CHAPTER XIII

LEO XIII., SPENCER, AND THE ORTHODOX ECONOMISTS

FOR some time George had been meditating a work on political economy. It had deeply disappointed him that the professional economists had paid so little attention to *Progress and Poverty*. He had expected them to acknowledge the justice of its attack on the old economics and to set about recasting their science in the light of its criticisms. Instead, they had either ignored the book or misrepresented its arguments. In the article on "Political Economy" in the latest edition of the *Encyclopædia Britannica* George noted with bitterness that his name was not even mentioned.

"Writers of France, Spain, Germany, Italy and northern nations are referred to in the utmost profusion, but there is no reference whatever to the man or the book that was then exerting more influence upon thought and finding more purchasers than all the rest of them combined, an example which has been followed to this day in the elaborate four-volume *Dictionary of Political Economy*, edited by R. H. Inglis Palgrave." [1]

George had a legitimate grievance. The economists had not done him justice. Few had condescended to examine his arguments, and fewer still had treated them fairly. Of his academic critics, three only had brought forward vital objections to his main economic thesis. Francis Walker, the American economist, made the point that improvements in production, though they might lead to an increased demand for land, would also lead to an increased

[1] *The Science of Political Economy*, p. 164. Palgrave's *Dictionary* now contains references to George, but they are meagre and unsatisfactory.

demand for labour, and in some cases the demand for labour would be more intense than the demand for land, so that wages would rise faster than rents.[1] Arnold Toynbee, the English economic historian, drove home this argument by an appeal to experience. Between 1850 and 1878 rents in England rose; but so did wages.[2] Cliffe Leslie, the Irish economist, pointed out that rent, wages, and interest had all had an upward trend since the eighteenth century.[3] How then could George maintain that rent and wages always moved in opposite directions?

George, it must be confessed, seldom profited by criticism. He had the closed mind of the original thinker. In the preface to *Progress and Poverty* he said, "I have yet to see an objection not answered in advance in the book itself." This confident attitude he maintained till the end of his life. In his view, the truths which the economists had rejected were obvious truths. They had closed their eyes to the light because the torchbearer was an unlettered graduate of the printing office and the forecastle. Well, he would show them. The man without a university education would do what the professors ought to have done. He would rewrite their science for them. As soon as he was back from Bermuda he applied himself to this task. It was to be the crowning achievement of his life. For years he toiled at it, but ill health and other distractions delayed the progress of the work, and death carried him off before it was finished. In its incomplete state it was published posthumously, with the title of *The Science of Political Economy*.

While engaged on what he and his friends considered the major work of his life, George was twice called off to repel notable attacks on the single tax. These encounters resulted in two short works of controversy, *The Condition of Labour* (1891) and *A Perplexed Philosopher* (1892). The first was occasioned by Pope Leo XIII.'s famous encyclical

[1] Walker, *Land and Its Rent*, pp. 169–70.

[2] Toynbee, *The Industrial Revolution*, 4th ed., p. 301. • This edition contains two lectures on *Progress and Poverty*.

[3] Cliffe Leslie, *Essays in Political and Moral Philosophy*, 2nd ed., p. 151. This edition contains an article on the American economists, with a reference to George.

on social questions, *Rerum Novarum*. The Pope, while making an earnest and timely plea for the Christianizing of economic relations and expressing sympathy with movements for the betterment of the working classes, declared the Church's unswerving opposition to schemes of communism, socialism, and land nationalization which violated the right of private property. The single tax was not specifically mentioned, but it was generally regarded as sharing in the papal condemnation of land nationalization. This was the opinion of Archbishop Corrigan, and also of Cardinal Manning, a more impartial judge. An attack from so august a quarter must not, George decided, go unanswered. Putting aside his other work, he devoted the summer of 1891 to the composition of a long open letter to the Pope, which was published under the title of *The Condition of Labour*. A handsomely bound copy of the Italian translation was sent to Leo, but George never received, directly or indirectly, any acknowledgment.

