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On the Centenary of *Progress and Poverty*

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ABSTRACT. *Henry George* was more fortunate than many authors of classics. His *Progress and Poverty* won understanding, appreciation and recognition from the start. The book presented a theory of the business cycle based on *monopoly* of which theorists must take account. It also represented the peak of the development of the classical school. George shared with the school's great figures, particularly *Adam Smith* and *David Ricardo*, a *utopian* vision of a *free economy*. But George went beyond them in envisioning a *free society* in a *new moral order*; he was one of the great *libertarian philosophers*. Moreover, as *Teilhard* has shown, he projected into *economics* a social rationalism that opened the way for a reborn political economy based on scientific method. Though his is one of the enduring creations of the human mind which spur the species on to greater cultural achievements, it is, first and foremost, an *economic classic*. Insofar as George pointed to monopoly and *privilege* as socially disastrous *institutions*, his teaching has been adopted by economists everywhere. His doctrine that all men share a common right to the earth now rules *space* exploitation—that is, the *universe*—and the deep *oceans* and it is winning grudging recognition in the one-fourth of the earth humanity inhabits.

I

ONE HUNDRED YEARS AGO a young, self-educated San Francisco journalist who had learned the printer's trade at the case and had served a

* The views expressed in this article are my personal ones, which are not necessarily shared, in part or whole, by my fellow directors of the Robert Schalkenbach Foundation, publishers of Henry George's writings—Georgists are individualists who share no creed—or by my collaborators in this *Journal*, who have their own allegiances. I was committed to social reform before I encountered *Progress and Poverty*; my admiration for it and its author will be evident in the pages that follow. Yet I hope I have avoided the hairshirt of the true believer. I thank the assistant editor of this *Journal* for her critical review of the original ms.

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seaman's apprenticeship as a foremast boy, wrote a book he entitled: *Progress and Poverty: An inquiry Into the Cause of Industrial Depressions and of Increase of Want With Increase of Wealth: The Remedy.*

He had known grinding poverty, and not only from seeing it in the slums of America's great cities. When his first child was born, he had been so poor he was sorely tempted to rob a passerby to get money for food for mother and child.

He had made "a vow [according to his son and official biographer, Henry George Jr.] that he would never rest until he found the cause of, and if he could the remedy" for "deepening poverty amid advancing wealth." And so, "... when the last page was written, in the dead of night, Henry George flung himself upon his knees and wept like a child. He had kept his vow" (1).

The author sent a copy of his book to his father, a publisher of religious works, with a modest forecast of its reception: "It 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" (2). Actually it did rather better. It rather quickly became a classic, was translated into the world's principal languages and published in all parts of the world. It influenced the development of several of the social sciences and social philosophy and initiated a world-wide social movement.

Joseph Wood Krutch, one of the more perceptive critics of our literature, once pointed out that "the most original writers commonly require the passage of considerable time before they can be understood well enough to be appreciated" (3). George was more fortunate than most. Some of the great thinkers of the day welcomed him to their midst with appreciations that wanted little of full understanding, men like Alfred Russell Wallace, who was second to Charles Darwin in the development of the theory of evolution; Leo Tolstoy, the novelist; Bernard Shaw, the dramatist, and Max Müller, the orientalist.

And in the last half century George has won critics who are even more appreciative, critics who have devoted considerable time and grubbing research to achieve an accurate understanding of what he had to contribute. This group includes such stellar figures as John Dewey, George Raymond Geiger, Charles Albro Barker, Edward J. Rose, Ernest Teilhac and Steven Cord (4).

The present writer has studied and promoted research upon George's writings and George himself and his movement, and the writings of his

critics and opponents, over many years. This centenary year, and this centennial appreciation, seem an appropriate time and place to report his basic conclusions.

Henry George's opponents alleged that he believed that land monopoly and the speculation it engenders was the sole cause of business depressions (5). This version of his hypothesis was examined, found wanting and dismissed by several distinguished economists. But the manner in which the hypothesis was presented paid scant justice to his precise idea.

What George asserted was that the *monopoly* of land and all natural resources was "the mother" of other monopolies and that *monopoly* was the basic cause of business cycle slumps.

