

## A Review Article:

### *George and Democracy in the British Isles*

By FRED FOLDVARY\*

WILL AND DOROTHY LISSNER edited this book (New York: Robert Schalkenbach Foundation, 1992). Besides the Introduction they provided, it contains essays, most of them reprinted from *The American Journal of Economics and Sociology*, on the impact of Henry George on social thought and reform in the British Isles. As stated on the subtitle, "The American Social Philosopher Helped Form Britain's Social Conscience, Inspired the People's Struggle That Overthrew the Lords' Political Power and Launched Ireland's March toward Freedom."

The chapter topics include the impact of George on British economists, social reformers, and social thought. As described by Bernard Newton and Peter Jones, among the British academic followers of George was Philip Wicksteed, who was concerned with the distribution of wealth. The last chapters include articles on "British Postwar Planning" and recent economic development in Ireland, the catalyst for George's venture to the British Isles. It would have been useful for the editors to have written an introduction for these essays, relating them to George's efforts and results. It is ironic, as noted by Raymond Crotty in the final essay, "Irish State Betrayal," that the Irish government has been developing Ireland's natural resources—peat, fishing, and mining, while neglecting to tap its land rent, nor has the government confronted the problems of its underclass, as described by Kevin Kearns in his penultimate chapter on the Irish homeless.

This book follows a predecessor, Elwood Lawrence's *Henry George in the British Isles* (1957). Lawrence is also the author of several chapters in the Lissner collection.

A second theme emerges from the primary one of George's influence namely: the tragedy of George's triumph. As noted by Michael Silagi (Chapter 13), "the majority of those stirred up by George did not remain Georgists, but became Socialists. . . . George had won them *with* his teachings, but not *for* his teachings" (162). That George had great influence was his triumph, but that this influence was ultimately directed towards ends at odds with much of his theory and advocacy was his tragedy, and a tragedy for the world. George's theory in *Progress and Poverty* was that the market economy would provide for universal prosperity and justice if only land rent were common property, to be used to finance community and government services, with the rest of economy free and untaxed.

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But in dramatically illuminating the social problems of the British Isles and their origin in land tenure, the unintended consequence of George's efforts was the promotion of socialist organizations and the welfare state. And perhaps an unintended tale within this collection of essays, a theme not examined by the editors, is the unfortunate saga of a prophet's message gone awry.

In reading them, as the tragedy of George's triumph unfolded, the question that came to mind was, why was George's vision diverted to these other directions? One reason is that George was too willing to accommodate others, to mix his program with that of others in the hope of furthering both, without realizing that his was a powerful but minor stream that would become lost in the larger mainstream. The flow of his contribution helped break the dam of resistance to social reform, but the resulting floodwaters were not that of his single tax, but of the welfare state that treated effects, but not the cause, that George identified.

In his Chapter 12 on "Henry George and British Socialism," Peter Jones quotes William Morris as stating, in 1887, "So long as George used Socialist sentiments and semi-Socialist arguments, he was simply recruiting for the Socialist movement" (151). When it became clear to socialists that George would not be converted to their program, they turned against him, despite his profound influence for their cause and his sympathy for their efforts. Another cause of the lost opportunity for George's remedy was that, as analyzed by Silagi, "George's program was identified in the British press until 1888 with the 'land nationalization' movement," a label George, at first, did not reject. Indeed, "George, furthermore, assured his listeners again and again of his sympathy for Socialism" (159). George muddied his own message, and his followers continue this confusion in objecting to the private ownership of land as such, rather than seeking only the use by democratic society of the land rent.

George's central message about rent was further diluted by his favoring also some nationalization of capital goods, of some industries such as railways and the telegraph, which he regarded as monopolies. As noted by Lawrence in Chapter 15, when asked about the nationalization of capital, George replied "not by repudiating socialism, but going halfway to meet it." George also stated, with respect to socialism, that after making land common property, "If it were then found expedient to go further on the lines of socialism, we could do so" (197). This is in contrast to the pains George took to distinguish capital from land in *Progress and Poverty*, and to defend the use of capital unhampered by taxation and state controls. The greatest contribution of this book is perhaps not the historical tribute to George the man, but its subtext, this lesson for social reformers, the consequence of accommodating a message to the predilection

of an audience, trading the clearness and aim of the program for short-term popularity and influence.

George's influence did have positive outcomes. As noted in the introduction, George's efforts furthered democracy in the United Kingdom via helping to remove veto power from the House of Lords. As noted by Francis Herrick in Chapter 1, thanks to George's efforts, "the poverty of the slums ceased to seem a regrettable evil and became a social injustice." The liberal party adopted the taxation of site rents as part of its program, and political leaders, including Winston Churchill, advocated George's remedy. It was historical circumstance, especially World War I, which then diverted that strand of George's influence from *The Remedy*.

This excellent collection adds to recent anthologies on George's writing and influence, and nicely brings together the writings pertaining to George's impact on the British Isles as well as later economic developments as a consequence of both the influence of George and the failure to adopt his program. It may also inspire further research on the methodology of social reform.

### ***With Due Care***

AN ECONOMIC THEORIST is justified on many occasions in over-simplifying facts to clarify in his own mind what he believes to be significant relationships. He is likewise justified in bringing the results of his speculative inquiries before his colleagues, whether to seek their critical appraisal before going further or to stimulate them by his work. As long as the economist moves within these boundaries, he may be excused even for not making a strenuous effort to discover how seriously he has distorted the facts by his simplifying assumptions. But when he attempts to give practical advice, he loses his license to suppose anything he likes and to consider merely the logical implications of untested assumptions. It then becomes his duty to examine with scrupulous care the degree in which his assumptions are factually valid. If he finds reason to question the close correspondence between the assumptions and actual conditions, he should either not undertake to give any practical advice, or frankly and fully disclose the penumbra that surrounds his analysis and the conclusion drawn from it. Better still, he should rework his assumptions in the light of the facts and see whether he is justified on this new basis in telling men (sic) in positions of power how they should act. Economics is a very serious subject when the economist assumes the role of counselor to nations.

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\* *The Frontiers of Economic Knowledge*, (Princeton: Princeton University Press, 1954), 229-30.