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By Albert Jay Nock

Birth of a Great Book

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Like all those who anticipated Horace Greeley's classic advice to young men, Henry George went west for quick money and plenty of it. He had no notion of mining, but of prospecting; that is to say, his idea was not to work a mine, but to pick up mineral land, and then either sell it or have it worked on shares with somebody who would do the actual mining. In short, as he would have phrased it in later years, his idea was to make his fortune by appropriating the economic rent of natural resources, rather than by applying labor to them.

But there were too many ahead of him who had the same idea. Although the mineral region of California is as large as the British Isles, he found that these lively brethren had pre-empted every foot of it. He tried Oregon with no better luck, living meanwhile as best he could, by all sorts of expedients—farm work, tramping, storekeeping, peddling—and when he finally went back to his trade, he did it as only another makeshift, for the vision of sudden wealth still haunted him. In a letter to his sister he says that in a dream the night before he was "scooping treasure out of the earth by handfuls, almost delirious with the thoughts of what I would now be able to do, and how happy we would all be"; and he adds wistfully that he supposes he dreamed all this as starving men dream of splendid feasts, or as desert wanderers dream of brooks and fountains.

His trade kept him only very precariously, for times were not easy even then, and there was no great demand for printing or printers. He got a job with one newspaper, then with a second, where, he says, "I worked until my clothes were in rags and the toes of my shoes were out. I slept in the office and did the best I could to economize, but finally

It has been said that Henry George could not have developed his economic and social theories had he not seen the development of the West. For here was an actual laboratory in which the absorption by rent of the increasing wealth produced by labor and capital applied to natural resources was demonstrated. Here within a few short years the social maladjustment, which in Europe and on the Eastern seaboard of his own country had become so fixed as to completely obscure the cause, was being worked out before his very eyes. Here was a test tube into which land, labor and capital was poured and out of which he could see emerging the fumes of progress and poverty. It had happened before, in other places, but never so rapidly as to demonstrate cause. And never before the eyes of a researcher whose vision was clear because his soul was attuned to the experiment.

I ran in debt thirty dollars for my board bill." He left this job and went adrift again; and then, with no work, no prospects, and with but one piece of money in his pocket, he made a runaway match with a young Australian girl named Annie Fox.

They married not wisely—there is no doubt about that—but wonderfully well, for their marriage appears to have remained perfect until his death in 1897 dissolved it. Balzac called attention to a little-known truth when he said that "a great love is a masterpiece of art," and there

are probably about as few really first-rate artists in this field as in any other. Moreover, a masterpiece in this field of art must be a collaboration, and the chance of two first-rate artists finding each other is extremely small, practically a matter of pure luck. A Daphnis in any age may wander over the whole earth without meeting a Chloe, and a Cynthia may survey whole legions of men and never see a Claudius. George's meeting with his wife was almost the only piece of sheer good luck he ever had, but it was a great one. On the night of the twelfth of October, 1853, he wrote this note, and put it by her bedside for her to find next morning:

"It is twenty-three years ago to-night since we first met, I only a month or two older than Harry, and you not much older than our Jen. For twenty-three years we have been closer to each other than to anyone else in the world, and I think we esteem each other more and love each other better when we first began to love. You are now 'fat, fair and forty,' and to me the mature woman is handsomer and more lovable than the slip of a girl whom twenty-three years ago I met without knowing that my life was to be bound up with hers. We are not rich—so poor just now, in fact, that all I can give you on this anniversary is a little love-letter—but there is no one we can afford to envy, and in each other's love we have what no wealth could compensate for. And so let us go on, true and loving, trusting in Him to carry us farther who has brought us so far with so little to regret."

