

Justice in the City: Georgist Insights and their Limits

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The history of ideas offers many examples of “ideal” solutions to real or perceived problems which generated much initial enthusiasm but turned out to be disappointing in the end. Henry George (1839-1897) was an original thinker whose economic analyses and suggestions for reforming the taxation system should be of interest to classical liberals considering that he was a firm believer in the virtues of free markets. This is a point I elaborate upon further below. But the conviction he and his follower held that they had found *the* path toward abolishing poverty proved to be untenable. This is not to say that his ideas ought to be dismissed and, in fact, they are being rediscovered. The trend began quite a few years back in the academic community and by now the literature on Georgist idea is quite voluminous and still growing (without making any claim of this being an exhaustive list, see Backhaus 1997; Blaug 2000; Andelson 2003 and 2004; Bryson 2011; Nell 2019; see also many articles in the *American Journal of Economics and Sociology*). More recently, George’s land value tax has become an almost obligatory reference in commentaries (Bess 2018; Neklason 2019) about the extraordinary rise in the price of land in global cities such as New York, San Francisco, London, Toronto or Vancouver, where lots in practically any neighbourhood have reached prices that would have been unimaginable two or three decades ago, making the purchase of a detached house out of reach for even well-off households.¹ But this intellectual curiosity is unlikely to have much of an impact on policy-making beyond a few local initiatives.

George’s hopes of ushering in a new age of prosperity benefiting *all* citizens fairly were dashed. Even though George had many followers during his lifetime and for a few decades after his death, Georgism, as a reform movement, ended in a political failure. The main objective of this paper is to explain the origins of that failure. I discuss two of them: first, the tactical mistakes George or his followers made and the political circumstances in which they were working; second, at a more fundamental strategic level, the very nature of the project he undertook shares with all contracitarian projects aiming at an overarching and logically constructed ideal an incapacity to acknowledge and accommodate the complexity of the real world. But my perspective is not entirely negative. I want to explore some avenues for giving at least the spirit, if not the letter, of the Georgist plan a chance to produce some practical effects by following a pragmatic strategy for addressing pressing problems caused by economic rents in areas other than real estate. Accordingly, the next section provides an account of George’s analysis of the “law of rent” being the cause of poverty and of how he proposed to solve the problem by taxing land rents; a brief comparison with similar views advanced by the French economist Léon Walras suggests that

placing severe limitations on land ownership was “an idea whose time had come.” George’s proposed reform was indeed very popular in his days, but I also explore in that section the circumstantial causes of George’s inability to build on that initial popularity to radically redefine the conditions under which land is owned and used. In the subsequent section, however, I argue that the root cause of that disappointing outcome was not merely circumstantial: it can be traced back to limitations and contradictions inherent in any attempt to implement an ideal and all-encompassing social contract. Finally, I turn to potential “windows of opportunity” for building on Georgist ideas to perhaps more feasibly tackle other types of economic rents that are becoming a pressing concern, especially in the digital economy.

THE APPEAL OF GEORGE’S “REMEDY” AND ITS LIMITATIONS

George’s political project came to be known as a plan to impose a “single tax” on land value (i.e., to replace all other taxes with this unique levy). But this catchy phrase does not do justice to the subtleties and depth of the analyses he developed to justify it.² In what follows, I provide an overview of his theoretical political economy and of the obstacles he encountered in attempting to move from theory to practice.

i) *George’s Path to the Just City*

As a young journalist, Henry George was deeply affected by the effects of the poverty he witnessed during his first trip to New York in 1869. (A previous trip to India had already awakened his social conscience.) This prompted him to immerse himself in the study of political economy³ and he came to realize that his intuition about the unfairness of profits from land rents had been a running theme in the history of economic thought. The 18th century Physiocrats in France and, in 19th century Britain, David Ricardo and J. S. Mill, among others, had all inveighed against the dysfunctional effects of excessive profits from land and other natural resources.⁴ That economic agents can passively benefit from the rise in price of an asset in the production of which they played no part is a phenomenon generally known as the consequences of an “economic rent.” The most obvious but by no means the only example of economic rent is the rise in the value of land when demand for goods that require a large amount of land (agricultural food production or housing) goes up. It is important to stress that he was not concerned about increases in the price of a property brought about by improvements resulting from investment of capital and labour, but only with increases in the value of land per se. George was certainly not the first one to suggest that rent should be taxed (the 18th century Physiocrats had already suggested that the best tax would be a tax on the net rent of land [Schumpeter 1954, 238-231]). But he had more success than others in mobilizing public opinion. By contrast, as I explain below, the French economist Léon Walras’ plan for dealing with land rent was largely ignored in his own times and is rarely evoked today.

