COMMENTS

Henry George Under the Microscope

Comments on “Henry George’s Political Critics”

By Richard Giles

ABSTRACT. The annual supplement of the AJES for 2008 titled Henry George: Political Ideologue, Social Philosopher, and Economic Theorist had as its first and longest essay “Henry George’s Political Critics” by Professor Michael Hudson. It offered a multitude of criticisms, most of which Prof. Hudson seemed to agree with. All purported to be criticisms of George as a political strategist, though some seem more to originate from Hudson’s disagreement with theoretical positions George was bound to take. The purpose of this short paper is to show that Professor Hudson’s long article fails to do what it seems intended to do. That is, it fails to show that trade unionists and especially socialists were “natural allies” of the Georgist movement, that it was George’s fault that that they were not, and that George “allied” his movement irrevocably to “capital,” rejecting its “natural allies.”

“Henry George’s Political Critics” by Prof. Michael Hudson is the first and longest article in the January 2008 supplement to the American Journal of Economics and Sociology. However, Professor Hudson’s article fails to do what it seems intended to do. That is, it fails to show that trade unionists and especially socialists were “natural allies” of the Georgist movement, that it was George’s fault that that they were not, and that George “allied” his movement irrevocably to “capital,” rejecting its “natural allies.”

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Many Criticisms Really Theoretical and Not Political Issues

Its central section is "twelve criticisms of his political strategy" (2008: 7). The first problem one has with these 12 criticisms is that some are not matters of political strategy at all. They are criticisms of theoretical positions that Henry George was bound to take.

Here are some: "his singular focus on ground rent to the exclusion of other forms of exploitation" (2); "his opposition to public ownership of resources"; "his economic individualism rejecting a regulatory or planning role for government" (4); "his opposition to public ownership of resources and enterprises" (5); "his endorsement of the Democratic Party's free-trade platform" (8); and "the narrowness of his theorizing beyond the land question" (10).

What is being criticized here is not so much strategy as certain theoretical positions that follow from underlying principles that George accepted. Henry George is being criticized, for example, for seeing the equal right to land as the primary issue, for seeing public ownership of resources (land) as incompatible with the equal right to land, and for his belief in a market economy. In fact, he is being criticized for being Henry George.

Strangely, Hudson offers no real defense against these criticisms. One is left to think that in the main he agrees with them.

One of the strangest criticisms is "the scant emphasis he placed on urban and owner-occupied land" (2008: 7). This criticism is later entitled "George's Ricardian Emphasis on Rural Land" (2008: 24). No critic is cited, and we are left to think that this criticism is at least shared by Hudson. The reality is rather the reverse: George saw and emphasized the urban contribution to land value. The well-known "Savannah Story" in *Progress and Poverty* ([1879] 2001: 235–241) says just that: that rent is generated by social (or urban) forces. As such, of course, it belongs to society.

That theory is readily seen by all property owners as "threatening" their private interests. Hudson seems to imply that, as a stratagem, George singled out only absentee landowners of large tracts of "raw land" for criticism, apparently to identify his movement as no threat to urban property owners. The only work of George's one can think of
that focuses in the main on absentee landowners of large areas is Our Land and Land Policy (1871), but that is because it is an exposé of land speculation in California. But, even if true, all that this criticism means is that George was looking to ally his cause with that of smaller property owners against larger ones—but then that would contradict Hudson's first criticism, about failing to join with other reformers. We shall come to that later.

II

Some Criticisms Inaccurate

Let us now look at "George's rejection of an academic platform to elaborate rent theory and taxation" (2008: 9). Again, we find no authority cited and so conclude that Hudson himself might well be included among those making this criticism.

One passage chosen at random suggests the tone of this criticism. It concerns, of course, George's 1877 lecture at Berkeley:

But at his interview Isid he indulged in a tirade against economists, claiming that they had made no "substantial improvement" since Ricardo. His belligerent attitude foreclosed the opportunity to gain a platform to challenge the postclassical "value-free" economics that conflated land with capital and denied that any form of income was unearned. (2008: 27-28)

Hudson cites George's biographer Charles Albro Barker (1955: 241), but this quotation only shows that George wanted the position, not that he rejected it. In fact, there is no evidence that George actually was interviewed, or offered, or rejected a professorial position in political economy in 1877.