In our day only the most rigid ideologists refuse to recognize that ours is not a system of competitive capitalism at all but one dominated by monopoly capitalism. It is a system in which exactions are wrung from a helpless public of workers, managers, entrepreneurs, financiers and capitalists by monopoly power. This monopoly power has various bases: absolute private ownership of land and other natural resources; a conspiracy of union leaders and union members to establish labor monopolies—closed unions and closed shops—controlling wages and output and employment; conspiracies by corporation executives to control markets and prices based on patents and trademarks, on market positions won by strategem, on privileges granted by governments—often through bribery of public officials—and achieved also by private arrangements like trade and professional cartels. In a word, by a host of arrangements that prevent the operation of free competition within free and open competitive markets.

George foresaw this ramification of monopoly and his actual contention was that the basic monopoly, that of land and other natural resources, produced the others; and that the conglomeration of monopolies, quasi-monopolies, oligopolies, trusts, cartels, consortiums and what-not produced the conditions which were a key factor in causing business activity to contract.

These monopoly exactions in many cases become monopoly profits, which are capitalized into stock and bond prices, affecting the level of labor and property incomes as they claim excessive shares of corporate earnings (6). In this way purchasing power in the hands of the general public is reduced as it concentrates in the coffers of the relatively few owners of monopoly claims. The process reduces the stock of capital

goods, causing productivity to fall, and it pushes up interest rates. Of course, when we achieve an empirically validated theory of the business cycle it will incorporate the operation of public and private finance, particularly the role of government debt in accelerating inflation. But it is difficult to conceive of a theory of the cycle which does not contain as a chief element the operation of monopoly, including land monopoly—resource monopoly—in producing disequilibrium. George's *Progress and Poverty* is the best guide to understanding this fact.

II

GEORGE, ALONG WITH Adam Smith and David Ricardo was a member of the classical school; one of George's critics has argued that in him the school reached its zenith. George shared with Smith and Ricardo, whose work he admired, and with James and John Stuart Mill and the other great thinkers of the school a utopian vision, a vision of an economy in which competition was free in a market that was open equally to all so that the operation of an economic calculus might allocate people, resources and property to their highest and best uses for the benefit of society as well as their owners. They envisioned a society in which equality of economic opportunity prevailed and, as a result, an abundant production met the needs of all, including (out of an altruism heightened by an absence of dog-eat-dog competition) the victim of misfortune and of unfortunate genetic inheritance.

But George went beyond his fellow classicists: he envisioned a free society of free people, achieving moral and intellectual heights beyond the economists' wildest dreams.

So, as we honor George as the original contributor of a theory of the business cycle of which economists must take account—that is, for his profound insight of the devastating role monopoly and privilege play in the affairs of people and nations—we recognize that *Progress and Poverty* was much more than an economic classic. It is a work in the utopian tradition of Plato's *Republic*, one of the works that, like the various sacred scriptures and other timeless creations of the human mind, have spurred the human species on to greater heights of cultural achievement. Insofar as such works represent humanity's efforts, through implementing the ideas of its great intellects, to achieve more perfect control of its environment and to create a more moral world, one might call these works divinely inspired.

But George's work is, first and foremost, an economic classic. As

such, let us examine its contribution. If one wanted to acquaint oneself at this late date with the basic elements of price theory, one would more likely turn, not to Smith, Ricardo or George, but to another classic, the Nobel Laureate Paul A. Samuelson's *Foundations of Economic Analysis* (7). There they are given, completely and succinctly, along with a demonstration that mathematics (not as the "language" of science, as Samuelson sees it, but as one of the ways, along with traditional and modern logic, of thinking about the phenomena of science) is, along with its offspring, mathematical statistics, one of the important tools of economic inquiry, one of the several paths to economic understanding. But the student who turned to Samuelson rather than George would miss something of the highest importance.

Ernest Teilhac devoted a paragraph to the point. In his brilliant analysis of the role George played in the development of economic theory, Teilhac wrote:

In an epoch of great economic transition, the vicissitudes of his life suggested to Henry George the elements and the solution of the problem of *Progress and Poverty*. There is a discord, said George, between political and social progress which is caused by economic progress. Harmony can only be restored by means of social rationalism and a certain return to political rationalism. The theoretical essence of this rationalism . . . is the introduction of the French substance of political economy [physiocracy] into the English form [mercantilism]. By this means, George prepares the way for two things, communism and socialism, and a reborn political economy (8).