In his controversy with the Pope, George had the advantage of starting from the same major premise as his adversary. Both believed in the famous, but now discredited, doctrine of natural rights.[1] Both held that private property was a right, antecedent to the state and independent of it, with which governments were not entitled to interfere. The point at issue between them was, what did the term *private property* cover ? Did it include property in land ?

Leo answered this question in the affirmative. In doing so he had to circumvent an awkward principle which he and George held in common, namely that " God has given the earth to the use and enjoyment of the universal human race." (*Rer. Nov.*, par. 9.) The Pope cleared this obstacle with the assistance of a sophistry.

" The earth, though divided among private owners, ceases not thereby to minister to the needs of all ; for there is no one

[1] It is a pity that George thought it necessary to hitch his economic theory to this obsolescent political philosophy. It exposed him to damaging attacks like that of T. H. Huxley (in two *Nineteenth Century* articles reprinted in *Method and Results*). Huxley and other critics, however, failed to realize that exposing the inconsequences of George's social theory did not dispose of the economic argument for the single tax.

who does not live on what the land brings forth. Those who do not possess the soil contribute their labour; so that it may truly be said that all human subsistence is derived either from labour on one's own land, or from some laborious industry which is paid for either in the produce of the land itself or in that which is exchanged for what the land brings forth." (*Rer. Nov.*, par. 9.)

What this implies was made plain by George in an imaginary case of conscience which he presented for Leo's consideration.

"I am one of several children to whom our father left a field abundant for our support. . . . I being the eldest took the whole field in exclusive ownership. But in doing so, I have not deprived my brothers of their support from it, for I have let them work for me on it, paying them from the produce as much wages as I would have had to pay to strangers. Is there any reason why my conscience should not be clear?" [1]

The argument is unanswerable. As George put it, "between utterly depriving a man of God's gifts, and depriving him of God's gifts unless he will buy them, is merely the difference between the robber who leaves his victim to die and the robber who puts him to ransom." [2]

Amongst the Pope's more positive justifications of landed property was the contention that land was sometimes a form of wages. Suppose a worker invests his savings in a plot of land. The land is then his wages in another form. If it is nationalized, the worker is in effect robbed of his earnings. (*Rer. Nov.*, par. 6.)

George's reply to this was to point out that a similar argument would justify property in human beings. Suppose the workman invested his savings in a slave. Would not the emancipation of the slave in effect deprive him of his earnings? Must we then withdraw our opposition to slavery?

Leo's only other serious argument was the familiar one that labour applied to land creates a property in it. (*Rer. Nov.*, par. 14.) Labour, retorted George, cannot create a title to what it has not itself produced. The cultivator

[1] *The Condition of Labour*, p. 48. [2] *Ibid.*, p. 50.

has a claim to his crops, but not to the soil on which they are grown, for the earth is the creation and the gift of God, the universal storehouse to which all his children must have access. For convenience, private possession or occupation may be allowed, but the possessors must compensate those who are thereby excluded, just as the peasant who, to prevent excessive subdivision, takes over the whole of his father's holding must indemnify his brothers and sisters. This is just what the single tax would do. It would compel the owners of land to share their privileges with their disinherited brethren. It would establish that practical communism, not in the ownership of wealth but in its enjoyment, which was the social ideal of the early and mediæval Church. It would provide the State with a method of raising revenue which has all the marks of being divinely ordained.

George closed his letter with an earnest appeal to the Pope to restore the broken alliance between Christianity and social reform.

