

Henry George and Zionism

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HENRY GEORGE published his second book, *Progress and Poverty*, in 1879, and became one of the most celebrated figures in the Western world. Not surprisingly, his ideas excited the early Zionists, who were just then beginning to come together to search for solutions to the Jewish Question.

George set forth to answer a difficult riddle: why extreme poverty should exist alongside immense wealth, despite social and technological progress. His answer appealed to millions of people, including the Zionists Emma Lazarus, Theodor Herzl, Louis Brandeis, Albert Einstein, and Franz Oppenheimer. It was an elegant answer, one that the Zionists took to heart when it was time to furnish their new home. Poverty, said George, is rooted in a primary injustice, common to all nations: the "appropriation as the property of some of that natural element on which and from which all must live." He demonstrated, with eloquent prose, how material progress itself

widens the gap between rich and poor. "Everything could go on as now," he said, "and yet the common right to land be fully recognized by appropriating rent to the common benefit." He argued thus:



The tax upon land values is, therefore, the most just and equal of all taxes. It falls only upon those who receive from society a peculiar and valuable benefit, and upon them in proportion to the benefit they receive. It is the taking by the community, for the use of the community, of that value which is the creation of the community. It is the application of the common property to common uses. When all rent is taken by taxation for the needs of the community, then will the equality ordained by Nature be attained. No citizen will have an advantage over any other citizen save as is given by his industry, skill, and intelligence; and each will obtain what he fairly earns. Then, but not till then, will labor get its full reward, and capital its natural return.

TWO YEARS AFTER the publication of *Progress and Poverty*, Zionism was spurred on by the Russian pogroms of 1881. Tsar Alexander II was assassinated by members of a revolutionary group in which Jews played a minor role, and a wave of anti-Jewish violence

was set off. The American poet Emma Lazarus, author of "The New Colossus," which adorns the base of the Statue of Liberty, declared that the only way to assure the safety of European Jews was to found a Jewish homeland in Palestine. In 1883, fifteen years before Theodor Herzl convened the first Zionist congress, she championed "Re-Nationalization, Auto-Emancipation, Repatriation — call it by what name you will" — founded the Society for the Colonization and Improvement for Eastern European Jews, and began writing on "the Jewish problem" for major journals. Her friendship with Henry George influenced her political economic thinking. Lazarus called *Progress and Poverty* "not so much a book as an event. For once prove the undisputed truth of your idea, and no person who prizes justice or common honesty can dine or sleep or read or work in peace until the monstrous wrong in which we are all accomplices be done away with."

Herzl, unlike other influential Zionists, preferred Henry George's remedy to that of the socialists, as is evident in several of his diary entries:

June 12, 1895 - Work will be a joy.... In the construction industry (whether for housing, railroads, highways, or the like) we will materially aid private enterprise.... The Society will profit only through the increase of land values. Construction is to be cheap, because building enhances the value of the land.

June 13, 1895 - Our entire youth, all those between twenty and thirty years of age, will veer away from inchoate socialistic leanings and turn to us. They will go forth as preachers to their own families and among the people — without my urging them. For the Land is to be theirs!

November 25, 1895 — A good idea of his is to levy a progressive tax on land property. Henry George!

THE FIRST ZIONIST CONGRESS of 1897 set up a Jewish National Fund for the purpose of buying land in Palestine. The Fund actually came into existence in 1901 at the Fifth Congress and was incorporated in England in 1907 as a limited liability company with the authority to finance Jewish settlements of the land it bought. Its aim was the national ownership of land, which did away with private ownership. Land bought by the JNF couldn't be resold or sublet, but was held in trusteeship and belonged to the whole nation.

Yifat Holzman-Gazit writes in *Land Expropriation in Israel: Law, Culture and Society* (Aldershot: Ashgate, 2007): The JNF "gained wide support" and was "favored as a practical means" by which to advance the objective of settling Palestine and achieving Jewish sovereignty.

A central concern underlying the rejection of private property as a strategy for nation-building was its connection to land speculation and the rise in land prices. The economy of Palestine had two characteristics that favored land speculation and the rise in land prices. It was a pre-industrial country in which land could be purchased relatively cheaply and, given the increase in immigration, resold at a profit.... Furthermore, public land ownership also corresponded to the Zionist endeavor to promote social equality through land reform. Central leaders within the Zionist movement echoed the social justice ideology of the American land reformer Henry George.... already in *Altneuland* Theodor Herzl cited Henry George's land-poverty nexus.... George's *Progress and Poverty* was translated into Hebrew... and was read not only by the dominant socialist culture within the Zionist movement, but also by middle-class Zionists.

In private correspondence with me, Professor Holzman-Gazit notes:

Franz Oppenheimer (1864-1943), an economist, sociologist and Zionist, suggested that in order to destroy the upper class monopoly of real estate, a vast cooperative effort on the part of the lower classes was needed. Following Henry George, Oppenheimer believed that agricultural producer cooperatives could lead to the highest form of human association, namely cooperative settlement (Franz Oppenheimer, *Collective Ownership and Private Ownership of Land*, 1914.)

Holzman-Gazit continues:

Herzl, who was captivated by Oppenheimer's concepts, invited him to address the Sixth Zionist Congress (1903) on his ideas of cooperative settlement as applied to the Zionist colonization in Palestine. This resulted in the establishment of an experimental cooperative settlement in Merhavia on JNF land in 1911. Though the experiment was not entirely successful, the belief that land nationalization and inherited leases contribute to the social equality of the future of the Jewish state remained valid. It also suggested that in this way the increase in the value of the land due to general development would not enrich the owner alone, but would add to the wealth of the whole community.

LOUIS BRANDEIS HELD HENRY GEORGE IN HIGH REGARD. "I find it difficult to disagree with the principles of Henry George," he wrote. "I believe in the taxation of land values only."

Albert Einstein considered himself a Zionist, although he opposed the idea of a Jewish state. In 1934, Einstein wrote two letters to George's daughter, Anna George De Mille:

I have already read Henry George's great book and really learned a great deal from it.... Men like Henry George are rare unfortunately. One cannot imagine a more beautiful combination of intellectual keenness, artistic form and fervent love of justice. Every line is written as if for our generation. The spread of these works is a really deserving cause, for our generation especially has many and important things to learn from Henry George. It almost seems to me as if you had no conception to what high degree the work of Henry George is appreciated by serious, thinking people.

In *Altneuland*, Theodor Herzl's protagonists hoped that the new social system would be applied everywhere, to cure the evil of capitalism without resorting to socialist authoritarianism. Herzl's dream was not fulfilled (he envisioned that there would be public ownership of natural resources), and Henry George, despite having been widely known, read, and discussed in the days of the early Zionists, is all but forgotten.

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