

**PACE UNIVERSITY LEFT FORUM PANEL** (from pg. 7)

Movement from a Philosophy of Freedom to a Nickel and Dime Scramble” In: *The Forgotten Legacy of Henry George*. Kenneth C. Wenzler and Thomas R. West. Waterbury, CT: Emancipation Press.

Above all, it is critical to remember that George did not conflate Capital with Land, unlike some of his contemporaries, and even more so today. Therefore, to say George was pro-capital owner is not to say he was pro-Landowner.] (4) his economic individualism rejecting a strong role for government; [Writing in *Social Problems*, albeit in 1883, before George formed a political party, George said: “It is the more necessary to simplify government as much as possible and to improve, as much as may be, what may be called the mechanics of government, because, with the progress of society, the functions which government must assume steadily increase. It is only in the infancy of society that the functions of government can be properly confined to providing for the common defense and protecting the weak against the physical power of the strong. As society develops in obedience to that law of integration and increasing complexity ... it becomes necessary in order to secure equality that other regulations should be made and enforced; and upon the primary and restrictive functions of government are superimposed what may be called cooperative functions, the refusal to assume which lead, in many cases, to the disregard of individual rights as surely as does the assumption of directive and restrictive functions not properly belonging to government.” George’s view was much more nuanced and cogent than Hudson would have us believe.] (5) his opposition to public ownership or subsidy of basic infrastructure; [See previous citation.] (6) his refusal to acknowledge interest bearing debt as the twin form of rentier income alongside ground rent; (7) the scant emphasis he placed on urban land and owner occupied land; [It’s hard to understand where this is coming from; George clearly understood the high relative value of urban vs. rural land – indeed, concentration of population created high land value in George’s view, in his theory. How could it not be thus?] (8) his endorsement of the Democratic Party’s freetrade platform [this is true and acknowledged by even many of George’s strongest supporters, though it could also be said that George’s views on free trade don’t contradict his theory, they exist outside of it, and are presumptive of Land reform already being in place]; (9) his rejection of an academic platform to elaborate rent theory [at the time, universities were already being corrupted by land-holding interests, though that is perhaps not an excuse for not trying to change the system from the inside]; (10) the narrowness of his theorizing beyond the land question [not so; besides advocating Free Trade, for better or worse, both Stephen Zarlenga (*Henry George’s Concept of Money*,

(<http://www.monetary.org/henry-georges-concept-of-money-ful/2010/12>) and the present author (*World Economics Association: A Brief History of American Paper Money, with emphasis on Georgist Perspectives*, <http://pccmconference2013.worldeconomicsassociation.org/?paper=a-brief-history-of-american-paper-money-with-emphasis-on-georgist-perspectives-scott-baker>) have writ-

ten of George’s support for monetary reform along the lines of his early-contemporary, President Lincoln, who introduced the nation’s first debt-free paper money, United States Notes]; (11) the alliance of his followers with the right wing of the political spectrum [many of whom actually came along well after George’s too-short life]; and (12) the hope that full taxation of ground rent could be achieved gradually rather than requiring a radical confrontation involving a struggle over control of government. [Point 12 is contradicted several times by George’s own writings that it was even more urgent to right the wrongs of economic impoverishment via Land monopoly than to abolish chattel slavery; George said the absence of access to land meant immediate absence of life, whereas slavery at least afforded that possibility, however curtailed. George neither called for “gradualism,” nor for compensation to landowners for a wrong perpetuated for centuries, though others of his day did].

Hudson also contradicted his negative views of George or at least emphasized George’s positive contribution so strongly, that they overshadowed George’s other alleged failings, with his own earlier video interview here: <http://democracyandclassstruggle.blogspot.com/2009/05/michael-hudson-on-economic-rent.html> - “The old man (Henry George) was right.” In this video interview, Hudson traces the classical idea that collecting economic rent “would eliminate the need to collecting any other taxes and result in the lowest labor costs in the world.” Hudson ranks George among those economists who understood this, along with J.S. Mill, Veblen, etc. (22 seconds in). Taxes on broadcasting spectrum, and ALL other income are used, Hudson said, as a “tollbooth to resources provided by nature.” Property taxes would not have gone up if property was taxed at full rental value, and all other taxes would have gone away. “Rent is conflated with earnings and profit...Rental income needs to be disaggregated from other income, which can be done by going to (the) Federal Reserve’s fund accounts and making (a) distinction between value of land and value of buildings and you’ll find land represents over half of value of property.” This is a refinement and a practicalization of Georgism, not a refutation. In this video, Hudson went on to say “(if the) original income tax (supported by Georgists of the day) did what it was intended to do and taxed the wealthiest... (the tax would fall) on the wealth, most of which took the form of Real Estate...Real Estate is the largest asset form in any modern economy...(The) original income tax fell on the wealthy. Over the last 100 years, the (continued on page 9)