The Robert Schalkenbach Foundation (RSF) is a private operating foundation, founded in 1925, to promote public awareness of the social philosophy and economic reforms advocated by famed 19th century thinker and activist, Henry George.

RSF remains true to its founding doctrine, and through efforts focused on education, communities, outreach, and publishing, works to create a world in which all people are afforded the basic necessities of life and the natural world is protected for generations to come.

**Fair Trade:**

*(noun) a partnership that builds sustainable development and international relationships by ensuring that producers in developing countries are paid a fair price for their work by companies in developed countries.*

“Trade raises your income relative to the prices you pay if you are a net buyer of importables, and lowers your income relative to the prices you pay if you are a net buyer of exportables. As a country, on average, we are net buyers of importables and net sellers of exportables.”

*Brad DeLong*
When I joined RSF two years ago, I learned a phrase familiar to many Georgists: “seeing the cat.” It refers specifically to the image of a cat hidden in “an uninteresting landscape” described in a speech by Judge James G. Maguire to New York’s Anti-Poverty Society in the 1880s. More generally, it speaks to the idea that, upon being introduced to the ideas of Henry George, a person can’t help but see their applicability almost everywhere they look.

At its heart, the RSF Digest exists to share experiences of “seeing the cat” in everyday life and to invite the reader to view their own world through eyes that can discern its distinctive shape, no matter how hidden. In this issue, for example, our authors describe their own experiences of “seeing the cat” (a moment in which RSF Director Fred Foldvary “felt the earth convulse”), and explore issues ranging from vaccine patents, to immigration, to police reform. And in early June, we’re hosting an event to celebrate the publication of Volume IV of the Annotated Works of Henry George, at which our keynote speaker – Berkley economist Brad DeLong – will help us connect George’s notions of free trade (formulated in the 19th century) to the 21st century trade environment.

In my role as Executive Director, I often have the opportunity to point the cat out to people who want or need to see it. Whether it’s a conversation with a planner from a small town struggling against trends of disinvestment, a candidate for elected office seeking an equitable way to generate revenue and support positive land uses, or a nonprofit leader hoping to cause the construction of more affordable housing, that cat is usually somewhere in our shared line of sight.

If you’re reading this, chances are you’ve got the right kind of eyes to see the cat, even if you didn’t know that phrase before today. So use them. And help others to do the same.

But remember, George’s ideas weren’t meant for passive observation. They’re meant to inspire action and inform decision making. So take what you see in Henry George’s teachings and bring it to bear in your own life. Whether you’re consuming the news or making it, George provides a truly useful lens through which to view the world.
Henry George was an American economist, social philosopher and reformer of the late 1800s. He is known chiefly for analyzing and promoting a single tax on land value, thus eliminating all other taxes. With no tax on trade, and no sales taxes and no tariffs, there would be what George called “true free trade,” resulting in a truly free and just market economy.

I became a Georgist when I attended the 1977 Libertarian Party National Convention in San Francisco. Libertarianism is the philosophy of complete freedom. This includes an economy with a pure free market, the legalization of all acts that have no harmed victims, and a peaceful foreign policy. I had been a libertarian since childhood.

At that convention there was a debate on Georgism between Land Equality and Freedom Executive Director and representative of the San Francisco Henry George School Terry Newland and Richard Ebeling, a libertarian Ph.D. student in economics. Like many libertarians, Ebeling opposed all taxes as impositions on liberty. Terry Newland agreed, except for a levy on land value, as no human being produced the land, and it did not impose a cost on the economy.

I became convinced that Newland had the better argument, and I spoke with him after the debate. He recommended that I read George’s major work, Progress and Poverty. About 2/3 into the book, I felt the earth convulse. I had been, unknowingly, in a mental fog about the human condition. After reading the publication, everything became clear. I understood the cause of poverty and all the social ills that stem from poverty. The root cause was land tenure and taxation, both solved by the single tax. Moreover, I saw that the thought of Henry George was complementary to my libertarian thinking.

I was then writing my first book, The Soul of Liberty, published in 1980, which is an examination into the moral foundations of libertarianism and its application to economic and social life. I am glad I became a Georgist during the writing of the book, and was able to include in it some of George.

I would later, in 1987, enter graduate school at George Mason University in Virginia. My term paper for macroeconomics was on the role of real estate in the business cycle. I also had classes on the Austrian economic school of thought, including the Austrian theory of the business cycle. I saw that the Georgist and Austrian theories were complementary. In 1997, my article on “The Business Cycle: A Georgist-Austrian Synthesis” was published in the American Journal of Economics and Sociology. In that article, I applied the 18-year real estate cycle that was discovered by Homer Hoyt in 1997 to predict, the depression of 2008. In 2007, I published the booklet, The Depression of 2008, updating my Geo-Austrian synthesis and forecast. I also combined Georgist and Austrian economics in my chapter, “An Austrian Theory of Spatial Land,” in The Spatial Market Process, 2012.