The historians have demonstrated that many socialist leaders had read George and were moved to action. But finding the path to which he pointed too rigorous—it involved thinking for oneself, and managing one's own affairs—they seized on the materialist theology of Karl Marx as a quicker and easier way of realizing Utopia. George, too, was a man of faith. But what George had faith in was the individual, not the mass; the producer, not the proletarian; the human mind, not the inexorable workings of some primitive god of history. George believed that the problems which threatened society with ruin could be brought under rational control. He believed that the average citizen could learn to manage his economic affairs better than any elite could manage them for him. He believed that humanity could develop human values by which to judge economic, social and political questions.

Rational economic, social and political reconstruction is a hard course and it is no wonder that the Bolsheviks in Russia swallowed the Marxian myths and set up a theocracy more terrible than those of the medie-

val ages of faith. Humanity always looks to some god or demon to solve its problems, not to human intelligence. But with reason should come responsibility. If we do not solve our problems ourselves, we must suffer them. Humanity's discontent is the divine spark in the human species that eventually achieves moral progress. George, as Teilhac proved, helped prepare the way for political economy as a science as precise as any by which our generation reached the moon.

It is a curious coincidence that George, as well as Marx, writing within a few years of each other, gave us philosophies of history. George's was less deterministic than Marx's. Marx saw in the relations of production the origin of the forces that determined the courses of people and events. George saw in property relations, and particularly that between the human species and its environment, the origin of the influences that tended to produce events. Economics, he thought, penetrated society and socio-economic influences penetrated politics. In our day we know that a variety of influences, the psychological, for example, as well as the economic and social, must be isolated to determine the motivating factors in human behavior. And we are not so sure that history has a philosophy. Yet if there is one, George's insights will contribute toward its understanding.

III

WHAT ABOUT the Single Tax? More properly, what about the Single Tax panacea, with which George's name is indelibly linked? As the Columbia Encyclopedia puts it in a cogent article: "He believed that a single tax on land would meet all the costs of government and even leave a surplus, besides unburdening labor and capital of taxes on their output." This is a fair statement. But in George's day the cost of government ran about 5 percent of national product. By the time I was a graduate student and public finance was my minor, government costs had risen to 25 percent of national product. Today the cost of government is well along toward claiming half the national product and the end of its climb is not in sight.

We have never had an accurate estimate of the value of all the land, natural resources and other privileges in the United States and it is not improbable that George's belief was correct for his time. But George said he was ready to accept an income tax, and fees for service, if the revenue from land value taxes taking nearly all the economic rent was not adequate to meet government costs. There are no data reliable enough to warrant a guess about what the situation would be today.

And the issue is wholly irrelevant. A land value tax does not have to be a single tax to achieve great benefits so long as the revenue is used to grant tax relief to labor and capital. Hence can anyone but a fool scoff at George's theory?

Still, it is worth dealing with the canard that George was a panacea monger, one the Marxists bring up to belittle his ideas. George did not believe in the Single Tax panacea which was pressed by some of his adherents because it fitted in with their religious notions. No serious student of George, however, found the slightest evidence that George believed in the panacea. He disclaimed it, saying that if there were any panacea, it would be freedom. We can thus understand why Eric Roll, author of *A History of Economic Thought*, should claim that George presented the working class movement "with a panacea" (9). As an adherent of authoritarian Marxism, he did not dare to go to the core of the matter, individual liberty. George believed (like Prince Peter Kropotkin, who called it *Mutual Aid* and also wrote a classic about it), that association in equality was the rule of human progress. George was no slavish advocate of the joint stock company. Neither did he have any prejudices against it. He believed in all manner of associative experiments, knowing that different peoples with different cultures would associate in production and in social and political activities in different ways that worked best for them. A test of this belief occurred in the Russian Revolution—the real one, not the Bolshevik coup—when the Russian peasants organized several types of cooperative farms without the help of the Communist power-brokers, cooperatives that thrived until Joseph Stalin crushed them, starving to death some millions of peasants in doing so (10).