" Servant of the servants of God ! I call you by the strongest and sweetest of your titles. In your hands more than in those of any living man lies the power to say the word and make the sign that shall end an unnatural divorce, and marry again to religion all that is pure and high in social aspiration." [1]

There is no evidence that Leo ever read *The Condition of Labour*, but George always held it was responsible for an event that took place shortly after—the rehabilitation of Father M'Glynn. In 1892 Archbishop Satolli arrived in the United States with power as Papal Ablegate to settle certain outstanding questions that were troubling the consciences of American Catholics. One of these was the M'Glynn case. Satolli invited M'Glynn to send in a written statement of his single tax creed, and this document was carefully sifted by four professors of the Catholic University of Washington. Their unanimous verdict was that it contained nothing contrary to Catholic faith or morals. On receiving this report, Satolli at once lifted the ban on the excommunicated priest and restored him to all his old

[1] *The Condition of Labour*, p. 160.

rights and privileges within the Church. A year later M'Glynn visited Rome and met the Pope. "Surely," said Leo, "you admit the right of property?" "Of course, I do," replied M'Glynn, "and we would make absolutely sacred the right of property *in the products of individual industry*." Tactfully the Pope steered the conversation into another channel.

The reinstatement of M'Glynn was an unexpected rebuff to the Corrigan faction, who had hailed *Rerum Novarum* as an endorsement of their views. Corrigan himself behaved with absolute correctness, but some of his partisans accused the four professors who had passed M'Glynn's statement of ignoring or misinterpreting the pronouncements of the Holy Father. Certainly, after *Rerum Novarum*, M'Glynn's restoration came as a surprise. It had been so universally accepted that the Pope meant to condemn the single tax. But now the encyclical had to be interpreted as disapproving not the single tax but certain distortions and misrepresentations of it by which the Pope had been misled. Whatever the uncertainties caused by Satolli's action, one fact at least could not be disputed. M'Glynn had won his battle. He had established the right of Catholics to believe in the single tax. It was the greatest success achieved by the movement since the mayoralty election of 1886. George rejoiced at the triumph of his old friend, and eagerly seized the opportunity to resume the relations broken off four years before. As soon as Satolli's decision was announced he telegraphed his congratulations and M'Glynn cordially replied. The friendship, thus restored, remained unbroken till George's death.

A Perplexed Philosopher was the outcome of a dispute with another pontiff; this time, of science. In 1891 Herbert Spencer, pope of the agnostics, issued the volume *Justice*, in which he definitely and finally repudiated the views in favour of land nationalization, which he had expressed in *Social Statics* forty years before. So notable an apostasy was a direct blow to the single tax cause. George drew his quill and proceeded to castigate the renegade.

The present generation, to whom Herbert Spencer is a

mere name, finds it difficult to understand the reverential awe with which the Victorian age regarded him. To his contemporaries he was the equal of Newton and Aristotle, the greatest philosopher of modern times. So outrageous an overestimate brought with it its appropriate Nemesis. Scarcely was Spencer in his grave before the huge, fantastic bubble of his reputation collapsed. To-day, the dusty tomes of the Synthetic Philosophy lie unread on library shelves, and the world goes its way, deaf to the windy preachings of the apostle of individualism. But in 1891 it was a different story. Spencer was at the height of his fame; he was universally acclaimed as Europe's greatest thinker; and George had some excuse for regarding his latest pronouncement as a kind of scientific encyclical, calling for detailed comment and criticism.

The history of Spencer's opinions on the land question is related with copious quotations in *A Perplexed Philosopher*. Like George, he was a believer in natural rights; the most fundamental right on which the others depended being the right to equal freedom.

"Every man has freedom to do all that he wills, provided he infringes not the equal freedom of every other man."

From this basic principle Spencer deduced in *Social Statics* (published in 1850) two other elementary human rights: the right to life and liberty, and the right to the use of the earth. This second right could only be enforced if the property of the soil were vested in the State. Some compensation would have to be paid to existing landowners, but Spencer did not enter into the details of this practical question. It was a problem for the future, one of the most intricate that society would be called on to solve.

Years rolled on, and *Social Statics* became out of print in England, though it still continued to circulate in the United States. Spencer himself moved over from the left to the right in politics. The aggressive individualism which made him a radical in his youth, turned him into a conservative in his old age. It became only a question of time when he would shed his inconvenient views on land nationalization.

