CHAPTER 5

GEORGE AS POLITICAL LIBERAL

George's political outlook never entirely fitted into any of the accepted categories. He did not share some important Democratic tenets; his differences with the Republicans were considerably more marked, and he was certainly never in any formal sense a Socialist. The emphasis of his political philosophy shifted somewhat to the right between his next-to-last and final decades. Yet his career as a whole was permeated with a liberal, progressive spirit, and this flowered strongly in the seven years or so from the publication of *Progress and Poverty* until 1887.

Although he was to make three more trips to Britain, that first visit of 1881-82 sufficed to establish him as a leader of liberal thought both in England and the United States. At home his career was marked during this period by three events: the publication of his books *Social Problems* and *Protection or Free Trade,* and his New York City mayoralty campaign of 1886.

Social Problems was notable for the cognizance it took of monopolies other than landowning.

The period from the end of the Civil War into the 1880's had seen tremendous leaps in the power of industrial corporations: there were at least three reasons for this. The corporations had expanded to serve wartime procurement needs; when peace

came there was a stream of cheap immigrant labor from Europe which the industries could utilize; and lastly, it was an era of life-changing inventions. In 1876 Alexander Bell sent the first telegraph message; 1879 saw the patent for the gas (instead of steam) engine, and in 1882 Edison's electric power plant started operation—for running machines as well as for light.

The power of the railroads kept pace with that of the expanding industries: through discriminating freight charges they could make or break a business, and there were often corrupt alliances between them and politicians. This held true too of the municipal utilities: gas, electricity, water, trolley lines.

Deeply aware of these developments, George wrote for a magazine, *Leslie's Illustrated Weekly,* a series of articles which were compiled in 1883 into *Social Problems.* In this book he advocated public ownership of all "natural" monopolies—that is, enterprises such as utility or transportation lines, where geographic factors would make it a waste to have competing lines laid side by side over the same terrain.

"Businesses that are in their nature complete monopolies become properly functions of the state. . . ." he wrote; "government must manage the railroads. . . . All I have said of the railroad applies, of course, to the telegraph, the telephone, the supplying of cities with gas, water, heat and electricity."[1]

He also cited extended patent rights, banking privileges and huge combinations of businesses as unfair elements in industrial life which should be abolished—as well as the protective tariff to which he was to devote his whole next book.[2]

In all this he had a distinctive point of view, differing, of course, from the laissez-faire free enterprisers, but also from the social-minded thinkers who later were to bring in union power and the progressive income tax. He drew a line of demarcation as to *just what* government should do to correct economic injustice. He believed it should abolish inequities *at the source,* by making the special privileges and collusive arrangements illegal, and publicly controlling the natural monopolies. If these specific things were done, he thought, the laws of competition could then operate fairly, without pressure by labor or redistribution by government.

George could never complete a writing of any length without dwelling on the land question, and *Social Problems* is no exception. Among eight chapters which he added to his magazine articles before compiling them into a book, there is one called "The First Great Reform." This states flatly that "Do what we may, we can accomplish nothing real and lasting until we secure to all . . . the equal and unalienable right to the use and benefit of natural opportunities."[3]

Yet *Social Problems* expresses at its maximum George's concern with inequities other than landowning—so much so that the Socialist Henry Hyndman, his recent host in London, flattered himself that he had partly converted George to his views. This was exaggerated, for in *Progress and Poverty* government control of natural monopolies, patents, banking, etc. had already been advocated.[4] But this had been done only briefly, and it is possible that the full emphasis George now gave to such matters owed something to the spirit of his early British visits, when he lectured for the Land Nationalization Society and made no particular effort to disassociate himself from socialism.