Contemporary economists are almost unanimous in condemning economic rent per se, but are far more divided on its sources, and are less prone to equate it with land rent. Although there are exceptions (Arnott and Stiglitz, 1979; Foldvary 2005), most contemporary economists do not attribute any special attribute to land and consider it as one factor of production among others; land is assessed in terms of its marginal productivity, just as is the case for capital and labour which are generally considered to be far more significant factors of production.⁵ And when it comes to economic rent, the Public Choice school has rather successfully shifted the debate toward a criticism of “rent-seeking” rather than passive rent-capture. The former evokes lobbyists, the latter rentiers. Rent-seeking is an active strategy pursued by economic interests with good political connections aimed at obtaining a competitive advantage from public authorities. Regulatory “capture” (i.e., influencing regulatory agencies in such a way that they become advocates for the industries they regulate) and protective tariffs are good, but certainly not the only examples. The concepts of rent-seeking and rent-taking are not completely separable. Ricardo already had argued that what allowed landlords to charge higher rents in his days was not only their ownership of a scarce but indispensable natural resource but also the trade restrictions imposed by the “Corn Laws” for the abolition of which he actively campaigned. Nevertheless, there is a significant difference in terms of the policy remedies pro-

posed by those who are mostly concerned with rent-seeking and those who are mostly concerned with rents from property rights in natural resources. The former argue for *less* government intervention, such as the termination of the special status enjoyed by certain economic actors; the latter, by contrast, expect a *positive* intervention from government, such as a heavy tax on land rent. This emphasis on government intervention is compatible with intervention in other domains or, at the very least, the possibility of widening the definition of rent to include talents, social advantages, technological progress, etc., although George himself did not follow that path. Public Choice scholars are not inclined to move from the condemnation of rent-seeking to the advocacy of increasing taxes on rent-producing assets of any kind, although James Buchanan (1986, 133-135; Block 2012) did suggest that inheritances should be fully taxed.

This contrast between the *potentially* more interventionist implications of an emphasis on the negative effects of rent capture, as opposed to simply rolling back the effects of rent-seeking, stems from differences of opinion about the significance of property rights. This tension had serious consequences for George's political project and continues to play out in practical politics because it placed him between the proverbial rock and the hard place. He offended the most conservative guardians of the established order while some socialists understood him as being sympathetic to their cause. But this was a misunderstanding because George was very much in favour of free markets, and in that respect did not radically depart from the classical liberal perspective inherent in the contemporary Public Choice literature. (Most Georgist economists share the same commitment.) Indeed, any reader of George's two major economic works, *Progress and Poverty*, and *The Science of Political Economy*, will be struck by the vigour of his advocacy of unrestrained competition, free trade, and limited government.⁶ Notwithstanding the fact that George, who never fully grasped the significance of the new marginalist paradigm advanced by Carl Menger, had some harsh words for Austrian economists, Leland Yeager (1984) has meticulously parsed George's writings and found significant "affinities" with the Austrians.⁷ For Public Choice scholars, Austrian and Georgist economists alike, the only justifiable way in which a state can raise taxes is to do so in away that is minimally harmful to the spontaneous order of the market. That is precisely what George had in mind when he proposed his "single tax" on land rent. However, as I am about to explain, the economic efficiency of the single tax does not now, and did not then, suffice to bridge the gap between defenders of limited government who accept the status quo with respect to property rights in land and the Georgist project to fundamentally alter these rights.