At George Mason, I took classes on public finance with Prof. Richard Wagner. I was introduced to the works of Spencer MacCallum on contractual communities. His grandfather, Spencer Heath, influenced by Henry George, wrote on the financing of private communities from land rent. Because of these works, I conducted my PhD dissertation on Public Goods and Private Communities, showing how homeowners associations and other contractual communities in effect financed their public goods from the generated rent. This was later published as a book. (Cont. Page 9)

I remain a Georgist because the morality and economics of Georgism are rock solid!
The push to get Americans vaccinated continues to pick up momentum. Governors and public health officials in more than 40 states have said they will meet or beat President Biden's goal of making every adult eligible for a vaccine by May 1, and at least 30 states have already started to plan for universal eligibility. But, a year ago, President Biden offered a tantalizing response to a question following up on his support for worldwide dissemination for Covid-19 vaccines.

“If the U.S. discovers a vaccine first, will you commit to sharing that technology with other countries, and will you ensure there are no patents to stand in the way of other countries and companies mass-producing those lifesaving vaccines?”

Biden was unequivocal. “It lacks any human dignity, what we’re doing,” he said of Trump’s vaccine isolationism. “So, the answer is yes, yes, yes, yes, yes. And it’s not only a good thing to do, it’s overwhelmingly in our interest to do.”

Big Pharma must have been immensely alarmed. It’s protection of intellectual property is its golden egg, something that it has guarded for decades. The notable case of Henrietta Lacks, who turned out to have a highly unusual and extremely valuable strain of cancer, led to her line of cells now being disseminated for laboratory use worldwide. Yet Henrietta, a poor black woman who gave this gift to the world never saw a penny in return. The cells even have a name – the HeLa strain. The story of their use not only became a best-selling book but also later even became a movie. The significance of the pharmaceutical industry’s practice in this regard and its implications for economics and commerce are fraught with ethical dimensions. A second-best seller grew out of this story as well, one by a notable scientist and writer, Harriett Washington.

The idea that animals, plants, or any parts of them should become property to be bought, sold, rented or employed for commercial gain in any other way is of relatively recent origin.
POLICING REFORM: A BROADER PERSPECTIVE

In the wake of George Floyd's death and Derek Chauvin's conviction for murder, the debate over whether and to what extent policing should be reformed in this country is, understandably, top-of-mind. However, the debate as currently framed shows little promise of being productive.

The debate in Congress right now centers around whether to abolish qualified police immunity. This is the immunity police now enjoy from being held personally liable for violations of constitutional rights like the right to be free from excessive force. The issue is one of accountability. Proponents of that reform -- Congressional Democrats -- argue, reasonably enough, that the lack of accountability that qualified immunity bestows on them systemically enables those who are occasionally described as rogue police to brutalize and sometimes kill members of the policed public, particularly Blacks and other people of color, all too often. But consider the charged nature of the “debate.”

Opponents of such reform -- Congressional Republicans -- raise the specter of a landscape rife with lawlessness if the power of the police is weakened. Especially useful there is the phrase “defunding the police,” weaponized to characterize the majority of would-be reformers, inaccurately, as favoring the complete elimination of policing. Meanwhile the issue of race, especially in light of the police killings of George Floyd and, more recently, of Daunte Wright and Andrew Brown, Jr., is uppermost in the minds of reformers, though not surprisingly it is not mentioned in the arguments against reform.

These dynamics of the debate remind us that policy debate these days tends to be highly polarized. Not surprisingly, the current policing reform debate therefore shows signs that it is likely to result in legislation that is minor and cosmetic at best.

It can be helpful, then, to view the issue of policing reform from a wider and, as it were, deeper perspective, one that transcends the politics of the day.

The 19th Century social reformer Henry George saw crime and the entire edifice of societal systems that exist to combat it as attributes of poverty. As such, crime, and therefore the need for policing too, would be most radically reduced by the application of George's insights on the core origins and accelerants of poverty.

Toward the end of his magnum opus Progress and Poverty, writing about the effects of the elimination of private land monopoly -- the remedy he proposed for the eradication of poverty -- he puts it this way:

"The rise of wages, the opening of opportunities for all to make an easy and comfortable living, would at once lessen and would soon eliminate from society the thieves, swindlers, and other classes of criminals who spring from the unequal distribution of wealth. Thus, the administration of the criminal law, with all its paraphernalia of policemen, detectives, prisons, and penitentiaries, would, like the administration of the civil law, cease to make such a drain upon the vital force and attention of society. We should get rid not only of many judges, bailiffs, clerks, and prison keepers, but of the great host of lawyers who are now maintained at the expense of producers; and talent now wasted in legal subtleties would be turned to higher pursuits."

