for me, I will punch anyone who calls me a conservative in the nose. I am a radical.”³⁴⁰ As Nash observes, “Frank Chodorov, it seems safe to say, was *sui generis*.”³⁴¹

After *analysis* merged with *Human Events* in the 50s, Chodorov became the editor of yet another iteration of *The Freeman*, this time under FEE. This new

³³⁶ George Nash, *The Conservative Intellectual Movement in America since 1945*, Thirtieth anniversary edition, ed., (Wilmington, DE: ISI Books, 2006), 20, <http://site.ebrary.com/id/10852778>.

³³⁷ Rothbard claims in *Betrayal* (137) that Chodorov had discovered Buckley while editing *analysis*'s successor magazine, *Human Events*, in the 1950s; the geolibertarian economics scholar Fred Foldvary asserts that Chodorov, like Nock, had been a fixture at the Buckleys' Connecticut home in the 30s; George Nash writes that the two met in the 40s. I was unable to verify Foldvary's claim and find Nash's the most convincing. Suffice it to say that the two were in contact, and Buckley was long an admirer of Chodorov, noting that “It is quite unlikely that I should have pursued a career as a writer but for the encouragement [Chodorov] gave me just after I graduated from Yale.” Nash, *The Conservative Intellectual Movement*, 156n44, and Fred Foldvary, “William F. Buckley the Georgist,” February 1, 2008, <https://www.progress.org/articles/william-f-buckley-the-georgist>.

³³⁸ Severed from its libertarian roots after Chodorov's death in 1966, the ISI was renamed the Intercollegiate Studies Institute. On the change in names, see Nash, *The Conservative Intellectual Movement*, 190-1n90.

³³⁹ Jonathan Rauch, “Crisis on the Right,” *The New York Times* (New York), October 7, 2007, <https://www.nytimes.com/2007/10/07/books/review/Rauch-t.html>.

³⁴⁰ Letter to *National Review*, October 6, 1956, 23, in Chodorov, *Fugitive Essays*, 15.

³⁴¹ George H. Nash, “Forgotten Godfathers: Premature Jewish Conservatives and the Rise of ‘National Review’,” *American Jewish History* 87, no. 2/3 (1999): 150, <http://www.jstor.org/stable/23886367>.

Freeman had not been Georgist until Chodorov arrived, and had promoted McCarthyism and the conservative Senator Robert Taft. Under Chodorov, it reversed course, becoming isolationist and strongly anti-Korean War. This shift represented the death of the magazine to Buckley, and in 1953, he recruited most of the masthead to a new publication, the *National Review*.³⁴² Buckley and his magazine would become the center of conservative intellectual discourse in the following decades.

Citations and references to George waned in Chodorov's later writings, in part because few of the publications he worked for were interested in the land question. Still, George remained close to his heart. As Charles Hamilton records, "After his debilitating stroke in 1961, on the plane back to New York City, his daughter remembers his saying, in a near delirium that must have touched very close to his center, 'There is only one thing, there is only Henry George.'"³⁴³

William F. Buckley

William F. Buckley Jr.'s importance to American conservatism is immense; a comprehensive treatment is far beyond the scope of this work. Though Buckley did, likely due to the influences of Nock and Chodorov, publicly identify as a Georgist, and though he accepted many of his mentors' libertarian shibboleths, a Georgist ethic is hard to distill from his writings.³⁴⁴ Mentions of

³⁴² England, *Land and Liberty*, 259.

³⁴³ Chodorov, *Fugitive Essays*, 7.

³⁴⁴ For an incomplete list of Buckley's George invocations, see "Bill Buckley (1925-2008) -- a Georgist and a Conservative," Updated July 14, 2023, <https://web.archive.org/web/20230714195857/http://wealthandwant.com/themes/Buckley.html>.

George rarely, if ever, appeared in his writing for *National Review*, nor in his many books.³⁴⁵ However, as a historical footnote, it is worth noting the ways Buckley invoked George.

According to Jay Nordlinger, a columnist for *National Review*, Buckley once remarked that he was “a closet Georgist,” though he did occasionally cite George in public.³⁴⁶ In a 1977 interview with Margaret Thatcher, Buckley used a land value tax as an example of an ideal tax plan, in contrast with the Labour government’s policy.³⁴⁷ Similarly, in a *Firing Line* episode with New York Public Advocate Mark Green and author Robert Starr, Buckley used references to Georgist policy to attack his liberal guests. He criticizes New York’s tax scheme, remarking that under a Georgist system, construction and investment would increase “because it would become economically viable to build... knowing that they wouldn’t instantly be taxed out of existence, right?”³⁴⁸ At the same time, when pressed about whether the city should continue to auction tax breaks for developers, he deflects that the problem “is, of course, easily solved by any

³⁴⁵ The one exception being a popular dictionary published under Buckley’s name, *The Lexicon*, which cites an incident of Buckley defining the word on a television show. An illustrative quote from the book: “We have any number of authors who revel in arcane vocabulary, but Mr. Buckley surpasses them all, for the simple reason that when he uses a hard word, *He knows what it means [sic]*” in William F. Buckley, *The Lexicon: A Cornucopia of Wonderful Words for the Inquisitive Word Lover*, (San Diego: Harvest Books, 1998), vi.

³⁴⁶ Jay Nordlinger, “WFB, Cannon, Et Al.,” *National Review*, August 5, 2019, <https://www.nationalreview.com/corner/wfb-cannon-et-al/>.

³⁴⁷ In the interview, Thatcher references George’s influence over the 1910 People’s Budget, demonstrating the enduring relevance of the LVT in Conservative memory. “The British Mess, with the First Lady of British Politics,” September 14, 1975, *Firing Line* broadcast records, Hoover Institution Library & Archives, <https://digitalcollections.hoover.org/objects/6376/the-british-mess-with-the-first-lady-of-british-politics>.

³⁴⁸ “Bill Buckley (1925-2008) -- a Georgist and a Conservative,” *Wealth and Want*, Updated July 14, 2023, <https://web.archive.org/web/20230714195857/http://wealthandwant.com/themes/Buckley.html>.

Georgist, and I am one.”³⁴⁹ Buckley makes no affirmative case for a Georgist policy in the interview, and the show ends soon after. George is used as a rhetorical bludgeon, not a positive alternative.

Despite his invocation of George against left-wing policy, in a 2000 C SPAN interview, Buckley admitted that he had rarely discussed George because he had been “beaten down by [his] right-wing theorists and intellectual friends. They always find something wrong with the Single-Tax idea.”³⁵⁰ Yet, unlike the policies of Nock and Chodorov—which build on *Progress and Poverty*, though occasionally from a distance—Buckley backed policies directly in violation of Georgist principles, most notably California’s 1978 Proposition 13.

Prop 13 was the first salvo of a tax revolt that swept the country and helped usher in the Reagan administration. Spearheaded by Howard Jarvis, a conservative activist, in response to the stagflation and bracket creep of the late 70s, the proposition decimated California’s revenues and warped its tax code. The proposition requires that property taxes be assessed at the date of purchase, instead of at their market rate, and limits how fast those taxes could increase.³⁵¹ By nearly permanently capping how much land rent could be used for revenue, Prop 13 forced the state to rely on sales and income taxes, burdening the two legitimate factors of production (per George) to the benefit of landlords. As

³⁴⁹ “Bill Buckley,” *Wealth and Want*.

