

How Henry George Made History

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It's a pleasure for a historian to see that a panel posing the question "Whither the [Georgist] Movement"

includes a look at where Georgism has been. That leads me, however, to the daunting task of saying something of value in fifteen minutes or so. Historians aren't too good at supplying short answers to any kind of question, and if my reading in Georgist sources over the years is any guide, neither are Georgists. The situation reminds me of an episode that took place in New York

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speaking on the streets. One newspaper editorial noted that "if the mayor succeeds in keeping a single taxer from talking, it will undoubtedly be the most astonishing success in his career as a statesman.

I came here to talk to you about how Henry George made history. I mean that phrase in a special sense of "making" history the way somebody "makes" the headlines. That is, I want to discuss the various reasons why historians (and I mean non-Georgist historians) have considered George significant enough to write about, and how they've approached the task of interpreting his life and work. Before I go on, I should stress that my field is American history, and what I have to say will primarily consider the American context in which George worked. But a good deal of what I say here could be applied, *mutatis mutandis*, in other countries where George has been influential.

Historians have tried to find a place for Henry George in the history of American reform in three basic ways. The simplest, which has origins in George's own lifetime, has been to characterize his ideas in terms of his ostensibly eccentric personality, in short, Henry George as crank. One of the few remaining examples of this approach appears in Robert Heilbroner's enormously successful textbook on the history of economic thought, *The Worldly Philosophers*. There Heilbroner, though demonstrating a certain admiration for George as reformer and moralist, breezily describes the economist as a "semi-crackpot" and "almost-Messiah" who inhabited the "underworld" of Victorian economic thought. The crank interpretation, however, has been difficult to maintain ever since Charles Albro Barker's masterful biography of George appeared in 1955. Barker's George was a man of broad interests and high intellectual gifts, a self-taught sophisticate who could hold his own in exchanges with the likes of John Stuart Mill, Herbert Spencer, and Alfred Russell Wallace. This was Henry George as intellectual. So cosmopolitan and many-faceted was this George that one could hardly believe that he would develop, let alone promote, so simple an idea as the single tax. And indeed, Barker defended George from just that accusation. The single tax, Barker insisted, was a "derivation" from George's work, consistent with but not characteristic of his thought. Barker implied that it was George's followers, not the economist himself, who were the cranks.

The most enduring interpretation of George, however, and the easiest to square with our rather chaotic picture of the Gilded Age, is George as "prophet of unrest," one of a number of rare birds who populated the late nineteenth century radical scene. In this scenario the single tax is rather like a gaudy piece of bric-a-brac in some Victorian whatnot cabinet, where it is displayed alongside any number

of other nostrums of the day, such as Edward Bellamy's utopian-socialist Nationalism, or Henry Demarest Lloyd's Hegelian-flavored social democracy, or perhaps free silver, the agricultural subtreasury, or Ethical Culture. The assortment of prophets varies a bit from author to author, but this interpretation usually presents its subjects as transitional figures who stand between the two reform traditions that historians feel they understand best: the antebellum reformism that culminated in the abolition of slavery, then dwindled away during Reconstruction, and the Progressive-era movements that gave us twentieth-century "liberalism." Henry George appears in such accounts as something of a place holder who helps tend the flame of reform until the real achievers, the Progressives or perhaps the socialists, show up for work.

This way of making history with Henry George has the advantage for the historian of organizing a whole collection of exotic phenomena under a single, if rather forced, category. The approach has been a boon to textbook writers, who regularly dispense with George and Bellamy in the same short paragraph. The best recent expression of the "prophets of unrest" scenario, Professor John Thomas's *Alternative America*, uncovers some illuminating parallels in the careers of George, Bellamy, and Lloyd. But Thomas does so at the cost of understating the truly dramatic differences between George and the others, grouping all three of them together within a common "adversary tradition." So we have Henry George as crank, as intellectual man of the world, and as generic prophet of unrest.

