The Progress of Land Reform in the United States

The Pioneers in Land Reform

The land-reform movement in Western civilization began in the eighteenth century in France and England. In the period during which the American colonies were making preparations to throw off the British yoke there came into existence a general intellectual movement for political and economic liberalism. It was marked by the writings of Voltaire, Rousseau, and the Encyclopedists, along with "the economists"—i.e., the physiocrats in France—and was closely followed up by British and Scottish radicals of the period, among whom may be included William Blackstone, John Locke, Thomas Spence, William Ogilvie, Thomas Paine, and a host of other minor or less known philosophers and reformers. The rise of the science of economics, then called "political economy," aided the movement.

Space does not permit an elaboration of the theories of these writers, but, in the main, their philosophy was based on the doctrine of natural law, according to which the earth and the fullness thereof was the common property of mankind, in which all human beings should participate equally. The impact of the Industrial Revolution during the last half of the eighteenth century, along with the economic deterioration and distress which accompanied the separation of a large part of the population from owning or tilling the soil, fostered the movement. It formed an outlet for the widespread dissatisfaction with economic and political conditions.

Undoubtedly the most original and radical of the early land reform-

ers was Thomas Spence. Spence was of Scottish origin but was born in Newcastle, England, in 1750, where he progressed from a self-taught workman to a tutor and lecturer. Possibly through the influence of the French physiocrats he became interested in economic problems and published from time to time a number of pamphlets dealing with various phases of the subject. On November 8, 1775, he delivered a lecture on land reform before the Newcastle Philosophical Society. In this address he enunciated a plan of expropriating the landlords, having their lands taken over by the parishes, which would, in turn, lease separate parcels to farmers for a moderate rental. This rent, Spence held, would be sufficient to meet the expenses of both the local and national governments, and therefore no other imposts would need to be levied. Thus Spence may be regarded as a forerunner of Henry George and an original proponent of the "single tax." Spence in 1796 published his lecture in pamphlet form and was indicted in 1801 and tried in London for sedition.

Another Scotsman, William Ogilvie, professor of humanities in Kings College, Aberdeen, who was born in 1736 and died in 1813, published anonymously in 1782 An Essay on the Right of Property in Land with Respect to Its Foundations in the Law of Nature. Like Spence, he argued that land was the common property of mankind and that "no individual can derive from his general right of occupancy a title to any more than an equal share of the soil of this country. He proposed a tax be imposed on barren lands and so regulated as to encourage the proprietor in its immediate cultivation, and if he failed to do this, to oblige him to turn it back to the community. In line with the physiocratic doctrine he held "no scheme of taxation can be so equitable as a land tax."

Early American Land Reformers

The physiocratic principles imbued by Spence, Ogilvie, Filangieri (an Italian), and others who wrote and lived in the late eighteenth century had only a slight influence on the American continent. Though there is evidence that John Locke's ideas had gained followers in the colonies

George R. Geiger, The Philosophy of Henry George, pp. 146-52.

and influenced such men as William Penn, Thomas Jefferson, John Adams, Thomas Paine, and other pre-Revolutionary statesmen, these, with the possible exception of Thomas Paine, did not preach the doctrine of common ownership of land or a single tax on land. Jefferson, however, as we have already indicated, was opposed to private engrossment of land.

The indifference to land reform in the early days of the Republic may be due to the fact that most of the intellectual men of the colonial and post-Revolutionary periods were landowners, and since land in the country was relatively cheap and could be easily obtained by purchase or otherwise, they could see no argument for common landownership. Thus, though both Benjamin Franklin and Thomas Jefferson were conversant with physiocratic doctrines, they never came out openly for the "natural right to land" or the principle of a tax on the unearned increment. Franklin had been engaged in a huge land-speculation project just before the Revolutionary War, and Jefferson, who was opposed to land speculation, openly declared that in America "there was land enough for all." Thomas Paine, however, did adopt the "natural right to the soil" doctrine, and in his pamphlet, Agrarian Justice, proposed a plan for land redistribution.