³⁵⁰ “William F. Buckley Discusses Land Value Taxation,” *In Depth with William F. Buckley Jr.*, *C SPAN*, April 2, 2000, <https://www.c-span.org/video/?c4474939/user-clip-william-f-buckley-discusses-land-taxation>.

³⁵¹ Prop 13 also mandated that all new hypothecated taxes pass with a 2/3rds majority, crippling the state’s ability to raise revenue.

assessments increase after significant renovations or sales, investment and turnover of unused property for productive use are both punished. It is a plainly anti-Georgist policy.

Despite this, Buckley was a supporter of Prop 13, writing that California was “overdue for a tax revolt,” though the revolt promised would enrich landlords at the expense of labor and capital.³⁵² The proposition was by no means mainstream: Howard Jarvis, its author, was an outsider, and many prominent conservatives criticized the policy. A contemporary article published by the Tax Foundation, a conservative think tank, attacked Buckley’s support and described Prop 13 as “A Prostitution of Conservative Principles.”³⁵³ It would have been by no means unthinkable for Buckley to condemn the proposition, had his Georgist commitments been more than skin deep.

Buckley used George to rhetorical effect but did not apply Georgist principles to his broader ideology. The Georgist economist Fred Foldvary appears unduly charitable in his assertion that “Georgism was in Buckley’s mind but not in his soul.”³⁵⁴

In one way, though, Buckley was more like George than his mentors. Buckley matched George’s enthusiasm for public discourse. He, too, ran a semi-quixotic campaign for mayor of New York, and his *National Review*

³⁵² William F. Buckley Jr., “California’s Proposition 13,” *National Review* 30, no. 23 (June 9, 1978): 736, <https://search.ebscohost.com/login.aspx?direct=true&AuthType=cookie.cpid&custid=s8986463&db=f5h&AN=6055764&authtype=sso&custid=s8986463&site=eds-live>.

³⁵³ Donald G. Hagman, “Proposition 13: A Prostitution of Conservative Principles,” *Tax Foundation’s Tax Review* 39, no. 9 (September 1978): 39, <https://files.taxfoundation.org/legacy/docs/taxreview-1978-9.pdf>.

³⁵⁴ Foldvary, “William F. Buckley the Georgist.”

famously aimed to stand “athwart History, yelling stop!”³⁵⁵ Nock may have despaired of political engagement, but neither George nor Buckley ever did.

Conclusion

The scope of George’s influence diminished considerably in the 20th century, shrinking from a national movement with federal representation to a miscellany of writers and theorists. The reduced impact of urban rents on the lives of working Americans, the ascendance of Marxism, and the blow delivered by World War One to faith in human progress each pushed would-be reformers away from George; those that persevered were often far from orthodox, and had no major movement to constrain their deviations.

To some extent, John Dewey’s fairly standard appropriation demonstrates that Georgism could still appeal to egalitarians in the Interwar period and that his disappearance from American discourse was not inevitable. That said, that Dewey, Nock, and Chodorov, the three Georgists most prominent in the 1930s and 40s, opposed the New Deal, exhibits the philosophy’s inconsistency with the zeitgeist. Under Roosevelt, American policy emphasized raising standards of living over independent proprietorship.³⁵⁶ George supported welfare, but the corporatist bargain on which it rested was difficult for his descendants to accept.³⁵⁷ The prevailing Georgism was carried by radical individualists, more interested in tax abolition than “the truth perceived by the schools of Proudhon

³⁵⁵ William F. Buckley Jr., “Our Mission Statement,” *National Review*, November 19, 1955, <https://www.nationalreview.com/1955/11/our-mission-statement-william-f-buckley-jr/>.

³⁵⁶ England, *Land and Liberty*, 260..

³⁵⁷ England, *Land and Liberty*, 260-1.

and Lasalle” and “the noble dreams of socialism.”³⁵⁸ Peripheral aspects thus came to the fore.

The trajectory of Georgism was, in its decline, away from egalitarianism. Though he was received with more approval by the economics profession in the latter half of the century, George had few prominent devotees; those who did invoke him often used his legacy to promote values contrary to his own, and the remaining high-profile references were often little more than rhetoric. Groups like the *AEJS* and *HGSSS* continue to promote the land value tax to this day, but by the 70s, with no prominent advocates, the ideology’s presence in the United States was negligible.

³⁵⁸ George, *Progress and Poverty*, xvii.

Chapter 5: Stagnation or Progress: Georgism in Silicon Valley

In 2012, future senate candidate Blake Masters published a series of notes for CS183, a Stanford business course taught by the technology mogul Peter Thiel. The notes were enormously popular online, prompting the two to publish them as a book, *Zero to One*, which has since become a canonical text in Silicon Valley.³⁵⁹ In the book, Thiel expresses his belief that “competition is for losers,” that firms in open markets should expect their profits to tend toward zero.³⁶⁰ Rather than iterate on existing ideas, improving and scaling them from the first to the nth iteration, entrepreneurs should try to go from “zero to one”: they should find an innovation, build a moat around it, and reap the monopoly profits.³⁶¹

Thiel, an avowed monopolist, is Silicon Valley’s—if not the world’s—most prominent exponent of Georgism today. He organized a two-day intensive *Progress and Poverty* seminar with the George Mason economist Tyler Cowen and Georgist academics in 2018, and in numerous speeches, articles, and interviews, has presented a Georgist analysis of political and cultural trends.³⁶² He

³⁵⁹ Peter Thiel and Blake Masters, *Zero to One: Notes on Startups, or How to Build the Future*, New York, Crown Currency, 2014.

³⁶⁰ See also Peter Thiel, “Competition Is for Losers,” *The Wall Street Journal* (New York), September 12, 2014.
<https://www.wsj.com/articles/peter-thiel-competition-is-for-losers-1410535536>.

³⁶¹ This may seem obvious: presumably, most people would rather collect monopoly profits than compete, and would if they could. Thiel has noted that “the Straussian reading” of the book is “perhaps you should not be an entrepreneur.” From Tyler Cowen and Peter Thiel, “Peter Thiel on Stagnation, Innovation, and What Not to Name Your Company (Ep. 1 - Live at Mason),” Podcast audio, *Conversations with Tyler*, 1:20:40, April 6, 2015.
<https://conversationswithtyler.com/episodes/peter-thiel/>.

³⁶² I was unable to identify which Georgist academics attended this conference; Christopher England denied knowledge of it. David Perell and Tyler Cowen, “Tyler Cowen: Production Function,” Podcast audio, *North Star Podcast*, 1:26:52, July 20, 2020,
<https://perell.com/podcast/tyler-cowen-production-function/>; Dwarkesh Patel and Tyler Cowen, “Tyler Cowen - Hayek, Keynes, & Smith on AI, Animal Spirits, Anarchy, & Growth,” Podcast audio, *Dwarkesh Podcast*, 1:42:22, January 31, 2024.

frequently cites George as a solution to what he sees as humanity’s most pressing problems.

Unlike Elon Musk, a fellow member of the “PayPal Mafia,” Thiel does not tweet;³⁶³ he presents himself as a restrained and literate political thinker. He studied under the French literary theorist and philosopher René Girard at Stanford University and peppers his formal writing with references to Leo Strauss and the Bible. A libertarian, Thiel’s early endorsement and financing of Donald Trump’s outsider presidential campaign bought him influence in the early days of the administration, and many of his proteges have gone on to run for Congress (with mixed results).³⁶⁴ Thiel has declined to fund any candidates in 2024, but he continues to speak at high-profile conservative events and institutions, including the National Conservatism Conference (NatCon) and the Hoover Institution.³⁶⁵

Thiel is far less doctrinaire than Albert Jay Nock or Frank Chodorov, and he is certainly not a pacifist: his analytics company Palantir has large contracts

<https://www.dwarkeshpatel.com/p/tyler-cowen-3>; Christopher England, Personal communication, March 29, 2024.

