

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. 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. Almost overnight, the theory made him a household name.

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 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. 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." 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

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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; 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.
- 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." Rather,

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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 Hopkins. 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 thrifless, unambitious European peasant into the self-reliant Western farmer."

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.

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." George had made a similar claim about the lack of unfenced land in 1879, and with the land value tax,

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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.

Even in this future, though, Oppenheimer anticipates one durable remnant of the political means: landed estates, which disguise themselves as following from economic right. Still, he asserts that the "development of economics is on its way to destroy [them]." He echoes George's assessment that the misallocation of land is the cause of poverty and rejects competing Marxist and Malthusian explanations.

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.'" 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. Consequently, "the system of vast territorial estates falls apart." 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.

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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 remedy a "substitute for that former safeguard of democracy' America had enjoyed in the frontier."

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. 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!" 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 quarters of great cities, and you may see, even now, their gathering

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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." Both George and Oppenheimer agreed that in a state of economic cooperation, society would flourish and most taxes would become unnecessary.

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. This strain of his thought was applied to kibbutzim like Merhaviah, which was founded on Oppenheimer's ideas in 1914.

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, 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

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should be justly appropriated; Millicent Fawcett noted the "economic perfection" of land taxation. The Physiocrats, despite other failings, had endorsed abolishing all taxes except those on land as well.

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? 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.

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." 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

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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 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.

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. 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. 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. If wages are drawn from labor, not capital, then the idea that wages are determined by the ratio of capital to labor is fallacious.

The Factors of Production

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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.)

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. 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.” Rauschenbusch believed, with both George and Tolstoy, in the application of Christian ethics to social problems and understood George’s economics as doing so.

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; John Stuart Mill (as noted, one of George’s interlocutors) had suggested that land rents belong to society by natural right, and

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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. 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 progress itself [emphasis added].” 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.” 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.” Wages and capital returns tend to be higher in young countries and territories than in old ones: both were higher in

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hordes!” 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.”

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

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state. 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 increases in land values accrue not to the individual owner, but to the public.” Notably, Herzl envisions Palestinian landlords benefitting from Jewish immigration. In the book, they are well-compensated for selling their land to the New Society. 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.

In contrast, many of Oppenheimer’s writings do not aim to promote virtue and production inside Zionist communities but

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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. 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.

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

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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. He writes that one who works the land must not be evicted from it as long as "he rests with his [back] upon it." 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." Common ownership in land is ultimately key to forbidding "any alien element [from entering] into the corporation," a basis 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. He understood communal ownership in the same way: not as egalitarian, but as defensive.

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

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 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.

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. 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." 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.

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

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Garfield's protectionism.

Progress and Poverty

Among George's published works, *Progress and Poverty* is the most complete encapsulation of what would become known as 'Georgism.' 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 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 markers 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.

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

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."

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 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."

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.

As the value of land is created by society, George believes that revenues from the LVT should be distributed to society as

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George devoted himself to the expansion of these ideas throughout the decade, building upon them through a correspondence with John Stuart Mill. 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 published in both hemispheres, and be translated into different languages. This I know, though neither of us may ever see it here."

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. 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

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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."

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. George's 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.

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. In 1891, Pope Leo XIII issued the *Rerum Novarum*, which, although it condemned land confiscation, also legitimized some of George's claims. The

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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."

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, 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 Altneland, Rosenblatt imagines the land value tax as limiting Palestinian

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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.

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.” Even the *Rerum Novarum* was not explicitly anti-Georgist, though George himself read it in that light.¹ The doctrine of natural rights and 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. 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. Despite his Christian grounding, Georgism was seen and treated as more threatening to the institutional Church than Marxist atheism.

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

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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.” He characterizes the Jewish community from which land rights derive as an unbreakable “bundle of arrows,” and suggests that allowing free trade in land (a right that George would preserve) would loosen its bond. 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. 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.

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else the right to vote and to equality before the law cannot stand, and “Liberty withdraws her light!”. 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 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.” 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.” 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.

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

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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.]”

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:

"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”.

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.

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Russian patriots sometimes called Nihilists—‘Land and Liberty!’”

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.

What is the true solution? Simple: “we must make land common property.” 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. 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.” 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

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and upon his return to California, he was able to convince state legislators to pass an anti-telegraph monopoly resolution. 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.

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.” 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 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.

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

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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.

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 posthumously. 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. 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. Even after his death, George’s legacy, both at home and abroad, was only beginning to come into its own.

George and Sinophobia

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

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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 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.

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." 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

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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 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.

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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).

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. A fairer distribution between labor and capital will not affect the portion of production that is 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." 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

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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.

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*. The article addresses hopes that a transcontinental railroad would bring prosperity to San Francisco and turn the city into a major metropolis. 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 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.

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,

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.

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. 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:

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.

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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."

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 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. The group outfitted a sailing ship but was intercepted by a revenue-cutter (a customs-enforcing

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.

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." 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."

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." 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. 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.

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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 sentiment; still, he continued to oppose Chinese immigration on the grounds that China's culture was too different to allow for assimilation. 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."

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.

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 Nations* and catapulted him to international

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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." Gains from 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. 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. 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.

Recessions end due to a combination of three factors: the

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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. Still, he was a diligent reader with an insatiable curiosity: at sixteen, he joined the sailing ship *Hindoo*, furnished by his family with a Bible. 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.

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].

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.” As George saw in New York, as areas develop, they may sprout luxurious mansions; but following them will be almshouses.

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.

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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.” 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.

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

Although he is often overshadowed by his most famous

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.

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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.

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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. They must also forgive all debts and free all slaves. Every fifty years, a Jubilee (יובל, *yovel*) is observed, and all land returns to its original owners. This serves two functions, one egalitarian and one conservative. 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]." 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

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 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

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 inequalitarian 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*.

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 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

margin of production—falling as it falls, and rising as it rises.

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 natural capabilities gives to the owner." Because each piece of land has only one seller, the rent on plots of land is always a monopoly rent. 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. 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

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invent any other better, more just, practical, and peaceful solution," and hung a portrait of George on the wall of his study. The protagonist of Tolstoy's last novel, *Resurrection*, engages in lengthy tangents about Georgist economics (with little regard for narrative fluidity), and Leo Tolstoy, "A Great Iniquity" [1905], the author wrote letters to the Russian Duma and Tsar Nicolai II advocating for Georgist policies after the Revolution of 1905.

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. 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; George's funeral was one of the best-attended in American history, surpassing even Abraham Lincoln's. 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.

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."

George saw the Jubilee as a way of restoring equality in land and preventing unjust accumulation. 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 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. 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.

Enthusiasm for George was common among Jews across the United States. Upon George's death, *Forverts*, the highest-circulation Yiddish language newspaper, devoted its front page to his portrait and obituary. 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. He

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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 be done away with.” 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.” 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.

Oppenheimer and The State

Oppenheimer likely read *Progress and Poverty* in German

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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.

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

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This is an undergraduate thesis by Reed Schwartz from Wesleyan University, 2024. This is the first volume.

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

- Leviticus 25:23

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. 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.” 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.” 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.”

Tolstoy wrote that George’s answer to the land question achieved “such a degree of perfection that... it is impossible to

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.” 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 gone without stinting a single human being of a full meal.” Famines in India and China, too, “can no more be credited to over-population than the famines of sparsely populated Brazil.” 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.” 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

around the turn of the century. 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.” 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.” 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.

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 hunters 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.” 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. 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.

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

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.” 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 things being equal, the higher should wages be.” 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

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COMMON GROUND: HENRY GEORGE'S LEGACY SINCE THE 19TH CENTURY (1/2)

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