Immediately following the Revolution, the intellectual segment of American society, particularly those who were interested in economic and political affairs, came under the influence of the British classical economic writers. The first American edition of Adam Smith's Wealth of Nations appeared in 1796. It is this work which the late Professor Dunbar of Harvard University holds influenced Alexander Hamilton in his economic ideas. It should be remembered that Hamilton swayed early American economic and financial policies for several decades after

¹⁴However, in his *Fruits of Solitude*, written in 1693, William Penn stated that "if all men were so far tenants to the public that the superfluities of gain and expense were applied to the exigencies thereof, it would put an end to taxes, leave not a beggar, and make the greatest bank for national trade in Europe."

^aJefferson, it must be admitted, did favor the idea that if "in any country [there are] uncultivated lands and unemployed poor, it is clear that the laws of property have been so far extended as to violate natural right." Geiger, op. cit., p. 191.

the Revolution, and there certainly was nothing in Hamilton's expressed ideas that would make him an agrarian or "free soiler."

In 1817, David Ricardo published in England his *Political Economy*, in which he enunciated the economic law of rent. The work attracted some interest in the United States, for it was republished in Georgetown, D.C., soon after its appearance in England. The work received the attention of American economists—most of whom, however, took issue with the ideas expressed therein. It is proposed in a few following paragraphs to review these discussions in so far as they relate to land and land taxation.

The Land Question and Early American Economists

Aside from their endeavors to refute the Ricardian theory of rent, American economists during the first half of the nineteenth century evinced little interest in land problems. This, as already stated, is undoubtedly due to the relative plentifulness of arable land in the country during this period. Despite the numerous discussions in Congress and elsewhere regarding the disposal of the public domain, it is rarely mentioned in the economic literature of the period, and little aid or advice was obtained from contemporary economic scholars.

The economist who in his writings during this period discussed most often land as a factor in economic life was Henry C. Carey. Carey, a prolific writer, staunchly denied the Ricardian theory of rent, mainly on the assumed ground that the poorest lands were first cultivated and the better-quality soils came into use as land became scarcer. However, he did take notice of the concentration of landholdings both in the United States and abroad. In his *Principles of Social Science*³ he states:

With the growth of commerce, the development of the powers of the earth, and the creation of local centers of action, land becomes divided, and the little farm of a half a dozen acres is made to yield a larger quantity of raw materials than before had been obtained from hundreds or from thousands of acres. . . Property in land then becomes consolidated, the tenant-at-will and the day laborer replacing the little and independent proprietor so much regarded by Adam Smith. So was it, as we have seen, in

^{81883,} Vol. II, p. 215.

Italy and Greece, and so is it now in all the countries in which commerce has been subdued by trade. So it is in these United States, the little land owner of New York gradually giving place to the great proprietor of thousands of acres of land, cultivated by men whose tenure is fully proved by the inferior character of the houses in which they live. . . . The rural population there declines. . . . Such, too, is the tendency of Ohio, and such must it become, in succession in all the Western States. 4

Despite this gloomy picture of the deterioration of the soil (written in 1856), Carey offered no remedy. He apparently accepted the situation as a natural and progressive economic development.

Among the early American economists who, though not agreeing entirely with Ricardo's theory of rent, supported the principle of rising land values owing to the relative scarcity of fertile land resulting from an increasing population, was George Tucker (1775–1861), a professor of moral philosophy and political economy at the University of Virginia. In a small book entitled The Laws of Wages, Profits, and Rent Investigated, published in Philadelphia in 1837, he wrote:

When it is known from past experience, as it commonly may be, that although there is at the time a superabundance of land for the wants of population, this will not, by reason of the natural increase of mankind, continue to be the case; sagacious and provident individuals are desirous of acquiring land, not for its present, but for its future value. . . . Most of the public lands which are sold for a dollar an acre would be valueless if it were not for the value which the future increase in population will be certain to impart to it.

It thus happens that land may bear a price in the market, when it would yield no rent. . . . But this superabundance of land cannot be permanent. By the natural increase of population and consequent increased demand for fertile land . . . the relation between them is gradually undergoing change. . . . It is in this change of relation between the quantity of fertile land, and the numbers who derive sustenance from it, that we find the origin of rent, and the main cause of its progressive increase.⁵

Tucker, in the concluding portion of his work, expresses opposition

⁴Ibid., Vol. II, p. 216.