³⁶³ The “PayPal Mafia” is the group of PayPal alumni who have since founded tech companies including Tesla, Inc., LinkedIn, YouTube, and Yelp. Thiel is considered to be the mafia’s “don.” See Jeffrey M. O’Brien, “The Paypal Mafia,” *Fortune*, November 13, 2007, <https://fortune.com/2007/11/13/paypal-mafia/>.

³⁶⁴ Blake Masters and Kris Kobach each lost their campaigns, but Josh Hawley and J. D. Vance, each of whom received significant funding from Thiel, currently sit in the Senate. Vance worked at Thiel’s venture capital fund, Mithril Capital. Benjamin Wallace-Wells, “The Rise of the Thielists,” *The New Yorker*, May 13, 2021, <https://www.newyorker.com/news/annals-of-populism/the-rise-of-the-thielists>.

³⁶⁵ Anna Tong, Alexandra Ulmer, and Jeffrey Dastin, “Exclusive: Peter Thiel, Republican Megadonor, Won’t Fund Candidates in 2024, Sources Say,” *Reuters*, April 26, 2023, <https://www.reuters.com/world/us/peter-thiel-republican-megadonor-wont-fund-candidates-2024-sources-2023-04-26/>; Peter Thiel, “Peter Thiel | the Tech Curse | Natcon 3 Miami,” Youtube video, National Conservatism, Updated September 13, 2022, accessed April 8, 2024, <https://www.youtube.com/watch?v=balGGA6ZrI>; “Guest Contributor: Peter A. Thiel,” accessed April 8, 2024, <https://www.hoover.org/profiles/peter-thiel>.

with both Immigration and Customs Enforcement and the US military.³⁶⁶ His position as a thought leader on the contemporary Right makes his George appropriations especially notable, though in keeping with the 20th century's departures, his focus can stray to peripheral aspects of the system over its core message.

Base and Superstructure

Peter Thiel has been involved in conservative politics since his time as an undergraduate at Stanford in the 80s. In his first sally, he founded a right-wing campus newspaper in defense of a "Western Culture" course requirement; after graduating from Stanford Law, he co-authored *The Diversity Myth*, a takedown of political correctness in Stanford's humanities departments.³⁶⁷ He continues to fight, if less enthusiastically, as a culture warrior, though today he appears less interested in street fights and more interested in structural analysis.³⁶⁸ In his most recent NatCon speech, he directed the convention to focus on the economic conditions that create progressive cultural shifts.³⁶⁹

In Thiel's eyes, squabbles over a "wokeness" plaguing humanities and social science departments are a distraction from the fact that very little is being

³⁶⁶ Quinn Slobodian, *Crack-up Capitalism*, (New York: Metropolitan Books, 2023), 223.

³⁶⁷ I use capital-P "Progressive" to indicate association with the Progressive Era, and lowercase-p "progressive" to denote contemporary usage. Peter Thiel, "Peter Thiel on the Diversity Myth," Scruton Lectures 2023, Roger Scruton Memorial Lectures, Updated December 14, 2023, <https://www.youtube.com/watch?v=I00KH-TgvmM>.

³⁶⁸ For Thiel's continued antagonism, see, for example, Park MacDougald, "Peter Thiel: Wokeness Is Like Wahhabism," *UnHerd*, September 12, 2022, <https://unherd.com/newsroom/peter-thiel-wokeness-is-like-wahhabism/>.

³⁶⁹ In the clip, Thiel confuses base with superstructure. Peter Thiel, "Peter Thiel | the Tech Curse | Natcon 3 Miami," National Conservatism, Updated September 13, 2022, accessed April 8, 2024, <https://www.youtube.com/watch?v=balGGA6ZrI>.

uncovered in the hard sciences, either. As Thiel noted in a debate with the late anthropologist David Graeber, developments in energy, transportation, and medicine—Congress declared a War on Cancer in 1971, with the earnest hope of winning it by the bicentennial—that were promised in the 60s and 70s have largely failed to materialize.³⁷⁰ Computer science has been one of the few exceptions: Thiel is most famous for founding PayPal, an online payment service that reshaped e-commerce. As Thiel quipped in 2013, though, “They promised us flying cars, and all we got was 140 characters.” Material improvements have not kept pace with the development of software and social media.³⁷¹

This stagnation has been most acutely felt by urban workers, who, rather than engaging in positive-sum interactions, are forced into zero-sum competition for scarce jobs and resources. This was especially visible for Thiel due to his long career in San Francisco. The city has experienced multiple demand shocks to its scarce housing supply over the past thirty years.³⁷² In a 2015 interview, Thiel noted that “the single biggest variable that makes people feel the stagnation is the sense in which housing costs, rental costs, are through the roof.” Yes, the economy—especially in so-called “superstar cities”—has expanded with housing

³⁷⁰ The talk was billed as a debate, though the two ultimately agree on the core point. Peter Thiel and David Graeber, “David Graeber Vs. Peter Thiel: Where Did the Future Go?,” Moderated by John Summers, *The Baffler*, September 19, 2014, <https://thebaffler.com/latest/graeber-thiel>.

³⁷¹ Daniel Weisfeld, “Peter Thiel at Yale: We Wanted Flying Cars, Instead We Got 140 Characters,” Yale School of Management, April 27, 2013, <https://som.yale.edu/blog/peter-thiel-at-yale-we-wanted-flying-cars-instead-we-got-140-characters>.

³⁷² Cowen and Thiel, “Peter Thiel on Stagnation,” *Conversations with Tyler*.

prices. To Thiel, though, that expansion has been overshadowed by rents rising faster than incomes.³⁷³

In his view, these rents have led to dysfunction in progressive cities: once rents become too high, he notes, “people don’t want to live in houses anymore, they don’t want to have families, they’re super conscientious, they’d rather eat insects and not have children... it’s a parody of progressivism.”³⁷⁴ If the political correctness he had fought at Stanford is the pathological superstructure, housing costs are the base that feeds it.

To some extent, Thiel views these issues as mutually reinforcing. Housing scarcity and general stagnation drive rents up, worsening progressive neuroses. At the same time, Thiel sees progressivism itself as raising rents. On a podcast with Cowen, Thiel noted that “the unholy alliance between urban slumlords and pseudo-environmentalists that sort of prevent any new urban development” is itself a driver of real estate costs.³⁷⁵ In his eyes, “Focusing on the economic consequences of the diversity agenda—the real-estate analysis is only the tip of the iceberg—may be reductionist, but it is revealing.”³⁷⁶ For Thiel, culture wars cannot be settled if their foundations remain in place.

Despite its sky-high rents, the Bay Area remains the capital of the American tech industry. Few places in the United States can match Silicon

³⁷³ John Gray and Peter Thiel, “John Gray and Peter Thiel: Life in a Postmodern World,” *The New Statesman*, January 17, 2024.

<https://www.newstatesman.com/ideas/2024/01/john-gray-peter-thiel-discussion-post-modern-world>.

³⁷⁴ Gray and Thiel, “Life in a Postmodern World.”