Human intelligence, exercised by free men, working in a free economy within a free society of an egalitarian democracy—if there were any panacea, George thought, that would be it. George was a libertarian philosopher, one of the great libertarians, along with Socrates, Henry David Thoreau, John Stuart Mill, Lord Acton, Franz Oppenheimer and John Dewey, to mention only a few of the names those who love liberty hold in the deepest reverence and awe.

But though the "singleness" of the Single Tax is no longer a relevant issue, it would be a mistake to lose the essence of the idea. Only recently have the techniques of quantitative economic analysis been used to determine the necessity for government programs and to evaluate government performance—that is, to develop scientific criteria for gov-

ernment expenditure. A good Georgist today must be a budget reformer and a government reformer as well as a tax reformer; Herbert Hoover's investigation of the operations of government had a social significance that far transcended its very important contribution to public administration (11).

How much government should a present-day Georgist want and need? The monopolists have raised the cry of "too much government" in order to get out from under regulations that hinder them in defrauding the producer and the consumer or conspiring to eliminate competition. On the other hand, many thoughtful citizens with no special privileges to protect complain rightfully about the proliferation and expansion of power of bureaucracy. We do need a complete overhaul of government, federal, state and local, to eliminate unnecessary functions and to make others pay their way. We must eliminate bureaucracy. We already recognize the dangers of an imperial presidency. We must strip the Presidency of some of its power, perquisites and patronage so that the office is brought under the rule of law. Not only does government waste resources but through the taxes it levies it is one of the causes of the poverty of the poor. We know now—as students of public finance did not know 40 years ago when government costs were accepted as given—that we need a science of public expenditure to reduce government costs to a minimum and to achieve an acceptable measure of efficiency in the production of public goods and services.

Today when we change the environment by a government program we first engage experts to give us an "impact statement." When our legislative bodies levy taxes or change the tax system, they should be required to engage experts to give us a "tax impact statement." George proves to us, in *Progress and Poverty*, that all taxes have economic, social and political effects. We should know what they are when taxes are levied, increased or reduced. Moreover, we need a complete overhaul of our tax system. It robs from the poor to distribute wealth to the rich. It takes incentive from the producer, the builder of the economy and the nation, and rewards the anti-social activities of the speculator and the conspirator. It discourages honest labor, impedes the entrepreneur, discourages the manager, the professional and the capitalist and it steals from the investor.

Certainly we need to take nearly all the rent of land and natural resources for the expenses of government, in lieu of the most burdensome taxes we have at present. Beyond that, we need to determine

which of the tax instruments we now use have the least undesirable effects on production, economic growth and development, and on the equitable distribution of income and wealth. The others we should get rid of as fast as possible. When the government provides public goods or services for a few rather than the majority, and we do not find it desirable to turn the activity over to private providers, those who benefit should be made to pay the cost in suitable fees.

This is the essence of the Single Tax: to collect for the whole people the values they create and which do not reside in capital or in labor but which are absorbed in the value of land and other natural resources. To collect them and apply the revenue to the legitimate costs of government, reducing as far as possible the burden of taxation and similar levies on citizens, workers, managers, enterprisers and investors in productive enterprises. That is the essence of George's idea and today, 100 years after George enunciated it in *Progress and Poverty*, the achievement of that idea is needed as much as ever.

But, as George indicated, more is needed. We must abolish monopolies or control or regulate them. We must reduce the public debt so that it is used only to finance capital construction during its productive life and to smooth the peaks and valleys in revenues. We need to establish a sound currency and a sound financial system with the Federal Reserve integrated within Congressional control so that the financial system serves all the people. The need for reform is evident in almost every area of economic and social life.

That is why present-day Georgists believe in the total reconstruction of society. As Teilhac said,

The goal of individual liberty may be reached by two paths; in one, individualism is the means, in the other, the goal. Both converge to produce individual liberty. The first relies upon free individual action and laissez-faire; it is Jeffersonian. The other looks upon individualism as a goal and urges social action to attain this goal (12).