George kept to his trade, since nothing that looked more lucrative turned up, and after his starving-time of 1864 he began to make a little better living as a printer, though not much better, and he also began to consolidate some sort of position in San Francisco. No sooner was he fairly launched, however,



than he threw his future to the winds by enlisting in a filibustering expedition to help out the Mexican patriots who were fighting the French emperor's ill-fated scheme for setting up a vassal empire in Mexico, with the Austrian Archduke Maximilian on the throne. The expedition was a comic-opera affair, planned in a fashion that amounted to piracy, and Providence certainly stood at George's elbow when the Federal authorities put a stop to it before it got under way.

Not satisfied with this grotesque performance, George immediately went into another. He took part in organizing the Monroe League, which was to father a second crusade into Mexico. The league had an elaborate ritual which might have been got up by Gilbert and Sullivan, swearing in its members on a naked sword and the republican flag of Mexico; and Mrs. George, poor soul! was sworn in as the only woman member. One wonders what she really thought of it. The league shortly perished of inanition without having done anything, and George made no further efforts in behalf of the afflicted Mexicans.

These two incidents reveal the one defect in George's natural endowment, which in spite of his superb gifts, his prominence, and his apparent influence over a large and enthusiastic public, made him in the long run ineffectual. He was unquestionably one of the three or four great constructive statesmen of the nineteenth century, perhaps of any century—he ranks with Turgot. His character was unmatched in the whole public life of his period. He was nobly serious, grandly courageous, and so sincere as to force even his enemies, of whom he had many, to speak well of him. He had great brilliance, some wit, and the command of a fine irony; but he had absolutely no humor. He was as humorless as Oliver Cromwell, a born crusader of the Old Testament type, convinced that he had an Old Testament mission to hew Agag in pieces. All his life he had labored under the unhumorous man's inability to learn what none of us probably enjoys learning, that Truth is a cruel flirt, and must be treated accordingly. Court her abjectly and she will turn her back; feign indifference, and she will throw herself at you with a coaxing submission. Try to force an acquaintance—try to make her put on her company manners for a gen-

eral public—and she will revolt them like an ugly termagant; let her take her own way and her own time, and she will show all her fascinations to every one who has eyes to see them.

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George now committed himself to newspaper work, moving from paper to paper in all kinds of capacities, from typesetter to editor and part owner, and by 1868 he had become prosperous enough to start a bank account. His editorial career was very spirited; he was in one row or another all the time, and while it may be said that in his treatment of State and local grievances he was on the popular side, he always lost. He made things lively for the Associated Press news monopoly, but though he got an anti-monopoly bill through the legislature, all that happened was that the monopoly broke his paper. He fought the Wells-Fargo express monopoly, and lost again—too much money against him. He attacked the Central Pacific's subsidies, and ran for the Assembly as a Democrat on that issue, but again there was too much money on the other side—the Democrats lost, the Central Pacific quickly bought up his paper, merged it with another, and George was out.

So it went. Every turn of public affairs brought up the old haunting questions. Even here in California he was now seeing symptoms of the same inequality that had oppressed him in New York. "Bonanza kings" were coming to the front, and four ex-shopkeepers of Sacramento, Stanford, Crocker, Huntington, and Hopkins, were laying up immense fortunes out of the Central Pacific. The railway was bringing in population and commodities, which everybody thought was a good thing all round, yet wages were going down, exactly as the old printer in Philadelphia had said, and the masses were growing worse off instead of better.

About this matter of wages, George had had other testimony besides the old printer's. On his way to Oregon a dozen years before, he fell in

with a lot of miners who were talking about the Chinese, and ventured to ask what harm the Chinese were doing as long as they worked only the cheap diggings. "No harm now," one of the miners said, "but wages will not always be as high as they are today in California. As the country grows, as people come in, wages will go down, and some day or other white people will be glad to get those diggings that the Chinamen are working." George said that this idea, coming on top of what the printer had said, made a great impression on him—the idea that "as the country grew in all that we are hoping that it might grow, the condition of those who had to work for their living must become, not better, but worse." Yet in the short space of a dozen years this was precisely what was taking place before his own eyes.

