

HENRY GEORGE AND THE FABIANS

In 1991, Jeff Lipkis wrote an article for *Reason* magazine titled, "The Brainchild of Earnest Gentlemen: How Liberalism Went Left." In my own writing, I describe liberalism – as it emerged in the United States at least – not as a political

philosophy but as a more or less consistently centrist set of positions on public policy issues. However, Jeff Lipkis looks to Britain for the ori-

gins and meaning of liberalism. The high water mark of "traditional liberalism," he writes, was the repeal of the Corn Laws in 1846, thanks to the campaign led by **Richard Cobden** and **John Bright**. Thereafter, those who inherited the banner of liberalism focused more on the use of governmental power to secure what they argued to be "the common good."

Liberalism came to its end in the 1880s under the influence of intellectuals, such as **George Bernard Shaw**, **H.G. Wells** and the

Webbs (Sidney and Beatrice), who formed the Fabian Society to advance their idea of democratic-socialism. Jeff Lipkis acknowledges Henry George as providing the Fabians with the basis for their economic doctrine:

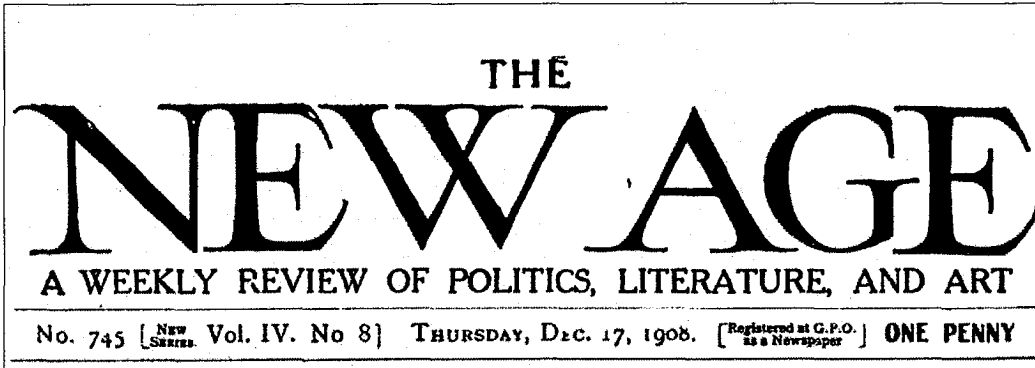
Yet, quite contrary to the teachings of Henry George, "Fabians argued that rent ... did not benefit just landowners ...; capitalists and workers also extracted their share." To achieve equality of results, they proposed to tax away "rent" from

landowners, from capitalists who receive above-average revenue, and from workers who receive above-

average wages.

George responded repeatedly to these misguided and unrealistic socialist notions of equality. Interestingly, in the early years of the twentieth century, the arguments were carried on by **Joseph Fels**, in the pages of the socialist newspaper, *The New Age*.

Even today, this makes for interesting reading. The material is available at www.cooperativeindividualism.org/fels-joseph_debate-with-socialists.html.



"Essentially, the Fabians extended the Ricardian theory of rent that American economist Henry George was popularizing. Ricardo's theory, which distinguished rent from other kinds of income, had little to do with the political philosophy of classical liberalism, but two generations of liberals had seized upon it as an effective bludgeon against their aristocratic adversaries. It appealed to their fervent belief that commerce and manufacturing were more useful occupations than landowning."