What Hudson may mean is that George went about getting the position in entirely the wrong way. But then he differs from the appraisal of the lecture given by Barker. Barker sees the attack on economists as but one element in the lecture, and as but one sign of a more general and growing academic discontent with classical economics in the 1870s (1955: 241). More surprising, Barker's conclusion is that "George had given a splendid lecture" (1955: 241), so good in fact that his publishers used it "as a kind of advertisement for Progress and Poverty" (1955: 242).
Another criticism that Hudson argues is “George's hope that the single tax could be enacted gradually without radical confrontation” (2008: 12). Hudson writes:

Yet his alliance with capital led him to pull his punches politically, by not acknowledging how great a threat the taxation of ground rent and other economic rent posed to vested interests. (2008: 34)

It is indeed hard for anyone conversant with George's writings to imagine from where this criticism might come, though it does remind one of Marx's criticism of George, as cited by Barker (1955: 356), that George really wanted “to save capitalist domination.” Throughout his public life after 1879, George trenchantly attacked private property in land as the key to all economic “exploitation.” As Tolstoy several times remarked in _A Great Iniquity_ (1905), the chief weapon against George was to ignore him. However, those attacks seemed so direct and inexpedient to some of his followers that Thomas Stearman (see Section VI below) revised Georgism to get rid of them. His biographers provide no evidence that, as a journalist, he was given to “pulling punches.”

But, remembering that the subject is strategy and the point being made is about the enormity of the change that the “single tax” involved, was “pulling punches” such a bad thing?

III

**George's “Political Alliances”**

Hudson tells us of George's opposition to regulation and “his support of capital” (Section III) even when it became monopolistic, extortionate, or abusive of workplace conditions” (2008: 31). Now, the chapter in _Social Problems_ titled “The Functions of Government” pronounces in favor of regulation:

The primary purpose and end of government being to secure the natural rights and equal liberty of each, all businesses that involve monopoly are within the necessary province of government regulation, and businesses that are in their nature complete monopolies become properly functions of the state. (1883: 1963: 176)

In fact, his espousal of public ownership of utilities (natural monopolies), including the telegraph, was notably the cause of his
defeat at the Single Tax Conference in 1893 (Barker 1955: 589). And, as for George’s support of capital in its most exploitative guises, such a harsh allegation warrants some evidence.

Having come to criticisms that seem to be about political strategy, it is important to examine Hudson’s central criticism. This is reinforced by his comments both at the beginning and at the end of the article: “George’s refusal to join with other reformers to link his proposals with theirs, or to absorb theirs into his own campaign” (Hudson 2008: 1).

Hudson’s own viewpoint seems to be that, while the disposition of land rent remains among the greatest of unsettled public questions, Henry George has, as it were, let the side down. He may have done something to explain the case, but he failed politically to carry the case forward. He refused alliances with his “natural allies” (2008: 38), the socialists and labor parties, preferring instead “to throw his support behind ‘capital’ ” (2008: 38). That approach inherited by his followers has now finally reduced “land taxation” to a dead letter. “In retrospect, one must conclude that George the politician turned out to be the worst enemy of George the economic journalist and reformer” (2008: 39).

IV

George and the Socialists

Hudson argues that George should have allied himself with the socialists. However, the record of the 1886 campaign shows that the identification of his campaign as a class movement of anarchists, socialists, and communists was precisely what his opposition wanted. George was very careful to deny that criticism. Could he have done so had he campaigned in open alliance with socialists?

When in 1887 he endorsed action by his own followers to exclude the socialists from his United Labor Party (ULP), he called socialism “an exotic . . . that cannot take root on American soil.” He saw the two elements as “incongruous” and best separated (Barker 1955: 498). Was he wrong?

Indeed, George’s followers only took the action they did when the Manhattan socialists made ready to take over the ULP to give priority
to a socialist program. In any case, American socialists often broke off from each other into splinter groups, hardly a group one could rely upon for a durable “alliance.” Finally, in 1887, the socialist party succeeded in getting but 5,000 votes out of almost 1 million. Again, was George wrong?

V

George and the Labor Movement

As for the Labor movement, it withdrew from political activity by the end of 1887. George’s split with the socialists seemingly had played a small part, the opposition of the Catholic hierarchy playing a greater part, but ultimately the conclusion of the trade union hierarchy was that being involved in politics inevitably divided the labor movement and carried it away from the day-to-day questions on which it was focused. Considerable opposition to George arose from his support of the Supreme Court’s ruling in the case of the Haymarket Bombing (Barker 1955: 503–507). Yet that opposition seems to have been temporary. This was probably due to his extraordinarily vigorous defense of the railway workers during the Pullman Strike of 1894 (George Jr. [1900] 1930: 577) and his subsequent support for the presidency of William Jennings Bryan. There is every sign in George’s 1896 campaign that he was considered the friend of labor ([1900] 1930: 605).