The occasion was supplied indirectly by *Progress and Poverty*. In an article on this book in the *Edinburgh Review* in 1883 the writer linked together the names of George and Spencer as opponents of private property in land. This drew from Spencer a disclaimer in the *St. James's Gazette*, in which he indicated rather than stated outright that *Social Statics* no longer represented his opinions, and that he had withdrawn it from circulation in England. With a certain want of candour, however, he omitted to inform his readers that it was still selling in the United States. Six years later a newspaper controversy (in the *Times*) compelled him to redefine his position. To save his consistency he now elaborated a distinction between what he called absolute and relative political ethics. Land nationalization was justified by the first but not by the second. In other words, it was right in principle, but inexpedient in practice—the shuffling kind of argument on which Spencer had so often poured scorn in his hot youth. Finally, in *Justice*, he took a slightly different line. He still upheld mankind's universal right to the use of the earth, but he now considered that this was sufficiently recognized by the legislature's power to buy land for public purposes at a reasonable price. Of course, the legislature might, if it chose, buy up all the land, but this would not be a profitable transaction. The cost of compensation would be too high. Private property in land, then, must be permitted, but in England at least this involved no injustice, because the English landowners had ransomed their property. Since the Elizabethan Poor Law of 1601 they had paid £500 millions to the landless classes in poor rates, and this was more than the value of the land they held.

All these turnings and twistings of an embarrassed logician George faithfully chronicled. It would have been better if he had done no more. The facts spoke clearly for themselves. But George could not resist the temptation to embroider his thesis. For Spencer he had something like an antipathy. Personally, he never liked him, ever since he met him at a London "crush" in 1882 and quarrelled with him over the Irish Land Leaguers. Nor

did it diminish his dislike to learn that Spencer had thrown *Progress and Poverty* aside after a few minutes reading " on finding how visionary were its ideas." [1] The desire to deal this contemptuous adversary a knockout blow betrayed George into an injustice. He made an unfounded attack on Spencer's personal character. On the title-page of *A Perplexed Philosopher* he printed Browning's lines on the Lost Leader :

> " Just for a handful of silver he left us,
> Just for a ribbon to stick in his coat,"

and he permitted himself to say :

" He (Spencer) had tasted the sweets of London society. . . . And while the fire in the hall of the High Priest was warm and pleasant, ' society ' had become suddenly aroused to rage against those who questioned private property in land. So when the *St. James's* and the *Edinburgh*, both of them chosen organs of Sir John and His Grace, accused Herbert Spencer of being one of these, it was to him like the voices of the accusing damsels to Peter. Fearing, too, that he might be thrust out in the cold, he, too, sought refuge in an alibi." [2]

To accuse an elderly valetudinarian of hungering after the sweets of London society was patently absurd. And it was equally ridiculous to suggest that Spencer cared anything for honours and decorations which throughout a long life he had consistently refused. George's baseless slander recoiled on himself. It excited sympathy for his victim and gave Spencer an excuse for ignoring an attack on his logical consistency which he might have found it hard to answer. Publicly, he took no notice of George's criticisms, but in private letters and in his *Autobiography* he complained bitterly of the insinuations against his intellectual integrity.[3]

Judged by sales, *A Perplexed Philosopher* was one of the least successful of George's books. The public attaches less importance to logical consistency than writers and thinkers

[1] Spencer's statement in his letter to the *St. James's Gazette*.
[2] *A Perplexed Philosopher*, p. 85.
[3] *Autobiography*, vol. ii., pp. 459–60, and Duncan, *Life and Letters of Herbert Spencer*, pp. 338–43.

suppose. If anything, it is rather pleased to see a rationalist turn on his reason the moment it leads him to an awkward conclusion. The plain man always sympathizes with the victory of will over idea. George had utterly misjudged the world's reaction to Spencer's recantation. Readers found his minute dissection of his opponent's reasoning processes infinitely wearisome, and could not understand why so much fuss was made over a man's change of mind ; while, to the leaders of influential opinion, Spencer's desertion of his early principles was a return to sanity, a victory for saving common sense. George began to regret the months he had wasted on a barren controversy. They might have been spent to so much better purpose over his economic treatise. This, too, was the opinion of some of his friends. " Remember," wrote Dr. Taylor, " that life is short and the power of the human mind limited and that you have not yet produced (what you should produce) a monumental work on political economy." George appreciated the wisdom of this advice. For the years that remained to him he resolved to make *The Science of Political Economy* his chief literary labour.