To understand this tension, one must realize that George's primary motivation was ethical: he wanted to find the best way to remedy poverty. The single tax was a means toward that end, but it so happened, *mirabile dictu*, that it could also be shown to be remarkably efficient from an economic point of view. Therefore, it was easier to defend in a cultural context that was a priori hostile to any attack on private property. Or, to put it in more colloquial terms, the single tax was the proverbial "stone that kills two birds." (I do not want to imply that George was cynical or opportunistic; he firmly and sincerely believed in the advantages of free markets but, again, his motivation, the cause he devoted his life to, was not the defence of free markets but the abolition of poverty.) I want to elaborate on these two interdependent themes which, interestingly, find an echo in the works of the neoclassical economist Léon Walras ([1893] 2010). But Walras was more inclined to characterize his stance on the need to address inequalities caused by the capture of land rents as a normative judgement. Walras compartmentalized his works into "pure," "applied" and "social" facets; his proposed reforms were only indirectly related to his "pure" theory of general equilibrium. George's position on rents flowed more seamlessly from his familiarity with the classical political economy literature; he did not feel bound by an epistemological requirement to isolate as explicitly the normative and positive sides of his economic analyses.

Both George and Walras argued that when economic growth occurs, landowners are in a position to capture an increasing fraction of the total wealth that is produced. George (1935, 171) put it more dramatically in these terms:

Wages and interests do not depend upon the produce of labor and capital, but upon what is left after rent is taken out; or, upon the produce which they could obtain without paying rent—that is,

from the poorest land in use. And hence, no matter what the increase in productive power, if the increase in rent keeps pace with it, neither wages nor interest can increase.

Walras (1954, 390-91) held a different view on the impact of growth on interest, but he too was convinced that landlords are the ones who benefit the most from economic progress: “In a progressive economy, the price of labour (wages) remaining substantially unchanged, the price of land-services (rent) will rise appreciably and the price of capital-services (the interest charge) will fall appreciably.”

Both authors resolved that private property in land was a source of profound injustice. For George, unearned rents contribute to unacceptable inequalities. He categorically asserted that

Private property in land always has and always must, as development proceeds, lead to the enslavement of the laboring class; that land owners can make no just claim for compensation if society chooses to resume its right; that so far from private property in land being in accordance with the natural perception of men, the very reverse is true, and that in the United States we are already beginning to feel the effects of having admitted this erroneous and destructive principle (1935, xv-xvi).⁸

Thus, “Whatever may be said of the institution of private property in land, it is therefore plain that it cannot be defended on the score of justice” (ibid., 338). No natural right exists with respect to the ownership of land: “The equal right of all men to the use of land is as clear as the equal right to breathe the air—it is a right proclaimed by the fact of their existence” (ibid., 338). In a somewhat more subdued style, Walras (1896, cited in Foldvary 2008, 95) wrote that

“the fact of the appreciation of the land rent in a progressive society is a fact well proved by experience and well explained by reasoning, from which one concludes that to leave land to individuals, instead of reserving them for the state, implies allowing a parasitical class taking advantage of the enrichment that should instead satisfy the always growing demand for public services.”

As previously mentioned, George’s proposed solution to this problem was the full and complete taxation of ground rent—this could include resources found on the land, such as trees (which potentially add value to the land) but not improvements resulting from the investment of labour and capital, e.g., buildings, roads, etc. (George 1885, 1-14). Because the rate of the tax should ultimately, albeit not necessarily immediately, be set at 100% of the land value, George was in effect arguing to substitute “for the individual ownership of land a common ownership” (George 1935, 328).

Not only was this tax for George a fair means of reducing inequalities by, among other effects, putting an end to land speculation,⁹ but it would also *enhance* the efficiency of the economic engine as a whole, thereby contributing to the elimination of poverty (jobs would be abundant and housing affordable). It is economically efficient because it is neutral: it does not create the sort of disincentives that taxes on other production factors, such as labour or capital, tend to generate. Productive investments might be discouraged by high corporate taxes or economic agents may withdraw their labour if income taxes are felt to be punitive, but using land is not something that can be avoided; labour and capital are mobile, but land is not. (This last argument is most convincing when the *full* land tax is used by a *national* government so that moving operations from one locality to another results in no saving; however, in today’s global market, there is still the possibility of setting operations outside of a national jurisdiction to avoid a high land value tax.) Because there is no way to make taxes on labour or capital as efficient as the land value tax, George advocated their abolition—hence the description of the land value tax as “the single tax.” Precisely because it is so economically advantageous, George expected that the “single tax” would encourage economic development which, in turn, would increase land value and provide public authorities with enough revenues to provide more and more public goods:

The more that labor and capital produce, the greater grows the common wealth in which all may share. And in the value or rent of land this general gain is expressed in a definite and concrete form (George 1935, 436).