³⁷⁵ Cowen and Thiel, “Peter Thiel on Stagnation,” *Conversations with Tyler*.

³⁷⁶ Peter Thiel, “The Diversity Myth,” *The New Criterion*, June, 2023.

<https://newcriterion.com/issues/2023/6/the-diversity-myth>.

Valley's stores of talent and capital. In 2005, when asked where the next Google would come from, Thiel guessed that there was a 50% chance that it would be within five miles of Palo Alto.³⁷⁷ Facebook, though founded in Cambridge, MA, moved to Palo Alto later that year, and Thiel became its first outside investor. Today, Thiel is less bullish on the Bay and has moved his companies to Los Angeles. In a 2018 speech at the Economic Club of New York, he predicted that the next significant innovations would be "geographically more distributed" as rising costs of living push high-productivity workers away from former hubs.

Thiel acknowledges that one solution to the ideological hegemony and high rents in San Francisco is to leave—especially to Miami, which has attempted to brand itself as an anti-San Francisco in recent years. However, he sees it as a limited release valve, remarking that "if you buy a house in Miami today versus just three years ago, you're paying four times as much in a monthly mortgage payment."³⁷⁸ The cost is ultimately "not enough to offset all the wokeness in the world, or even [California's] taxes." Each transplant only distributes the initial problem, rather than solving it.

Georgism may, at first glance, seem a surprising choice to remedy Thiel's concerns. George was a radical populist, deeply troubled by inequality and

³⁷⁷ Julia La Roche, "Peter Thiel: The Vast Majority of the Capital I Give Companies Is Just Going to Landlords," *Yahoo Finance*, March 16, 2018, <https://finance.yahoo.com/news/peter-thiel-vast-majority-capital-give-companies-just-going-landlords-134709786.html?guccounter=2>.

³⁷⁸ Bari Weiss, "Weekend Listening: Peter Thiel Says We Have Bigger Problems Than Wokeness," *The Free Press*, May 12, 2023, <https://www.thefp.com/p/peter-thiel-donald-trump-desantis-ai-tiktok-woke>.

avowedly anti-monopoly—a far cry from Thiel’s robber baron conservatism.³⁷⁹

Yet, both share concerns with high urban rents and lived declines that do not match the progress narratives of their age. Like William F. Buckley, Thiel uses George to rhetorical effect, but his appropriations are more substantial, if incomplete.

In 2020, Thiel taught George in a political theory course, “Stagnation or Progress?,” at Stanford. The course’s final week is entitled “WAYS OUT?,” and lists two books: Ernst Jünger’s *The Forest Passage* and Henry George’s *Progress and Poverty*.³⁸⁰ Unlike the other names on the syllabus—Strauss, Spengler, Schmitt—George is, of course, far from canonical. However, many areas of his philosophy would appeal to a libertarian conservative like Thiel, though his use of George is, like those of the preceding figures, selective. At its core, unlike the readings of other libertarians and conservatives, Thiel’s reading rests on George’s promise to re-open the American frontier, not his ethics.

Disruption and Exit

Silicon Valley was saturated with the word “disruption” in the 2010s.³⁸¹

Originally used to describe the way that firms could use technology to overtake

³⁷⁹ “The Evolution of Mr Thiel,” *The Economist*, June 2, 2016.

<https://www.economist.com/business/2016/06/02/the-evolution-of-mr-thiel>.

³⁸⁰ Jünger is best known for his *Storm of Steel*, a memoir of his experiences in the First World War, and a favorite of Adolf Hitler’s. Jünger opposed the Nazis, writing *On the Marble Cliffs* as a critical allegory for National Socialism, and penning *The Forest Passage* as a series of instructions for individuals resisting totalitarianism. The book critiques both fascism and democracy and is popular among libertarians, including the German-born Thiel. For the full syllabus, see pablopeniche, “Peter Thiel ‘Stagnation or Progress’ Syllabus, Stanford 2020 Course (German 277),” post on Y Hacker News, Updated September 27, 2020,

<https://news.ycombinator.com/item?id=24607896>.

³⁸¹ Thiel, *Zero to One*, 56.

established competitors, as PCs did to mainframe computers and Netflix did to Blockbuster, the word, Thiel writes, “transmogrified into a self-congratulatory buzzword.”³⁸² The term was claimed by vapid start-ups like Juicero, which promised to “disrupt” the home juicer market and achieved a \$270 million valuation before collapsing.³⁸³ In *Zero to One*, Thiel asserts that disruption should be avoided for two reasons. First, disrupting an existing firm implies a similarity between one’s firm and the old guard; second, disruption breeds competition, which should be avoided in favor of new lanes.³⁸⁴ Rather than try to disrupt, firms should aim at exit, at new frontiers.

Thiel has encouraged this approach to politics as well. He notes that “A startup messed up at its foundation cannot be fixed”;³⁸⁵ it’s a line he wrote about business, but it’s not hard to imagine him endorsing it at the level of states. As he noted in a 2009 *Cato Unbound* essay, “In our time, the great task for libertarians is to find an escape from politics in all its forms.”³⁸⁶ Thiel is highly skeptical of democracy, writing in the same piece that he “no longer believe[s] that freedom and democracy are compatible” and that “Since 1920, the vast increase in welfare beneficiaries and the extension of the franchise to women — two constituencies that are notoriously tough for libertarians — have rendered the notion of

³⁸² Thiel, *Zero to One*, 56.

³⁸³ “Juicero Valued at \$270M with \$70M Series B,” *Pitchbook*, April 1, 2016, <https://pitchbook.com/newsletter/juicero-valued-at-270m-with-70m-series-b>.

³⁸⁴ Thiel, *Zero to One*, 56-57.

³⁸⁵ Thiel, *Zero to One*, 107.

³⁸⁶ Peter Thiel, “The Education of a Libertarian,” *Cato Unbound*, April 13, 2009, <https://www.cato-unbound.org/2009/04/13/peter-thiel/education-libertarian/>.

“capitalist democracy” into an oxymoron.”³⁸⁷ Instead of trying to change the system, Thiel wrote that

Because there are no truly free places left in our world, I suspect that the mode for escape must involve some sort of new and hitherto untried process that leads us to some undiscovered country; and for this reason I have focused my efforts on new technologies that may create a new space for freedom.

Rather than iterating on American governance through electoral reform, Thiel shifted his interest to the new frontiers of cyberspace, outer space, and international waters.³⁸⁸

A Frederick Jackson Turner-esque admiration for the frontier, both for the freedom it promises for pioneers and the liberatory effects it can bring to the core, is obvious. The frontier was important for Turner not only because of the freedom it gave to pioneers but also because of the character it helped impose on the whole American state, the freedom it protected for those left behind.³⁸⁹ In his telling, the frontier prevented young states from imposing restrictions and burdens on their inhabitants lest they exit to the West, and political movements such as universal white male suffrage often began on the more independent borders.³⁹⁰ As Thiel writes in *Zero to One*, “There is no Galt’s Gulch. There is no secession from society.”³⁹¹ Full exit does not scale, but the frontier can be seen as a means of

³⁸⁷ After controversy over the latter claim, Thiel added a coda to the piece: “It would be absurd to suggest that women’s votes will be taken away or that this would solve the political problems that vex us. While I don’t think any class of people should be disenfranchised, I have little hope that voting will make things better.” Thiel, “Education of a Libertarian,” *Cato Unbound*.