VI

George the Politician

As we have seen, Hudson’s article is about George as a politician. That is where he failed. But neither George’s biographers nor George himself saw his role as a political figure. Of course, as it is said, “Everything is political”; everything either draws support or alienates it. George’s theories about the nature of society were in that sense political. However, George saw himself as a teacher rather than as a politician. As he argued in Social Problems:

The great work of the present for every man, and every organization of men who would improve social conditions, is the work of education—the propagation of ideas. ([1883] 1965: 243)
This explains George’s reluctance to be drawn into political activity and his reluctance to form an ongoing political party. For George, the primary task was the education of thoughtful people (his natural allies). But he consistently called, not for political parties and political action, but for discussion and for organizations that might promote it such as the Standard and the Land and Labor Clubs. The contrast in his mind was between the Jeffersonian and Hamiltonian political models. He considered that there could be no really successful and durable political change unless it came from a groundswell of enlightened public opinion. He did not want (as he said after the 1887 campaign) a numerous party of “half-educated” followers. Now, if one views the whole of this article from that perspective, one notices that this approach has been omitted.

Actual political activity figured little in his public life. If pressed, as a reformer he occasionally undertook political activity because it would contribute to public awareness of his ideas. When he failed, he returned to writing. Nothing had really changed.

Despite political activity being a minor part of his life, can it be said that as leader of his own movement or as a political campaigner in 1886 and 1887 he was inept?

Looking for an opinion of George as a politician, one is found in connection with George’s final political campaign in 1897:

The campaign committee was composed of men schooled in the art of politics, yet as one of them said to Arthur McEwen, one of the intimate friends: “How it is I don’t know, but every move we have made in politics against George’s advice we have been wrong, and every time we have followed his advice we have come out right. We all think we know more about the ins and outs of the game than he does, but he has a sort of instinct that guides him straight.” (George Jr. [1900] 1930: 602-603; also see Post and Leubuscher [1887] 1961: 557)

That, of course, was the campaign in which he died. But what of his first campaign, the 1886 New York mayoralty campaign? George agreed to stand if those who solicited his nomination could guarantee him 30,000 votes. This they did. It was a move designed to ensure that the resulting vote would cast the labor movement in a positive light, different from what had occurred in the 1882 election. It was a
stratagem imitated successfully by Seth Low when he stood as an independent against the party machines in 1897.

George's 68,000 votes, in the face of almost certain pilfering of his votes by Tammany Hall, his portrayal as someone dangerous to society by his opponent and the press, and public condemnation from the hierarchy of the Catholic Church, was an outstanding result for an independent unaided by a political machine. In fact, it has been considered so ever since. Hudson does not cite the encyclopedic study of this campaign by Louis Post and Fred Leubuscher, *Henry George's 1886 Campaign* ([1887] 1961). Instead, Hudson says of it that George insisted that he write the campaign platform and that when he did, he quietly dropped the platform originally put forward and approved, replacing it with one that pretty well dropped all the labor planks in favor of the "single tax" (2008: 6–7).

However, Post and Leubuscher explicitly say that George accepted nomination on only one condition, the guarantee of 30,000 votes ([1887] 1961: 11). The delegates at the convention that formally nominated him from among several candidates had adopted a platform. His son states that George had written that platform (George Jr. [1900] 1930: 497). It seems this question warrants more investigation. However, his program did have facets beyond the single tax, such as the proposal to do away with the commissions that contracted out common services in favor of municipal departments.

Barker remarks that George made every effort "to universalise his message" in 1897 by calling his party "The Democracy (or Party) of Thomas Jefferson" (1955: 614). And, as in 1886, his message at its most basic was an appeal for equal rights. Can there be any appeal more universal, more enduring, and less identifiable with a class?

Barker makes a further point of interest: that this party "was not a single-tax party" (1955: 614). George was running this campaign in league with disgruntled Democrats rather than with his own organization. Barker repeatedly makes the point that after his stroke in December 1890, George passed more and more into the background of his movement and once again turned more to writing, especially of his last and posthumous work *The Science of Political Economy*.

In fact, one grave weakness of Hudson's account is his omission of the influence of Thomas Shearman, who by 1895 had risen to a
position of leadership in the movement. Shearman’s smaller “single tax” looked deceptively like that of George’s, so deceptively like it, in fact, that to many Georgists today it is the “single tax.” However, its essential difference was that Shearman dropped George’s philosophical underpinning, calling it vague and unnecessary, replacing it with a “single tax” set at a moderate level designed simply to achieve maximum business efficiency and satisfy the needs of “small government.”

