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If Henry George Were Writing Today

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I

ROM the beginning of the 19th century until after the Civil war, great land fortunes were being built up in our rapidly growing American cities. During the second third of the century the tremendous expansion of railroads was being encouraged by huge land grants. Then and later franchises for street railways and other local utilities were being given outright by city governments or bartered for a pittance. Exploitation of natural resources—coal, lumber, oil, and the rest—was becoming widespread.

Henry George was a product of the 19th century and a witness of the injustice and hardships to the many resulting from the usurpation of "the good earth" and of the natural monopolies by the few. With a keen, inquiring mind—untrammeled and also unaided by academic instruction, but cultivated by reading, by wide foreign travel, and by economic experience of great variety—he set himself the task of unraveling the tangle of progress and poverty. His

innate sympathy with the sufferings of others was intensified by his own bitter privations, which had persisted in spite of his tireless energy and outstanding ability.

Henry George was living in California at the time when the western frontiers were disappearing, being swallowed up in land grants to special interests. He declared in 1871:

"Beginning with the Civil War period, a policy of dissipation of the public lands commenced, and so great have been the various kinds of grants, especially to the railroads, up to 1870, that, continuing at the same rate, all the available arable land will be given away by 1890. To a single railroad —the Northern Pacific,—25,600 acres have been given for the building of each mile of road . . . In California . . . free lands should be plentiful, yet the notorious fact is that so reckless has been the land policy that the immigrant in 1870 has, as a general thing, to pay a charge to middlemen before he can begin to cultivate the soil. Already individuals hold thousands and thousands of acres apiece. Across many of these estates a strong horse cannot gallop in a day, and one might travel for miles and miles over fertile ground where no plow has ever struck, but which is all owned, and on which no settler can come to make himself a home, unless he pay such a tribute as the lord of the domain may choose to exact."

When George visited New York in the winter of 1868-9 the great land fortunes of the Astors, Goelets, Rhinelanders, and Schermerhorns had already been built up. In many instances land titles had been secured in a fraudulent manner. Once the property was obtained, the holders needed to do nothing but sit tight while the alchemy of the rapidly growing metropolis magically transformed their holdings into great wealth.2 Side by side with these giant fortunes were such evidences of widesoread squalor and misery that Henry George made a vow to himself to discover the answer to the riddle of why poverty accompanies wealth in advancing civilization.

One day after his return to California, while riding a mustang pony in the Oakland foothills and gazing over the broad acres, a flash of inspiration came to him and he recognized that the seat of the evil was the "monopoly of the land, the locking up of the storehouse of nature." Out of this revelation was born the single-tax doctrine which was destined to create world-wide interest and to arouse fervent intensity of devotion in its adherents.

It was essentially a simple doctrine. Titles to land were ill-gotten in the first place. Second, ground rents and increase of land values were attributable to community development and to the expenditures of government and not to any services rendered by landowners as such. Third, private ownership of land resulted in a privileged class able to exploit the masses and to live in idleness through the toil of others. Abolish

private exploitation of land by taxing away all the economic rent and by freeing from taxation all improvements and other labor products. This was the simple formula which would germinate a millenium. Out of the evil of land exploitation most others sprang. Destroy it, and the attendant economic ills would disappear. Henry George looked around him and saw everywhere, in the mistaken land policy of the United States, evidence to support his theory.

II

The world changes, century by century, and decade by decade. Open avenues to privilege in one generation may become congested in another. Human greed is opportunistic, and social science must be pragmatic. Mankind has lost much by burning the bodies of its prophets; it has often lost even more by embalming their words as universal and unchangeable truths.

Had Henry George been born a halfcentury later, he would have lived amidst a new set of economic conditions; he would have seen new forms of exploitation, and it is doutbful that he would have formulated his single-tax doctrine. Collection of the economic rent as a major source of public revenues might have been advocated as an essential, but not sole, element in a comprehensive scheme of taxation aiming to reach all privilege and anti-social wealth rather than merely one instance of it; for the author of Progress and Poverty, if writing today, could not fail to recognize the fact that conspicuous fortunes in the 20th century derive less than formerly from land ownership.