Today's Georgist is dedicated to winning individual freedom by programs of social action, programs not drawn from a mastermind's blueprint, but from a rational analysis of facts, programs which can be altered, adapted, revised and even replaced as experience, tested against perennial values, brings greater wisdom.

IV

THIS TAKES US far from George's "true remedy," his "solution" for "the primary cause" of business depression and indeed, the decline and fall of

civilization. That remedy was:

"We must make land common property" (13).

This ringing declaration has annoyed some fiscal reformers who have regarded it as hindering their campaigns to achieve an improvement in the socio-economic effects of the local property tax by shifting, to some degree, the tax on improvements to the tax on land values. They say George didn't really mean this and, anyway, it makes people fear that George and his followers intend to expropriate, nationalize or somehow confiscate their land holdings.

I find this argument totally unpersuasive. Two things are confused here. Yes, George really did mean we must make land common property. No, George had no intention of expropriating, nationalizing or confiscating private holdings of urban, suburban or agricultural land and, in fact, he presented the tax on land values as a means of recognizing the public's common right to land while encouraging private owners to use the land for their own greatest benefit by freeing improvements in or on the land from the onerous burden of taxation. The present system hinders and even discourages all private owners with the exception of anti-social land speculators. Yes, George intended to end land speculation because it contributes nothing to the public welfare and exacts a monopolist's toll from private developers or users who wish to benefit the public as well as themselves by using land productively. When effective law enforcement ends kidnapping, must we indemnify kidnapers for the loss of their gainful employment? But even with respect to land speculation George shied away from confiscation. He favored the gradual introduction of his land value tax so that even the most reprehensible land speculator might recover his gamble by making productive use of his speculative holdings.

George believed that by taking nearly all the economic rent of land in lieu of other taxes the arrangement would have the full advantages sought by the socialists and communists in their land nationalization schemes. But those schemes, he pointed out, had one fatal disadvantage: they lose the obvious benefits of private ownership and use of dwelling sites, commercial and industrial sites and agricultural tracts. His scheme, the collection of nearly all the rent in lieu of taxes, had the advantage of retaining the benefits of private ownership and use in the case of those types of land for which such tenure is applicable, while reaping the full advantage that would come from holding land as public property. Far from confiscating people's land holdings, George's ap-

proach offers the only alternative we have to their monopolization, either by the State or by private monopolists.

George did well to assert that the earth was a common on which we all might stroll because it belonged to every man and woman. And for proof we might consider two developments that took place before a century had passed since *Progress and Poverty* was published.

One of these developments was the opening up of first, the continental shelves, and second, the deep oceans, to exploration and economic exploitation. In the case of the continental shelves, there were some advocates of "free enterprise" who wanted them distributed to private owners. And states claimed them, hoping to realize revenues for their treasuries. But sound thinking prevailed and the Supreme Court held them the common property of all the people and directed that royalties from them, amounting to nearly all their economic rent, go into the Federal Treasury for the benefit of all the people. In the case of the deep oceans, the United Nations in 1970 adopted a resolution, supported by the United States, declaring the deep seabed to be "the common heritage of mankind," laying a basis for its use and exploitation "for peaceful purposes and for the exclusive benefit of mankind as a whole," to employ the language of the initiator of the resolution, Arvid Pardo, Ambassador of Malta (14). Since then the nations have been working on a Law of the Sea Treaty that would implement this doctrine.

A similar position has been taken by the United States with respect to the development of another new frontier, space. Again, the principle that the exploitation of space must inure to the exclusive benefit of mankind as a whole and all other peoples (if any) has been enunciated by the United States and the other countries that have been leaders in space exploration. Already space, as common property, is being exploited economically through satellites, as communications systems and as scientific instruments. Here again the nations with space technology have been sharing with other nations so that the benefits of space can advantage all.