Criminal justice reform has much in common with immigration reform. For one thing, you do not have to have been navigating the legal subtleties of immigration law for 27 years, as I have, to know that the greatest engine of migration is economic. Tremendous disparity between dire prospects for making a living in the place of one’s birth and much better opportunity to do so elsewhere is what most drives people, even at the risk of their lives, to migrate. George's observations remind us that in order to meaningfully reform policing, we must significantly reduce crime and in order to do that we must alleviate poverty.

None of this is to say that the alleviation of our poverty problem will eradicate all crime. As an RSF colleague has rightly noted, we may always have among us rare and avaricious fraudsters like Bernie Madoff or Elizabeth Holmes, the founder of the now-defunct Theranos, or Jeffrey Skilling, the former CEO of the now-defunct Enron. But even there, economic improvement will help. As George observes, “the sting of want and the fear of want make men admire above all things the possession of riches, and to become wealthy is to become respected, and admired, and influential. Get money -- honestly, if you can, but at any rate get money!... It is well to be honest and just, and men will commend it; but he who by fraud and injustice gets him a million dollars will have more respect, and admiration, and influence, more eye service and lip service, if not heart service, than he who refuses it.... The change I have proposed would destroy the conditions that distort impulses in themselves beneficent, and would transmute the forces which now tend to disintegrate society into forces which would tend to unite and purify it."

(Cont. Next Page)
ACCOUNTABLE TO THE PEOPLE OF THE COMMUNITY. There could still be a municipal police or county sheriff, but the main enforcement would be local. Neighborhood guards and patrols would include people trained to handle behavioral problems, like dementia and family conflicts. Much has been written about having social workers do some of what the police currently do. This would be even better with community policing.

The third basic reform involves the economy. Much crime is related to poverty and economic deprivation. Measures such as a higher minimum wage treat the symptoms of poverty instead of providing a remedy that eliminates poverty. Henry George used the term “extricate,” meaning to pull out by the roots, so that the weed does not grow back up.

Many people concerned with poverty have stated that a worker should be able to support a family with normal labor. They seek to provide governmental benefits to the poor, but their policies create poverty in the first place. What is the sense of forcibly extracting wages from a worker, and then alleviating the poverty with subsidized housing? To enable a worker to have an income that covers his basic needs, his wage needs to

RESTRICTING THE POLICE

The solution to the problem of police misconduct requires a radical restructuring, not just of the police, but also of the political and economic infrastructure that propagates social problems. The current social structure is that a mass of people, swayed by misleading propaganda, elect officials that authorize the municipal police to enforce impositions that perpetuate violence. The radical solution is to reform three basic structures: law, governance, and economics.

Social peace begins with the law. There are two types of legislation: statutes prohibiting coercive harm to others, and statutes prohibiting acts that have no invaded victims, such as laws prohibiting drugs, prostitution, gambling. Victimless crime laws create a conflict between the police and the people. When there is a victim of theft, the victim calls the police. But where there is no victim - nobody coercively harmed - the police have to search for criminals.

To enforce victimless crimes, the police rely on informers. The police also run sting operations and use decoys to lure people into crimes. The police have to invade privacy in order to find the drugs. No-knock forced entry is a logical consequence of drug laws. If the police announce themselves, users will flush the drugs down the toilet. Another harmful aspect of the war on drugs is civil forfeiture, in which the police may confiscate property merely suspected in being involved in a crime. As has been widely discussed, the enforcement of drug laws is heavily tilted against non-white minorities.

Various reforms have been proposed to reduce violent confrontations. However, unless the root of the problem is removed, reforms will ultimately not work. The remedy is to legalize all acts which have no harmed victims. If that is too radical, we can start by legalizing marijuana at the federal level, and releasing those imprisoned by its prohibition.

The second structure to reform is governance. A deep restructuring of the police requires a change in how the police are selected. Rather than having a big remote police department alienated from the people, a city or county can be divided into neighborhood districts and implement community-based policing. The residents of a neighborhood of, for example, 10,000 persons would elect a council. The council would have responsibility for local public works and security. Even if the members of neighborhood patrols and crime response do not live in the district, they would be accountable to the people of the community. There could still be a municipal police or county sheriff, but the main enforcement would be local.

Neighborhood guards and patrols would include people trained to handle behavioral problems, like dementia and family conflicts. Much has been written about having social workers do some of what the police currently do. This would be even better with community policing.

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Many people concerned with poverty have stated that a worker should be able to support a family with normal labor. They seek to provide governmental benefits to the poor, but their policies create poverty in the first place. What is the sense of forcibly extracting wages from a worker, and then alleviating the poverty with subsidized housing? To enable a worker to have an income that covers his basic needs, his wage needs to

DIRECTORS’ PERSPECTIVES (CONT.)

