

CHAPTER VI

THE GREAT DISCOVERY

WE now approach the period when George's thought on social questions begins to mature and clarify. The dream that had haunted his boyhood, the dream of great wealth rapidly acquired, had long since dissolved in the chilly atmosphere of real life. Short cuts to riches, he now realized, were not for him. He was not of the stuff of which millionaires are made. Probably this discovery strengthened his disposition to look with critical eyes on the system which distributed the good things of this life so unequally. Since his boyhood the great paradox of modern society had always been present to his mind. Why should deepening destitution follow every improvement in wealth production? Why should progress always be accompanied by poverty? Why should wealth and want go hand in hand? At intervals apparently trivial incidents had pressed these questions on his attention. He could recall the old printer in Philadelphia who told him that wages were always high in new countries and low in old ones. The boy had challenged this assertion as contrary to common sense, but on investigation had been compelled to admit its truth, though neither he nor his informant could think of any reason for it. Again, when he was on the schooner on his way to the Fraser River, he got into a discussion with some miners about Chinese immigrants.

"I ventured to ask what harm they were doing here, if, as these miners said, they were only working the cheap diggings. 'No harm now,' said an old miner, 'but wages will not always be so high as they are to-day in California. As the country grows, as people come in, wages will go down, and some time

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or other, white men will be glad to get those diggings that the Chinamen are now working."

These words rushed into his mind when he was sitting one evening in the gallery of the theatre in San Francisco. A new drop curtain had just fallen on which was painted what was then an unrealized dream—the overland express coming into San Francisco. The audience sprang to their feet and cheered. George shouted with the rest, but then he began to reflect.

"What good is it going to be to men like me—to those who have nothing but their labour? I saw that thought grow and grow. We were all—all of us, rich and poor—hoping for the development of California, proud of her future greatness, looking forward to the time when this great empire of the west would count her population by millions. And underneath it all came to me what that miner on the topsail schooner going up to Fraser River had said. 'As the country grows, as people come in, wages will go down.'"

Some of these misgivings were expressed by George in the article already referred to, "What the Railroad will bring Us." Yet, though he clearly realized the problem, the solution completely baffled him, until one momentous afternoon an idea flashed into his mind like an inspiration from on high. It was while he was editing the *Transcript* at Oakland. He had taken up riding, and had gone off for a canter on his little tan-coloured mustang. What followed can be related in his own words:

"Absorbed in my thoughts, I had driven the horse into the hills until he panted. Stopping for breath, I asked a passing teamster for want of something better to say, what land was worth there. He pointed to some cows grazing so far off that they looked like mice and said, 'I don't know exactly, but there is a man over there who will sell some land for a thousand dollars an acre.' Like a flash it came upon 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. I turned back, amidst quiet thought, to the perception that then came to me, and has been with me ever since."

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It may seem a little surprising that this discovery should have been so long delayed. In California, as in all new countries, questions connected with the land were of the deepest interest to the community. They formed the staple of politics, and bulked largely in public discussion. Nearly all the great fortunes in the State had been acquired by gambling in land values. When George took his momentous ride over the hills the proposal to extend the Central Pacific line to Oakland had started a land boom in the neighbourhood. It was only one of many in the history of the State. Of ways of making money in California, the least sure, despite current belief, was gold mining. The exorbitant charges made for the necessaries of life in the mining districts ate away the successful miner's gains. The safest and most certain was land speculation. Every influx of population pushed land values higher. In the early days of San Francisco the arrival of a ship in the harbour often doubled the price of lots in the centre of the town. The land speculator had only to hold on long enough to get his money returned to him a hundredfold. The San Francisco palaces which covered the aristocratic slopes of Nob Hill were not built by successful miners. They were the homes of fortunate dealers in real estate.

For long George remained blind to the significance of all this. The pattern of social as of physical facts is sometimes hard to discern. "There are pictures," wrote George later in *Progress and Poverty*, "which though looked at again and again, present only a confused labyrinth of lines or scroll work—a landscape, trees or something of the kind—until once the attention is called to the fact that these things make up a face or figure. This relation, once recognized, is always afterwards clear." Something of the kind had happened in his own case. For years he had studied the facts of social life without being able to discover the order and unity beneath them. Now he realized their connection with each other, their relation to a single great principle. The cause of social disharmony stood plainly revealed to the view. It was the private ownership of land.