³⁸⁸ Thiel, “Education of a Libertarian,” *Cato Unbound*.

³⁸⁹ Lough, *Henry George*, 23.

³⁹⁰ As noted in Chapter 1, women’s suffrage was won in the frontier states long before the 19th amendment brought it to Virginia and Pennsylvania (a development notable given Thiel’s comment in *Cato Unbound*). For male suffrage, see Turner, *Significance*, 19.

³⁹¹ Thiel, *Zero to One*, 189.

restoring momentum to the whole United States, rather than only for the few who can afford to colonize Mars.

The framing of outer space as a frontier that might instill individualism on Earth is not new and appears in the science fiction of Robert Heinlein, of which Thiel is a noted fan.³⁹² Most recently, Ross Douthat argued for a new space race to cure American malaise in his book *The Decadent Society*, which Thiel reviewed positively for *First Things*.³⁹³ Two of the three frontiers have also been highly lucrative: as noted, Thiel was the first outside investor in Facebook and is a major investor in Musk's SpaceX. Creating floating nations, "homesteading on the high seas" as sloganed by The Seasteading Institute, proved logistically difficult and has been largely abandoned.³⁹⁴

Even if one accepts both the feasibility of reopening a frontier and Turner's theory of its impacts, space travel will not create that opening for (optimistically) decades, and Thiel has become disillusioned with the liberatory potential of cyberspace. He quips about how developments in bits have distracted us from stagnation in atoms, that the "iPhones that distract us from our environment also distract us from how strangely old and unchanging our

³⁹² Jill Lepore, *The Evening Rocket*, Podcast, September-December 2021, <https://www.pushkin.fm/podcasts/elon-musk-the-evening-rocket>.

³⁹³ Peter Thiel, "Back to the Future," *First Things*, 2020, <https://www.firstthings.com/article/2020/03/back-to-the-future>.

³⁹⁴ Although Thiel was a major funder of the Institute upon its launch in 2007, Wayne Gramlich, co-founder along with Patri Friedman (grandson of the Nobel Memorial Prize-winning economist), noted that most of the interest in creating new sovereignties has shifted to charter cities, as chronicled by Quinn Slobodian in *Crack-up Capitalism*. Wayne Gramlich, Personal communication, September 30, 2023.

environment is, how you're riding a subway that's 100 years old."³⁹⁵ Here, *Progress and Poverty* provides a way out, allowing for a reopening without a physical or technological exit.

The Margin of Speculation and the Frontier Revisited

Thiel appears to have picked up the often-overlooked connection between George and Turner.³⁹⁶ As explained in Chapter 1, George was interested in the same land dynamics that made Turner's career, writing that "the free, independent spirit... that has marked our people... [has] sprung from unfenced land."³⁹⁷

George saw the land value tax as a means of effectively reopening the frontier. In his model, land speculation eventually outpaces the margin of production. Thus, even in areas where no productive activity is carried out, all land will be held privately by speculators. The land value tax would drive these speculators out of the market, opening up vast swaths that workers could threaten to move to and start independent businesses on, keeping their wages high and rents low.

A skeptic might note that there is very little stopping workers from moving to the sparsely populated areas of the country where land is affordable. However, George understood that very little could be created in complete isolation and was most interested in the margins of production, areas where a living could be made by an enterprising individual. He understood these areas,

³⁹⁵ Peter Thiel, "2019 Wriston Lecture: Peter Thiel," Manhattan Institute, November 13, 2019, <https://manhattan.institute/event/2019-wriston-lecture-peter-thiel>.

³⁹⁶ Gray and Thiel, "Life in a Postmodern World."

³⁹⁷ George, *Progress and Poverty*, 390 in Lough, "George and Turner," 22.

already claimed by the 1870s, to be the outskirts of cities and towns, not distant territories like the Yukon.

As Thiel noted in a 2023 lecture, a “frontier” was opened and the margin of production pushed ahead of the margin of speculation in the 20th century due to the rise of personal automobiles.³⁹⁸ This did not come about democratically, but technologically: cars provided a release valve similar to the open West, an effect that, as noted in Chapter 4, contributed to the end of a meaningful Georgist movement. Now, though, the effect has been exhausted, and the frontier has once again closed.

Remote work might provide another opening, though Thiel is skeptical given its marginal impacts so far. As Thiel notes, if remote work truly takes off, “that would reset all these real estate values tremendously... there is plenty of space if you’re not forced to be within the green belt of London” or other major cities.³⁹⁹ If it does not, the land value tax could provide a similar effect, reopening the frontier by restraining the margin of speculation, driving down urban rents, and restoring entrepreneurial individualism. Whether the land value tax could be implemented without a democratic majority, though, is doubtful.

Aligned Incentives

In addition to the theoretical basis for Thiel’s Georgism, the philosophy appeals to his self-interest. As a venture capitalist in the tech industry, he has little

³⁹⁸ Peter Thiel, “The Diversity Myth,” Scruton Memorial Lecture.

³⁹⁹ Gray and Thiel, “Life in a Postmodern World.”

to fear from high land taxes and much to gain from cuts to income and capital gains taxes. Internet companies like Facebook use very little land compared to the revenue they take in, but pay very high wages, and would therefore benefit from a shift in the tax burden from labor and capital to land.

In addition, tech labor costs are inflated by the locations where their highly paid engineers live: Seattle, Menlo Park, and San Jose, among other superstar cities and their suburbs. Employers must pay premiums to compensate for their workers' high rents. If land values (much of which result from the spillovers created by the companies themselves) were lowered by land value taxes, this would increase effective compensation and reduce labor costs for investors like Thiel. In 2014, he remarked that he would rather see housing "as a consumption good, see it as something you want to produce much more cheaply." The burden of housing scarcity (a state that speculators would like to maintain) falls on workers and ultimately their employers, while the profits accrue to landowners.⁴⁰⁰ As he noted in 2018, "the vast majority of the capital I [as a venture capitalist] give to the companies is just going to landlords."⁴⁰¹ Ultimately, in addition to aligning with his other goals, Thiel's pecuniary interest may motivate his interest in Georgism.

⁴⁰⁰ Peter Thiel, "Paypal Co-Founder Peter Thiel," Interview by David Frum, Washington Ideas Forum, The Aspen Institute, November 10, 2014.

<https://www.aspeninstitute.org/videos/paypal-co-founder-peter-thiel/>.

⁴⁰¹ La Roche, "Thiel: The Vast Majority of the Capital I Give Is Going to Landlords."

Georgist Conservatism

Thiel has also used a version of George's political economy to justify his more traditionally conservative stances. In the Manhattan Institute's 2019 Wriston Lecture, Thiel explained Rep. Alexandria Ocasio-Cortez's opposition to the proposed Amazon headquarters in Queens in Georgist terms:

There's a famous economics theorem from Henry George in the late 19th century, that in a certain city that's too restricted and too heavily regulated, the inelasticity of real estate ends up being complete so that any gain in the economy of the city simply flows to the landlords. And of course, the mistake AOC made was this is also a libertarian argument because you could say that you need to get rid of all welfare in New York City because all the welfare simply goes to the landlords because it's 100% of a transfer.⁴⁰²

Here, Thiel uses George's framing to assert that welfare payments, like all increases in income in George's system, are effectively transfers to landlords, immiserating the populations they purport to help.