As he had in *Progress and Poverty,* George manifested a belief in the correlation of economic and spiritual laws, and here it took the form of a preoccupation with the role of government in human affairs. It was evidently part of God's purpose, he held, that men should live in ever closer connections with each other:

"The natural progress of social development is unmistakably toward cooperation. . . . Civilization is the art of living together in closer relations. That mankind should dwell together in unity is the evident intent of the Divine mind."[5]

From this it followed that the role of government would have to expand:

"Civilization knits men more and more closely together and constantly tends to subordinate the individual to the whole, and to make more and more important social conditions. . . . It is the business of government to do for the mass of individuals those things which cannot be done, or cannot be so well done, by individual action. . . . The field in which the state may op-

erate beneficially . . . will widen with the improvement of government and the growth of public spirit."[6]

George, however, was too much of an individualist to stop here. He cautioned that *just because* the scope of government would have to enlarge, it was all the more essential to prevent superfluous bureaucracy:

"It is the more necessary to simplify government as much as possible because, with the progress of society, the functions which government must assume steadily increase . . . for this very reason we ought with the more tenacity to hold, wherever possible, to the principle that, in things which concern only themselves, the people of each political subdivision . . . shall act for themselves."[7]

What laws should be the province of which subdivisions he said was a matter into which he had not entered; but he remarked that it was "in the manifest line of civilization" for federations of nations to evolve.[8]

Lastly, the expanded government would fail in its mission unless it were conducted on a correspondingly higher plane:

"Civilization, as it progresses, *requires* a higher conscience, a keener sense of justice, a warmer brotherhood, a wider, loftier, truer public spirit. Failing these, civilizations must pass into destruction."[9]

"As the more highly organized animal cannot live unless it have a more fully developed brain than those of lower animal organizations, so the more highly organized society must perish unless it bring to the management of social affairs greater intelligence and higher moral sense. The great material advances which modern invention has enabled us to make, necessitate corresponding social and political advances. Nature knows no 'Baby Act.' We must live up to her conditions or not live at all."[10]

Two years after *Social Problems,* George produced *Protection or Free Trade.* He had started out with the prevailing belief in protectionism, but it soon struck him as illogical that a country should count itself fortunate for getting rid of more good things

than it took in. Others, too, had held protectionism to be a mistake: the Physiocrats, Tom Paine, Jefferson—and in the twentieth century, Jean Monnet's "Common Market" was to put a seal on this point of view. But no one before or after George composed such a detailed exposition of just how free trade would benefit all peoples.

As a foundation to his argument, the author considered trade in its broadest, worldwide aspect:

"The world in which we do find ourselves is not hereby adapted to intercommunication, but what it yields to man is so distributed as to compel the people of different localities to trade with each other to satisfy fully their desires. These endless diversities, in the adaptation of different parts of the earth's surface to the production of the different things required by man, show that nature has not intended man to depend for the supply of his wants upon his own production, but to exchange with his fellows."[11]

This was again a teleological concept, expressing the belief that universal natural law and economic law coincided. More specifically, it was another form of the same conviction George had stated in *Social Problems:* that it was evidently the Divine purpose that men should dwell in even greater unity. Just as in that book he had given a clear economic reason why governments had to enlarge their scope (otherwise growing industrialization would produce ever more harmful monopolies) so here too there was a basic economic reason why free trade was to be desired: it could benefit both parties to a transaction.

"In a profitable international trade the value of imports will always exceed the value of the exports that pay for them, just as in a profitable trading voyage the return cargo must exceed in value the cargo carried out. This is possible to all the nations that are parties to commerce, for in a normal trade commodities are carried from places where they are relatively cheap to places where they are relatively dear, *and their value is thus increased by the transportation, so that a cargo arrived at its destination has a higher value than on leaving the port of exportation."* (Italics supplied)[12]

After describing all the ways in which free trade was ad-

vantageous and protectionism a burden, towards the end of the book George worked in his primary theme. In Chapter 25, "The Robber Who Takes All That Is Left," he explained how just as it would do no good to a man beset by a series of thieves to drive off all but one, if this one robbed him of everything he had left, so free trade—and other reforms—would do no good as long as the land monopoly persisted. For the effect of all these measures would simply be to increase the production of wealth for the benefit of landholders—not to amend its distribution. This was the same point he had made towards the close of *Social Problems*.