A perfectly virtuous distribution, in other words: the value of a community's property is used to fund the needs of the members of the community. Sceptics, however, retort that this might have been the case in the mid-19th century, when the public's expectations about what level of public goods they could hope to receive was quite low, but today the value of all the land in the United States or other advanced economies would not be sufficient to fund all the government programs that voters consider to be legitimate.

Walras' solution was comparable but different: he also advocated using land value as the *only* source of government revenues, but he proposed that the state should buy back the land from their owners at market value and then lease it to city residents, industrial producers, farmers, etc. This was not supposed to be achieved instantly but gradually over time, for the obvious reason that, as Walras recognized, it would be a very costly undertaking. George's solution appears less radical in that he maintained that the owners would retain "possession" of their land; thus, as he put it, "it is not necessary to confiscate land; it is only necessary to confiscate rent" (1935, 405). This semantic distinction between "ownership" and possession is confusing because, strictly speaking, George was merely placing severe restriction on private ownership (Pullen 2001, 551) Perhaps George wished to appeal to that fraction of public opinion that greatly distrusted landlords, however, that turned out to be a double-edged rhetorical weapon, since it also potentially offended middle-class voters. But Walras' plan was perhaps less threatening since he advocated full compensation for the disposed landlords (something that George categorically refused to contemplate [Pullen 2005, 695]), and more prudent considering that it would have taken many years to be fully implemented even by an enthusiastic government (or more likely a succession of governments if that is even believable), thus giving economic actors more time to adjust to the new reality. By contrast, George's plan could in principle be implemented much more rapidly since it would only, so to speak, require a modification of the tax code. George was well aware of the risks involved in pushing for a hasty transition but the opposition he encountered was not assuaged by this cautionary attitude.

ii) *Some Obstacles on the Way to the Georgist Ideal*

It would be hard to overestimate the influence of George's ideas on the intellectual climate of the United States and Britain during his life and for the two decades that followed his death in 1897. Within a few years after its publication, *Progress and Poverty* had become "the largest selling work in political economy in America" (Cord 1965, 34). After his death, the Georgist movement emerged as one of the main reformist currents in the pre-World War I Progressive era. The reception of George's ideas in Britain and Australia was also very positive. George's influence in continental Europe was more muted but his ideas were more often cited than those of Walras. For many reasons, including the fact that he was rather shy and lacked George's extraordinary rhetorical skills, Walras' plan fell on deaf ears—no political party anywhere in the world has ever declared its intention to follow Walras' advice; today, the confiscation of land rent is much more likely to be associated with George than with Walras in the general public and among economists.

And yet, very little concrete policy changes resulted from all these debates and propaganda, apart from adjustment of the way in which property taxes are assessed in some cities in Australia (e.g., Canberra), the US, Canada and a few other countries. But while such examples are not rare, the scope of these reforms is a far cry from what George had hoped for. One could also mention the famous "People's Budget" introduced in the British House of Commons by the Liberal government of Prime Minister Lloyd George in 1909 which created land values duties (to be collected at the time of the sale of a property at a rate of 20% of the increase in value).¹⁰ This budget is famous because it triggered a constitutional crisis in Britain when the House of Lords rejected it—a political battle that the Lords eventually lost. The land value tax was finally approved in 1911 but did not prove to be as productive as anticipated and was finally repealed in 1920. Indeed, so complete was the demise of the Georgist program in the second half of the twentieth century that for a long-

time proponents of some limited form of land value taxation were fearful to even mentioning his name (Cord 1965, 246)! This would have surprised George who died at a time when his ideas still appeared to be spreading, and who reportedly thought that “the transition to the optimum revenue system would be easy, as soon as enough people came to understand its importance” (Davies 2018, 7).

As I explain below on theoretical grounds, the journey toward the ideal is often disappointing. But Warren J. Samuels (2003) and Lindy Davies (2018) provide concrete reasons why George and his followers never reached their goals. I agree with Samuels that this failure is *prima facie* rather perplexing, considering that George’s analysis is far from being unsound from the standpoint of orthodox economic theory, and does not obviously contradict the fundamental principles of the dominant ideology in North America. But George made some tactical and strategic mistakes.