The economic world which would now confront Henry George is a very differ-

Henry George, Jr., op. cit., p. 220.

From Summary of "Our Land and Labor Policy, National and State," contained in *The Life of Henry George*, by Henry George, Jr., (New York: Robert

Schalkenbach Foundation, 1931), pp. 220-1.

² Gustavus Myers, History of the Great American Fortunes (Pasadena: Kerr Co., 1910), Pt. II.

ent world from the one he so keenly analyzed 50 years or more ago. True to his predictions, before the end of the 19th century practically all available arable land had been given away. As a result, land grants had largely run their course. Moreover, franchises began to be less liberally bartered than in the old days, when the unscrupulous use of greenbacks could stimulate a legislature or city council to dispense these favors on most liberal terms. Though public utilities are still something of a dark continent, the 20th century finds them forced more and more into the light of publicity and subjected to continually increasing regu-The railroads, the economic tyrants of George's time, have been greatly curbed by government and by forms of competition then unknown.

Speculation in city real estate, a phase of the land problem which greatly troubled Henry George, though not so obsolete as land grants nor so subjected to regulation as the utilities and the railroads, yet also shows signs of mitigation. Real estate boom periods are part of the growing pains of a new country, and as it becomes older and more stabilized they are less likely to occur. One cannot, however, forget the Florida boom of a decade ago. And it is significant also that dishonest flotation of "guaranteed" mortgage bonds based on inflated land values in many parts of the United States and the development of ill-planned or unneeded real estate subdivisions contributed greatly to the unearned fortunes of shrewd speculators during the boom years preceding the fall of 1929, and to the subsequent disastrous losses of innocent or foolish investors. Nor can it be doubted that such speculation was a major cause of the general collapse and of the special troubles of many industrial centers and agricultural regions during the current depression period.

Nevertheless, there are compelling reasons for believing that such speculation has permanently passed its peak. One of them is to be found in the rapid slowing up in population increase in the United States. The decennial increases in population from 1800 to 1880 fluctuated from 30.1 to 36.4%, with the exception of the Civil War decade, which marked a drop to 22.6%. For the decade ending in 1890 the rate of increase was 25.5%; in 1900 it was 20.7%; 1910, 21.0%; 1920, 14.9%; and in 1930, 16.1%. The increase of 1.2% in the last decade over that of the previous decennial period is attributable mainly to the shift in the time when the Census was taken.

The trend disclosed by these figures is the combined result of a declining birth rate and of a sharp decrease in the number of immigrants entering the country. Thompson and Whelpton predict such a slowing up of population growth in the United States that in 1980 the population will be almost at its maximum size with about 155,000,000 persons.⁴ Not only is the rate of population increase falling off, but the urbanization of the population is also proceeding at a diminishing rate, and there is a distinct trend toward suburban rather than congested city development.

These facts indicate that land speculation on the great scale of the preceding century is likely to become less and less profitable. From this it does not follow that the problem of progress and poverty is solving itself. It merely denotes a shift in emphasis. The shrewdness and selfishness of human nature make unceasing attention to our economic

⁴ Warren S. Thompson and P. K. Whelpton, "Population Trends in the United States," Recent Social Trends Monographs, 1933.

institutions necessary if social welfare is to advance. New exploiters are sure to arise with every generation. If they are born in a country where land has already been preempted, they will seek other means of mulcting their neighbors.

A significant list of current sources of personal aggrandizement, many of them not primarily dependent on land ownership or monopoly of natural resources, is the following, summarized from Stuart Chase's A New Deal:

SIXTEEN WAYS TO MAKE MONEY The creation of an artificial monopoly and the raising of prices.

The tying up of a patent or a secret process and charging all that the traffic will bear.

The ingenious overcoming of the interest rate in selling credit to the wayfaring man. The manufacturing of a useless, adulterated, or even vicious product and creating demand for it by high-pressure selling and advertising.

Creation of a demand for a product which, good in its modest way, deserves no such price or no such use as advertising blasts

out for it.