Consider what this means. George's doctrine has been applied to the furthest reaches of the universe, and to three-fourths of the earth—the oceans—in less than a hundred years. This is quite an accomplishment for any man. Only one-fourth of the earth—the land—remains to be conquered by his idea. And in that fourth extraordinary advances have been made. Property tax reform is one of the burning issues of the

day. The need for urban renewal has called the tax system to the bar to defend itself on the charge that it causes urban blight when economists are well-nigh agreed that a properly reformed system could help to revive and restore vigorous neighborhoods. Urban and suburban sprawl are wreaking a destructive toll of fertile farmlands needed for feeding ourselves and our neighbors in the world when a sound system of taxation of agricultural land, based on land value taxation and incorporating such devices as the productivity allowance, could preserve our fertile soils. Greater progress has been made in developing a tax program for forest lands and for other types of land such as water resources, in the hierarchy of land uses. We know now, as economists of George's time did not know, that each type of land calls for a specific tax program aimed to achieve social as well as private goals. Progress has been made even on the one-fourth of the earth laggard humanity inhabits.

If George had had the prescience to anticipate the difficulties some people would encounter with his "remedy," he might have written it: "We must make certain lands common property—we must establish the common right to land with respect to all land." But George paid his readers the compliment of believing firmly that every mind was the equal of his own and would have no trouble understanding him.

For that is what is basically at issue, the common right to land, a right which does not at all dictate, as the Marxists seem to think, the form in which one uses it. One of the world's great moral authorities, Pope Pius XII, made this clear by pointing out that there were two rights with respect to land. One was the common right to the earth and its fruits which is the equal right of every man and woman by virtue of their humanity. The other is the individual right to use the earth, which is the right of each human person by virtue of his or her personality (15). The rights do not contradict each other; they are complementary. We need to assert them in every appropriate situation.

These, then, are the achievements of *Progress and Poverty*. Could George have foreseen them he would, no doubt have felt himself more than a very fortunate author. He himself set the greatest store by the opinions of economists and, as Nicholas Murray Butler, one of America's great progressives, pointed out, the verdict here (although some economists may not realize it) is well-nigh unanimous:

So far as Henry George pointed to privilege as an unbecoming, unfair and indeed disastrous accompaniment of progress, his teaching has passed into economic theory everywhere. Sound economists in every

land accept and support economic equality and economic opportunity as fundamental . . . (16).

V

TO SUM UP. George, through his classic, was one of the original contributors to economic theory, whether we agree with the opinion that, in him, the classical school reached its zenith or that he opened the way to a reborn political economy founded upon scientific method. He was one of the original contributors to social and political theory whether we agree with his insights about progress and civilization or with the characterization that he was one of the great prophets of individual liberty. He was one of the half dozen great social philosophers in a line that began with Plato.

But he was much more than that. In our day the totalitarian societies are locked in mortal combat with the freer societies of the democratic world. As E. P. Lawrence pointed out, "George played a major role in creating the state of mind which made the amelioration of Britain's social and economic conditions a patent necessity" (17). This was true in every country where the classic was received. George, Lawrence said, "helped to start a new society." What this classic gave us and still gives us is the will to fight and the ammunition to load into our cannons.

Sidney Fine, in a well researched historical investigation of the Progressive tradition in America, noted that "the struggle between freedom and totalitarianism occurs within societies as well as between them" (18). He might have added that it also occurs within ourselves. Each of us has to say, "I want to build a moral order, I want to construct a free society and so I start with reforming me." To be free, one must be responsible, and to be free and responsible, to others as well as oneself, one must be just. Barker called *Progress and Poverty* "a moral Mount Whitney in American protest" and so it was. Its "fusion of economics and ethics, its passionate blend of love of God with comprehension of the entrenchment of selfishness, give it—despite the long and winding Victorian argument—an intensity which places it at once high in letters, and yet at the threshold of the common man" (19).

A literary critic, Edward J. Rose, steeped in the knowledge of Americana, has this judgment: "It was George's art that made him what he was." "With his pen," Professor Rose wrote, "he had recreated the war of independence—the socio-political revolution of modern times." And so Rose concluded: "George's word certainly went marching on,

and his word is his truth. He had consciously uttered it by speech and by act to the very end of his life. Its meaning and its influence are still alive" (20).

George bids free people everywhere to join a new crusade for justice and liberty. In many parts of the world now there is renewed struggle to achieve a moral order in which the rights of the individual would be supreme over the claims of the State. George still throws down the challenge: "He who will hear, to him the clarions of the battle call. . . . Beauty still lies imprisoned and iron wheels go over the good and true and beautiful that might spring from human lives" (21).

