

THE RACE BETWEEN POPULATION GROWTH AND INGENUITY: HENRY GEORGE'S EARLY PERSPECTIVE

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Henry George first emerged out of obscurity in 1868 with the publication in *Overland Monthly* of his essay, "What the Railroad Will Bring Us." A quarter century of railroad building was culminating, George's observed, "in an unbroken track stretched from the Atlantic to the Pacific." This new means of transport and communication was rapidly changing the world. In George's time, the railroad was to become "the means of converting a wilderness into a populous empire in less time than many of the cathedrals and palaces of Europe were built, and in unlocking treasure vaults which will flood the world with the precious metals." Even without the railroads, thousands of miners already made their way into the Rocky Mountains in search of mineral riches. For nearly a generation, settlement ended at the western end of the Great Plains, leaving a vast portion of the continent alone while the California coast developed.

George predicted the vast migration of people into the West the railroads would make possible. The railroads converted distance from something measured in miles or kilometers into hours and even minutes and turned the rivers of the continent from primary pathways into obstacles for the railroad bridge builders to span. More track was put down in 1868 than in all previous years combined, reported George. And, in some respects, this was just a beginning. By 1880 the amount of freight carried by the railroads increased by over 600 percent - pulled by 18,000 locomotives over nearly 116,000 miles of track.

Another prediction George made was that not everyone would benefit by "the completion of the railroad and the consequent great increase of business and population." Demand would drive up the price of land for everyone; however, the impact would be most deeply felt by those who were not already established property owners and therefore depended on their physical labor for their income. The relatively high wages and returns to those who invested in capital goods enjoyed by Californians, generally, was not likely to continue, he warned. Some would gain. Many would fall behind.

What is somewhat difficult to understand, looking back from the perspective of our own time, is how such a relatively small number of people stretched out across an enormous continent could still experience the kind of deep poverty associated with Old World privilege-based socio-political arrangements. One can only conclude that the forces George would later describe in "Progress and Poverty" were already potently entrenched, pushed and pulled by a law of the land that worked against real equality of opportunity.

Consider, first, that the Northern states had greatly expanded industrial capacity in response to the demands for war goods to be used against the South. Add to this the almost unimaginable loss of life on both sides, and the United States would have faced at least for a time a severe labor shortage. Finally, much of the South was in ruins, its economic base dis-

rupted, its cities under military occupation and increasingly populated by impoverished ex-slaves who had escaped the plantation system but had no land of their own to farm. And yet, there was no great post-war boom. Just the opposite occurred.

One reason for the difficult post-war times was that from 1861 to 1970 roughly 2.3 million immigrants arrived in the United States, most of whom came from the Ireland and Britain. These were largely unskilled peasants or unemployed factory workers and their families. The Irish tended to stay in the East. Others from northern Europe quickly moved inland to begin farming or settling in the growing cities such as Cincinnati, St. Louis, Milwaukee and Chicago.

There was literally no room for these new arrivals in the cities. The sections of the cities where they were able to find any housing and work offered hellish conditions. This was particularly the case in the cities and "those industries where the proportion of foreign-born workers was highest - the meat-packing, iron and steel, and mining industries."

Up until the 1840's the East expanded along its inland waterways - natural and manmade: the Hudson River, the Great Lakes, the Ohio River, the vast Mississippi, and the network of canals constructed at enormous cost. Canal companies even managed for a time to obtain various protections from railroad competition. But railroads opened land to settlement that had previously been bypassed because of the difficulty getting agricultural products to market. Historian Page Smith describes the immediate change the railroads brought:

"Farmers within a radius of a hundred miles or more of a city could now ship fresh produce - milk, eggs, fruit and vegetables - to city markets. The farmer was thus disposed to specialize, to raise cash crops in sufficient quantity to make it practical to ship them to city markets. Dairy farms and one-crop farms thus began to replace general farming. As the farmer came to depend on distant city markets, he also became vulnerable to the operations of middlemen or wholesalers, who offered the lowest possible price for his produce, and from fluctuations in demand resulting from economic cycles. The farmer thus lost a measure of his cherished independence in return for more hard money. In turn the city, guaranteed a supply of essential foods, was able to grow at an unprecedented rate."

Smith informs us that the finances for this railroad building came from British investors and the labor came in the form of Irish immigrants.

Wherever the railroad came land prices escalated. In central Illinois, for example, "Land through which the railroad passed rose in value from sixteen cents an acre to ten dollars an acre in a five-year period and a decade later to thirty dollars an acre," writes Smith. "American land was like money. Marvelously fecund in many areas, it could often be bought for a few dollars an acre and almost immediately converted into cash. (continued on page 16) □

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In many ways, its attraction was more akin to mining than to traditional farming." The city of Cincinnati, Ohio in the 1840s and into the 1850s symbolized the opportunity and prosperity of the region - its buildings new and stately, its streets clean, a majority of its citizens born in the United States. Yet, as the railroad expanded and more and more farmers planted their crops across the prairie, the structural weaknesses of the American System once again were revealed. Already, farming in the East was becoming uneconomic and large sections of agricultural land were either abandoned or passed to some other use. Eastern farmers either moved to the West or into the cities.

On the prairie, farm prices collapsed in the face of expanding international competition. Later that year George made the overland journey to Philadelphia and then on to New York, with the task of getting his new employer - the San Francisco Herald - admitted to the Associated Press. What he observed and experienced as he crossed the continent convinced him the American System was in serious trouble. Years later he recalled his astonishment over the conditions he found in New York City:

"Years ago I came to this city from the West, unknown, knowing nobody, and I saw and recognized for the first time the shocking contrast between monstrous wealth and debasing want. And here I made a vow from which I have never faltered, to seek out, and remedy, if I could, the cause that condemned little children to lead such a life as you know them to lead in the squalid districts."

Other sources (e.g., George's correspondence) may contain additional observations about what he found in other cities in which he stopped during his trip from San Francisco. His comments would certainly be interesting to read. What we know is that the agricultural recession pulled a growing number of rural families into the cities in search of employment. They were joined by and competed with immigrants for the jobs available to unskilled laborers. Few could afford to purchase homes or pay much in the way of rent. Thus, even in cities such as Cincinnati George might have seen the beginnings of overcrowded conditions, of houses being purchased by speculators and divided into small apartments and the apparently inevitable decline of previously well-cared for residential neighborhoods.

In his Pulitzer Prize-winning story of the immigrant experience, historian Oscar Handlin indicated these conditions were most pronounced in New York City, Boston and other port cities along the Atlantic coast. "In the interior cities it was less common," writes Handlin, because "there land values were not so rigid and commercial installations not such barriers to the centrifugal spread of population." It would take another generation for these interior cities to fully acquire the character of their older coastal cousins. On the Pacific coast, San Francisco was already looking more like New York or Boston than like Cincinnati or Chicago. Perhaps that was one of the things that scared Henry George most and prompted him to embark on the course of action he chose. □