Here, one may surmise, is the truth about Hudson’s criticism of George, “his almost unconditional support of capital, even against labor,” and the “alliance of his followers with the right wing of the political spectrum” (Hudson 2008: 11). They were not a consequence of actions that George had taken. Nonetheless, this still represents a reformist movement akin to that of the physiocrats, one designed to make capitalism work more honestly, equitably, and efficiently. Hudson simply does not regard that movement as a reform movement.

Right from the start, George opposed Shearman’s narrow and fiscal-driven doctrine of the “single tax limited” but, seeing him as a “fellow-traveler,” also opposed those who would expel Shearman from the movement. However, by 1891, one can see in The Condition of Labor that George’s doubts were intensifying (1891: 1982: 21–22).

His “alliance” with Shearman, in the opinion of some such as Dr. Kenneth Wenzer, did not serve the movement well. Hudson makes reference to Wenzer (2000) but does not point out, as Wenzer does, how Shearman helped turn the movement “from a philosophy of freedom to a nickel and dime scramble” (see especially Wenzer 2000: 75). These considerations make it difficult to accept the view that it was George who turned to “capital” for support against “labor” and that, in turn, later Georgists followed his path.

VII

George’s Expulsion from the United Labor Party

Professor Hudson concludes his more general introductory remarks about George as a politician of his own movement by reference to his expulsion from his own party in 1888.
Professor Hudson’s argument leading to his report of this is that by 1888 George’s political shortcomings, the 12 criticisms that Hudson lists (2008: 7), had “ended the dialogue between his followers and other reformers of his day” (2008: 8). Father McGlynn “felt obliged to expel him from the United Labor Party” (2008: 8). One is left to conclude that these shortcomings resulted in the isolation of the ULP, causing Father McGlynn’s action. How true is this?

The evidence suggests rather the contrary. It suggests that the main reason for the breakup with Father McGlynn was George’s decision to support President Cleveland’s re-election in 1888 following his announced support for free trade. In other words, it was not the rejection of “alliances” that caused the split, but the pursuit of them. Here, as in the Shearman case, one “alliance” seemed to come at the expense of another. But that seems the way of politics.

VIII

George’s Attitude to Politics

Political activity allowed George to explain his teaching. It was one way to educate. George pursued many current public issues, relating them to the principle of equal rights. Hudson complains a couple of times that George did not take up the issue of mortgages. Doubtless, had it been a popular issue in his day, he would have.

One such issue was his support for President Cleveland. And it brought results. The New York Tribune saw “a great deal of Progress and Poverty” in President Cleveland’s State of the Nation address in December 1888 (Barker 1955: 517).

Hudson explains that George was reluctant to run for the office of mayor in 1886 because he “feared that his reputation would suffer from too close an association in dealing with labor parties whose denunciation of capital—especially Daniel de Leon’s Socialist Labor Party—threatened to alienate the circles at which he aimed his message” (2008: 6).

This is an interesting point, but I have already suggested what seems a better reason: his reluctance to prematurely involve a social movement in politics. In any case, the SLP was not formed until the next year and Daniel de Leon did not become a member of it until
1890. The rather vague reference to “circles at which he aimed his message” has no authority that I can find; in fact, such a statement contradicts George’s often-repeated view that he neither stood for nor courted any one particular class (for example, see George Jr. [1900] 1930: 605).

George’s primary purpose, it has been argued, was to educate, to initiate a social movement. Political alliances divide as well as unify, and they mean that one must mute ideas to keep them consonant with those with whom one is allied. To take an example, an alliance with Terence Powderly would in 1888 have led George to back the Knights of Labor’s attempt to restrict immigration. In fact, he disagreed.

IX

George and the Catholic Church

It is true that in the end George received a minuscule 72,281 votes in the statewide election of 1887. One crucial influence upon that result that Professor Hudson does not make clear is the difficulties George ran into with the Catholic Church. George himself considered those difficulties as paramount (Barker 1955: 511).

In the city of New York, he lost 45 percent of the votes he had gained in the mayoralty campaign of the previous year! The Irish World estimated that in 1886, 35,000 Catholics had voted for George. Since George had gained 68,000 votes in that contest, the numbers are strangely consonant with a falling off of Catholic support. In 1887, public condemnation by the Catholic hierarchy was escalated by the lengthy suspension of Dr. Edward McGlynn. This culminated in McGlynn’s excommunication in July 1887.

George’s new journal founded in January 1887, the Standard, lost no time in defending McGlynn and raising the issue of where the Church stood in relation to the worldwide labor movement. In particular, George attacked the attempt by the papacy to limit the rights of an American citizen. George was deserted on all sides: sales sharply declined. As Barker notes, “George’s anti-clericalism was going to be expensive” (1955: 491).

