

THE SOCIAL PHILOSOPHY OF HENRY GEORGE

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It hardly seems the time to talk of social philosophy at this time of the morning. However, you will be pleased to know that the social philosophy of Henry George is essentially simple. The reason is that it is a deductive science from a very simple ethical proposition. You notice I did not say a proposition about tax.

But, first, what is social philosophy? Let us say that social philosophy is an exploration of the nature and direction of society.

A. NATURAL LAW

What for George is the nature of society?

There is an old saying that man proposes but God disposes. George formulates the same idea in *The Science of Political Economy*. It is true he says that man has Will but this will

“can only affect external nature by taking advantage of natural laws, which in the very name we give them carry the implication of a higher and more constant will” (p.444).

Thus, our happiness is constrained by the nature of the world that we live in. It is a world of natural laws that are both moral and physical. We cannot alter these laws. We can, as George says, only act by “taking advantage of natural laws”. This we do by understanding and conforming to them.

A bridge will collapse or an aeroplane fall from the sky if the natural laws that govern it are not known, ignored or neglected. And, while George believes the tendency of natural law to be beneficent, at the same time it is also true that a society will never exist harmoniously and will eventually collapse if the natural laws that govern it are unheeded.

Association

Towards the end of *Progress and Poverty* (p.508) Henry George points to the natural law by which society may progress. This law is *association in equality*.

We immediately see two parts to this law: *equality* and *association*. They represent the two aspects of natural law, the moral and the physical.

Let us take association first. By nature we are social animals. We associate or co-operate. We may think of that co-operation as being co-opted or ordered about as in an army or in a factory. However, George points to another form of co-operation that is natural or spontaneous. We might describe this co-operation as that which comes from seeing and supplying a need. George argues this is the more powerful form of co-operation. In fact, broadly speaking, this is what the economy is.

This spontaneous co-operation is always evolving into an ever more intricate network. From this closer co-operation comes a quite amazing increase in productivity. Here we have a law of nature. It is called in political economy the *division of labour*.

To obtain this greater (and cheaper) productivity population must be concentrated. And this really means that how much and how cheaply you produce is very much the result of where you are. Are you close to or far from these concentrations of population?

That is, as population grows taking advantage of the division of labour and of improvements derived from it, certain sites begin to have special advantages for production. All this happens without the interpolation of government. Without getting into technicalities what we have here is another law of nature. In political economy it is called *the law of rent*.

B. THE RIGHT TO USE THE EARTH

Those who use this special land have two advantages. First, they produce more than others for the same effort. Second they hold something (here a *location*) which others do not have. We then see that, left as it is, the relationship of the members of society to the earth is unequal. Put another way, society viewed from its physical aspect is incomplete.

Society will never work happily and harmoniously while association is unequal. There is a problem here. We can call this problem *the land question*. It is an ethical problem. And it is a problem to which Henry George devoted much of his life.

Equality

We have now come to the second concept in that law of progress (progress in association). This is *equality*.

For George there is a natural right to use land - and by *land* George means the planet we live on. This right is not an institutional right for which we must be eligible. The right to use land is a human right we hold by our existence. It is a right anterior and superior to government.

This right, being anterior and superior to government, the problem for the philosopher and for government is to understand and to take advantage of this natural law of rent by which this equality in the use of land can be brought about.

First, because this right to use land is a right we share with others the right must become limited. However, the limitation to this right must be *just*. The limitation will be just if it does two things: the limitation to the right must preserve that right of use and it must ensure that it is equal.

The actual limitations we employ will vary with how we are using the earth but the constant will be the preservation and the equality of the right.

The Law of Rent

As George discovered the answer lies in the law of rent. It provides the bridge between association and equality. That law tells us that, notwithstanding the unequal result, each has made the same effort. Thus, part of the ethical answer must be that the same effort brings the same reward.

The law of rent also tells us that the differing results of this effort come from the different locations of the effort.

The more fortunate individuals receive greater assistance from other producers or from natural advantages such as more abundant soil or resources.