However, his formulation is deceptive. George did not write that "any gain in the economy... simply flows to the landlords" in cities that are "too restricted and too heavily regulated." Residential zoning was not introduced for more than a decade after his death, and municipal regulation is not one of George's targets. Landlords absorb income gains in George's system due to the advance of the margin of speculation. Restrictive zoning does help speculators, pushing "land" out of production by driving down the number of units that can be built in a given area, but this critique is misattributed to George.

⁴⁰² Thiel, "Wriston Lecture."

At the same time, to present George as an enemy of welfare, given his prescription to use land tax revenues “in a thousand ways... to foster efforts for the public benefit,” is unfair. He might have agreed that “the welfare simply goes to the landlords,” but his Remedy was to eliminate the ability for landlords to appropriate society’s product, not to “get rid of all welfare.” Thiel’s comment takes George’s economic system out of the context of his egalitarian ethics and his warning of the destructive potential of the “squalid quarters of great cities” to serve an agenda foreign to George’s own.

Thiel’s career and wealth are also difficult to reconcile with his Georgism. His pro-monopolism, in *Zero to One* and elsewhere, clashes with George’s contempt for monopoly power beyond land ownership.⁴⁰³ It is possible that Thiel has not considered it: in an email, Cowen wrote that he did not remember the topic arising at their *Progress and Poverty* seminar.⁴⁰⁴ Monopoly, though, is condemned repeatedly throughout the text, and even a glancing familiarity with George’s biography would stress his animosity toward monopoly power. Thiel also ignores George’s disbelief in “men... who fairly earn a million dollars.”⁴⁰⁵ George’s condemnation of greed is absent from Thiel’s references, and he makes no apology for his billions.⁴⁰⁶

⁴⁰³ See, for example, George, *Progress and Poverty*, 192.

⁴⁰⁴ Tyler Cowen, Personal communication, July 4, 2023.

⁴⁰⁵ George, *Progress and Poverty*, 453.

⁴⁰⁶ Justin Elliott, Patricia Callahan, and James Bandler, “Lord of the Roths: How Tech Mogul Peter Thiel Turned a Retirement Account for the Middle Class into a \$5 Billion Tax-Free Piggy Bank,” *ProPublica*, June 24, 2021, <https://www.propublica.org/article/lord-of-the-roths-how-tech-mogul-peter-thiel-turned-a-retirement-account-for-the-middle-class-into-a-5-billion-dollar-tax-free-piggy-bank>.

As reviewed in previous chapters, divergences from George’s egalitarianism in favor of other facets of his ideology are far from uncommon. Thiel understands George as a theorist uniquely suited to addressing urban dysfunction and its reverberations in national culture. He may be a heterodox Georgist—many are—but his analysis of land dynamics has led him to a similar concern for the conditions of urban workers, if for different reasons. Thiel’s distrust of democracy is extreme and far removed from the heart of the ideology. Yet, it is not unprecedented. Nock and Chodorov, too, combined distrust in democracy with Georgism. Though Thiel ignores George’s ethics system, this is not a novel turn, and in contrast with Buckley, Thiel appears sincere in his admiration for *Progress and Poverty*.

Sam Altman

A more orthodox Silicon Valley Georgist is Sam Altman, CEO of OpenAI. Altman came to national prominence after the release of ChatGPT and was *Time Magazine*’s CEO of the Year in 2023.⁴⁰⁷ In the profile, Altman identified himself as a Georgist and claimed to have advocated for the land value tax in meetings with world leaders. In 2023, Altman’s venture capital firm Hydrazine led a \$1.6 million investment round in ValueBase, a land assessment startup helmed by Lars Doucet, author of a widely shared review of *Progress and Poverty*.⁴⁰⁸

⁴⁰⁷ Naina Bajekal and Billy Perrigo, “2023 Ceo of the Year: Sam Altman,” *Time Magazine*, December 6, 2023, <https://time.com/6342827/ceo-of-the-year-2023-sam-altman/>.

⁴⁰⁸ Connie Loizos, “Valuebase, Backed by Sam Altman’s Hydrazine, Raises \$1.6 Million Seed Round,” *TechCrunch* (San Francisco), February 1, 2023, <https://techcrunch.com/2023/02/01/valuebase-backed-by-sam-altmans-hydrazine-raises-1-6-million-seed-round/>. The review is available at Lars Doucet, “Your Book Review: Progress and

Core to Altman’s Georgism, as expressed in his essay “Moore’s Law for Everything,” is a belief that humanity, powered by AI, is on the brink of a major technological breakthrough, the cusp of a Fourth Industrial Revolution. In this brave new world, “Even more power will shift from labor to capital,” reducing the impact of progressive income taxation and necessitating reforms to prevent inequality.⁴⁰⁹ He writes that distributing the wealth created by innovation matters because “it’s fair, produces a stable society, and can create the largest slices of pie for the most people. As a side benefit, it produces more growth.” These values—justice, stability, equality, and prosperity—are identical to those George emphasizes in *Progress and Poverty*. Effectively, Altman sees a second looming Gilded Age, demanding the same reforms that George identified when faced with similar conditions.

Altman’s solution updates George’s to account for an optimistic view of the wealth that will be generated by AI. He proposes creating an “American Equity Fund,”

capitalized by taxing companies above a certain valuation 2.5% of their market value each year, payable in shares transferred to the fund, and by taxing 2.5% of the value of all privately-held land, payable in dollars. All

Poverty,” Scott Alexander ed., *Astral Codex Ten*, April 16, 2021, https://www.astralcodexten.com/p/your-book-review-progress-and-poverty?r=d4rjb&utm_medium=web.

⁴⁰⁹ Aldous Huxley, author of *Brave New World*, was himself a Georgist. In an introduction to the 1946 edition, he wrote that “If I were now to rewrite the book, I would offer the Savage a third alternative. Between the Utopian and primitive horns of his dilemma would lie the possibility of sanity... In this community economics would be decentralist and Henry-Georgian, politics Kropotkinesque and co-operative,” in Fred Harrison, “Aldous Huxley on ‘the Land Question’,” *Land & Liberty*, May-June, 1989, https://cooperative-individualism.org/harrison-fred_aldous-huxley-on-the-land-question-1989.htm; Sam Altman, “Moore’s Law for Everything,” March 16, 2021, <https://moores.samaltman.com/>.

citizens over 18 would get an annual distribution, in dollars and company shares, into their accounts.⁴¹⁰

Land and capital would bear the burden of taxation, though at a much lower rate than George would set, and in the future “most other taxes could be eliminated.” This scheme, which Altman estimates would raise \$13,500 for each of 250 million American adults, rests on sanguine growth forecasts. Altman assumes that the market cap of all U.S. companies will double over the next ten years, an estimate consistent with historical averages. He also assumes that land values will double over the same time frame, surpassing past trends, as spillover from AI increases the value of all scarce resources. Whether this is bluster for the benefit of investors is left to the reader. Regardless, it is notable that Altman does not aim at the abolition or 100% taxation of land rents, seeing them not as an affront to justice but merely as a source of tax revenue.

The American Equity Fund’s dividends also differ from George’s land value tax revenues. While George envisions the revenues from the LVT funding public works and services, Altman would distribute the money through a universal basic income, a policy he has advocated for in the past.⁴¹¹ Altman does not consider that the 2020 federal budget, \$4.8 trillion, divided by 250 million adults, equals approximately \$19,000, more than his Fund would return. Still, the plan is not just a reorganization of the federal budget toward direct payments.

⁴¹⁰ Altman, “Moore’s Law.”