The creation of new fashions in costumes, fads, or novelties, and the astute manipulation of social pressure to market them.

The manufacture and manipulation of more or less dubious stocks and bonds and the unloading of the same upon the public by high-pressure methods.

Speculating in securities.

Speculating in land and natural resources.

Speculating in commodities.

Promotion of parasitic industries.

Graft in politics. Graft in business.

Racketeering.

Dumping surplus production abroad. Rushing blindly in to compete when excess capacity already threatens the industry.

If Henry George were writing today, is it unreasonable to suppose that he would include, as additional elements in his scheme of taxation, dependence on steeply graduated income and inheritance taxes, to the end that existing wealth may contribute adequately to the support of government, and that there may be a beneficial check on new types of exploitation which land-value taxation alone could not reach?

Great changes since George's time are evidenced not only by our shift from an agricultural to an industrial economy, by the diminishing rates of urbanization and of population increase, by increasing attention to the governmental regulation or ownership of public utilities, by the disappearance of free land, and by the devising of new means of exploitation, but also in the field of economic theory.

Although Henry George had no formal academic training, he studied carefully the writings of classical economists. Of their doctrines he accepted wholeheartedly the theory of rent and rejected just as emphatically the wagefund theory. For his opposition to the latter doctrine he gives some credit to the work of his brilliant, but less spectacular, contemporary, Francis A. Walker, who strikingly refuted the wage-fund theory in his book on The Wages Question, published in 1876, three years before the appearance of *Progress and* Poverty.

Both Walker and George denied that wages are limited by a fund created in advance by saving, and both showed that wages are paid mainly out of the products which labor concurrently pro-But George, like the classical duces. economists, recognized only three factors in production—land, labor, and capital. In his theory of distribution there was no such thing as profits apart from rent, wages, and interest. The entrepreneurs, or great business executives and manipulators, whom Walker recognized as a fourth factor of production, were largely ignored in George's system of political

economy.

In spite of this oversimplification of the economic structure, the author of *Progress and Poverty* recognized, of course, the evils of concentrated capital. For example:

"In the aggregation of large masses of capital under a common control, there is developed a new and essentially different power from that power of increase which is a general characteristic of capital and which gives rise to interest . . . Everyone knows the tyranny and rapacity with which capital when concentrated in large amounts is frequently wielded to corrupt, to rob and to destroy . . . Profits thus derived are not to be confounded with the legitimate returns of capital as an agent of production."

While economists now agree with Henry George in rejecting the wage-fund theory, few of them accept his simplified theory of distribution; and it is probable that he would present that subject somewhat differently, were he writing today. With unerring aim, however, the author of *Progress and Poverty* went to the heart of his problem when he said:

"The cause, which, in spite of the enormous increase of productive power, confines the great body of producers to the least share of the product upon which they will consent to live, is not the limitation of capital, nor yet the limitation of the powers of nature which respond to labor. As it is not, therefore, to be found in the laws which bound the production of wealth, it must be sought in the laws of distribution." 6

The realization of this truth is being forced more and more upon the world today. If our present economic system is to survive, production and consumption must be so balanced that the masses of mankind may be enabled to profit much more and to suffer far less than at present from mankind's progress toward the more abundant life.

IV

An unhopped hurdle to land-tax legislation has been the farmer's fence. In the states where land and improvements are assessed separately, the urban areas show more of their total valuation in improvements than do the rural areas. This ratio of improvement value to land value continues to mount until cities reach metropolitan size. It seems evident, therefore, that, if taxes were removed from improvements and placed wholly on the land, the property taxes of rural landowners would increase more in proportion than those of owners of urban land.

This differential against the farmer could be partly overcome by adopting Professor John R. Commons' recommendation that, in assessing farm land for taxation, fertility should be rejected in determining its value.