The obstacles faced by George were formidable, but they were rendered more daunting by his own rhetorical flourish. Popular culture in America rests on the idea that productivity ought to be rewarded. When it comes to the productivity of farmers or entrepreneurs, the common assumption is that it is their overall productivity that justifies their smaller or larger earnings and not just some aspect of it, no matter what clever typology of differential merits theorists might propose. In other words, taxing rent is an excellent idea in theory but not a very good one in political practice. As Samuels (2003, 584-585) wryly notes,

If one assumes that one’s legitimate income both belongs to one and is due to one’s own productivity, then the intensive taxation of unimproved land conflicts with the dominant ideology of property. Although that ideology stresses productivity, it is amenable to the *ipso facto* identification of income with productivity. Henry George was in most if not all respects conservative, advancing the single tax as a means of reinforcing incentives to productivity and limiting income to productivity. This fact clashed with and was overwhelmed by the identification of income as due to productivity, period.¹¹

George made things worse for his cause by explicitly attacking “property” when, in fact, he was merely proposing to place certain limits on property rights, but not eradicate them altogether, as I noted previously. This led him wide open to the charge that he was a “socialist,” even though a careful reading of his writings amply demonstrates that he was not.

This is something of a dilemma for ambitious and yet moderate, “third way” reformers: either they hype their message to attract attention, or they carefully craft a program that conveys the nuances of their views, but then at the risk of being ignored. A related dilemma is whether or not to seek alliances with the most moderate fringes of the camps one opposes. This would have been the case with the Fabian socialists in England. Sidney Webb was attracted to George’s ideas and corresponded with him, but George never sought to enlist the Fabians to his cause. I cannot say for sure that this was a tactical mistake but, in politics, compromises are sometimes inevitable.

George took aim at some powerful interests: owners of large estates, developers and the mortgage lenders who were intent on keeping the rents for themselves. They used their considerable influence to weaken George’s political project. But it can be argued that in the Progressive era these were not the interests against which Progressives were rallying; Progressives were keen on fighting *all* monopolists, especially industrial monopolists, and they did achieve some notable successes (e.g., the Anti-Trust Act of 1890). As Michael Hudson (2008, 4) notes, this was another opportunity missed.¹² Georgists today are divided about the question of whether and to what extent the critique of the monopolistic appropriation of land rents should be extended to other types of monopolistic arrangements. I suggest indeed in the last section of this article that they should do so if and when opportunities arise, but I now turn to what I see as the fundamental reasons why George’s vision has remained an unfulfilled dream.

THE “TYRANNY OF THE IDEAL”: WHAT GEORGE FAILED TO CONSIDER BUT WHAT CRITICS MUST

The circumstantial causes of George’s failure to profoundly reshape the entire taxation system in the United States or any of the other countries where his ideas found many supporters and advocates do not explain the inability of Georgists ever since to make much more progress toward the realization of George’s project, even if, as I mentioned above, it would seem at a superficial level that the concept of a land value tax is again receiving a fair amount of critical attention. To appreciate more fully the deeper causes of this lack of momentum, we must critically examine the very nature of the Georgist project. Its fate evokes that of other visions of an “ideal” society derived from an overly abstract but also typically uniformizing conception of justice. Such theories or political projects insufficiently account for the complexity of modern liberal democracies. This is not exactly a new problem—indeed it already was one for George even if he did not fully realize it—but it has become more acute in recent decades. Diversity is by now a defining characteristic of liberal democracies. Consequently, the hope of ever reaching agreement over how to re-write the metaphorical “social contract” upon which civil society is supposed to be grounded can only lead to disillusionment.

The notion of a social contract legitimized by “natural law” has long held a central place in American political thought, going back to the exemplary use of contractarian metaphors in the *Declaration of Independence* (Tate 1965; Hulliung 2007). Although George did not explicitly use the phrase “social contract” to describe his project, George’s political philosophy was firmly rooted in the natural law tradition. He firmly believed in natural rights and indeed used that language to make his case. As previously quoted, what he considered to be an “erroneous and destructive principle” was the idea that “private property in land” is truly “in accordance with the natural perceptions of men (George 1935, xv-xvi). However, there are clear Lockean overtones in the moral opprobrium George cast on idle land speculation contrasted with productive labour. George was probably indirectly influenced by Thomas Jefferson and Thomas Paine in his interpretation of Locke. As Mark Hulliung (2007, 77 cited in Lough 2013, 18) remarks, George’s interest in placing limits on ownership rights “was in reality a recapitulation of a century of American pronouncements on the inviolability of the social contract, the need to secure the rights of the next generation and the natural right to the land.” Although not all founders would have agreed, Jefferson and Paine

believed that prior to the creation of government, man possessed nothing but the uncultivated earth from which to provide for his sustenance. Upon entering into a social contract and forming a national government, individuals did not relinquish their natural right to the land, but instead, empowered government to protect and preserve that right for current and future generations (Lough 2013, 18).¹³