For about a couple of years George kept turning this idea over in his mind. Then in 1871 he resolved to give it

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to the world. While in the thick of the electoral campaign against the railways he sat down and composed a little pamphlet entitled *Our Land and Land Policy*. It was George's first important publication. It contained the germs of the philosophy he elaborated later in *Progress and Poverty*.

This booklet, which has now a considerable scarcity value, gave, to begin with, a clear explanation of the significance of the frontier in American history, a subject less well understood then than now. In the abundant free land of the West the American system had a safety-valve which preserved it from the crises and depressions of the Old World. But the safety-valve was beginning to jam. The country was filling up, and soon there would be no unoccupied land left. George hazarded the guess that about 1890 all the free land would be gone, a forecast that proved astonishingly correct. This is the date usually accepted by American historians as marking the end of the frontier. In that year the Census Report stated: "The unsettled area has been so broken into by isolated bodies of settlement that there can hardly be said to be a frontier line." With the disappearance of free land, George went on to explain, private ownership of the soil would begin to exert its evil influence. Already its effects were being felt in the older settled districts where individuals and corporations (he was thinking mainly of railway companies) had been allowed to monopolize hundreds of thousands of acres, depriving the private citizen of access to the great storehouse of nature. When landowner and landless man face each other, only one result can follow. The landless man must pay the landowner for permission to work. The bigger the population and the keener the demand for the soil, the higher the price that must be paid for it and the less the labourer has left over for his own maintenance. Thus rent and wages always move in opposite directions. In a new country where land is plentiful and labour scarce, wages are high and rent is low. The contrary prevails in an old country where land is scarce and labour is plentiful. Here we have the key to the great social enigma, the explanation why progress and poverty are inseparable companions. As

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a country fills up, as the output of wealth increases, a larger and larger share of the fruits of labour is absorbed by the landowner. The monopolization of land is the fundamental cause of low wages, poverty, and unemployment.

How is this social disease to be cured? In the remedies he proposed at this time, George was a little less radical than he afterwards became. He advocated a tax on land, but this tax was not to be a *single* tax, nor was it to absorb the whole rent of the landowner. At this stage George was not prepared to condemn private property in land outright. Without it, he believed the soil could not be exploited properly. But what he did denounce was land monopoly. The ownership of the soil must be diffused, not concentrated. It must be in the hands of a large number of small owners, not a small number of large owners. Taxes on land would promote this. They would kill land speculation and help to break up large landed properties. Incidentally, they would relieve trade and industry from part of the burden which the State placed on them. But that was less important than their effect in diffusing land ownership and giving the mass of the community free access to the soil. Free land would raise wages, reduce poverty, and banish unemployment.

How far is George's thesis original? This question, around which considerable controversy has raged, can be briefly disposed of. In the sense of being entirely new, neither George's diagnosis nor his remedy is original. The charge that land monopoly was the root cause of poverty and the proposal to cure it by land taxation had been made by many earlier social thinkers. It is only necessary to mention the French Physiocrats, the German Bodenreformers, and English writers like Thomas Spence, William Ogilvie, and Patrick Dove. But in the sense that it was arrived at by independent thinking, without indebtedness to any forerunner, George's thesis is his own. At this time he had done little reading in economics, and he had certainly never studied the obscure writers whom he was afterwards accused of plagiarizing. As he himself said, "I was led to think a good deal before I had a chance to do much read-

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ing." In a further sense, George's claim to originality may be sustained. He was the first to popularize the notion that the land was the source of our social evils. In the writings of his predecessors this idea was expressed, but it was buried beneath masses of tedious verbiage. George placed it in the clear light of day and revealed its significance to the world. Rather unfairly, the charge of plagiarism followed him all his life. He met it invariably with the same answer. If other thinkers had arrived by a different road at the same conclusion as himself, that was only additional testimony to its truth. Thus when shortly after the publication of *Our Land and Land Policy* a lawyer friend met him in the street and told him that his ideas had been anticipated by the French Physiocrats, he was not in the least disconcerted. He accepted it as a piece of encouraging news.

"I forget many things," he wrote afterwards, "but the place where I heard this, and the tones and attitude of the man who told me of it, are photographed on my memory. For when you have seen a truth that those around you do not see, it is one of the deepest of pleasures to hear of others who have seen it. This is true even though those others were dead years before you were born."

