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Henry George and Sun Yat-sen: A Global Legacy of Land Reform

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The Taiwanese minister of culture Lung Ying-tai speaking beneath a portrait of Sun Yat-sen for an event in 2012 [commemorating his birthday](#).

Henry George was Gilded Age America's most famous economist. His magnum opus, *Progress and Poverty*, presented a utopian, reformist route to prosperity and was one of the best-selling books of the 19th century. For a brief period, his popularity was staggering: his funeral in 1897 drew hundreds of thousands, rivaling Abraham Lincoln's. By World War I, though, the American branch of the Georgist movement had foundered. Though celebrated by figures from John Dewey to William F. Buckley, Georgism did not play a prominent role in American politics after World War I. Rather, it was across the Pacific that Georgism would find its most influential disciple: **Sun Yat-sen**, the founder of modern China. Sun was a world-historical leader and writer, still venerated in both mainland China and Taiwan. Although he was far from an orthodox Georgist, the influence of *Progress and Poverty* is apparent

in Sun's writing and was inherited by Sun's Kuomintang heirs. An exploration of Sun's life, ideology, and legacy decenters the history of Georgism from the North Atlantic and illuminates its universal scope.

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Sun Yat-sen and the Birth of Modern 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 seventeenth century, entered the 20th in a state of precarity. The empire had lost the Opium Wars to the British and had been forced by a series of "unequal treaties" to cede zones to Europeans; its failures to modernize and 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.¹ While in Japan, Sun helped found the Tóngménghuì, an underground organization devoted to the abolition of the Qing monarchy. While working with the Tóngménghuì, Sun published what would become the core of his political philosophy, the Three Principles of the People: Democracy, Nationalism, and Mínshēng.

Little came of Japanese support. Although China had been humiliated during the Sino-Japanese War in the 1890s, relations warmed after the turn of the century, and Sun journeyed to the United States to seek support from Chinese Americans.² In his absence, a *Tóngménghuì* magazine published a Chinese-language summary of *Progress in Poverty* in 1910, exposing Chinese intellectuals to George for the first time.³ 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 prematurely put their plan into motion 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.

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 that:

“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.”⁴

Before any program could be 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, in the name of Chinese reunification, declared himself generalissimo of a KMT military government in Guangzhou. During the

pauses between his political and military activities, he studied and wrote, and in 1924 he published the *San Min Chu I* or *The Three Principles of the People*, an elaboration of the values he had professed in the Tóngménghuì and his final major work.⁵ The text, composed from Sun's lectures, provides a comprehensive overview of his program.⁶

Mínshēng

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 socialism (shèhuìzhǔyì), while at other times he used it as "welfarism," without the statist connotations.⁷ 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 elaborates 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 value created around it, despite his apathy. "*To whom did these millions really belong?*" Sun asks, and finds: "*they belonged to everybody.*"⁸ 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.⁹ Like George, Sun proposes the full equalization of land rights while ensuring that "present landowners can set their hearts at rest."¹⁰ Notably, his solution looks more similar to one put forward by the American economist Arthur Harberger in 1965 than George's.¹¹ 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*".¹²

“...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 serious possibilities, 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.”¹³

This policy would lead to industrialization as the government coordinated railroad corridors and centers of industry. Despite the implementation differences, the root idea of taxing the unimproved value of land is palpably Georgist.

Other Similarities

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 case in depth.¹⁴ They also both shared an affinity 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.¹⁵

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 later Taiwan, and would have recognized this idea in George's description of “*moral conditions realizing the golden age of which mankind have always dreamed*” (sic).¹⁶ Both believed in the Social Gospel, 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 Prince of Peace!”¹⁷ Sun, too, used Jesus, a “religious revolutionist,” as a model for Chinese nationalism.¹⁸

