

FOREWORD:
THE PEOPLE'S ECONOMIC SCIENTIST

by Harry Pollard

He was a high school dropout who spurned the Chair of Economics at the University of California. He was a job printer, but handily defeated Teddy Roosevelt in a mayoralty contest for the city of New York.

Leo Tolstoy read him, realized the significance of what he wrote and tried to persuade the Czar of Russia to adopt his ideas before it was too late. The Czar did not warm to Tolstoy's plea — and soon it *was* too late.

He was known around the world. The Irish enthusiastically cheered his speeches. Australia and New Zealand introduced his ideas of taxation to much of their territory, as did Canada's West Coast.

Sun Yat-Sen, called "The Father of Modern China", read him and declared that the path for China would be his "decentralist economic ideas". Sun's thinking influenced the Taiwanese, who introduced widespread land reform based on his economic writings. The theories were confirmed by practice. Farm production increased so much that Taiwan, with a population density of more than 1,300 to the square mile, achieved a net export of food. *The London Economist* said that the "miracle of Taiwan" rested on this successful land reform.

Perhaps his greatest influence was found in Britain at the beginning of the 20th century. Liberal Party policy looked as if it had been copied from his many books. Churchill declared he had made speeches by the yard endorsing and promoting this self-taught economist's policy of taxing land values.

At that time, the greatest obstacle to any meaningful legislation was the House of Lords. The land of Britain was almost entirely held by fewer than 3,000 landholders — who controlled the Lords. That unelected body could nullify any legislation passed by the elected House of Commons.

So, the Liberal Party forced the issue. They put forward the Parliament Bill, a measure that would cut the claws of the Lords. With the aid of the Bishops, who sat in the House of Lords, the Parliament Bill passed by a scant 15 votes. The veto power of the House of Lords was ended. They could no longer prevent the enactment of a general tax on land value. This law was passed in 1913, and the process began.

Unfortunately, “the war to end all wars”, WWI, began the following year — and that ended the land value tax legislation. As part of the price for supporting the war, the Tories demanded that all controversial legislation be stopped. The process of assessment and collection of the land value tax was ended and it was never resumed.

The Parliament Bill remains in force until this day, however. For the last century the House of Lords have been unable to interfere with any money bill.

They were tumultuous times — and a brash Philadelphian named Henry George was in the middle of the tumult, because he had the nerve to write clear, comprehensible books on how the economy works.

He entered the scene with *Progress and Poverty*, published in 1879. After a slow start it took hold and millions of copies were sold. It was a book of economics like no other. He questioned everything. His opening shot showed the intention of his thinking: “Why do wages tend to a minimum that will give but a bare living?”

It is striking that more than a century later, the question is no longer asked in modern economics. The modern War on Poverty

has already been lost and its soldiers spend their time treating the casualties.

Such failure was not good enough for George. Again and again he hammered home a query. Why, he wanted to know, with the enormous increase in the power to produce, is it so hard to make a living?

He was, perhaps, the first labor economist, but one who did not mince his words as he discussed wages and unemployment. "Why are people looking for jobs," he thundered, "Why are not jobs looking for people?"

His concern for the condition of labor did not blind him to the need for scientific methodology. He began correctly at the beginning, by carefully defining the basic terms of economic science. Not for him the loose meanings that lead to loose thinking. During this process he was properly unkind to icons in the science such as Adam Smith, David Ricardo and John Stuart Mill, demonstrating how their less than accurate use of terms sent them on false journeys.

George did his job properly. He began with a concept and defined it, which meant putting a fence around it. He then placed a label on the things within the fence. When he had finished, he had terms that contained within them everything on earth — indeed, everything in the universe. There was no fence-straddling. There would be no confusion in the language of his new study, which he named *The Science of Political Economy*.

His study did not lean on the use of mathematics. Rather, he relied on everyday language, so that all his theories could be understood by anyone who could read. This meant that his reasoning was clear and could be accepted, or attacked, by any thinking person.

The attacks came from those at whom his finger pointed. Yet,

overwhelmingly, his books achieved acceptance and wielded influence around the world.

Even to the present — for when Russia dispensed with communism, eight Nobel Prize-winning economists wrote a letter to the president suggesting that Russia's basic problems could be dealt with by application of the ideas of Henry George. At the moment in Britain, discussion of George's ideas can be heard from local town councils to Parliament.

The Science of Political Economy draws on his thinking from several books. Within this volume is synthesized the essence of economics as a science. His ability to move from the simple to the complex, connecting every point by a mixture of logic and observation, lays before us a canvas that shows us the whole picture.

Henry George died before the book was completed. The original publication was finished by the author's son from notes. In this new edition, Lindy Davies has carefully edited and tightened the manuscript to provide us with a work of which the author would have approved.

HARRY POLLARD has been teaching the science of political economy for more than fifty years. He has taught in the classroom, on radio and television, and in public forums. He is the author of the popular InterStudent Economic Courses, which have been widely used in California high schools since the 1970s.