Our Land and Land Policy did not attract much attention. About a thousand copies were sold; but the reviewers were coldly critical, and the public showed no enthusiasm for the new social philosophy. George decided that the work must be done over again when he could find time to survey the problem more thoroughly. For the moment, the necessity of earning his daily bread left him no leisure for connected thought on social problems.

Journalism was now George's profession, so far as he had one, and at the end of 1871 he launched what was probably the most successful of his many journalistic ventures. With the aid of two printer friends he established a little evening newspaper, the *San Francisco Evening Post*. It was quite a small affair, a single sheet of four pages. But it sold for a cent, which was a novelty in San Francisco, and it specialized in spicy comment on current affairs. The *Post* made a point of exposing every public scandal

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and voicing every popular grievance. The venality of politicians, the graft of municipal administrators, the corruption of the police, the mismanagement of public institutions, the flagrant vice of the Chinese quarter—all these supplied George with plentiful material for pungent editorials. The *Post* tirelessly lashed the legal authorities who connived at breaches of the law, and the powerful or wealthy criminals whom the laxity of the police allowed to escape just punishment. On one occasion it succeeded in bringing to justice a captain and mate by whose brutality three members of their crew had been driven to commit suicide. It gave George peculiar satisfaction to secure justice for the common sailor, of whose sufferings he knew something at first hand.

All this was not without risk. In San Francisco men carried arms, and the hired assassin still plied his trade. The journalist who attacked public abuses went with his life in his hands. "One editor was shot dead while I was there," wrote Robert Louis Stevenson in 1879. "Another walked the streets accompanied by a bravo, his guardian angel." George disdained such protection. Unarmed, he penetrated into an industrial school with an evil reputation. The superintendent, a great hulking brute, was waiting for him at the gate with a pistol. George coolly stared the ruffian in the eyes and pushed past. Another time, in his office, he struck a man twice his size, the friend of a wealthy murderer whom the *Post* was advising the mob to lynch. Again, in a café, a friend of the chief of police, whose delinquencies George was exposing, drew a revolver on him, but fortunately a bystander struck up the barrel and the shot which might have cut short a useful career was never fired.

All this notoriety helped to increase the circulation of the *Post*, and it was gradually increased to the size of a normal newspaper. Its finances, however, were still precarious, and outside aid had to be invoked. A Nevada senator, Jones by name, was persuaded to put \$48,000 into the enterprise. At once the sanguine editor began making plans for a morning daily and an illustrated Sunday newspaper. But all these schemes were knocked on the

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head when Jones suddenly demanded his money back. The *Post* was in no position to pay, and the only solution was to surrender the paper in satisfaction of the debt. George, hot-tempered as usual, proposed scuttling the *Post* rather than let Jones have it, but he was overruled by his more cautious partners. At the close of 1875 he found himself once more at a loose end.

At this juncture his political connection came in useful. He had retained his membership of the Democratic Party, had served as a member of the Californian delegation at the National Convention at Baltimore, and had done much to secure the return of the Democratic candidate for the governorship at the Californian State elections of 1875. This gave him a claim on the good offices of the party, and when his connection with the *Post* came to an end he applied to the new governor for some public office which would leave him leisure for thinking and writing. His request was granted. In January 1876 he was appointed State Inspector of Gas Meters.

This rather curious office had been instituted for the protection of gas consumers. It was the inspector's duty to test all gas meters throughout the State and see that they registered properly. The procedure was simple. A measured quantity of air was forced through each meter, and a small brass seal was affixed to those that satisfied the test. The inspector received no regular salary, but he charged a small fee for each meter tested. During the next few years George travelled a good deal up and down the State in discharge of his duties.

For some time his family life had been interrupted. When he went East on Nugent's business he sent his wife and children to his parents in Philadelphia, and there they remained until the improvement in his material circumstances following the success of the *Post* allowed him to bring them back to California. This was not until 1873. A daughter, Jennie, had been born in 1867; the youngest child, Anna, was born ten years later. Back in San Francisco the Georges moved from house to house, the nomadic habit being deeply ingrained in them. Want, it must be confessed, was never far away from this unfortunate

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family. For this the careless temperament of the father must bear the chief blame. George simply did not know the meaning of economy. Whenever he found himself in possession of a little surplus cash he could not keep it. He would "blow" it on some luxury like horse riding, or put it into mining shares with the usual result. Thus there was never much comfort in the George home. The family house was generally an inconvenient one. The rooms were only partially furnished. Mrs. George had to do the housework with her own hands. The children enjoyed few of the advantages of a middle-class home. They were educated at free schools and taken away at an early age. Nevertheless no murmur of complaint ever reached the ears of the head of the household. Like many a wilful son, George was a stern father, and the family discipline was perfect. "From either parent," records the eldest son, "a request was a command, with corporal punishment swiftly following delay or delinquency." Over his wife George had long since established a complete ascendancy. There is a revealing sentence in one of his letters to her which sheds a flood of light on their relations :

"I always have felt towards you a good deal as Abelard must have felt towards Heloise—as though you were my pupil as well as my wife."