While it does seem that the issues George raised in 1886–1887 helped to shape, if not precipitate, Rerum Novarum in 1891, its firm

X

George the Man

There is, of course, no adulation of Henry George in Hudson's article. He calls George a "loner," one who was "aloof," one who was "self-centered"—at one point he writes that George was a public speaker because he liked to be at the center of attention. The evidence for aloofness was that George did not spend more time mixing with delegates to a land conference in Paris in 1889; but, as his son reports (George Jr. [1900] 1930: 519), the conference involved several European languages, and one obvious handicap was George's inability to speak any of them. Also, George was not confident that his views had influence on the Continent. And, surely, can one given to being the center of attention at the same time be aloof?

The term "aloof" seems to convey the idea that by personal choice he stood apart from others and thus lacked allies. A reading of Barker (1955) brings that assessment into doubt.

XI

Conclusion and Postscript

What one has to do to substantiate the claims that Hudson's article makes is to show that the socialist and labor parties were "natural allies"; that such alliances would prove durable; that it was George who left a legacy to his followers of siding with "capital"; and that such alliances, if made, would have left "land taxation" more advanced than it is now. The previous discussion places some doubt on all of these claims.

One major weakness of Hudson's account is seeing George as narrowly centered on a tax instead of more widely on equal rights. Barker calls that narrow view of George commonplace, but an error of a "limited perspective and a want of information" (1955: 508). Hudson cites Barker. The index to Barker's biography shows the wide
variety of interests and issues to which George devoted his time. More importantly, I think, Hudson has downplayed the importance of free trade in George's thought (see Barker 1955: 509) and the philosophical basis of George's thought that, as his son points out, relegated the "single tax" to but the application of his philosophy (George Jr. [1900] 1930: 406n.).

At the center of the article is the failure of "land taxation" (Hudson identifies the reform more this way than as a "single tax"). But, for this failure, Hudson finds not one but two ultimately conflicting reasons. The first in importance is that "land taxation" failed because George was a poor political strategist, ultimately as the result of weaknesses in his personality. George set up a model for its promotion that ended in "land taxation" being "left standing at the gate" (2008: 37). The secondary view is that other reformers retreated from "land taxation" because they realized the enormity of the task of carrying it through. Here is the first explanation:

Less extreme reformers, including many inspired by George's writings, wanted the government at least to operate monopolies and basic infrastructure. Despite endorsing this position, George refused to join forces whose agendas included policies besides land taxation. He opposed socialist ownership of capital and even refrained from advocating industrial and financial reforms. George's intolerance in rejecting these reforms helped push his single tax advocacy to the outer periphery of the political spectrum. (2008: 5)

Here is the second explanation:

This narrow focus isolated George from reformers who came to view the land tax as being so sharp a challenge to the propertyed interests that they turned to more readily achievable public regulation and more general tax reforms. Most of these policies in fact were achieved within half a century, while advocacy for land taxation has been declining steadily for over a hundred years. The land's rental income has now been largely freed from the tax collector (to be taken by bankers and other mortgage lenders, to be sure), shifting the fiscal burden from property to labor via taxes on consumption and wage income. (2008: 4)

Clearly, both explanations can stand independently of each other. This passage suggests that it was the failure of other reformers to support George's sharp and persistent focus on "land taxation," their
calculated rejection in fact of a connection with such a seemingly impossible reform, that has by now left his cause and the world in such disarray.

As Hudson suggests (2008: 36), George was of the "martyr" type, declaring "what is right for the world." That, it seems, was too hard a message to absorb and, in the so-called Progressive Era, the United States soon forgot Henry George and moved instead into an era of many-faceted protests and activism that had every appearance of setting things straight.

While it is perhaps not directly relevant to the present article, it may be pointed out as a postscript that Georgism at present finds itself at a crossroads. At issue is really the public ownership of land. Those who believe that George argued for public ownership of land have little trouble in arguing for a closer relationship between Georgism and socialism. But in fact, as A Perplexed Philosopher (George [1892] 1965) shows in Book I, Chapters IV and V, George came to be very far indeed from accepting the public ownership of, or joint rights in, land.

Notes
1. Referring to this the currency issue in the Jennings campaign, George’s son writes: "Since a young man, Henry George had advocated as the best possible money, paper issued by the general Government—paper based on the public credit" ([1900] 1930: 581). This makes Professor Hudson’s statement that he refrained by advocating financial reforms quite inexplicable.

2. George was reported in Australia to begin speeches hesitantly, probably because of "nerves!"

References