POLICE REFORM (CONT.)

Those unfamiliar with George’s writings will object that such projections are pie in the sky, that successful and sweeping economic reform is impossible. To those who have such objections, I would recommend reading the later chapters of Progress and Poverty and the earlier chapters wherein George lays out thinking that is both humane and clear-headed.

None of this is to say that the attempt at policing reform now being debated should be abandoned, difficult as it will be to achieve good-faith dialog let alone useful change. But in the long run, it is economic reform of the type that George envisioned that will most meaningfully address our policing problems. Without that more comprehensive approach, the odds are all too good that we will just end up rearranging the deck chairs on the Titanic.

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RESTRUCTURING THE POLICE

BY: FRED FOLDVARY

THE SOLUTION TO THE PROBLEM OF POLICE MISCONDUCT REQUIRES A RADICAL RESTRUCTURING, NOT JUST OF THE POLICE, BUT ALSO OF THE POLITICAL AND ECONOMIC INFRASTRUCTURE THAT PROPAGATES SOCIAL PROBLEMS. THE CURRENT SOCIAL STRUCTURE IS THAT A MASS OF PEOPLE, SWAYED BY MISLEADING PROPAGANDA, ELECT OFFICIALS THAT AUTHORIZE THE MUNICIPAL POLICE TO ENFORCE IMPOSITIONS THAT PERPETUATE VIOLENCE. THE RADICAL SOLUTION IS TO REFORM THREE BASIC STRUCTURES: LAW, GOVERNANCE, AND ECONOMICS.

SOCIAL PEACE BEGINS WITH THE LAW. THERE ARE TWO TYPES OF LEGISLATION: STATUTES PROHIBITING COERCIVE HARM TO OTHERS, AND STATUTES PROHIBITING ACTS THAT HAVE NO INVDED VICTIMS, SUCH AS LAWS PROHIBITING DRUGS, PROSTITUTION, GAMBLING. VICTIMLESS CRIME LAWS CREATE A CONFLICT BETWEEN THE POLICE AND THE PEOPLE. WHEN THERE IS A VICTIM OF THEFT, THE VICTIM CALLS THE POLICE. BUT WHERE THERE IS NO VICTIM - NOBODY COERCIVELY HARMED - THE POLICE HAVE TO SEARCH FOR CRIMINALS.

TO ENFORCE VICTIMLESS CRIMES, THE POLICE RELY ON INFORMERS. THE POLICE ALSO RUN STING OPERATIONS AND USE DECOYS TO LURE PEOPLE INTO CRIMES. THE POLICE HAVE TO INVADE PRIVACY IN ORDER TO FIND THE DRUGS. NO-KNOCK FORCED ENTRY IS A LOGICAL CONSEQUENCE OF DRUG LAWS. IF THE POLICE ANNOUNCE THEMSELVES, USERS WILL FLUSH THE DRUGS DOWN THE TOILET. ANOTHER HARMFUL ASPECT OF THE WAR ON DRUGS IS CIVIL FORFEITURE, IN WHICH THE POLICE MAY CONFISCATE PROPERTY MERELY SUSPECTED IN BEING INVOLVED IN A CRIME. AS HAS BEEN WIDELY DISCUSSED, THE ENFORCEMENT OF DRUG LAWS IS HEAVILY TILTED AGAINST NON-WHITE MINORITIES.

VARIOUS REFORMS HAVE BEEN PROPOSED TO REDUCE VIOLENT CONFRONTATIONS. HOWEVER, UNLESS THE ROOT OF THE PROBLEM IS REMOVED, REFORMS WILL ULTIMATELY NOT WORK. THE REMEDY IS TO LEGALIZE ALL ACTS WHICH HAVE NO HARMED VICTIMS. IF THAT IS TOO RADICAL, WE CAN START BY LEGALIZING MARIJUANA AT THE FEDERAL LEVEL, AND RELEASING THOSE IMPRISONED BY ITS PROHIBITION.

THE SECOND STRUCTURE TO REFORM IS GOVERNANCE. A DEEP RESTRUCTURING OF THE POLICE REQUIRES A CHANGE IN HOW THE POLICE ARE SELECTED. RATHER THAN HAVING A BIG REMOTE POLICE DEPARTMENT ALIENATED FROM THE PEOPLE, A CITY OR COUNTY CAN BE DIVIDED INTO NEIGHBORHOOD DISTRICTS AND IMPLEMENT COMMUNITY-BASED POLICING. THE RESIDENTS OF A NEIGHBORHOOD OF, FOR EXAMPLE, 10,000 PERSONS WOULD ELECT A COUNCIL. THE COUNCIL WOULD HAVE RESPONSIBILITY FOR LOCAL PUBLIC WORKS AND SECURITY. EVEN IF THE MEMBERS OF NEIGHBORHOOD PATROLS AND CRIME RESPONSE DO NOT LIVE IN THE DISTRICT, THEY WOULD BE ACCOUNTABLE TO THE PEOPLE OF THE COMMUNITY. THERE COULD STILL BE A MUNICIPAL POLICE OR COUNTY SHERIFF, BUT THE MAIN ENFORCEMENT WOULD BE LOCAL.