Yet despite his hot temper and authoritarian disposition George knew how to secure the affection of his dependents. Such men usually do. To his wife, when away from home, he wrote tender little love letters, with sentiments like the following :

"You are to me prettier, more loving and more tempting than when you were a little delicate slip of a girl."

And with his children he practised all the arts that endear grown-ups to youngsters.

"There was an utter absence of anything that was stiff or pompous," writes his son. "He could work with his boys over a toy boat in the yard, and then go and help sail it ;

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unbend to his older girl and talk doll and party until her eyes shone; sing and 'coo' to the new baby and call her 'Sunshine.'"

In the evenings he read aloud to the family, especially poetry, for which he and his wife had retained a taste since their courtship days. The children were encouraged to listen, and for this purpose they were excused home lessons, George holding that the regular school hours were long enough. If visitors came, the children were allowed to sit up and listen to the general conversation. The son-biographer records the result with obvious satisfaction :

"The children might constantly fail in the school lessons they were expected to study at home, but if asked could recite from Tennyson, Browning or Macaulay, had heard of the buried cities of Egypt and Yucatan, and in their own way could talk about the rotation of crops, the forms of water or the nebular hypothesis."

During these years George continued loyal to the Democratic Party, and placed his services at its disposal whenever needed. He worked actively for Tilden, the Democratic candidate at the presidential election of 1876. This seems to have been the first time when he succeeded in impressing his fellow-citizens with his powers of speech. The Democratic caucus recognized his abilities as an orator, chose him to stump the State, and circulated one of his speeches as a campaign document. Tilden was beaten by a small majority, but George was perfectly satisfied with his own achievements in the fight. To his mother he wrote :

"Personally what I accomplished was very gratifying. I have shown that I could make myself felt without a newspaper and shown that I possessed other ability than that of the pen. I always felt that I possessed the requisites for a first class speaker. If I live I shall make myself known, even in Philadelphia. I aim high."

Obviously his ambition was spreading its wings.

About this time his fellow-citizens began to take a little

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more notice of him, and he was chosen to officiate at one or two public functions in San Francisco. His growing reputation as a speaker led to his being selected as orator at the Independence Day celebrations of 1877. George delivered a striking address on "The American Republic," concluding with a dithyramb in praise of liberty, of which he thought so highly that he reproduced most of it in *Progress and Poverty* (bk. x., chap. 5). It has since been reprinted in several American prose anthologies. But the large audience packed into the San Francisco theatre on a sultry July afternoon was in no mood to appreciate George's rhetorical periods. They found the speech too long, and a jaded reporter took his revenge next day by stating caustically: "The gas measurer kindly spoke for several hours on the goddess of liberty and other school-reader topics." An equal failure to impress his audience attended George's efforts to explain to the teachers and students of the University of California the true nature of political economy. There was a proposal about this time to establish a chair of economics, and George's name was mentioned as a possible nominee, his previous studies and writings making him probably as well qualified to teach the subject as any one else on the Pacific coast. He was invited to lecture before the University at Berkeley. But what chances he had he completely destroyed by the line he took in his address. Not content with attacking the orthodox economists for their verbal hair-splitting and their indifference to social problems, he went on to criticize the education usually given in universities.

"A monkey with a microscope, a mule packing a library, are fit emblems of the men—and unfortunately they are plenty—who pass through the whole educational machinery and come out but learned fools crammed with knowledge which they cannot use."

This criticism may have been just, but it was neither the time nor the place to give it expression, and it is not surprising that George did not get the appointment. He was disappointed. He told his wife that there was no title in the world he cared to have save that of professor. So little

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do men sometimes realize their proper vocation. But he soon got over his disappointment, and addressed himself to the long-delayed task of developing the ideas he had sketched in *Our Land and Land Policy*. On September 18, 1877, his diary contains the brief but significant entry: "Commenced *Progress and Poverty*."