⁵Pp. 94–95.

to nationalization or collective ownership of land. He concludes:

The well-being and even the safety of society is clearly on the side of the present conditions of things, in which the land is the property of one portion of the community, and the other has to rely on their capital or industry . . . to procure their just products of the soil. . . . Nor could we alter this distribution without incurring far greater evils than we prevent. All that can reasonably be required from social regulation is that every one should be free to place himself in one class or the other, according to his means and inclination, or to turn his capital into land, or to turn his land into capital, as suits him best.⁶

Though early American economists dealt lightly with the question of land reform, we have already seen from a previous chapter that there was some agitation among radical labor leaders for the establishment of the "natural-right" idea relating to land. As early as 1821 the Philadelphia labor publication, Mechanics Free Press, first recommended that "Public Lands be reserved as a donation'to the citizens of the United States," under leases free from rent, and all tracts unoccupied for a given period were to revert to the government.7 It has already been noted that in 1829 Thomas Skidmore, a printer active in the then Workingman's Party, published a book in New York entitled Rights of Man to Property. In this volume he advocated that all landed property be equally divided, by a credit on the state's books, and put up at auction in parcels, purchasable on credit terms. He proposed abolishing hereditary property in land, and on the decease of a person holding land, such property was to revert to the state as a social dividend. It was these proposals which George Henry Evans adopted in his landreform articles in the Working Man's Advocate.

Labor and the Land Question

From the Civil War and until the appearance of Henry George's *Progress and Poverty* in 1879, the attention of most American economists centered on the tariff and currency problems. The question of

^{&#}x27;Ibid., pp. 177–78. √

⁷Cited in J. R. Commons and H. L. Sumner, Documentary History of American Industrial Society, Vol. V, pp. 43-45.

land and its rent was neglected. The question, however, was kept alive in the political circles and the labor press. Horace Greeley, the editor and politician, joined hands with George Henry Evans, the land reformer, in agitation for liberal settlement laws. In this movement we have in America a revival of the older ideas of Spence, Ogilvie, and Paine. Evans' and Greeley's activities have already been covered in a previous chapter, and there is no need for further elaboration here. But to give an idea of the nature and extent of the agitation, the following text of a handbill widely distributed in 1848 is offered:

Are you an American citizen? Then you are a joint owner of the public lands. Why not take enough of your property to provide yourself a home? Why not vote yourself a farm?

Are you a party follower? Then you have long enough employed your vote to benefit scheming office seekers. Use it for once to benefit yourself: Vote yourself a farm.

Are you tired of slavery—of drudging for others—of poverty and its attendant miseries? Then, vote yourself a farm.

Would you free your country and the sons of toil everywhere from the heartless, irresponsible mastery of the aristocracy of avarice? . . . Then join with your neighbors to form a true American party . . . whose chief measures will be first to limit the quantity of land that any one may henceforth monopolize or inherit: and second to make the public lands free to actual settlers only, each having the right to sell his improvements to any man not possessed of other lands.⁸

The trade-union movement, which was rapidly developing at this time, added to the fires of "free land" agitation. "Vote yourself a farm" became a popular shiboleth of organized labor and was a standard item in programs laid out in workers' conventions. The labor press was unanimously for a liberalization of the disposal of the public domain. The agitation was effective and was largely influential in the passage of the Pre-emption and Homestead Acts of 1842 and 1862, respectively.

⁶Quoted from *The Armies of Labor*, by Samuel P. Orth, pp. 48-49. For a brief account of the attitude of early American labor unions toward land-ownership and land reform, see Richard T. Ely, *The Labor Movement in America*, Chap. III.

As noted in a previous chapter, a prominent advocate of land reform in the mid-nineteenth century was Gerrit Smith. Elected to Congress in 1848, Smith introduced in the House of Representatives on February 21, 1854, a set of resolutions (see pages 179-80 for the full text) in which it was denied that Congress had a right to dispose of the public land either by gift or sale. In a speech delivered in presenting the resolutions, Smith expressed his beliefs thus:

I admit that there are things in which a man can have absolute property, and which without qualification or restriction, he can buy and sell, or bequeath, at his pleasure. But I deny that the soil is among these things. What a man produces from the soil he has an absolute right to. He may abuse the right. It nevertheless remains. But no such right can he have in the soil itself. If he could he might monopolize it. If very rich he might purchase a township or county; and in connection with half a dozen other monopolists he might come to obtain all the lands of a state or a nation. Their occupants might be compelled to leave them and to starve, and the lands might be converted into parks and hunting grounds for the enjoyment of the aristocracy. Moreover, if this could be done in the case of a state or nation, why could it not be done in the case of the whole earth?