If there is a single theme common to all of these interpretations, it has been historians' unwillingness to take the economist seriously when he said, as he did in *Progress and Poverty*, that the land value tax would "raise wages, increase the earnings of capital, extirpate pauperism, abolish poverty, give remunerative employment to whoever wishes it, ... lessen crime, elevate morals, and taste, and intelligence, purify government and carry civilization to yet nobler heights." The crank theory holds that George was crazy to believe this; the intellectual theory says that he was too smart to really mean it; and the prophet-of-unrest theory maintains that what really counts about George was his social critique and good intentions, not his unfortunate and somewhat embarrassing panacea.

The irony here is that these historical interpretations measure George by just the standard of social analysis that George himself was fighting in the last years of his life: the Progressive social scientists' notion that societies are highly complex, that they must be managed rather than transformed, and that sound social theory is developed by disinterested, formally-trained experts who make limited claims and avoid reference either to natural law or to moral intuition. To historians whose own professional standards constitute one variation on this line of thought, the fact that Henry George could have believed that the system of land tenure affected virtually every social relationship, or that his followers could literally regard converting to Georgism ("seeing the cat," in

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their phrase) as a religious awakening, has posed a fundamental problem of credibility that scholars have variously treated with sarcasm, evasion, or apologetics.

Yet it is not necessary to do so. The very differentness that we recognize in the nineteenth-century single taxers, their enthusiasm and their supposed monomania, are clues to a major historical transformation shift in what we recognize as credible and inspiring social thought. George did indeed envision, in Professor Thomas's phrase, an alternative America, but the tools he used in constructing his political economy were far more deeply embedded in the national culture than the German "socialism of the chair" that inspired so many Progressive social scientists.

From the evangelical Protestantism of his youth George borrowed the notion of transformative change, the idea, so fundamental to American religious culture, that one can be "born again," shifting from a state of sin to a state of grace in a single revelatory moment. From his Jacksonian political heritage George derived an ideal of social equality and the concept that natural differences of talent could not account for the enormous differences of condition that prevailed in Gilded Age America. From his study of classical political economy, George learned a sturdy, but by no means uncritical, appreciation of the market as a social arbiter, and from his travels around the world he developed an instinct for comparative social analysis.

The glue that held all this together was the Common Sense philosophy, a product of the Scottish Enlightenment that permeated most of American intellectual life in George's youth and early adulthood. In its American manifestation, Common Sense stressed that ordinary people are naturally endowed with the means to apprehend the world and discover its modes of operation; it held, as well, that the web of natural law that holds the universe together is fully internally consistent, and that Nature's law corresponds with the moral law, which all people are also equipped to understand. Common Sense was a democratic philosophy par excellence, and George never deviated, as his reform successors did, from the notion that a true political economy must, as he put it in *Progress and Poverty*, "commend itself to the perceptions of the great masses of men." Equipped with these intellectual tools, George created a powerful and accessible political economy that placed land at the nexus of all economic relations.

Progress and Poverty succeeded as well as it did in the United States not because masses of Americans suddenly developed an interest in the wages fund theory or Ricardo's theory of rent, but because the book was so appealing on a cultural level. George's work resolved in a mature synthesis some of the most troubling conflicts in nineteenth-century American culture: the clash between evangelical revelation and Enlightenment natural law; between Hamiltonian institution-building and Jeffersonian anti-statism; between the liberal ideal of personal freedom and the republican ethic of civic responsibility; between the rights of labor and the rights of capital. George achieved this synthesis mainly by

defining a realm of social property that could supply and protect social security without violating the standards of liberal property theory.

When George's followers said that they had "seen the cat," they meant that George's work had resolved artificial conflicts between fundamentally compatible ideas, and offered not merely a new policy to support, but a philosophical totality, in short, a new way of seeing the world. George's system offered, I think, the best-articulated alternative to the form of liberalism that would dominate twentieth-century reform. To me, this is how Henry George "made history." I don't have time here to consider all of the implications that might flow from thinking of George in this way. But since the subject of this panel is where Georgism's future lies, I thought it might be useful to consider briefly how its past illuminates at least the present.

For the sake of argument, let's take Bill Clinton's State of the Union claim that "the era of Big Government is over" as the symbolic endpoint of American progressive liberalism (as I'll call both the original Progressive movement and its successors in the New Deal and Great Society). How well did George anticipate the weaknesses of this model as we see them today?