Today, in this centenary year of the publication of *Progress and Poverty*, this challenge of Henry George remains as timely as ever and it would appear impossible that anyone who reads this book could fail to take up that challenge in some way, some personal way.

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1. Henry George Jr., "How the Book Came to be Written," in Henry George, *Progress and Poverty*, 75th anniversary edition (New York: Robert Schalkenbach Foundation, 1954), p. vii.

2. *Ibid.*, pp. viii-ix.

3. "Introduction," *Thoreau: Walden and Other Writings*, ed. by Joseph Wood Krutch (New York: Bantam Books, Inc., 1965), p. 20.

4. See particularly Dewey's preface to George Raymond Geiger's *The Philosophy of Henry George* (New York: Macmillan, 1933), pp. 9-13, (in which Dewey argues that George was one of the world's great social philosophers, "certainly the greatest this country has produced"); Dewey's *Individualism, Old and New* (New York: Capricorn Books, 1962), especially pp. 112-13; and his *Experience and Nature* (New York: Dover, 1958), pp. 436-37, and *Reconstruction in Philosophy* (Boston: Beacon Press, 1957), p. 187ff. Geiger's *Philosophy of Henry George* is the monumental work on George as social scientist and philosopher, but Geiger's less well known *Theory of the Land Question* (New York: Macmillan, 1937) is an original development of George's theory; cf. also his "The Forgotten Man: Henry George," *Antioch Review* 1(1941), pp. 291-307; Charles Albro Barker, *Henry George* (New York: Oxford Univ. Press, 1955), almost unanimously held to be the definitive biography; Edward J. Rose, *Henry George* (New York: Twayne Publishers, Inc. 1968), the definitive work on George's place in American literature; Ernest Teilhac, *Pioneers of American Economic Thought in the Nineteenth Century*, trans. by E. A. J. Johnson (New York: Macmillan, 1936), which locates George in the history of economic thought; and two works by leading historians on George's place in American history, Steven Cord, *Henry George: Dreamer or Realist?* (Philadelphia: Univ. of Pennsylvania Press, 1965) and Sidney Fine, *Laissez Faire and the General-Welfare State: A Study of Conflict in American Thought, 1865-1901* (Ann Arbor: Univ. of Michigan Press, 1956). Other important studies include: Stuart Bruchey, "The Twice 'Forgotten' Man: Henry George," *American Journal of Economics and Sociology*, Vol. 31, No. 2 (April, 1972), p. 113ff; and George W. Bishop Jr., *The Message of Henry George: A Social Philosopher's Indictment of Monopoly and Privilege as Causes of Poverty*, *American Journal of Economics and Sociology*, Vol. 34, No. 2 (April, 1975), p. 129ff.

5. During one phase of my graduate study 40 years ago, under the tutelage of the great econometrician, the late Gerhard Colm, I specialized in the theory and

statistics of the business cycle. The experience, and particularly the chance of working under Colm's supervision, stood me in good stead some years later. Then the National Bureau of Economic Research under the leadership of Wesley Clair Mitchell, Arthur F. Burns, Solomon Fabricant and S. S. Kuznets was bringing out its monumental empirical studies of the business cycle; as an economic journalist I was co-opted by two friends, Mr. Mitchell and the bureau's executive secretary, William J. Carson, to assist in the production of the public announcements of the researchers' findings. The opportunity gave me intimate acquaintance with their results and an incentive to weigh carefully later investigations by other agencies. One thing all the research on the business cycle has made clear is that there is no single cause of the slumps that follow booms. The National Bureau has pioneered, under the direction of the highly skilled statistician, Geoffrey H. Moore, in the development of statistical indicators as means (among other things) of signaling impending contractions of business activity. They cannot provide the data needed to give a tested theory of the cycle; but they—like the bureau's other series—do show that the contraction phase is a very complex one, produced by combinations of circumstances which vary often from one cycle to the next. As Arthur F. Burns has said, "Diversity and individuality are no less characteristic of business cycles than the family resemblance among them." (In "The Nature and Causes of Business Cycles," Ch. 1 in his book, *The Business Cycle in a Changing World*, New York: National Bureau of Economic Research, through Columbia Univ. Press, 1969, p. 3ff. See pp. 24-25).