There were more of that period when Gerrit Smith, Evans and Greeley, and a number of other radical reformers were agitating against land monopoly. They had their counterparts in Great Britain, where the land problem was more severe and where the debates on the repeal of the Corn Laws were in progress. It was the period when Richard Cobden, John Bright, Herbert Spencer, Dove, and the two Mills (father and son) held sway and economic and political reforms were violently agitated. These movements overseas were bound to have repercussions on this side of the Atlantic, and added to the fire of popular discontent.¹⁰

Among the agitators of the late pre-Civil War days was an obscure Wisconsin tailor named Edwin Burgess. In a series of letters written to

Quoted from Geiger, op. cit., p. 195.

¹⁰For a discussion of the relation of the early labor movement in the United States to land reform, see Norman Ware, *The Industrial Worker*, 1840–1860, especially Chaps. XIV and XV.

the Racine Advocate in 1859-60, he attacked, among other evils, land monopoly and land robbery and proposed that "all taxes should be put on land." Thus Burgess is hailed as a forerunner of Henry George, though it is well established that George never heard of him until after he had put forth his proposal for collecting the economic rent of land in Progress and Poverty. Neither did the general public learn much of Burgess, though his letters were collected and published in a book by W. S. Buffham of Racine as The Edwin Burgess Letters on Taxation.¹¹

The Coming of Henry George

After the passage of the Homestead Act in 1862, the clamor for "free land" abated somewhat, and despite the liberal land grants to railroads and colleges and the abuses under the Swamp Land and Timber Land Acts, little attention was directed toward the land question. In the meantime, a native of Philadelphia, Henry George, who had given up a seafaring career and settled in California, where he became a printer, newspaper reporter, and editor, began to indulge in literary work. In July 1871 he published at his own expense a 48-page pamphlet entitled Our Land and Land Policy, National and State. He had become impressed by the existence both in the East and West of the shocking contrast between "monstrous wealth and debasing want" that existed side by side, and was convinced that the cause of it was largely due to the speculative rise in the value of land. He noted in this progressive rise the presence of an unearned increment, which more than a generation previously David Ricardo and Thomas Malthus had called attention to in expounding the economic theory of rent and which was elaborated by John Stuart Mill and other economists in their writings.

In this first essay on the land question George proposed a solution to the problem. He argued that the imposition of a tax which would absorb the unearned increment would not only eliminate a social injustice but would also provide ample revenue for governmental pur-

"See George R. Geiger, op. cit., p. 156-58.

poses. This proposal was in contrast to that of land nationalization, which at this period was being vigorously put forward by John Stuart Mill, the English philosopher and economist, in the program of the British Land Tenure Reform Association.

Following the publication of Our Land and Land Policy, George continued his newspaper work, entered politics in California, and was active in reform movements of the time. He eagerly increased his knowledge of economic problems, particularly those relating to land, and was deeply impressed by the conditions of poverty in Ireland, Great Britain, and other European countries, where large landholdings and land tenancy were the rule. He gained a reputation in California as an economist, and in March 1877 he was asked to deliver an address on political economy at the University of California.

A few months thereafter he began the writing of his most notable work, *Progress and Poverty*. This masterpiece, because of interruptions owing to lecture engagements and other personal problems and difficulties, was not completed until March 1879. While preparing the text, George consulted numerous works on economics, history, and philosophy, and his knowledge in these fields has been characterized as a marvel of ingenuity. He succeeded after some difficulty in having the book published in a limited edition of five hundred copies in San Francisco in 1879, and late in January of the next year it was put out by the well-known publishers, D. Appleton & Co., in New York. In the meantime George was undergoing financial difficulties which forced him to seek a position in New York City, where he was to reside for the remainder of his career.

The publication of *Progress and Poverty* in New York proved to be a phenomenal success, and it became one of the best sellers in American book history. It attracted attention of scholars, statesmen, and the general public both in the United States and abroad. It was soon translated into several languages, and editions appeared in England and on the European continent. Edition after edition appeared. Numerous societies and organizations were formed to foster and carry

¹⁸See Francis Nielson, Modern Man and the Liberal Arts, Chap. III, The Robert Shalkenbach Foundation, New York, 1947.

out the ideas expressed in its pages. The "single tax" slogan was heard everywhere throughout the land.