"His reason is that taxation should look to the future rather than to the past, and fertility is an element which the farmer must at all times maintain by his industry and his expenditure of capital. His examination leads him to the conclusion that, on the average, one-half of the value of the farmer's land rests in a value he, himself, must keep up. The tax, therefore, upon his land should be reduced 50 per cent before visible or semi-permanent elements are taken into consideration. Under any proper application of the principle of Professor Commons. the farmer's tax should rest on site value and nothing else. When this is done, the working owner will be placed upon the same plane as his city brother."7

But if rural land values were thus lowered, justice would require that urban real estate be likewise taxed only on its site value and not on improvements on or in the land or on benefit assessments paid by landowners. As a result of such rational reassessment, it seems quite certain that the tax base

⁵ Progress and Poverty, op. cit., pp. 192, 193.

⁵ Ibid., p. 154.

¹ Jackson H. Ralston, What's Wrong With Taxation?, 1932, 2nd ed., p. 136.

would be so reduced as to render the economic rent thus computed quite inadequate as the sole source of public revenues.

Another problem of the farmers is puzzling many who recognize the fundamental justice of Henry George's major According to orthodox singletax doctrine, with land no longer held out of use by monopolists or speculators, inadequately paid industrial workers could always throw up their jobs and turn to agriculture. This would mean that the farmers, many of them already impoverished by surplus production, would be constantly menaced by an army of potential competitors. Such a contingency arouses little enthusiasm from either group. As a matter of fact, this opportunity, which was considered so important in the predominantly agricultural era in which Progress and Poverty was written, would probably prove valueless to most city workers and harmful to most farmers. Surely its author, if writing today, would be a vigorous opponent of the idea that a back-to-the-land movement can solve the complex problems of an industrial civilization. He would win the support of the farmers, I believe, by showing them that a scientific system of providing public revenues would so promote prosperity and lessen taxes on labor products as to raise both urban and rural employment to the maximum and reduce burdensome tenantry and cut-throat competition to the minimum.

V

If he had lived in the 20th century, Henry George could not fail to recognize recent progress in city and regional planning and zoning, and to suggest how the rational raising of public revenues would make this important movement more effective. Especially he

would allay the fears expressed by some of our most public-spirited land planners and workers for housing betterment as to the probable effects of site-value taxation. These advocates of spaciousness in city development are very propperly concerned lest a drastic shift in the incidence of taxation should create or perpetuate needless congestion of population in our urban areas. They cite Henry George's argument that governmental collection of the economic rent would force idle land into use: and they ask whether the result would not be to negative one of the cardinal principles of modern city and regional planning-the prevention of overcrowding.

With the economic insight he possessed, and with the added knowledge he would now have of recent legal devices for controlling land uses, Henry George's reply would, I believe, make clear:

- (I) That site-value taxation for municipal revenue, by greatly reducing the cost and difficulty of land acquisition, would remove what now seems to be the economic need for congestion in land development; and the abolition of taxes on improvements would help greatly in solving the housing problem for the lower economic groups;
- (2) That, as the late Oscar H. Geiger once suggested, in discussing the effect on land use of land-value taxation, the proper phrase to apply is not that such taxation would force idle land into use, but that it would reduce the holding of good land out of use; that there would be a readjustment whereby more desirable land would come into use and submarginal land drop out of use;
- (3) That every community ought to determine for itself, through carefully drafted city planning and zoning laws, the maximum degrees of congestion it will permit in the development of pri-

vate property, and not leave such determination to the whims of selfish or short-sighted exploiters;

- (4) That a well-designed city plan does not imply the ill-balanced spaciousness induced by our present speculative practices; and that there is great economic waste in the needless spreading out of cities past miles of vacant lots with installation of street paving and utilities at public expense long in advance of a need which may never exist; and
- (5) That the lowering of land costs through site-value taxation would also have the great advantage, which every city planner ought to welcome, of enabling municipalities to acquire much more ample areas for playgrounds, school sites, and other public open spaces.

Henry George would also remind the city planners, I believe, that the social value of zoning ordinances in many cities is now largely nullified by the powerful pressure of reactionary real estate interests. Such pressure is exerted both when zoning ordinances are being drafted and in forcing subsequent amendments. Needlessly large areas are thus zoned for business and apartment house developments. Buildings are too often permitted to overcrowd the comparatively few lots on which they are erected, while much of the zoned area finds no better use than the growing of weeds, billboards, or hotdog kennels. If the principle were established that the added ground rents resulting from a zoning change would accrue to the city government, landowners would be much less likely to petition for such amendments contrary to the public interest.