⁴¹¹ Altman is proponent of UBI, and has provided \$10 million to the longest-running UBI experiment in American history. However, he has tempered his enthusiasm for the policy since the COVID-19 pandemic, citing the anomie created by the superdole during lockdowns. Tyler Cowen, “Tyler Cowen Speaks at OpenAI,” Interviewed by Sam Altman, May 2021, <https://soundcloud.com/sam-altman-543613753/tyleropenai>.

Altman explains that in a world of “Moore’s Law for everything,” where AI largely eliminates labor costs, \$13,500 would have much greater purchasing power.⁴¹²

Altman’s most significant deviation is, like Thiel and many 20th-century American Georgists, concerning inequality. Though he believes in a broader distribution of wealth, he concludes that “The new social contract will be a floor for everyone *in exchange for a ceiling for no one* [emphasis added].” George did not advocate for formal ceilings, but as noted above, he believed in neither the morality nor the possibility of unlimited accumulation in a just world. Altman also makes his redistributive scheme contingent on a spike in productivity, ignoring that George, when the United States and the world as a whole were drastically poorer than they are today, wrote that “There is enough and to spare. The trouble is that, in this mad struggle, we trample in the mire what has been provided in sufficiency for us all.”⁴¹³ George saw his remedy as a means of increasing economic growth, not dependent on it to function.

Altman understands George as a salve for the wounds he imagines his firm will unleash on American capitalism. Unlike Thiel, his self-interest is less apparent. He proposes to institute market cap taxes on highly-valued firms like his own, under which his profits would likely suffer. He does not seek to limit

⁴¹² Moore’s Law describes the tendency, observed by Gordon Moore, for transistor density on a single chip to double every two years. It has largely held true since 1975.

⁴¹³ Henry George, *The Crime of Poverty: And Other Speeches and Articles on the Land Problem*, (Copenhagen: Henry George Biblioteket, 2006), 10, <https://hgfa.org.au/wp-content/uploads/2019/11/The-Crime-of-Poverty.pdf>.

monopoly, preferring only to require that wealth benefits the masses left behind, but his emphasis on equal opportunity is in step with George's own.

Conclusion

It follows that the Bay Area, the epicenter of the nation's housing crisis, would be host to a resurgence of interest in the ideology. It also follows from the class of this chapter's subjects that they would be less interested in egalitarianism and "ceilings" than in the cultural and growth effects of Georgism. As uniquely powerful individuals, antitrust is more of a threat to their livelihood than monopoly, and their appropriations reflect that.

Altman does not appear to have engaged as deeply with *Progress and Poverty* as Thiel has, but he has seized on the central concern of the text: severing the ties between progress and poverty. His essay on George is most notable for its eschatological belief in technology, with George serving as a link between his belief in UBI and his view of the damaging effects of land scarcity.

Thiel's analysis of the effect of the land value tax on the frontier is stranger and does not have a recent precedent, though his anti-democratic writings follow the tradition of right-wing Georgists in the 20th century. He diverges from George's model more than Altman, but he, too, derives his appropriation from exposure to land scarcity.

Although it has not been well-documented and remains to be explored in a future project, Georgist sentiments have also taken root among pro-housing

YIMBY (Yes In My Backyard) activists in the Bay Area.⁴¹⁴ This, too, grows from lived experience with land scarcity—a scarcity felt more acutely by renters and workers than by employers and monopoly owners. In response, a progressive Silicon Valley state representative pushed for a study of land value taxes in 2023, but the bill failed, and the group has yet to win a Georgist victory.⁴¹⁵ In the Midwest, the old seat of the Progressive Georgist movement, though, hope may be on the horizon.

⁴¹⁴ This movement’s origins, though not its Georgism, are chronicled in Conor Dougherty’s *Golden Gates*. The book’s epigraph reads “It is a fresh and continuous robbery, that goes on every day and every hour.” - Henry George. Conor Dougherty, *Golden Gates: Fighting for Housing in America*, New York: Penguin Press, 2020.

⁴¹⁵ Alex Lee, “Bill to Study Benefits of More Equitable Taxation for Property Introduced by Assemblymember Alex Lee,” Press release, February 1, 2023, <https://a24.asmdc.org/press-releases/20230201-bill-study-benefits-more-equitable-taxation-property-introduced>.

Conclusion: The Remedy?

Today, Detroit presents fertile ground for a new growth of Georgist policy. The Motor City declared bankruptcy in the wake of the Great Recession, and even as its economy has recovered, it remains plagued with urban blight.⁴¹⁶ The city's mayor, Mike Duggan, has placed the blame on land speculators, noting that investors have taken over tens of thousands of units of housing without maintaining them.⁴¹⁷ Repeating the slogan "blight is rewarded, building is punished," Duggan has embarked on a campaign to bring land value taxes to the city.

In a recent article for the *New York Times*, dramatically titled "The 'Georgists' Are Out There, and They Want to Tax Your Land," Conor Dougherty notes that this push was initiated by one of Duggan's aides, who had read *Progress and Poverty* and become intrigued by the policy.⁴¹⁸ Mayor Duggan had not heard of George before Dougherty's article, and rejects a link to the ideology, stating that "This isn't any deep philosophical movement... I'm trying to cut taxes."⁴¹⁹ In his view, the land value tax is a municipal reform, not a panacea. According to the city's figures, if the policy is approved by the state legislature and Detroit's voters, 97% of homeowners will see a tax cut, while taxes on vacant

⁴¹⁶ Lydia Wilden, "Issue Brief: Blight in Detroit," University of Michigan, 2020, <https://detroitssurvey.umich.edu/wp-content/uploads/2021/02/Blight-Report-7-21-2020.pdf>.

⁴¹⁷ Conor Dougherty, "The 'Georgists' Are out There, and They Want to Tax Your Land," *The New York Times* (New York), November 12, 2023, <https://www.nytimes.com/2023/11/12/business/georgism-land-tax-housing.html>.

⁴¹⁸ Dougherty, "The 'Georgists' Are out There."

⁴¹⁹ Dougherty, "The 'Georgists' Are out There."

land will more than double.⁴²⁰ Although Duggan shares George’s animosity toward speculators, the latter’s broader vision does not feature in campaign propaganda.

That the leader of the nation’s largest land value tax campaign had never heard of its most important supporter buttresses Christopher England’s observation that “George’s economics have likely stood the test of time better than his politics.”⁴²¹ In fact, many economists have warmed to George since he was rejected by the profession.⁴²² The list of his endorsements from celebrated economists is long. Economists as distinct as Milton Friedman, and Joseph Stiglitz each found land value taxation appealing for its promise to raise revenue and improve land allocation without incurring deadweight loss.⁴²³

The most significant endorsement that land value taxation received from the profession came in 1990, when 30 Western economists, including four winners of the Nobel Memorial Prize in Economics, signed an open letter to General Secretary Mikael Gorbachev suggesting Russia adopt the policy as the

⁴²⁰ Office of the Chief Financial Officer, “The Land Value Tax Plan,” City of Detroit, accessed April 8, 2024, <https://detroitmi.gov/departments/office-chief-financial-officer/land-value-tax-plan>.

⁴²¹ England, *Land and Liberty*, 270.

