CHAPTER 5

Henry George on Land and Land Policy

Introduction

In California, George had the opportunity to observe first-hand over a period of several years the role of land in the economic development of the state, especially in the area around San Francisco. His observations led him to theorize and write about the role of land in the economic development of the nation. His first attempt in this regard resulted in the publishing of his early work *Our Land and Land Policy* in 1871.

The misery and poverty in the Eastern parts of the United States, which had deeply saddened George, were becoming a part of the development of the younger city of San Francisco. George took it almost as a mission or a calling to find the causes of this unfortunate departure from some natural order of societal progress. He thought about the problem for some time before he found, as he believed, rather sudden, almost revelatory, clarity on the issue. As we saw earlier, that occurred while he was riding a horse in the foothills of Oakland. Although the creative, scholarly rationalization of his beliefs came significantly later, it was that experience that removed all doubt from his mind. It was the phenomenon of land monopolization, the “locking up of the storehouse of nature,” that kept...
the landless, laboring classes from rightful participation in society’s progress.

Henry George Jr. recorded that after this experience George “asked no one if he was right: he knew he was right” (George, 1900, p. 220). On March 26, 1871, at the age of 32, George sat down to formulate his theory of the issue of land and land policy as it had developed to that point. The effort resulted in a pamphlet that later became a small book.

To this point in his intellectual development, George had never heard of the Physiocrats, the économistes in France who were contemporaries of Adam Smith, nor was he aware that they had advocated the imposition of an impot unique, a single tax, which they recommended for solving the land problem. George would later insist that he had come closer to the views of Quesnay and his followers than Adam Smith had, although the latter had been personally acquainted with them. George always remembered with some delight the individual who initially informed him of the économistes and their policy proposal. This individual was “photographed” on his memory, George wrote, “for, when you have seen a truth that those around you do not see, it is one of the deepest of pleasures to hear of others who have seen it” (ibid., p. 229).

In this area George had the greatest interest, wrote most persuasively and profusely, and exerted the greatest influence on American culture and life. In examining his influence in the area of land policy, we will hopefully also illuminate how and why that influence resulted in a cultural “Georgism” and produced ardent followers properly designated “Georgists.”

At the dawn of the twentieth century, the problem of monopoly was among America’s major economic preoccupations. That period’s brazenly reckless monopolists were commonly referred to as “robber barons”; America was incensed at their callous and exploitative price gouging and abusive practices. A series of acts were legislated early in the 1900s as a response. Earlier, George had been a leading intellect in the attack on the monopolies and the monopolists; he also