In this book he is much more explicit than in the previous one in extolling the value of justly-based competition:

"Where the natural rights of all are secured, then competeition . . . can injure no one. On the contrary, it becomes the most simple, most extensive, most elastic and most refined system of cooperation that, in the present state of social development . . . we can rely on for the coordination of industry."[13]

He further says plainly that all taxes except the land tax should be abolished, giving "full play to the natural stimulus to production."[14]

And so the book gave ammunition to out-and-out free enterprisers.

Yet it contains much that can be read in a different spirit. Besides reiterating his advocacy of state ownership of public utilities and of transportation, the author wrote:

"I myself am classed as a socialist by those who denounce socialism, while those who profess socialism declare me not to be one. For my own part I neither claim or repudiate the name. . . ."[15]

And of those who would make too much of his free-enterprise counsel, he warned that sometimes "the motto *Laissez faire* has been taken as the watchword of an individualism that tends to anarchism, and so-called free traders have made 'the law of supply and demand' a stench in the nostrils of men alive to social injustice."[16]

Since the greatest emphasis of the book, however was simply

on the abolition of the tariff, it is this recommendation which should be the determinant in fixing its place in economic thought. It exerted its anti-protectionist force on the Cleveland administration which, after many years of Republican protectionism, brought in some free-trade legislation. On balance, the book belongs among the influences for economic liberalism.

During the period when George was composing *Social Problems* and the free trade book, he was becoming a nationally known figure. A lecture trip throughout the British Isles in 1884 brought him such acclaim ("I could be a social lion if I would permit it, but I won't fool with that sort of thing," he wrote to his wife) that his reputation was further enhanced in America, where there was, as there had been two years earlier, a workingmen's welcome for him at Cooper Union in New York upon his return.

This was in line with his becoming more and more a spokesman for labor. *P&P* had been serialized in *Truth,* a daily circulated among workers, and George had joined the Knights of Labor in 1883. That same year he testified before a U.S. Senate Committee on bad labor conditions, and three years later he wrote for the *North American Review* a series of articles on "Labour in Pennsylvania" revealing the oppressive policies of the coal and iron barons.

So although unexpected it was not altogether surprising when in 1886 he was asked to run for mayor of New York by the Central Labor Union.[17] This party, including Knights of Labor, trade unionists and land reformers, had orginated at a meeting of Irish immigrants sympathetic to the anti-landlord cause. Previously it had emphasized political education but in this year of the Haymarket riots, when workmen were beginning to assert themselves in widespread strikes, it turned to office-seeking.

George's candidacy was endorsed by liberal professionals —clergymen, educators, editors, lawyers—who, while sympathetic to labor, were also land reformers. Actually the rank and file of organized labor were not much concerned with George's

reform scheme. But they liked his personality and reputation and trusted him to represent their protest against unjust social conditions.

At first George was reluctant. He wanted to start work on his primer of political economy, and also to go to England. But, as he wrote the nominating committee, he saw in political action the only way to fight "that monstrous injustice which crowds families into tenement rooms and fills even our new States with tramps; that turns human beings into machines, robs childhood of joy, manhood of dignity."

More informally, to an opponent who told him "You cannot be elected, but your running will raise hell!" he replied: "You have relieved me of embarassment. I do not want the responsibility and work of the office of Mayor of New York, but I do want to raise hell!"

He sent to the committee his tentative acceptance qualified by a condition then unique in politics: that 30,000 petitions first be secured. For he thought that unless its nominee had a substantial guarantee against stark failure, the budding labor movement would only be harmed.

This stipulation was fulfilled. In the huge, many-columned basement hall of Cooper Union, where George on October 5th accepted the nomination, sheafs of petitions numbering well over 30,000 were ranged like floral offerings along the platform.

After saying he accepted because the Party claimed he was the only man on whom they could unite, he indicated that, to him, the question of industrial oppression and the landholding situation were one:

"Is it not our duty as citizens to address ourselves to the adjustment of social wrongs that force out of the world those who are called into it almost before they are here—that social wrong that forces girls upon the streets and boys into the grogshops and penitentiaries?"