6. For a recent presentation of this hypothesis, more elegant than its predecessors, see Edward M. Miller, "The Effect of Monopoly Power on National Income, Wage Income and Interest Rates," *American Journal of Economics and Sociology*, Vol. 37, No. 4 (October, 1978), p. 349ff. Incidentally, George discussed "Causes of Business Depressions" (note the plurals) in *Once a Week*, New York, March 6, 1894. In it he held that "the lessening of 'effective demand' is the 'proximate' cause of business depression, an opinion, if he pursued it, which would have made him a precursor of John Maynard Keynes (Lord Keynes). Most followers of Keynes (and of George) do not know that when Keynes was a leader of the British Liberal Party early in his career, he was a land reformer and to that extent a follower of George. Later in the *Once a Week* article, of course, George argued that "the monopoly of land—the exclusion of labor from land by the high price demanded for it—is the cause of scarcity of employment and business depressions," meaning the primary cause.

7. New York: Atheneum, 1965. Note especially pp. viii, ix.

8. Teilhac, *op. cit.*, p. 174. (In an unpublished paper I make the argument clearer by tracing George's role in the development of marginal analysis.)

9. Eric Roll, *A History of Economic Thought*, 2nd ed., rev., (New York: Prentice-Hall, 1942). Roll is mistaken in the idea that Marx's "own theory of rent" "is in marked contrast to that of Ricardo" (p. 307). Recent research has shown that we are all Ricardians. Marx's theory of differential, absolute and monopoly rent is, like George's, definitely within Ricardo's framework. Marx never seemed to realize that this theory of rent approximated George's if he extended it from agricultural land to urban sites and to mineral deposits and water resources, sources of raw materials and energy. If Marx had, he might have understood what George was talking about and he might have appreciated the implications of his own analysis.

10. See my study, "Land Socialization in Soviet Agriculture, 1917-1949," in *Essays in Honor of Lawson Purdy*, *American Journal of Economics and Sociology*, Vol. 9, No. 1 (October, 1949), especially pp. 147-48.

11. Our late colleague, Neil MacNeil, a good Georgist who was Mr. Hoover's literary collaborator, served as executive director of the Hoover Commission. As an acquaintance of Mr. Hoover and an occasional visitor at his suite in the Waldorf Towers in New York, I can testify that he would have been highly amused at the idea that his effort to reform the government structure, streamline it and make it efficient might be considered an element of modern Georgist theory.

12. Teilhac, *op. cit.*, pp. 181-82.

13. *Progress and Poverty*, p. 328.
14. See W. Lissner, "Mankind's Common Heritage," *American Journal of Economics and Sociology*, Vol. 37, No. 1 (January, 1978), pp. 69-70.
15. The Pope's statement was in his 1944 world address (Sept. 1, 1944; see the *New York Times*, Sept. 2, 1944). Three persons, at least, were instrumental in obtaining it, Monsignor Luigi G. Ligutti, Observer of the Holy See to the United Nations Food and Agriculture Organisation (who on a number of occasions has been asked by the Vatican to draft addresses for the Pope); his friend, Cardinal Giovanni Montini (later Pope Paul VI), and myself. This resolution of the ethical problem of rights to the land was first presented by me in an address to the National Catholic Rural Life Conference (of which Monsignor Ligutti was then executive director) on Nov. 13, 1944, "Natural Law and Human Rights in Agriculture." It was adopted in a resolution voted by delegates of the International Union for Land Value Taxation and Free Trade at the Seventh International Conference of the union, Swanwick, Derbyshire, England, Aug. 14-21, 1949. See W. Lissner, "Common and Individual Rights in Land," *American Journal of Economics and Sociology*, Vol. 11, No. 1 (October, 1951), p. 17.
16. Geiger, *Philosophy of Henry George*, pp. 470-71.
17. Elwood P. Lawrence, *Henry George in the British Isles* (East Lansing: Michigan State Univ. Press, 1957), pp. 190-91.
18. Fine, *op.cit.*
19. Barker, *op. cit.*, p. 302.
20. Rose, *op. cit.*
21. See Geiger, *Philosophy of Henry George*, pp. 567-68.

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