But by the time George was attempting to make his case for re-thinking the basis upon which property rights in land can—or cannot—be justified, the idea of natural law as a moral doctrine and as the origin of the social contract upon which liberal institutions are founded was beginning to sound outdated. It was displaced by a new Darwinian outlook which stripped the notion of “human nature” from its moral connotations.¹⁴ The very idea of a social contract as a framework for understanding politics faded away for much of the 20th century, losing ground to either social Darwinism, utilitarianism or Hegelian/Marxist historicism. These ideological currents, incidentally, provided a foil for George’s ideas about social reforms. But, of course, contractarianism re-emerged as an immensely influential paradigm in the last few decades of the 20th century in the wake of the publication in 1971 of John Rawls seminal *A Theory of Justice*. Some of the best-known philosophers and economists (Nozick 1974; Harsanyi 1977; Gauthier 1986; Dworkin 2000) have proposed their own contractarian theory. However, with the exception of Robert Nozick’s (1974) work, this new wave of contractarian theories does not signal a return to the Lockean outlook that inspired George. And it could be said of Nozick’s interpretation of the “Lockean proviso”—those who appropriate natural resources “should leave as much and as good for others (Locke’s *Second Treatise* § 27)—that it is incompatible

with George's willingness to abolish ownership of land as the only way to preserve the natural right to natural resources that he believed all members of society can invoke. Rawls used only a "minimalist" conception of natural law, to use Russell Hittinger's (1990, 136) definition, namely, one "that (1) posits one or more human goods or values as the condition(s) of practical reason, and (2) excludes teleological order from the foundations." As for John Harsanyi, his commitment to utilitarianism stands far apart from George's belief in natural law. Nevertheless, there could be an indirect connection between the extraordinary amount of energy devoted by contemporary theorists intent on articulating new (and, in a broad sense, liberal) contractarian theories of justice,¹⁵ and the relatively recent rediscovery of the works of Henry George.

But by now the twentieth century contractarian wave has crested.¹⁶ More recent works offer useful lenses through which, if not the broad concept of a social contract, at least the more inflexible and closed definitions used by the previously listed theorists as well as, I want to argue, by George himself, can be critically re-evaluated.

A running theme in these debates revolves around what Rawls (2001, 3) called "the fact of reasonable pluralism." Soon after he published the first edition of his *Theory of Justice*, Rawls abandoned the hope of being able to justify universally valid principles of justice. Contemporary western societies—indeed practically all societies by now—are much more socially and culturally diverse than they were a century ago. This is partly as a result of migration. Even the United States which, in George's times, already hosted immigrants from all over Europe and many also from China or Japan, has in recent years seen inflows of migrants from several other regions (Central America, the Middle East, etc.). Most European countries remained much more homogeneous until relatively recently, but even though cultural and ethnic diversity is a newer phenomenon in Europe, it has now become an inescapable "fact." In addition to these migratory flows, profound endogenous transformations have added new layers of cultural complexity centered on gender, sexual orientation, (non-conventional) religious beliefs, and so on. According to Rawls, the best that can be achieved is some sort of "overlapping consensus" allowing individuals with fundamentally different values to agree on the political merits of workable institutional rules. But ever since Rawls made this concession to diversity, many theorists have argued that the problem is more profound than Rawls admitted. And this for two reasons. The first is that there is no obvious reason why Rawls' "overlapping consensus," or anything resembling it, should still converge on the unique set of principles he defended and never conceded would have to be contextualized and perhaps even regarded as merely one among several relevant criteria for evaluating socio-economic reforms. *Mutatis mutandis*, there is no convincing reason to think that pluralistic and multicultural political communities would generate an "overlapping consensus" legitimizing the abolition of land ownership. That is, even if the idea itself could be agreed upon, there is no reason to think that in deeply diverse societies a workable consensus would emerge around this *particular* goal, as distinct from many competing ones (and the more diverse a society becomes, the more competing priorities it has to deal with). To his credit, George, whose moral outlook and cultural beliefs were typical of an Anglo-American protestant and who occasionally expressed commonly held prejudices about Asians and Blacks (Thomas 1983, 61-62), made an effort to show that his "solution" would also alleviate at least some of the problems that caused non-white Americans to experience poverty (see Book VII, chapter II in George 1935). But many ethnic communities then and now were/are probably more concerned with issues that are only remotely connected to land rents.