VI

Had Henry George been born a half-

century later, his economic views would, I am sure, have been profoundly influenced by other subsequent inventions and trends. Among the A, B, C, D's of current knowledge, he would be aware:

- (A) That recent technological progress has vastly increased productive capacity per acre of land, whether devoted to agriculture or industry;
- (B) That structural steel and the elevator have multiplied manyfold the number of persons for whom office space or housing or hotel accommodations can be provided within the limits of existing cities;
- (C) That 20th century means of transportation and communication—the automobile, the airplane, the telephone, and the radio—have stimulated a suburban trend which is greatly increasing the acreage of habitable land in all our metropolitan regions;
- (D) That the factors just mentioned, coupled with our present ability to produce an abundance of low-cost electric current and to transmit it to regions heretofore remote, are constantly tending to lessen differentials in land values.

If the author of *Progress and Poverty* were writing today, can we doubt that he would weigh these trends in connection with our dwindling and perhaps vanishing population gains in the United States? And would not the inevitable conclusion be that, with much more land now accessible for use than an abundant life for all can possibly require, the economic rent of land as a whole will tend to diminish? For our inventions have virtually discovered a new continent of unused resources, and in a new continent ground rent is a less important economic factor than in an intensively developed region.

VII

There are still other reasons why I believe that Henry George would not expect today to be able to derive from a tax on land values alone all the revenues which could be wisely expended by our various units of government. If the economic rent of land is what is produced or producible on that land in excess of the productive capacity of any available free site and if government were to collect such economic rent, speculative land values would largely With their disappearance disappear. governmental revenues would be less than the huge sums that optimistic single-taxers often estimate. A little reflection will make this clear.

One of the most convincing arguments for site-value taxation is its wholesome discouragement of the speculative holding of land out of use. But most of the vacant land now speculatively held, if thrown on the market or taken by the government for delinquent taxes, would not produce an economic rent based on its present asking price or assessed valuation. Obviously, we cannot abolish speculative values and still collect taxes on speculative values. Hence, the economic rent actually collectible, while probably ample for the needs of municipal and county government, would be totally inadequate for the expenditures which our state and national governments ought to incur.

I say "ought to incur" because of my conviction that, if we are to attain and maintain prosperity and welfare for all, governmental spending for constructive and cultural purposes and for old age and disability pensions ought to be vastly more, rather than less, than at present.

Superfluous and socially injurious savings by individuals and corporations must be sluiced off by the government

and turned into wholesome community consumption. To accomplish this purpose the range of profitable public spending is wide and inexhaustible. Everywhere are communities that can become more convenient, safe, sanitary, and beautiful; in every state are regions that can be made more usable and accessible for production and pleasure; areas denuded of forests or subject to soil erosion or to devastation by flood that need reclamation or protection; grade crossings to be eliminated; roads that should become parkways; institutions that need modernizing; rivers that ought to be freed from the pollution of sewage and factory wastes; slums to be abolished and housing conditions to be bettered; educational, cultural, and recreational facilities that need enlarging and improving to meet the needs of an era which is banishing child labor and can provide more voluntary leisure for adults than the world has ever known.

Through these and other betterments will government—national, state, and local—enable its constituents to contribute to and enjoy a steadily rising standard of physical and intellectual life. When creative capacity remains idle, society loses in wealth much more than it saves in wages. Hence, for the nation as a whole, the net cost of these public works and services would be virtually nothing—perhaps actually less than nothing—if financed through the employment of brains, muscles, and equipment that would otherwise be unused.