NEIGHBORHOOD GUARDS AND PATROLS WOULD INCLUDE PEOPLE TRAINED TO HANDLE BEHAVIORAL PROBLEMS, LIKE DEMENTIA AND FAMILY CONFLICTS. MUCH HAS BEEN WRITTEN ABOUT HAVING SOCIAL WORKERS DO SOME OF WHAT THE POLICE CURRENTLY DO. THIS WOULD BE EVEN BETTER WITH COMMUNITY POLICING.

THE THIRD BASIC REFORM INVOLVES THE ECONOMY. MUCH CRIME IS RELATED TO POVERTY AND ECONOMIC DEPRIVATION. MEASURES SUCH AS A HIGHER MINIMUM WAGE TREAT THE SYMPTOMS OF POVERTY INSTEAD OF PROVIDING A REMEDY THAT ELIMINATES POVERTY. HENRY GEORGE USED THE TERM “EXTRICATE,” MEANING TO PULL OUT BY THE ROOTS, SO THAT THE WEED DOES NOT GROW BACK UP.

 MANY PEOPLE CONCERNED WITH POVERTY HAVE STATED THAT A WORKER SHOULD BE ABLE TO SUPPORT A FAMILY WITH NORMAL LABOR. THEY SEEK TO PROVIDE GOVERNMENTAL BENEFITS TO THE POOR, BUT THEIR POLICIES CREATE POVERTY IN THE FIRST PLACE. WHAT IS THE SENSE OF FORCIBLY EXTRACTING WAGES FROM A WORKER, AND THEN ALLEVIATING THE POVERTY WITH SUBSIDIZED HOUSING? TO ENABLE A WORKER TO HAVE AN INCOME THAT COVERS HIS BASIC NEEDS, HIS WAGE NEEDS TO
be tax-free, including the portion of the taxes on wages paid by the employer. To have workers afford the cost of living, we need to do more than untax wages. We need to stop subsidizing the wealthy.

Many in the social justice movement talk about taxing the rich. The rich are already heavily taxed, although some do escape taxation. Instead of an elusive “fairness,” we should strive for justice. The mother of all subsidies is the generation of land rent from the public goods and welfare provided by government. Justice requires that this ground rent be divided among the people equally, either for public goods or as an individual basic income. When a worker keeps one’s full wage and also receives an equal share of the economy’s ground rent, then he should be able to afford housing, food, and other necessities.

Even with economic justice and the abolition of victimless crime laws, there will be some greedy persons who seek to steal rather than engage in honest work. There is no good substitute for what the Greek philosopher Aristotle called “virtue.” We need a culture and education that instills in people a respect for individual sovereignty. But this is not feasible so long as the law disrespects individual choice and steals honest wages. How do we prevent private theft when the government commits the legalized theft of taxing wages? We need consistency, and the three reforms proposed here will go a long way towards the social peace most of us desire.

PROTECTION OR FREE TRADE PT. 2

As the (delayed) Tax Day approaches, it is worth remembering that the income taxes coming due are largely a product of the early 20th century progressive movement to replace tariffs with income taxes. The progressives argued that tariffs were ripe for legalized corruption, in that they encouraged firms to lobby for tariff protection on their products but not on their supplies— they encouraged monopolies by inhibiting foreign firms from competing with domestic trusts. Georgists were among the prime advocates of free trade and the elimination of tariffs, and Henry George advanced two other arguments: first, that imports, rather than being seen as an “invasion,” were a proper functioning of a market which sought, better than any government could, to meet people’s needs and desires. George also noted that tariffs were almost always regressive, because collecting them on luxury goods (which were small for their value and thus easily smuggled) was prohibitively difficult, but collecting them on necessities and bulk goods was relatively easy.

Armed with these arguments and others, Georgists in congress (including Tim Johnson of Ohio, who had the entirety of Protection or Free Trade read into the Congressional record) were a key part of the movement to lower tariffs. In the modern era, where free trade is now associated with ‘global elites’ rather than being seen as a force to improve the lives of the working class, we can learn a great deal from George’s defense of true free trade, and critiques of the limited way it is so often applied.