Still, though his two great questions became more and more pressing, he could not answer them. His thought was still inchoate. He went around and around his ultimate answer, like somebody fumbling after something on a table in the dark, often actually touching it without being aware that it was what he was after. Finally it came to him in a burst of true Cromwellian or Pauline drama out of "the commonplace reply of a passing teamster to a commonplace question." One day in 1871 he went for a horseback ride, and as he stopped to rest his horse on a rise overlooking San Francisco Bay—

"I asked a passing teamster, for want of something better to say, what land was worth there. He pointed to some cows grazing so far off that they looked like mice, and said, 'I don't know exactly, but there is a man over there who will sell some land for a thousand dollars an acre.' Like a flash it came over me that there was the reason of advancing poverty with advancing wealth. With the growth of population, land grows in value, and the men who work it must pay more for the privilege."

Yes, there it was. Why had wages suddenly shot up so high in California in 1849 that cooks in the restaurants of San Francisco got \$500 a month? The reason now was simple and clear. It was because the placer mines were found on land that did not belong to anybody. Any one could go to them and work them without having to pay an owner for the privilege. If the lands had been



owned by somebody, it would have been land-values instead of wages that would have so suddenly shot up.

Exactly this was what had taken place on these grazing lands overlooking San Francisco Bay. The Central Pacific meant to make its terminus at Oakland, the increased population would need the land around Oakland to settle on, and land values had jumped up to a thousand dollars an acre. Naturally, then, George reasoned, the more public improvements there were, the better the transportation facilities, the larger the population, the more industry and commerce—the more of everything that makes for “prosperity”—the more would land values tend to rise, and the more would wages and interest tend to fall.

George rode home thoughtful, translating the teamster's commonplace reply into the technical terms of economics. He reasoned that there are three factors in the production of wealth, and only three: natural resources, labor, and capital. When natural resources are unappropriated, obviously the whole yield of production is divided into wages, which go to labor, and interest, which goes to capital. But when they are appropriated, production has to carry a third charge—rent. Moreover, wages and interest, when there is no rent, are regulated strictly by free competition; but rent is a monop-

oly-charge, and hence is always “all the traffic will bear.”

Well, then, since natural, resource values are purely social in their origin, created by the community, should not rent go to the community rather than to the individual? Why tax industry and enterprise at all—why not just charge rent? There would be no need to interfere with the private ownership of natural resources. Let a man own all of them he can get his hands on, and make as much out of them as he may, untaxed; but let him pay the community their annual rental value, determined simply by what other people would be willing to pay for the use of the same holdings. George could see justification for wages and interest, on the ground of natural right; and for private ownership of natural resources, on the ground of public policy; but he could see none for the private appropriation of economic rent. In his view it was sheer theft. If he was right, then it also followed that as long as economic rent remains unconfiscated, the taxation of industry and enterprise is pure highwaymanry, especially tariff taxation, for this virtually delegates the government's taxing power to private persons.

George worked out these ideas in a tentative way in a forty-eight page pamphlet with the title, “Our Land and Land Policy, National and

State,” which did not reach many readers, but added something to his reputation as a tribune of the people. The subject mulled in his mind through five years of newspaper work, at the end of which he lost his paper and was once more on the ragged edge. He had begun a magazine article on the cause of industrial depressions, but was dissatisfied with it—one could do nothing with the topic in so little space. What was needed was a solid treatise which would recast the whole science of political economy.

He felt that he could write this treatise, but how were he and his family to live meanwhile? He had used his influence on the Democratic side in the last State campaign, and had been particularly instrumental in selecting the governor; so he wrote to Governor Irwin, asking him “to give me a place where there was little to do and something to get, so that I could devote myself to some important writing.” The governor gave him the State inspectorship of gas meters, which was a moderately well-paid job, and a sinecure. This was in January, 1876; and in March, 1879, he finished the manuscript of a book entitled “Progress and Poverty; An Inquiry into the Cause of Industrial Depressions, and of Increase of Want with Increase of Wealth; The Remedy.