As stated by Professor Geiger, "The popular interest in *Progress and Poverty* perhaps is not difficult to explain. The country was in the grip of violent labor agitation which followed the widespread industrial depression of 1873 to 1877, and which had flamed out in the riots and bloodshed of the great railroad strike of the latter year. An unmistakable labor class consciousness was now at the point of crystallizing. . . . It was a period of industrial upheaval, a day when labor sensed its growing importance, and George's book could not have appeared at a more favorable time for its popular reception. Its prophetic fervor and almost holy sincerity, together with the practical and simple suggestions it offered, could hardly have failed to impress the workingman and the thinker interested in social reform." 13

The influence of Henry George on economic writing both in America and abroad was tremendous. The unearned increment in land value had already been acknowledged and upheld by most economists and sociologists. Taxing the economic value of land, however, met with opposition, but this opposition was based on practical rather than theoretical grounds. As stated by David A. Wells, a leading American economist of the period:

There can be little doubt that the desire for greater simplicity in taxation is generally felt, and in part put into practice. The mass of various kinds of imposts, added without any system or real connection or relation one to another, has often resulted in so large a number of charges on Government account as to defeat itself. The French taxes at the end of the last century, with their added fault of inequality and injustice in distribution, led naturally to the theory of a single tax—the *impôt unique* of the Physiocrats—which did not become a fact, yet registered the protest against the multiplicity and crying oppressiveness of the remains of

¹⁸Geiger, op. cit., pp. 56-57. Richard T. Ely, a prominent American economist in his day, writing in 1886, has this to say regarding George: "One may object to Henry George's teaching—as I do most decidedly—and rejoice at the good which his works are doing in stimulating the thoughts and the generous aspirations of the people. It would, indeed, not be an easy matter to over-estimate the educational value of 'Progress and Poverty.'" The Labor Movement in America, p. 126.

the feudal dues and fiscal experiments undertaken under the stress of an empty treasury. So it has been noted at the present time that where an opportunity has offered there is a tendency in European countries to simplify their taxes. . . .

There is an earnest movement in favor of a single tax on the value of land, exclusive of other real property connected with it. As involving a question of abstract justice the proposition has much in its favor, but it cannot be denied that practical obstacles oppose its adoption. The recent commission on taxation in Massachusetts thus treats of it: "It proposes virtually a radical change in the ownership of land, and therefore a revolution in the entire social body. In this form of taxation all revenue from land alone is to be appropriated—that is, the beneficial ownership of land is to cease. Whether or not this system, if it had been adopted to the outset and had since been maintained, would have been a public advantage may be an open question, but it would certainly seem to be too late now to turn to it in the manner proposed. In any event, it involves properly not questions of taxation, but questions as to the advantage or disadvantage of private property in land."14

Another prominent American economist, a contemporary of Wells, General Francis A. Walker, discusses in considerable detail the theories of Henry George in his well-known book, *Land and Its Rent* (1883). In this volume General Walker states:

What is original in Mr. George's work is the enormous importance assigned to rent as an element in the distribution of wealth. No other writer ever attributed to rent anything approaching the same degree of importance. We have seen Mr. [John Stuart] Mill, weighed down by a sense of injustice of allowing the large increment of the land to pass to the landlord, propose that the State should assert the right of the community, as a whole, to this body of wealth: but Mr. Mill never dreamed of advancing the theory that rent necessarily, in the progress of society, absorbs the entire gain in productive power, and even more than that gain, leaving the laboring classes actually worse off by reason of every successive improvement in the arts of the social order. . . . Mr. George looks upon rent as a conscious evil, which, growing by what it feeds upon, draws into itself all

"Theory and Practice of Taxation, pp. 633-34.

the vital forces of the community. . . . If Mr. George is right here, he had discovered a principle of supreme importance, the neglect of which should put every professional economist to the blush. 15

Thus General Walker, though disagreeing with a number of doctrines and assertions of George, and even asserting "that we have nothing to learn from Mr. George about either land or rent" acknowledges the importance of his views as a factor in the progress of economic principles and a prophecy of "a new economic dispensation."