The first and perhaps most critical lesson for free trade advocates to learn from the original Georgist success of free trade advocacy is the necessity of centering the working class in both rhetoric and policy. Where possible, trade deals should be structured in ways that are likely to raise wages or at least keep them stable while lowering prices.

BY: MATTHEW DOWNHOUR

But that can rarely be guaranteed. Thus, trade deals whose distribution impacts are likely to benefit high earners should be coupled— both rhetorically and legislatively— with increased benefits to workers. The lesson is not to repeat the 1990s— which saw the accession of China to the WTO and the signing of NAFTA occur at nearly the same time as welfare reform was putting new pressures on the unemployed and the ‘war on crime’ was devastating Black communities. When the glory days of the 1990s bubbles burst, many blamed the free trade deals for the inequality they observed and the stagnating median wages.

Free trade would likely also be more popular internationally if its advocates continued to elucidate George’s view of the relationship between protectionism and militarism. George denounced what he saw as the connection between the two— pressure for increased arms spending on the one hand benefitted the military and associated industries, and on the other increased demands for rising government revenues that could only be met by continued tariffs. Too often today, hawkishness in foreign policy and free trade evangelism go hand in hand— and thus protectionists find they can sell their solution in alliance with isolationism, which has a ready-made sympathetic audience on both the left and right. But nationalism and protectionism are not the natural results of a less interventionist foreign policy. Economic liberals today need to describe another possible world— one populated by a “league of sovereign States, settling their differences by a common tribunal and opposing no impediments to trade and travel... giving to the world a more than Roman peace.

This focus on peaceful internationalism can be one of many ways free trade liberals can find common ground with social democrats and other left-leaning groups. George's...
perspective on socialists is considerate and respectful, even as he clearly has deep disagreements with their views on government. He writes that “while there is a truth in socialism which individualists forget, there is a school of socialists who in like manner ignore the truth there is in individualism”. Despite coming out strongly in favor of individual liberty, free trade between nations, and the ability of individuals to make and profit from investments, George’s attitude towards socialists is not dismissive.

Too often liberals assume that history has conclusively shown socialism to be a failure, and that economic theory indicates that it must always be so. But, there are times when we can learn from a socialist perspective, even if our responses might differ. The socialist passion for eliminating poverty and instituting a living wage, for example, may seem to run contrary to liberal theory. However, empirical research has challenged the straightforward relationship between minimum wages and employment. Rather than simply re-emphasizing for the thousandth time the theory that a minimum wage is a ‘price floor’ that dooms people to unemployment, or that mandating health insurance will kill jobs, free market liberals would do well to offer an alternative – potentially in the shape of more universal, direct benefits to provide the same impact on poverty reduction without the same market distortions.

Another potential point of commonality with the left can come in the understanding of ‘land’ by George’s definition. Even if they do not share George’s view of land value taxation as a panacea for myriad social problems – any economic liberal would do well to note his differentiation between land and capital, and help make it legible to public understandings of economics. For George, land – those resources which are not created by individual effort but are inherent to nature – is not a tradeable good and is not an investment that rightfully earns dividends for its purchaser. While most Americans do not share this view, there is something intuitively different about land that makes people who have never given a formal thought to political economy uneasy with massive landholdings and especially foreign land ownership.

For this reason, the foreign investments most likely to arouse opposition, both internationally and at home, are in what George would call land. Ownership of plantations, mines, aquifers, and oil deposits are all more likely to provoke backlash than ownership of constructed capital. Because the supply of these goods is inelastic, rising prices for them cannot bring more land or water or copper ore into existence. Even if they cannot put into economic terms why this chafes them, people who see foreigners driving up the price or taking ownership of these resources understand at a fundamental level that it is different from the promised benefits of foreign capital investment – and they are right, even if the only terms on which they can express this idea are those of nationalism and populism.

Rather than try to undercut these claims or simply overthrow the governments making them – as the US did in Guatemala, Iran, and elsewhere during the Cold War – economic liberals should recognize this difference. Profits from land and resources, along with natural and government protected monopolies, are truly ‘rent seeking’, in the sense that they do not come from producing any real wealth for the community. When asked to explain how inequality stubbornly persists despite greater economic liberalization, free traders should be pointing directly to this ultimate cause, because that is a political struggle that can unite the interests of capital and labor, which to a liberal mind is the proper condition for political economy.

