

ALTHOUGH others have not always stated it as concisely as Henry George, the problem of explaining the existence of poverty in the midst of progress has been perplexing to economists from early times. George believed the solution lay in the equitable distribution of rent, along plans that he sketched, or at least suggested.

One of his definitions of rent is "that part of the produce which accrues to the owners of the land or other natural capabilities by virtue of their ownership." Land, also, by definition, includes "all natural materials, forces, and opportunities;" that is, anything provided by nature that is "untouched" by man. Rent, as here defined by George, includes quite a bit more than is included in the every day term.

George's reasoning regarding rent and its proper distribution is fairly clear to anyone having a knowledge of his basic axioms. To paraphrase him, man's basic right of ownership depends on the exertion of his labor, and he has not the right to labor for some advantage unless this advantage is afforded to others. As the monopoly of land, a fixed quantity, increases, more people are restrained from exerting their natural right to secure the results of their labor. This labor must be applied to the only workable resources that exist—the land. Those who hold land thus receive an unfair advantage. Those who speculate on land, waiting for high prices, in addition to gaining an unfair advantage, compound the error by forcing others, for the lack of land, into poverty. Therefore, George reasons, land should be made "common property."

By the phrase "common property" George did not mean the same thing as did the socialists. The socialist interpretation of "common property" is

that which belongs to everyone, affording to each, regardless of skill or merit, an equal share. The Georgist concept implies that land (a specifically defined object, not something vaguely called "property") belongs to everyone, and that those who are afforded the use of land must compensate the community for this otherwise unlawful monopoly. What use is made of the land is left to the individual; but whatever one may do, the fact remains that one has a right to use something that belongs to others, and must make appropriate compensation.

George suggests that there be a tax on land alone. This, he contended, is the only just tax as it takes away not what belongs to man as his just reward for labor exerted, but only that which is not exclusively his. One of his popular suggestions was the gradual increase of land tax (which, as has been pointed out, is not really a tax, but a "community collection of rent") concurrent with a decrease of all other taxes, which are, by George's reasoning, unjust. This system may be good, but in spite of George's convincing arguments, far from perfect. Too much faith seems to have been placed in the reasoning powers of ordinary mortal men.

Will not a community, in collecting rents and trying to satisfy everyone, turn into a monolithic power? Will all people work their hardest in George's ideal society, and if not, what can be done about the large percentage of those "left behind"? In the Georgist utopia will man be treated as a rational, predictable animal? Is the solution of what has developed into one of the biggest political problems to be found in merely economic ones?

The Georgist doctrine offers a hopeful suggestion rather than an ultimate solution. It is not perfect, but it may be the best solution now possible.