

Wealth vs. Poverty

Henry George



OVERVIEW

Henry George, economist and reformer, was widely known for his ideas for a “single tax” and for his work *Progress and Poverty* (1879). He continued to expound his theories on the growing inequality between the rich and the poor, and his articles were collected in book form in 1883. Excerpts from one of the chapters appear here.

GUIDED READING As you read, consider the following questions:

- What does George view as the cause of poverty?
 - How can it appear that the country produces an abundance of goods, jobs, and wealth, while in reality many people are without these things?
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THE TERMS RICH AND POOR are of course frequently used in a relative sense. Among Irish peasants, kept on the verge of starvation by the tribute wrung from them to maintain the luxury of absentee landlords in London or Paris, "the woman of three cows" will be looked on as rich, while in the society of millionaires a man with only \$500,000 will be regarded as poor. Now, we cannot, of course, all be rich in the sense of having more than others; but when people say, as they so often do, that we cannot all be rich, or when they say that we must always have the poor with us, they do not use the words in this comparative sense. They mean by the rich those who have enough, or more than enough, wealth to gratify all reasonable wants, and by the poor, those who have not.

Now, using the words in this sense, I join issue with those who say that we cannot all be rich; with those who declare that in human society the poor must always exist. . . . What I mean is, that we all might have leisure, comfort, and abundance, not merely of the necessities but even of what are now esteemed the elegancies and luxuries of life. I do not mean to say that absolute equality could be had, or would be desirable. I do not mean to say that we could all have, or would want, the same quantity of all the different forms of wealth. But I do mean to say that we might all have enough wealth to satisfy reasonable desires; that we might all have so much of the material things we now struggle for that no one would want to rob or swindle his neighbor; that no one would worry all day or lie awake at nights fearing he might be brought to poverty or thinking how he might acquire wealth. . . .

We are so accustomed to poverty that even in the most advanced countries we regard it as the natural lot of the great masses of the people; that we take it as a matter of course that even in our highest civilization large classes should

want the necessities of healthful life, and the vast majority should only get a poor and pinched living by the hardest toil. There are professors of political economy who teach that this condition of things is the result of social laws of which it is idle to complain! There are ministers of religion who preach that this is the condition which an all-wise, all-powerful Creator intended for His children! . . .

If some men have not enough to live decently, do not others have far more than they really need? If there is not wealth sufficient to go around, giving everyone abundance, is it because we have reached the limit of the production of wealth? Is our land all in use? Is our labor all employed? Is our capital all utilized? On the contrary, in whatever direction we look we see the most stupendous waste of productive forces—of productive forces so potent that were they permitted to freely play, the production of wealth would be so enormous that there would be more than a sufficiency for all. What branch of production is there in which the limit of production has been reached? What single article of wealth is there of which we might not produce enormously more?

If the mass of the population of New York are jammed into the fever-breeding rooms of tenement houses, it is not because there are not vacant lots enough in and around New York to give each family space for a separate home. If settlers are going into Montana and Dakota and Manitoba, it is not because there are not vast areas of untilled land much nearer the centers of population. If farmers are paying one-fourth, one-third, or even one-half of their crops for the privilege of getting land to cultivate, it is not because there are not, even in our oldest states, great quantities of land which no one is cultivating.

So true is it that poverty does not come from the inability to produce more wealth that from every side we hear that the power to produce is in excess of the ability to find a market; that the constant fear seems to be not that too little, but that too much, will be produced! Do we not maintain a high tariff and keep at every port a horde of customhouse officers for fear the people of other countries will overwhelm us with their goods? Is not a great part of our machinery constantly idle? Are there not, even in what we call good times, an immense number of unemployed men who would gladly be at work producing wealth if they could only get the opportunity? Do we not, even now, hear from every side of embarrassment from the very excess of productive power and of combinations to reduce production? . . .

This seeming glut of production, this seeming excess of productive power runs through all branches of industry and is evident all over the civilized world. From blackberries, bananas, or apples to ocean steamships or plate-glass mirrors, there is scarcely an article of human comfort or convenience that could not be produced in very much greater quantities than now without lessening the production of anything else.

So evident is this that many people think and talk and write as though the trouble is that there is not *work* enough to go around. We are in constant fear that other nations may do for us some of the work we might do for ourselves, and, to prevent them, guard ourselves with a tariff. We laud as public benefactors those who, as we say, "furnish employment." We are constantly talking as though this "furnishing of employment," this "giving of work" were the greatest boon that could be conferred upon society. To listen to much that is talked and much that is written, one would think that the cause of poverty is that there is not work enough for so many people and that if the Creator had made the rock harder, the soil less fertile, iron as scarce as gold, and gold as diamonds; or if ships would sink and cities burn down oftener, there would be less poverty because there would be more work to do. . . .

It is evident that this enormous waste of productive power is due, not to defects in the laws of nature but to social maladjustments which deny to labor access to the natural opportunities of labor and rob the laborer of his just reward. Evidently the glut of markets does not really come from overproduction when there are so many who want the things which are said to be overproduced and would gladly exchange their labor for them did they have opportunity. Every day passed in enforced idleness by a laborer who would gladly be at work could he find opportunity means so much less in the fund which creates the effective demand for other labor; every time wages are screwed down means so much reduction in the purchasing power of the workmen whose incomes are thus reduced.

The paralysis which at all times wastes productive power, and which in times of industrial depression causes more loss than a great war, springs from the difficulty which those who would gladly satisfy their wants by their labor find in doing so. It cannot come from any natural limitation so long as human desires remain unsatisfied and nature yet offers to man the raw material of wealth. It must come from social maladjustments which permit the monopolization of these natural opportunities, and which rob labor of its fair reward. . . .

I wish . . . to call attention to the fact that productive power in such a state of civilization as ours is sufficient, did we give it play, to so enormously increase the production of wealth as to give abundance to all—to point out that the cause of poverty is not in natural limitations, which we cannot alter, but in inequalities and injustices of distribution entirely within our control. . . .

But if we will not use the intelligence with which we have been gifted to adapt social organization to natural laws—if we allow dogs in the manger to monopolize what they cannot use; if we allow strength and cunning to rob honest labor, we must have chronic poverty and all the social evils it inevitably brings. Under such conditions there would be poverty in paradise. . . .

Consider how much brains and energy and capital are devoted, not to the production of wealth but to the grabbing of wealth. Consider the waste caused by competition which does not increase wealth; by laws which restrict

production and exchange. Consider how human power is lessened by insufficient food, by unwholesome lodgings, by work done under conditions that produce disease and shorten life. Consider how intemperance and unthrift follow poverty. Consider how the ignorance bred of poverty lessens production and how the vice bred of poverty causes destruction, and who can doubt that under conditions of social justice all might be rich?

The wealth-producing powers that would be evoked in a social state based on justice, where wealth went to the producers of wealth, and the banishment of poverty had banished the fear and greed and lusts that spring from it, we now can only faintly imagine. Wonderful as have been the discoveries and inventions of this century, it is evident that we have only begun to grasp that dominion which it is given to mind to obtain over matter. Discovery and invention are born of leisure, of material comfort, of freedom. These secured to all, and who shall say to what command over nature man may not attain?