George's last book is an unsatisfactory production. The writing of it proved harder than he had anticipated. Difficulties crowded upon him of which he had no premonition. The book was to serve a double purpose. It was to make a victorious assault on the orthodox economists, and it was to give an exposition of economic science which would make the case for the single tax crystal clear. Neither of these objects was accomplished satisfactorily. When George advanced against the army of the economists, he discovered to his dismay that it had stolen off to a new position where it was lying safely entrenched behind the barbed-wire entanglements of an obscure terminology, a mysterious apparatus of mathematical ideas, and an unreadable English style. To the classical school had succeeded the neo-classical. Economics had become an occult science. Marshall, not Mill, was the economic high priest of the English-speaking world. This unexpected development was a great embarrassment to George. It was like the change over from open warfare to trench fighting. He

dared not make a frontal attack on the carefully prepared defences of his enemies, and he had not the technical knowledge to blast them out of their positions. What was he to do? Keep on dissecting the cold corpse of the old political economy? Or admit that the living exponents of the science were too much for him? It was a cruel dilemma. George tried to console himself by jeering at "the recent purveyors of economic nonsense in Anglo-German jargon" and "the incomprehensible works of Professor Alfred Marshall," but he knew that the laugh was against him. His foes had shifted beyond the range of his guns, and his shells were bursting harmlessly over positions that had been evacuated. *The Science of Political Economy* was the sort of book which reviewers damn with the terrible epithet of "out of date." In the index there are thirty references to Mill as against only four to Marshall.

The attempt to make economics speak the language of the single tax encountered difficulties of a different kind. George found he was asking more from a science than it could give. Science is neutral. It suggests practical policies; it makes no infallible pronouncement as to which is best. Men must find this out for themselves by reflection, discussion, and experiment; and room will always remain for differences of opinion. Thus doctors disagree in practice though they unite in accepting the principles of medical science. The same is true of social physicians. George tried to bridge this difficulty by resurrecting an eighteenth-century superstition—the conception of a natural order. The natural order in society corresponds to the physical order in nature. Science reveals it, and men have nothing to do but conform to it—which is easy, since it is a *natural* order. All that is necessary, then, for the attainment of an ideal state is the perfection of the social sciences. According to Socrates, knowledge was virtue. According to George, it was social progress and achievement.

How does George prove that the natural social order must be based on the single tax? Because it is an order founded on justice, and the great rule of economic justice is that the producer gets what he produces. This rules out private property in land, since land is not produced, and its

ownership allows non-producers to live off the labour of others. On the other hand, justice sanctions private property in everything produced by labour, and this covers most things except land. Consequently the one great reform needed to bring the existing order into conformity with nature and justice is to abolish landed property by means of the single tax.

The argument sounds rather thin and unconvincing, and it was hardly necessary to write a whole book on political economy to prove it. *Progress and Poverty* presented a much more plausible case for the single tax. George had not improved on his earlier work. In the form in which he left it, *The Science of Political Economy* must be pronounced meagre, fragmentary, and disappointing. It does not live up to its title. Important departments of economics are left unexplored; contemporary developments of economic thought are neglected; ancient heresies like the labour theory of value are revived; the reader is served up with a queer blend of eighteenth-century philosophy and nineteenth-century radicalism. George was not fully conscious of all these faults, but he could not help feeling that something had gone wrong with his monumental work on political economy. Instead of a crowning achievement, it looked like becoming the most pitiful of anticlimaxes. Yet he had no choice but to toil on. His friends were impatiently waiting for the book that was to put the coping-stone on the single tax edifice, and he could not share with them his dread that he was ploughing the sands. Death came at last to end a tragic situation. George received a second invitation to stand for the New York mayoralty. With relief he flung aside his unfinished manuscript and plunged desperately into the battle that cost him his life.