

HENRY GEORGE:

On Unrestricted Competition

A philosophy, a system of thought, cannot be expressed in a sentence. If it is really worthy of the name "philosophy," it is a synthesis that, in spite of its one central theme, embraces many phases of thought, and gives direction by its unifying principle to a way of living. Language is too poor, and human understanding too limited, to permit the expression or understanding of so broad a theme in an essay or two, or even a book of a few hundred pages.

The philosophy of Henry George—which is often described as the philosophy of freedom—has frequently been given a wrong interpretation by people who approach it with determined bias or with perverted purposes. Culling a passage from his books which by itself permits of an interpretation seemingly at variance with the central thought that permeates all his writings, these people have persuaded themselves that George has proven their pet theory. They catch on a phrase to rationalize their misunderstanding. They prove to themselves by "special pleading" what pleases their preconception, often quite unconsciously.

The comprehension of George's contri-



bution to socio-economic thought requires the reading of all his books, essays and speeches. No one can truthfully say that his philosophy is expressed in any one place completely; he never reduced it (because it cannot be done) to an intellectual pill.

Some of his writings, unfortunately, have not yet been given to the public in book form. Odd essays and speeches that supplement in detail the broad principles of his philosophy are to be found in various places; they should be collected. A particularly rich mine of Georgist thought is to be found in the pages of THE STANDARD, a weekly paper edited by Henry George from 1887 to 1891. The essay "On Competition" is taken from this source. Others will appear from time to time in The Freeman.

W. W. Head, secretary of the Shearers' Union, writes me from Wagga Wagga, New South Wales, saying:

"Socialism of the Bellamy brand is spreading here, and the only thing we have to offer as an argument against their doctrine is an admission that the single tax will and must necessarily bring voluntary co-operation and less governmental machinery—less rule, or more law and less force—anarchy of a sort. Socialists admit the pooling of land-values is the first step toward reform; but they set as much value on the nationalization of banks and capital as that of the land, and want to start right away to nationalize those things which we believe are not in their nature monopolies, and which would not be monopolies if land-values were taken by the people. In short, they do not believe in competition and want to abolish it right away. If we stick to competition and regard it as almost a natural law, what about the waste involved in our present industrial system? Taxation of land-values will not prevent the employment of labor uselessly in advertising, etc., or will it? If so, how?"

Answering Mr. Head's question in spirit, rather than in letter, I would say: Yes; it will. For while the useless expenditure of labor in adver-

tising or any other branch of effort could not be prevented without interfering with natural rights and without stifling useful effort, I take Mr. Head to refer to that waste that goes on where three stores are started in a place where two would suffice, or where a hundred men are found in a business or profession in which sixty or seventy could do, and would be glad to do, all that is needed. This waste of effort, which is very striking all over the civilized world, the Socialists propose to prevent by abolishing competition—that is to say, by abolishing the liberty of men to dispose their efforts as they please. They would have the State manage and control all production and exchange, so that so many men (and necessarily such and such men) should be assigned to this branch and place of effort, and so many men (that is to say, such and such men) should be assigned to that.

On the other hand we, who for want of a better term style ourselves Single Tax men, but whose funda-

mental idea would be better expressed by some such term as equal rights men, or individual rights men, or natural order men, propose to get rid of this difficulty in an easier and more thorough way. Instead of abolishing competitions, we would abolish restrictions on competition; instead of imposing more restraints on individual liberty, we would remove all restraints upon the liberty of any one to do anything that did not interfere with the equal liberty of others. The reason for, and the efficacy of, our method will be seen when the cause of the waste of which our Australian friend is thinking is traced.

From what does overcrowding of businesses and professions proceed? Does it not proceed from that seeming glut in the labor market which causes the opportunity to labor to seem a boon, and reduces the wages of labor in the primary occupations to so low a point? And from what does this spring? Does it not manifestly spring from those restrictions which deprive men willing to labor of access to the natural opportunities of exerting labor? Is this not clear whenever we consider that the natural opportunities for the useful employment of labor offered by the globe on which we live are simply illimitable, and that so long as desire continues for things that the exertion of labor produces there must always be an unsatisfied need for the useful exertion of labor?

What the taxation of land values irrespective of improvements would do, would be to make land useless except to the user; to make the mere monopolization of land unprofitable and impossible. And thus it would open to laborers the primary necessity and opportunity for all labor. At the same time, by taking for the use of the community the great sums that now go to non-producers, it would do away with taxes that greatly lessen earnings in all branch-

the revenues required by government, by taxing the earnings of labor and the necessities of the poor and by penalizing thrift and improvement. It makes the sale prices of land high and discourages home ownership. It encourages the speculative holding of land out of use, makes available land scarce and its rent high and crowds people into slums where all the conditions of life are unfavorable and hard. The obvious solution is certainly not to prate of the evils of "the profit motive" which in so many ways is a benefit to us and a stimulus to progress, and which actuates every wage earner when he gives up a poorer job for a better one, just as truly as it does his boss or any capitalist investor. The solution is for the public to take, through taxation, all or

nearly all of the annual rental value of land and sites.

But this proposal is **THE SUBJECT OF THE GREAT SILENCE**. It isn't "good form" to discuss it "in the best circles." The literary intelligentsia rarely or never mention it. The high-brow magazines to which they contribute may use their columns for everything and anything else but they won't refer to this. But perhaps the time will come when they will have to refer to it—and take it seriously, too—or find themselves under permanent and withering suspicion of covering a fundamental conservatism with a cloak of pretended and unenlightening liberalism.

See: "Economic Science and the Common Welfare," pp. 83-118, 425-438.