Despite the opposition of many of his contemporary economists and the political attacks on his land-reform theories, Henry George maintained his popularity through several decades and gained many followers. ¹⁷ He himself was opposed to making the collection of unearned increment a national political issue. In a letter to Leonard Tuttle, secretary of the Delaware Single Tax Association, dated July 30, 1895, he wrote: "I have been loath to advise the concentration of single-tax effort in any particular state for the reason that I have held that to command the general support of single taxers the movement should originate in the locality and would be certain to be generally supported as it showed strength. The movement in Delaware seems to be of this kind, and to be worthy of the support of single taxers generally. I have already sent a contribution to its funds and hope to do more." ¹⁸

¹⁵Pp. 196–98. ¹⁶Ibid., p. 181.

¹⁷Among the followers of Henry George in the last three decades of the last century was Terrence V. Powderly, the head of the powerful Knights of Labor.

Regarding this, Norman J. Ware wrote:

"Land reform was his major ideal. 'In my [Powderly] opinion,' he said 'the main, all absorbing question of the hour is the land question. . . . Give me the land and you may frame as many eight-hour laws as you please, yet I can baffle them all and render them null and void.' . . 'Miners,' he said, ' . . instead of asking for more pay should agitate the question, Who owns the coal lands.' A wage program he considered 'short sighted work.' He was interested in the Irish Land League, and represented the agrarianism of G. H. Evans combined with Irish anti-landlordism. He believed not only that no more public lands should be gi-n to corporations and speculators, but those already distributed should be restered to the people. He spoke for Henry George in 1886 in the mayoralty campaign but he was not a single-taxer and the Order [i.e., the Knights of Labor] paid little attention to his reform ideas." The Labor Movement in the United States, pp. 88-89.

¹⁸This letter is in the possession of the author.

The Influence of George on Land Reform and Taxation

Though the adoption of a plan to take the economic rent of land and "untax" improvements on land, as advocated by George, was never proposed in any national or state political convention, the proposal has been instrumental in aiding in land and tax reforms. This influence extended beyond the bounds of the United States and, in fact, had a greater effect in foreign lands than our own. Schemes of land-value taxation, and land-value-increment taxation, as already noted, have been put into practice not only in the newer countries, such as Australia, New Zealand, and South Africa, but also on the European continent in Denmark and Germany and, to some extent, in Great Britain.

Henry George's theories of land reform, in view of their large following consequent to the publication of Progress and Poverty, can also safely be said to have had a beneficial influence on the improvement of the land-tenure systems of the United States. Although these changes have not been pronounced, there has been a livelier public interest in land affairs, particularly in the matters relating to the disposition of the public domain. It may be said also to have influenced state laws relating to land tenure, land taxation, and landownership concentration. As stated by Geiger: "Henry George must be considered as part of a great tradition that extends far in the past and includes in its ranks many great names. That tradition is more important than the work of any one man. Whether consciously or not, George borrowed from and contributed to that stream of thought; he has become an integral part of it. Therefore, unless one is overconcerned with the difficult questions of originality and influence, it perhaps does not matter too much just what place the individual, Henry George, did occupy in that history of land taxation. That is to say, the collection of land values for social purposes, no matter how opportunistic or locally conditioned it appears, cannot be divorced from social and economic theory, cannot be cut off from the whole concept of the unearned increment."19

By way of summation of Henry George's philosophy, it should be borne in mind that he was not a radical in his ideas. These ideas were not revolutionary. Under his proposed plans, land would still be owned

¹⁰Op. cit., p. 384.

in fee. He was opposed to land nationalization and communism. He merely proposed a means of recovering from private interests the portion of property values in land which, in his belief, were derived from the community at large and applying the proceeds to meet public needs. He held that his plan of absorbing the economic rent through taxation would improve the general welfare and lead to social betterment. He argued that such a system would create pressure to put unused land on the market and that it would tend easily and naturally to pass into the hands of those who actually would use it. Thus a curb would be placed on land speculation. Moreover, by thus putting additional land to use, added employment would be created and poverty could be abolished. Since the problem of unemployment is of great concern to this and future generations, the propositions of Henry George should command more public attention than ever before.