And there are many things on which we shall spend less in future. As I pointed out in discussing "What Do We Want from Taxes?", in the August, 1934, Survey Graphic, we shall buy fewer penal institutions when we buy more playgrounds; fewer tuberculosis sanitoria when we have more neighborhoods

of sunny homes; fewer insane asylums when we have achieved freedom from the fear of want. In future we shall pay less for correcting errors in the building of our cities, and more for plans whereby such errors may hereafter be avoided. The whole problem of securing efficient and really serviceable national and local governments depends more than most "reformers" realize on the abolition not only of waste but of want-and of war. Had Henry George lived through the World War, he would doubtless agree with his able California disciple, Jackson H. Ralston, who stated (in 1932):

"It is highly probable that for many years to come, although land values were to be taxed to the limit, a large part of our revenues would of necessity be raised from other sources, and the reason for this is that fully 75 per cent of our national revenues are being spent for past or anticipated wars. These expenditures represent no corresponding addition to our maintenance of land values. We are therefore as to them constructing no basis upon which land value taxation can rest. We are wasting our substance and the community like the individual has to pay for such extravagance in present loss or in mortgaging the future."

VIII

Our urgent need for prosperity-producing governmental expenditures is evidenced by the fact that, if Henry George were writing today, he would have to alter very little, as applying to the 1930's, his graphic description of the tragic sufferings and injustices of the 1870's. Take these passages from *Progress and Poverty*, of for example:

"From all parts of the civilized world come complaints of industrial depressions; of labor condemned to involuntary idleness; of capital massed and wasting; of pecuniary distress among business men; of want and suffering and anxiety among the working classes. All the dull, deadening pain, all the keen, maddening anguish, that to great masses of men are involved in the words 'hard times,' afflict the world today . . . The march of invention has clothed mankind with powers of which a century ago the boldest imagination could not have dreamed. But in factories where labor-saving machinery has reached its most wonderful development, little children are at work; wherever the new forces are anything like fully utilized, large classes are maintained by charity or live on the verge of recourse to it; amid the greatest accumulations of wealth, men die of starvation, and puny infants suckle dry breasts; while everywhere the greed of gain, the worship of wealth, shows the force of the fear of want. The promised land flies before us like the mirage. The fruits of the tree of knowledge turn as we grasp them to apples of Sodom that crumble at the touch . . .

"This association of poverty with progress is the great enigma of our times. It is the central fact from which spring industrial, social, and political difficulties that perplex the world, and with which statesmanship and philanthropy and education grapple in vain. From it come the clouds that overhang the future of the most progressive and self-reliant nations. It is the riddle which the Sphinx of Fate puts to our civilization, and which not to answer is to be destroyed."

Henry George believed that in the private appropriation of natural or community-created land values, and in faulty methods of taxation, lay the major causes of all this trouble. the simple device of the single tax he was sure he had discovered the magic solution. I, too, believe that a major cause of poverty in the midst of plenty is our failure to conserve for the public benefit the resources and economic rent which nature and the community create; and that another major cause is to be found in our unscientific-and in the aggregate, inadequate—taxes. In fact, I am convinced that in a scientific system of bountiful taxation lies our only

⁸ Ibid., p. 119.

⁹ Pp. 5, 8, 10.

workable alternative to fascism or communism.

IX

For these reasons I am bold enough to believe that if Henry George were writing today he would be a tripletaxer rather than a single-taxer. This means that he would add income taxes and also inheritance taxes to land-value taxes as desirable and prosperity-producing sources of public revenues. He would, of course, use his wonderful command of the written and spoken word in opposition to the burdensome sales taxes and the strangling tax-limitation laws now being advocated by powerful but short-sighted groups of special pleaders. His pen would be controlled by no special interest except his own interest in the welfare of his fellow men and of generations yet unborn. If he were rewriting his Social Problems, he would find no reason in the events and conditions of 1935 to alter the following paragraphs published in 1883:

"So true it is that poverty does not come from the inability to produce more wealth that from every side we hear that the power to produce is in excess of the ability to find a market; that the constant fear seems to be not that too little, but that too much, will be produced. Do we not maintain a high tariff, and keep at every port a horde of Custom House officers, for fear the people of other countries will overwhelm us with their goods? Is not a great part of our machinery constantly idle? Are there not even in what we call good times, an immense number of unemployed men who would gladly be at work producing wealth if they could only get the opportunity? Do we not, even now, hear from every side, of embarrassment from the very excess of productive power, and of combinations to reduce production? . . .