The most striking characteristic of the contemporary Left, whether moderate or radical, is its incoherence, and in particular its inability to define a distinctive alternate political economy. Modern dissent can point to various social outcomes which it desires or deplores, but is much less acute when asked to describe any fundamental process inherent to capitalist economic relations that produces injustice. The virtual disappearance of functioning non-capitalist societies has made it impossible for the Left to temporize any longer over its inability to define a non-capitalist economics. More immediately relevant to American liberalism's intellectual turmoil, though, has been the decline of Keynesian economics, which carried on the anti-laissez faire impetus that began with the Progressives. Increasingly faced in recent decades with the dominance of neo-classical, neo-conservative models within economics and policy studies, liberals have either quibbled, in a very constrained fashion, over the efficiency of markets or the role of "social capital," or have abandoned economics altogether for historical accounts of exploitation that foster remedies based on compensatory, mandated social outcomes. Perhaps the closest thing to an ideological core that modern progressive movements possess is the hope that allied particular grievances, loosely held together through commitment to "diversity," can constitute an effective reform bloc.

By contrast, the most consistent single theme in Henry George's reform career was his belief that movements for social renovation must possess, and be true to, a coherent political economy. One phase of his concern is evident in *Progress and Poverty*, where George identified a specific mechanism underlying modern social distress. As a reform leader, too, George constantly warned that merely aggregating disaffected groups did not create viable movements; some larger principle must hold the movement together in the face

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of both internal and external pressures. George's famous purge of the socialists from his United Labor Party in 1887, which later historians often interpreted as a reactionary move, was grounded in this idea, as were his less well-known critiques of the Knights of Labor, the Populists, and the Bellamyites. George never solved the problem of how to keep "incongruous elements" out without narrowing his movement's base. But George did succeed in giving his program an intellectual tightness of the type which, in the last generation, has served the Right so well.

Other than intellectual purity, what could a Georgist-derived social ideology have provided that progressive liberalism did not? To me, the central contribution of Georgism was its capacity, as one prominent nineteenth-century single taxer put it, to "draw boldly and unmistakably the line between that which of right belongs to the community and that which properly belongs to the individual." Georgism confronted the question of social property head-on, suggesting that a cultural consensus regarding common needs could be built on the distinction between natural resources and other forms of property. Progressive liberalism, on the other hand, has treated the subject of public property pragmatically at best and opportunistically at worst, drawing up vaguely-defined areas of public interest and submitting them to weak, ambiguous judicial and administrative review. Whipsawed between a naive mythology of absolute property rights and an unreliable system of state intervention, Americans today possess a stunted and increasingly cynical conception of the public good. Modern social reformers are unlikely to prosper until they can articulate a more appealing rationale for social property and communal interest.

NIMBYism and the "takings" movement represent two outgrowths of our confused treatment of public property, but far more prominent in recent

years, and far more deeply involved in progressive liberalism's decline, have been questions of public finance. Here, too, George offered a path not taken. George abhorred public debt, which, he wrote, rests "upon the preposterous assumption that one generation may bind another", but, more distinctively, he also sought structural means to balance social need with public revenue. Whether the land value tax could (or can) sustain the demands of a modern society is a question I will leave to economists; my point here is that George recognized from the beginning, as few of his reform contemporaries did, that social programs are no more secure or successful than the fiscal system that pays for them. Progressive liberalism gave Americans a core of services and programs that retain at least rough support today, but the disjointed system of public finance that evolved over the twentieth century has proved to be the Achilles heel of the modern welfare state. George, sometimes accused of being a mere tinkerer with fiscal reform, in fact foresaw the dangers of disconnecting social responsibility, as represented in taxation, from social rights, as embodied in entitlements and services.

I hope it will be clear that in raising these points, I don't wish to contribute to the cult of a clairvoyant and faultless Henry George, nor to deny that the progressive-liberal model has enjoyed a long run of success and power. But I do suggest that that model has dominated our sense of social reform for so long that returning to another, well-reasoned system of reform thought can help us see other paths to social change that remain locked up in the liberal tradition.

I said earlier that in my view, Henry George made history by providing his era's best-reasoned alternative to progressive-liberal social policy. You have some history-making of your own on the agenda today, and I don't want to keep you from it. I do hope, however, that an invigorated historical interest in Henry George will aid you in your work.