As one of George’s contemporaries, Mark Twain, noted, history does not repeat itself, but it does rhyme. The echoes of previous debates about economic liberalization and free trade can still be made out in the cacophony of current debates surrounding those topics. Protection or Free Trade continues to present lessons for how to make the liberal side of the argument attractive to both domestic and working classes by keeping the focus on the income of wage earners, working with the left where appropriate, and keeping in mind the distinction between wealth creation and rent collection. If free trade advocates can both explain the benefits of free trade effectively and ensure those benefits are distributed to a broad cross section of society, advocacy for free trade may again capture popular attention. In this vein, trade policy will cease to be a political weapon for protectionist populists to wield against a supposed global elite.
Economy can make us miss how remarkable his discoveries were. The conventional wisdom of his day (as of ours) is that poverty persists and deepens due to the increase of population, whether because wealth is viewed as being fixed in extent at any given time, in any given society, or because nature is theorized to render labor less and less productive as population grows. In order to reach his central insight, George had to see past these erroneous theories.

Perhaps more remarkable still is the train of thought that led George to his breakthrough. The way in which he formulated what might be called the Poverty Problem is key. In 1869, he had traveled on newspaper business from San Francisco, where he then lived, to New York City. While in New York, then the most developed city in the country and one of the most developed in the world, George was struck by the contrast between the trappings of immense wealth he saw there and, literally side by side with these, scenes of the most abject poverty. This clarified for him the nature of a vital question: why is it that poverty persists and deepens as civilizations advance and thereby get better and better able to produce wealth?

As in science, mathematics or engineering, so in political economy or any other field of thought: ask the right question and you are well on your way to the solution. But it was, as George sensed, a rare gift to have had clarity of mind on this subject.

How rare? Consider: Like countless millions, I have spent some time in New York City and witnessed the contrast George saw there.

Even a casual visitor to that city can still see signs of immense wealth -- the museums, the skyscrapers -- alongside those of grinding poverty -- people sleeping on the sidewalks. Beyond being appalled by it, which of us would be likely to respond to that contrast by trying to understand how it could come to be?

When George returned to California, a casual remark about high land values by a stranger in the foothills outside San Francisco caused the penny to drop. His central insight was there before him in an instant. It was the formulation of the question that gave rise to the breakthrough.

It’s a bonus that George also had the ability to expand his understanding of political economy based on his central insight, and to write eloquently enough to convey that thinking to the rest of us. I return to his writings again and again, fascinated by the insight they describe, heartened even in these dark days to contemplate the widespread human prosperity that his insights would make possible.

Let no man imagine that he has no influence. Whoever he may be, and wherever he may be placed, the man who thinks becomes a light and a power.

~ Henry George
Those of us of a Georgist persuasion regard patents on elements of nature, at least as applied in the today’s commercial world, as anathema. Natural-occurring products are the birthright of all humanity, all should share the dividends and benefits. Henry George lived and wrote, “the term land embrace[d], in short, all-natural materials, forces and opportunities, and therefore nothing that is freely supplied by nature [could] be properly classified as capital.”

Today, that definition is easily expanded; Among many elements of nature with market value are wind, water, and weather, the electromagnetic spectrum, air and sea ways, the genetic codes of all living things, and even evolving social products like language and folklore. With Henry George’s elementary notion of land comes what are labeled “gifts of nature.”

Unfortunately, these gifts are increasingly privatized, hoarded, and marketed in ways that distress many elements of the population the world over. In India, noted scientist and writer Vandana Shiva, has written many books harping on just this very theme. Most of these remedies found in nature have spread worldwide. In India, a common homeopathic medication is neme; in Africa, it is the common plant aloe; in Central and Latin America it is now panela.

In 1962 to 1965, when I was a Peace Corps Volunteer in Northern Thailand, widespread appeals were made to many of us to be on the lookout for native nostrums that American pharmaceutical companies might wish to have referred to them. No doubt, there were many right in my region, commonly known as the “Golden Triangle.” I never took the time or effort to explore any. Today, many medications are imported from countries like Thailand and India, even when American corporations hold the patents.

The irony at the moment is that the Covid-19 virus and many variants is spreading madly in India, while they don’t have the resources to manufacture and disseminate vaccines sufficiently to stem the spread.

A column recently published in The NY Times concludes with this observation:

“Last year, India and South Africa requested a waiver from World Trade Organization rules governing intellectual property for technology dealing with the pandemic. Dozens of mostly developing countries have since joined them. A handful of rich nations, including the United States, oppose the waiver, but there’s a widespread belief that if America changes its position, other countries will follow. Much of the world is waiting to see what Biden does.”

How might we address the reasons migrants leave those countries, and promote Georgist ideas as a remedy? Even President Biden stressed to would-be migrants from Central America to “stay home. Don’t leave your town.”

On a related note, how can Henry George’s hostility toward the Chinese be defended? Part of the answer to both questions might be in Congressman Maguire’s 1895 speech to Congress, which started with Chinese exclusion, and then pivoted to how George’s remedy could defang the wage problem.

These young would-be immigrants may be contributors to the “how do we save Social Security” question, if they get folded into the system. They’ve surely shown their fortitude, and the desperation of their situations in their native countries. A huge initiative to educate them, along with the rest of our young people, could turn them into part of the solution to various problems.