Other Differences

Figures as disparate as Leo Tolstoy and Milton Friedman appropriated George's thought selectively, and Sun was no exception. Despite his

admiration for George, Sun disputed George's emphasis on liberty, a core value of *Progress and Poverty*. Sun did not believe that the concept could be imported from the West without changes. Although he notes that Chinese students would repeat the words "*Give me liberty or give me death*," he observes that they did not know what the word meant and that it was a concept foreign to China.¹⁹ Rather, he says 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.*" To justify this, Sun claims that after the Qin Dynasty, whose despotism had led to collapse, most Chinese peasants rarely came into contact with the state.²⁰ Subsequent dynasties were more interested in preserving their power than in directly managing the lives of the people. Poverty, then, rather than the systematized tyranny that inspired Europeans to fight for liberty, was the main burden that the people toiled under. Faced with the threat of imperialism, Sun emphasized that it is state power, rather than George's individual freedoms, that is thus most important for preventing foreign domination and ensuring popular wellbeing. This applied to economic as well as political liberty. One example is that while George was an adamant free trader, Sun believed that China should levy tariffs to protect burgeoning industries from European imports.²¹

Sun's assertion that "*each tiller of the soil will possess his own fields*," expressed in the *San Min Chu I*, was also out of line with George, a staunch believer in property rights and an opponent of land reform.²² George believed that efforts by the state to divide land ownership would decrease production and that the preservation of private property in land would "*...not reduce rent, and therefore cannot increase wages. It may make the comfortable classes larger, but will not improve the condition of those in the lowest class.*"²³ That being said, this contrast isn't necessarily as sharp as it seems. 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.²⁴ The extent to which Sun's writings justified land reform in practice is unclear. For example, he rejected a plan for land confiscation and redistribution in 1923-24.²⁵ As is mentioned below, his influence on Taiwan's "Land to the Tiller" program is also subject to interpretation.

Sun's Georgist Legacy in the Republic of China

Sun died of cancer in 1925 and was succeeded by his lieutenant, Chiang Kai-shek. Still, long after Sun's death, his Georgist influence on the RoC government persisted. In a midcentury article for the *Henry George News*, Sun's former secretary Wu Shang-ying described how the RoC's legislature promulgated a land law in 1930.²⁶ 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 (Wu was promoted to cabinet status after the Japanese were defeated in 1945) but the ideas of Sun Yat-sen's land program were mainly used for governmental propaganda.²⁷

Despite these practical difficulties, Sun's successors still gave his program paramount importance. Signed on the mainland in 1946 and still in effect 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.*"²⁸ The Georgist implications of this and the succeeding article are unmistakable:

"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.²⁹

The constitution plainly 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 method for asserting common land rights. As Henry George himself put it:

*“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.”*³⁰

With their common enemy defeated, 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 half of the century at an end, the RoC, under Chiang's dictatorship, began to put Sun's property ethic 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 in 1949 through 1953. In a working paper presented to the United Nations at the 1966 World Land Reform Conference, RoC representatives referenced the *San Min Chu I*, stating 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.*”³¹ At a conference at the University of Hartford the same year, Shen Shike, a representative from the RoC, again asserted the Georgist roots of these programs and attributed the country's economic success to them.³² He noted the breathtaking leaps in economic development that the country had experienced: agricultural productivity since land reform up over 100%, industrial productivity up over

300%, and the standard of living up nearly 350%, each attributed to the more equal distribution of land.³³ 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.³⁴

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.
4. Public enjoyment of future land value increment.³⁵

In the 1970s, enforcement power for local revenue collection was added to both land value taxation and to a transfer tax on land appreciation.³⁶ It was in this period that taxation of land value 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 municipal and prefectural tax revenues together came from the land value increment tax (60.4 percent) and land value tax (14.9 percent).³⁷ 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).³⁸

From the mainland to Taiwan, Sun Yat-sen's Georgist ideals steered his successors in the Republic of China. This was the case even with the "Land to the Tiller" program, despite Henry George and Sun Yat-sen's critique of or ambiguity toward agrarian expropriation. Taiwanese historian James Lin argues that their ideas had no direct lineage to "Land to the Tiller."³⁹ The presentation of it as Georgist was instead an attempt by Taiwanese technocrats to claim a moral basis for their capitalist dictatorship.⁴⁰ That they would make this attempt at all, however, shows how powerfully Sun's Georgism had influenced the RoC. By the 1960s, Henry George's movement was a marginal fringe, rapidly fading from the world's memory. Still, RoC representatives were keen to claim a Georgist pedigree through Sun. Their perception of this claim as a potent asset against Communist China in the

Cold War reveals how Sun's influence went deeper than just enabling the implementation of land value taxation. He was not a “policy wonk,” and that the letter of his writing was not followed was in no sense a betrayal: KMT members, who even today venerate Sun as the “Father of the Nation,” certainly did not see it as such.⁴¹ Sun probably never imagined his successors would be forced off the mainland, yet they continued to work toward the “equalization of land rights” with whatever tools they had available.