"Every day passed in enforced idleness by a laborer who would gladly be at work could he find opportunity, means so much less in

the fund which creates the effective demand for other labor; every time wages are screwed down means so much reduction in the purchasing power of the workmen whose incomes are thus reduced. The paralysis which at all times wastes productive power, and which, in times of industrial depression, causes more loss than a great war, springs from the difficulty which those who would gladly satisfy their wants by their labor find in doing so. It cannot come from any natural limitation so long as human desires remain unsatisfied, and nature yet offers to man the raw material of wealth. It must come from social maladjustments which permit the monopolization of these natural opportunities, and which rob labor of its fair reward."10

\mathbf{X}

To some devoted disciples of the great prophet whose views I have been discussing, there may be much that seems presumptuous in the foregoing paper. Others will recall Henry George's own words in *Social Problems*, where he said:

"I ask no one who may read this book to accept my views. I ask him to think for himself. Whoever, laying aside prejudices and self-interests, will honestly and carefully make up his own mind as to the causes and the cure of the social evils that are so apparent, does, in that, the most important thing in his power toward their removal... 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."

And may we not recall, also, the final appeal in that great book:

"Hence it is, as Mazzini said, that it is around the standard of duty rather than around the standard of self-interest that men must rally to win the rights of man. And herein may we see the deep philosophy of Him who bade men love their neighbors as themselves.

"In that spirit, and in no other, is the power to solve social problems and carry civilization forward." 12

¹⁰ Henry George, Social Problems (New York: Robert Schalkenbach Foundation, 1934), pp. 73, 77-

¹¹ Ibid., pp. 242, 243.

¹² Ibid., p 245.

To question the adequacy of this inspiring peroration may seem not merely presumptuous, but actually sacrilegious. Nevertheless, I must suggest one thought in conclusion.

With George's belief that service, rather than self-interest, must be the main motivation of those who would lead civilization forward, I am in hearty accord. But the votes that carry the elections are cast not by leaders but by followers. To them the appeal, I believe, must be both to altruism and to self-interest. And to the overwhelming majority of the rich as well as the poor, such an appeal can with entire sincerity be made. Under a just system of taxation there could be a car in every garage and a chicken in every pot; but this would not preclude the possibility of two cars and two chickens—even five cars and five chickens—in some garages and pots.

No dead level of net incomes would be either necessary or desirable in a rational society. Enough of a spread between minimum and maximum earning power should be left to supply incentive for the mental and physical efforts which are still necessary, even with all our technological advance, to meet the needs and supply the joys of modern civilization. But such incentive does not require conditions under which the great majority of our American families receive incomes of less than \$2,000 a year, while others are collecting \$200,000 or even \$2,000,000 or more a year. May we not be optimistic enough to imagine a gradual readjustment.

through taxation and the stimulation of industry without resort to fascism or communism, to such an extent that unmerited poverty and unneeded wealth will both disappear? Suppose that the normal minimum wages of able-bodied or able-brained American adults were to range from \$3,000 to \$5,000 a year and even assume, if you will, that this would involve the inability of other American adults, whether working or loafing, to collect and retain more than \$30,000 to \$50,000 a year. Would not this income spread be sufficient incentive for all the initiative and enterprise which our 20th century civilization requires? And would not the average of happiness and security among those who now comprise our aristocracy of wealth become much greater than they could derive from "untrammeled individualism and collective irresponsibility?"

If this goal were achieved, a few monopolists, and exploiters, and gangsters would have less of this world's goods than they now try to enjoy. But the physical and spiritual advantages to all but a tiny fraction of the population would be so tremendous that a convincing appeal to the voters might be founded on the fundamental factfully realized by Henry George—that man has a mouth to fill as well as a soul to satisfy. Thus may we achieve the more speedily that happy society of which prophets and philosophers have dreamed and for which scientists and statesmen through the ages have toiled.