I agree with the last part of the article in The Week: To succeed, (Harris) will have to do what no American leader before her has done and master the politics of immigration.

But, what history has taught us is that we learn from the past (previous generations), should listen to the future (younger generations) to make positive, life-changing policies that impact today’s generation and generations to come.

“What makes someone American isn’t just blood or birth but allegiance to our founding principles and faith in the idea that anyone—from anywhere—can write the next chapter of our story.”

- President Barack Obama
Simon Winchester begins his new book, “Land: How the Hunger for Ownership Shaped the Modern World” by giving the history of the first land parcel he ever bought - 123 acres of a forested and rocky mountainside in rural New York. When English explorer Henry Hudson first visited the area in 1609, it was inhabited by thousands of members of the Mohican tribe who were living in settlements and who were, at first, welcoming of strangers. But, eventually the European arrivals began ordering those Mohicans who survived imported diseases to abandon their lands, leading them to make new homes in Wisconsin and Canada.

After a tribal remnant refused to sell the particular acreage that included the parcel that Winchester eventually came to possess, it was taken from them in exchange for $300. This became the private fiefdom of a Dutch family that eventually switched their loyalty to the British crown following a war-time surrender. The land was confiscated by Americans during the Revolutionary War, the estate was divided into some two hundred parcels, and the first title deeds were written. A family of charcoal makers was the first to take title to Winchester’s acreage, and in the 20th century it was owned by a series of hunters until Winchester took possession in 1999.

Upon taking possession of this acreage, Winchester became fascinated by the notion of landownership and how such a thing could exist, and with why so many people world-wide went to such great lengths to acquire it. In exploring these questions, he begins by recounting the history of land demarcations, the first step in establishing the concept of land ownership. Demarcation of land began with the adoption of agriculture, specifically through the discontinuity of adjacent farmers’ plowing patterns due to the contours of the landscape. These informal demarcations eventually became formalized, establishing the basis of land possession.

Winchester then skips ahead several millennia to begin telling depressing accounts of displacement, including the European settlement of indigenous land around the world, the enclosure and clearance movements that began in the 18th century, and the displacements that resulted from the conflicts in Ireland, Israel, and the Soviet Union.

However, Winchester concludes his book by describing several hopeful practices. These include “the right to roam” that now exists in Scandinavia, Scotland and other European countries, which essentially eliminates the concept of trespassing by allowing everyone to wander over any parcel of land – whether privately held or not – as long as nothing is disturbed or destroyed.

Finally, Winchester recounts the history of the land trust movement that began around the turn of the 20th century and that, he says, generated enthusiasm among followers of Henry George. Winchester praises the land trust approach as one that has been created informally, organically, and without the use of force. “If properly and fairly apportioned,” Winchester writes, “land can be the key to so many possibilities, all of them for the general benefit of those of us who live and work and have our being upon it.”

“Americans should appreciate the benefits of free trade more than most people, for we inhabit the greatest free-trade zone in the world. Michigan manufactures cars; New York provides banking; Texas pumps oil and gas. The fifty states trade freely with one another, and that helps them all enjoy great prosperity.”

Join us for a virtual book launch celebrating the release of The Annotated Works of Henry George: Protection or Free Trade (Vol. IV) at 7 p.m., Thursday, June 3, 2021. The virtual event will include a discussion of the book by its editors Alexandra W. Lough, Francis K. Peddle and William S. Peirce, and a special keynote by renowned expert in free trade, Brad DeLong.

Keynote Presenter - Brad DeLong, PhD

Brad DeLong, PhD, is a professor of economics and the Blum Center Economics Director at U.C. Berkeley. He is also an acclaimed web blogger at the Washington Center for Equitable Growth, and a fellow of the Institute for New Economic Thinking. He received his B.A. and Ph.D. from Harvard University and joined UC Berkeley as an associate professor in 1993 – becoming a full professor in 1997. DeLong served in the U.S. government as Deputy Assistant Secretary of the Treasury for Economic Policy from 1993 to 1995 and worked on the Clinton Administration’s 1993 budget. Before joining the Treasury Department, DeLong was a Danziger Associate Professor in the Department of Economics at Harvard University. He has also been a John M. Olin Fellow at the National Bureau of Economic Research, an Assistant Professor of Economics at Boston University, and a Lecturer in the Department of Economics at M.I.T. DeLong is perhaps best known for his 2012 paper “Fiscal Policy in a Depressed Economy”—a work that has played a major part in persuading the Biden Administration to ‘go big’. He is also well known for, “The Scary Debate Over Secular Stagnation”, which expounds on top concerns from economists like John A. Hobson, Alvin Hansen and Larry Summers.