Conclusion

George's influence on one of the most important leaders of the 20th century is vital to grasping the movement's truly global dimensions. The ease with which Georgist ideas were repotted in a Far Eastern context inspires hope that they could flourish in our own time as well. While Sun was not a standard Single Taxer, he understood the dynamic of progress and poverty that afflicted China and followed the theorist best suited to curing it. His successors advanced along this route: whether they'll reach its final destination remains an open question.

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- 1 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>.; Sharman, Lyon. *Sun Yat-Sen: His Life and Its Meaning*, Stanford, CA: Stanford University Press, 1968. <https://archive.org/details/sunyatsensharman0000unse>.
 - 2 During his travels, he befriended Henry George Jr., George's son and biographer. See Christopher William England, *Land and Liberty: Henry George and the Crafting of Modern Liberalism*, (Baltimore, MD: Johns Hopkins University Press, 2023), 152.
 - 3 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.
 - 4 “Sun Yat Sen’s Economic Program for China,” *The Public*, April 12, 1912, 349, 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): 555-18. <https://doi.org/10.2307/2941638>.
- 5 Marie-Claire Bergère, *Sun Yat-Sen*, Translated by Janet Lloyd. (Stanford, CA: Stanford University Press, 1994), 352.
 - 6 *Ibid.*, 353.
 - 7 *Ibid.*, 382.
 - 8 Sun Yat-sen and Chiang Kai-shek, *San Min Chu I*, Translated by Frank W. Price. (Taipei, Taiwan: China Publishing Co., 1935), 175.
 - 9 *Ibid.*, 176.
 - 10 *Ibid.*, 177.
 - 11 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), 116–121 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>.
 - 12 Sun, *San Min Chu I*, 178.
 - 13 *Ibid.*, 177-178.
 - 14 Early in his career, George published multiple sinophobic essays and articles. 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.
 - 15 Trescott, "Henry George, Sun Yat-Sen and China," 366.
 - 16 Henry George, *Progress and Poverty*, Fiftieth Anniversary Edition ed. (New York, NY: Robert Schalkenbach Foundation, 1935), 4; Bergère, *Sun Yat-sen*, 369.

- 17 George, *Progress and Poverty*, 552.
- 18 Sun, *San Min Chu I*, 15; Trescott, *Henry George*, 369.
- 19 Sun, *San Min Chu I*, 68.
- 20 Ibid., 70-71.
- 21 Ibid., 10-11.
- 22 Ibid., 188.
- 23 Trescott, *Henry George*, 371; George, *Progress and Poverty*, 324.
- 24 Bèrgere, *Sun Yat-sen*, 353.
- 25 Trescott, *Henry George*, 371; James Lin, "Capitalism with Socialist Characteristics: The Land Reform Training Institute, 1968-1979," Draft Manuscript, November 15, 2023, 5-6.
- 26 Wu, "Sun Yat-sen,"
- 27 Ibid.
- 28 Constitution of the Republic of China (Taiwan), art. 142.
- 29 Ibid., art. 143.
- 30 George, *Progress and Poverty*, 405.
- 31 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.
- 32 James Lin, "Capitalism with Socialist Characteristics: The Land Reform Training Institute, 1968-1979," Draft Manuscript, 2023.
- 33 Lin, "Capitalism," 13-14.
- 34 Lin, "Capitalism," 21.

- 35 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.
- 36 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.
- 37 The gains could have been even greater if not for flawed implementation: issues like poor assessment and low rates meant that significant revenues weren't captured and land speculation wasn't 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; Robert V. Andelson, "Land-Value Taxation around the World." *The American Journal of Economics and Sociology* 59, no. 5 (2000): i-490, 335. <http://www.jstor.org/stable/3487821>.
- 38 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=Uy4mQAAMAAJ>.; and *Guide to ROC Taxes*, Taxation and Tariff Commission, Ministry of Finance, Republic of China, 2022. <https://www.mof.gov.tw/download/a9da3c5a7ff146f7bde6aa2c3337abc5>.
- 39 Lin, "Capitalism," 14.
- 40 *Ibid.*, 29.

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



A guest post by

Reed Schwartz

Less in rebellion against the society than ignorant of it

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