Since the earth is a gift no one should be allowed to obtain a greater reward than another by using it. The same thing may be said about the advantage of being in proximity to greater assistance from others. The individual should not obtain a greater reward than another by being in greater proximity to that assistance.

Some way or another, then, the advantages enjoyed by those who are privileged by having special advantages must be taken away.

This cannot be done physically. But there is a market in land. And the market itself sets a value for those special advantages. If the holder of special advantages pays for them he is in that way made equal to someone who holds land with no special advantages and who pays nothing. In this way the value of all land to the holder is reduced to the marginal land where the advantages are least.

Now what we have is a stream of revenue called land value. But since the special advantages to land are external to it, the recipient of this land value must be that which caused it.

It is clear that the advantages (and indeed any disadvantages) external to a site come either from the community or from nature.

As for natural advantages, as already said, the earth is a gift and no one should be able to get a special advantage from using it.

As for social advantages such advantages come directly from the presence and activities of the community at large which is justly entitled to their value.

To George this is the *only* ethical form of public revenue and thus the only form of revenue to which the community is entitled. And thus he comes to what we know as ‘the single tax’.

What George has done is to ‘take advantage’ of a law of nature, the law of rent, and to bring it into harmony with ethical law. In so doing Henry George solves the most serious and intractable problem of society, the unequal possession of land.

C. THE IMPLICATIONS OF GEORGE’S SOCIAL PHILOSOPHY

The ethical treatment of the law of rent and the general application of equal rights is so rich in their social implications that in the short time left only their very outlines can be sketched.

Freedom

For George’s philosophy extends beyond the land question. A just limitation to rights to produce an equal right allows to us the greatest measure of freedom that we may attain in society. It is one of George’s great achievements to point this out. In *Progress and Poverty* he writes “For Liberty means Justice, and Justice is the natural law – the law of health and symmetry and strength, of fraternity and co-operation” (p.546).

Liberty comes from Justice. It is the only form of freedom we can enjoy in society. Put another way justice, that is, equal rights, is itself freedom.

And here we might add that the equal right to use land itself is essential to freedom of movement and, thus, to freedom of assembly.

Poverty

The great social problem that started George upon his quest was his observation of the failure of astounding material progress to eliminate poverty. The root cause of poverty and indeed of oppression lay in the failure to resolve the unequal possession of land. This failure then led on to a host of other social problems.

Poverty cannot be removed by the institution of private property in land. George in *The Perplexed Philosopher* (p.2) approvingly quotes Herbert Spencer on this point from his work *Social Statics* Ch. XI.

“Equity, therefore, does not permit private property in land. For if one portion of the earth’s surface may justly become the possession of an individual ... then *other* portions of the earth’s surface may be so held; and eventually the *whole* of the earth’s surface may be so held; and our planet may thus lapse into private hands” (author’s emphasis).

Neither can poverty be resolved by charity.

Charity is not the answer. As George tells Pope Leo XIII in his Open Letter called *The Condition of Labour* “Charity is indeed a noble and beautiful virtue ... But charity must be built on justice. [Charity] cannot supercede justice” (p.92).

While governments and philanthropic organisations regarded poverty as a want of material goods, in George’s view poverty was essentially a poverty of rights. Poverty was the unequal right to land. Like a mirage it would disappear in the presence of the right to land.

Page 7.

The Future Direction of Society

As we have already seen the progress towards which mankind tends is by the increasing power of association. That increasing power of

association must enlarge rent in relation to wages. Held by the community this enlarging revenue will provide common services and much else that is useful to the personal development of its citizens.

George's teaching is this gospel of hope not a litany of complaints. That marks off George's social philosophy from Marxism and other forms of collectivism. As George perceptively says Marxism is not a theory; it is one of several "political schemes ... promulgated after the manner of political platforms" (p.197, *The Science of Political Economy*).

Nonetheless, as at the very end of *Progress and Poverty* (Bk X, Ch.4), this philosophy must necessarily have something to say about a society that fails to adapt natural laws to some ethical object. However, that subject must wait for another time.