The initial party platform had stressed specific demands for the regulation of working conditions, with only secondary mention of "free soil." George reversed the emphasis on these issues, giving paramountcy to the land question, so that the main

plank called for "the abolition of that system which compels men to pay their fellow creatures for the use of God's gift to all." Safety and sanitation laws, court reform and municipal ownership of railways came after. In doing this George was not "using" the labor movement, since he genuinely believed that the land question underlay working-men's problems.

His opponents were Abram Hewitt, a wealthy manufacturer and ex-congressman who was the candidate supported jointly by Tammany and a rival Democratic faction, and the Republican nominee, the young Theodore Roosevelt. The real contest, however, lay between Hewitt and George.

The campaign was one of the most memorable fought in the city. George's side had little large-scale financial support, but union men were assessed twenty-five cents, and heapings of pennies poured in from the people. His campaign sheet, *The Leader,* was staffed by volunteer editors and reporters from other dailies, though the metropolitan press, with two minor exceptions, was in opposition.

Open-air meetings attended by thousands were held at street corners all over town, with the speakers—merchants, lawyers, doctors, teachers coming from their work—succeeding each other on the rear of a truck, also graced by the candidate himself. From this came the nickname of "the tailboard campaign." George went to docks, factory yards, elevated stations, churches—addressing unionists, new immigrants, religious groups, and plain citizens at from five to eleven different places an evening. There were tumultuous meetings in great political halls.

He spoke extemporaneously, rather quietly, it is said, when he felt his audience to be in rapport with him, more oratorically when it was not. The writer, Hamlin Garland, has given this account of the impression George made, speaking in Boston earlier that year:

"His first words profoundly moved me. . . . Surprisingly calm, cold, natural and direct . . . he spoke as gifted men write, with style and arrangement. . . . This self-mastery, this grateful lucidity of utterance combined with a personal presence distinctive and dignified, reduced even his enemies to respect-

ful silence. . . . He had neither the legal swagger nor clerical cadence; he was vivid, individual, and above all, *in deadly earnest.* He was an orator by the splendor of his aspirations, by his logical sequence and climax, by the purity and heat of his flaming zeal."[18]

Hewitt, pledging himself to "save society," attacked George as a radical who set class against class, and wished to abolish private property. On the question of land taxation he asserted that it would do no good, since such "ideas of Anarchists, Nihilists, Communists, Socialists and mere theorists . . . would react with the greatest severity upon those who would depend upon their daily labor for their daily bread." By this he meant that the rich owners of buildings and other capital would be exempt from taxation.

To which George rejoined:

"Your assertion that the exemption of buildings and improvements from taxation . . . would be to the benefit of the rich and the injury of the poor, can have weight only with the ignorant. I am sorry to see propositions of this kind advanced by a man of your standing, even in the heat of a political contest. . . . You know at least enough of political economy to know that, as taught by all economists . . . taxes upon buildings and improvements must fall ultimately upon the user, not the owner."

However self-evident this may have been to an economist, it cannot have been easy to assimilate in a political campaign. When he was speaking, not writing, George expressed himself more simply:

"What is the reason that men today cannot employ themselves? If you want to know the reason why people crowd into the city and work cannot be found for them, go out into the country; see, even in our far West, men tramping for miles . . . in a vain quest for a place where they can make a home without paying blackmail to some dog in the manger."

He gave concrete instances of tenement-crowding in New York, while vacant lots were held for speculation. "That is the reason, that is the only reason why, out of the little children that are born in certain districts of this city every year, 65% die before they attain the age of five years."

The second theme that George drove away at was political bribery, which to him was enmeshed with land monopoly. Ever since his California days he had felt that political corruption sprang from economic power, which in turn was landed power. He did not accuse Hewitt of personal responsibility for this, but came close to it, referring to his opponent's "splendid home on Lexington Avenue" and "comfortable mansion in New Jersey" and saying he was "one of the rich men whose habit it is to procure place and power by feeing these politicians." However, he explained he merely meant that Hewitt was in a position to avail himself of the prevalent corrupt machine rule.