⁴²² In fairness to George’s critics, parts of his 19th-century political economy, most notably his accounts of value and recessions, are less convincing today. These critiques are beyond the scope of this work; the most comprehensive accounting of the critiques can be found in Robert V. Andelson, “Critics of Henry George: An Appraisal of Their Strictures on Progress and Poverty, Volume 1,” *The American Journal of Economics and Sociology* 62, no. 5 (November 2003): i-432, <http://www.jstor.org/stable/3488025>, and Robert V. Andelson, “Critics of Henry George: An Appraisal of Their Strictures on Progress and Poverty, Volume 2,” *The American Journal of Economics and Sociology* 63, no. 2 (April 2004): i-575, <http://www.jstor.org/stable/3488074>.

⁴²³ Mark Blaug, “Review: Critics of Henry George,”; “Joseph Stiglitz: October 2002 Interview,” 2003, accessed April 17, 2024, http://www.wealthandwant.com/docs/Stiglitz_Oct02_interview.htm?utm_source=substack&utm_medium=email.

basis of a free economy.⁴²⁴ In the letter, written by the Georgist economist Nicolaus Tideman, the signatories emphasize that “Users of land should not be allowed to acquire rights of indefinite duration for single payments” if the bloc wanted to achieve widespread prosperity.⁴²⁵ They assert that “For efficiency, for adequate revenue and for justice,” a Georgist economic overhaul would be essential, though the letter does not explicitly mention George’s name.

This advice was not heeded, and land privatization began in 1992, distributing 129 million hectares to approximately 43 million private owners by 1998.⁴²⁶ The 1992 law also created a small land value tax, at either 0.3% (for residential and agricultural land) or 1.5% (for other types) that funds local governments; it is more significant than most countries but does not match the scale of Tideman’s recommendation. Tideman reports that someone familiar with the General Secretary’s private papers had seen the letter, with a note to the effect of “This look [*sic*] interesting. Perhaps we should follow up,” but Gorbachev was ultimately unable to or uninterested in pushing for broader land taxation.⁴²⁷

Another major endorsement arrived in November of 2023. In a poll of the University of Chicago Booth’s US Economic Experts Panel, 83% of respondents indicated that they “Strongly Agree” or “Agree” with the statement that

⁴²⁴ The Nobel laureate signatories were Franco Modigliani, James Tobin, Robert Solow, and William Vickrey. Nicolaus Tideman, “New Top Economists Advise Mikhail Gorbachev: Socialise the Rent,” *Land and Liberty*, January/February 1991, 12-13, https://cooperative-individualism.org/tideman-t-nicolaus_letter-to-gorbachev-1991-jan-feb.pdf.

⁴²⁵ Tideman, “Socialise the Rent.”

⁴²⁶ Alexey L. Overchuk, “Mass Valuation of Land in the Russian Federation,” *Land Lines* 16, no. 2 (2004), <https://www.lincolninst.edu/publications/articles/mass-valuation-land-russian-federation>.

⁴²⁷ Nicolaus Tideman, Letter to Jeff Smith, May 19, 1999, https://cooperative-individualism.org/tideman-nicolaus_comments-on-the-open-letter-to-mikhail-gorbachev-1999.pdf.

Shifting the burden of municipal property taxes towards land and away from improvements such as buildings - as proposed in the Detroit land value tax plan - will enhance the incentives for owners to develop their land and thereby give a substantial boost to local economic growth over a ten-year horizon.⁴²⁸

Such a commanding agreement indicates widespread support across ideological camps. Agreeing, Daron Acemoglu commented that “More generally, Georgist ideas may be worth revisiting”; Nobel laureate Richard Thaler, in his dissent, wrote that he “understand[s] the potential value for taxing land at [its] potential value, but its market value is very low, [and therefore] the incentive will also be low, so ‘substantial’ seems like an overstatement.”⁴²⁹ Thaler does not disagree with the direction of the policy’s hypothetical impact, only with its magnitude. No respondents opposed the policy.

On its face, the most significant error in *Progress and Poverty* is its overestimation of the association between progress and poverty. While in the 19th century, George claimed that the urban poor of the Old World were worse off than pioneers on the edge of the New World and that poverty would necessarily follow development, the claim is untenable today. Though developing economies may see increases in inequality as they industrialize, economic progress can durably increase the purchasing power and living standards of the worst off.

What remains most relevant is George’s critique of inequality and its relation to land. As Thomas Piketty noted in his blockbuster *Capital in the Twenty-First Century*, the net capital share of aggregate income has risen since the

⁴²⁸ Weighted by confidence. Kent Clark Center, “Land Value Tax,” University of Chicago Booth, Chicago, November 2, 2023, <https://www.kentclarkcenter.org/surveys/land-value-tax/>.

⁴²⁹ Kent Clark Center, “Land Value Tax.”

1970s.⁴³⁰ However, Matthew Rognlie, at the time a doctoral student in economics at M.I.T., complicated that assertion in a 2015 Brookings Institute paper.⁴³¹ He found that once depreciation is properly accounted for and capital share is disaggregated, nearly all of the increase is revealed to come from the housing sector. In George's terms, the share of national income that has gone to land has increased while capital's share has remained consistent, all at the expense of labor.⁴³² Piketty uses "capital" to mean all money and assets, including land, but disaggregating the two emphasizes the key role land value taxation could play in reducing inequality and increasing labor's share. Although progress does not beget poverty, since the 70s, as Piketty has demonstrated, it has brought inequality. As in the Gilded Age, land value taxation could be the remedy.

As this thesis has demonstrated, though, the land value tax is neither essentially nor historically egalitarian. Many of the most prominent exponents of Georgism in the nearly 130 years since his death have used his ideology for nationalist and individualist projects. Today, governments that levy land value taxes include Taiwan, enacted under Chiang Kai-shek, and Estonia, implemented

⁴³⁰ Piketty asserts in *Capital* that the main driver of inequality since the 70s has been diverging labor incomes, not capital returns. However, his famous " $r > g$ " formulation predicts that capital (including land) will drive future inequality. Thomas Piketty, *Capital in the Twenty-First Century*, (Cambridge, MA and London, England: Harvard University Press), 2014, 571, <https://doi.org/10.4159/9780674369542>.

⁴³¹ Today, Rognlie is an Assistant Professor at Northwestern. Matthew Rognlie, "Deciphering the Fall and Rise in the Net Capital Share: Accumulation or Scarcity?," *Brookings Papers on Economic Activity*, (Spring 2015), https://www.brookings.edu/wp-content/uploads/2016/07/2015a_roggnlie.pdf.

⁴³² "Rent" as the returns to land, and "interest" as the returns to capital, as George defines them.

by a prime minister who claimed that the only economics textbook he'd ever read was Friedman's *Free to Choose*.⁴³³

Detroit should, to be clear, adopt this land value tax. The fact that the policy is gaining traction is what George would have wanted, regardless of his association with it. However, as the history of the ideology has shown, the land value tax can be easily plucked from its egalitarian roots and replanted in systems in conflict with Georgist ethics.

If Sam Altman is right, and we are hurtling toward a Second Gilded Age, the remedies may lie in an unmediated return to *Progress and Poverty*. The land value tax may not prove a “green stick,” but infused with George’s moral vision, “Political Economy is radiant with hope.”⁴³⁴

⁴³³ Slobodian, *Crack-up Capitalism*, 110; Riigikogu [Unicameral Parliament of Estonia], “Land Tax Act,” (Tallinn, Estonia: Riigi Teataja, 1993), <https://www.riigiteataja.ee/en/eli/505012022009/consolide>.

⁴³⁴ George, *Progress and Poverty*, 459.