Samuel Gompers, president of the nascent American Federation of Labor, gave George his support, and the Saturday night before election organized Labor held a massive parade.[19] Thirty thousand or more unionists, holding aloft trade banners and torches, tramped ardently through a black, drenching rain to the staccato refrain, heard throughout that campaign, of "George, George—Henry George!"

But though as a result of having championed the Irish land cause he was backed by the city's Irish Catholic workers, George lost the support of the church itself, which branded him as against the institution of private property.

The Archbishop of New York, with some last-minute prodding from a Democratic politician, caused to have read in all the Roman Catholic churches the Sunday before the election, an order to oppose the so-called socialist. This cost George dearly. Hewitt was elected with 90,000 votes to George's 68,000 and to Roosevelt's 60,000.

George's sizeable vote was considered a triumph, moving to astonished comment even papers which had been against him.

"It is an extraordinary thing," said the *New York World* of November 3 "for a man without political backing, without a machine, without money or newspaper support and without any logical, fixed practical principles to have polled 67,000 votes for Mayor of this city . . . and the achievement carries with it a greater compliment to the integrity of Mr. George's character and to the aim of his life". And the *New York Times* said his vote "surprised even those who did not make the com-

mon mistake of declaring his following to be made up of cranks and Anarchists."[20]

In his election-night speech to his disheartened followers, George rang an unvanquished note:

"We have lit a fire that will never go out. We have begun a movement that, defeated and defeated and defeated, must still go on. . . . We have done in this campaign . . . more to purify politics, more toward the emancipation of labor from industrial slavery than could have been accomplished in twenty years of ordinary agitation."

Insofar as he meant by this an increased likelihood of land value taxation, he was wrong, for no such result took place. But there had been an advance in the cause of the common people from oppression. The untried labor movement was put on the map; in the next session of the state legislature, some of its claims for sweatshop and tenement relief, and for the right to join labor organizations, were met.

"No man," the Knights of Labor organ testified, "has exercised so great an influence upon the labor movement today as Henry George." But the influence was not in the direction of land reform; its American Federation of Labor founded that same year, turned to unionism as its great issue instead.

This campaign was the high mark of George's political career, and he was even talked of as a Presidential candidate for 1888. But the next year, 1887, his star went down. Against his better judgement he consented to run for Secretary of New York State on the ticket of the United Labor Party.

Even more than in the previous year was this a land-tax campaign. While in 1886 George had tolerated the support of socialists, in 1887 he adamantly opposed their attempts to make an issue out of "the class struggle." They were virtually read out of the party.[21]

In this spirit the land-reform plank was also sharply anti-tax:

"What we propose is . . . by abolishing all taxes on industry and its products, to leave to the producer the full fruits of his exertion . . . and thus throw open abundant opportunities for the employment of labor and the building up of homes." The

platform also called for government control of public utilities, labor-regulation laws, and the secret ballot.

Electorally the campaign was a fiasco. All the United Labor candidates lost, George polling in New York City little more than half as many votes as the previous year. The defection of the Socialists and increased opposition from Catholics threw into relief the fact that a party relying heavily on land reform could not win office.[22]

Bravely George contended the race had been worthwhile in bringing land principles to the attention of voters, and that victory might have pushed the question into ineffective action before it was understood.

"Our campaign has been a propaganda. . . ." he wrote. "Who is there to whom 'years have brought the philosophic mind' who looking back over his own career may not see how often what seemed at the time to be a disaster has really proved a blessing in disguise, that opportunity has come out of disappointment, and that the thing which he at the moment most strove to gain would have proved the thing which it would have been worst for him to have?"[23]

That all his thoughts were not so philosophic is shown by his writing several months later that he had not completely abandoned the possibility, desired for him by some of his followers, of running for President. But the United Labor Party was fading fast, and he soon saw the presidency would be unattainable for any third-party candidate.[24]

And as in the case of the Irish land movement, an affiliation—with Labor—that he had thought would adavnce his land-tax proposal proved to have little such effect in the end. This was a pattern which was to recur in his life.