The second reason is more contingent and, one would hope, more transitory. It is that the deep pluralism I alluded to above has in recent years produced a virulent counter-reaction. In the United States, much of Europe and elsewhere (e.g., Brazil, India), powerful nationalist populist leaders have either come to power or could soon do so, wooing to put and end (if not altogether roll back) the trend toward pluralism, social complexity and the new regulatory environment designed to accommodate diversity. Even if in the long run this reaction may turn out to have salutary effects, such as a more balanced and prudent implementation of transformative change, something that indeed would be more likely to bring about a workable "overlapping consensus," in the immediate future, the polarized political climate this reaction has produced makes the prospect of achieving major taxation reform along Georgist lines quite unrealistic. I do not in-

tend to dwell on this issue here, however. I am more concerned with the problems posed by diversity even in the absence of this aggravating development. To restate my case, workable compromises can be achieved in complex, multicultural, pluralistic societies but such compromises are unlikely to be as encompassing, as far-reaching, as ambitious as the quasi-social contracts proposed by the likes of Rawls or George. Moreover, having to deal serially with more circumscribed issues as they emerge could open more promising avenues for remedying concrete examples of *injustice* than the pursuit of a formal ideal of justice. To make this point, I now draw mostly from reflections on this dilemma recently advanced by Amartya Sen (2009) and Gerald Gaus (2016), although the idea of addressing injustice directly has much longer antecedents, going back to Adam Smith.¹⁷

Building on sources as diverse as Indian jurisprudence, classical western political philosophy and the Social Choice literature in modern economics, Sen brilliantly draws a contrast between those who believe in an abstract conception of justice, for which the notion of social contract stands as an exemplar,¹⁸ and those for whom what matters are the lived experiences of people seeking a better existence. Of course, theorists in the first group do not share the same ideal, but Sen argues that the options that are open those who are concerned with unfairness in the distribution of the essential attributes of a good life are not limited to a choice between Kantian deontology and utilitarianism. Even if Rawls conceded that his admixture of deontological rules and utilitarian criteria cannot be justified everywhere and for all times in the same manner and that different societies may find distinctive ways of making sense of them (and perhaps even failing to adopt them), he still was not prepared to admit that different problems call for different institutional rules and practical solutions, some of which may bear no resemblance to his principles of justice (or, in any event, to his “difference principle”). *Mutatis mutandis*, Georgists may concede that the question of natural resource rents may be posed differently in different contexts, but they would still want to argue that the most pressing and serious forms of injustices can always be traced back to this foundational problem. By contrast, Sen insists that forcing most socio-economic problems into such Procrustean beds, as it were, is unnecessary. Concrete individuals in specific circumstances will seek unique ways of remedying the inequalities and unfair practices that affect them.¹⁹ There is no “transcendental” frame of reference (Sen 2009, 10-12, 15-18) for identifying “redressable injustice” (Sen 2009, vii). In particular, Sen (2009, 102) categorically denies that having a clear picture of a perfect alternative to an unsatisfactory state of affairs is of any use in remedying the problem at hand. Critics have objected to this radical argument (for a summary of this debate, see Gaus [2016, 6-11]). However, even if Sen can be accused of using inflammatory rhetoric, his intuition is correct. That is to say, the only way to salvage the idea of a social contract as useful approximation of what reformers ought to be considering is to think of it as nothing more definitive than a *set* of parameters that are open to questioning and readjustments as circumstances change. This premise is explored in a much more detailed and rigorous way by Gerald Gaus (2011; 2016).

Contrary to Sen, Gaus does not completely turn away from contractarianism and indeed is indebted to Rawls for some of his core ideas, such as the concept of public reason, but this makes his critique of Rawls’ concept of a “well-ordered society” all the more powerful—a critique which I would argue is equally relevant to my assessment of George’s “solution” to the problem of poverty. This critique is supported by an extraordinarily fine-grained analysis of the contractarian tradition and of the problem of identifying workable rules for complex, pluralistic societies in which a market economy is allowed to function as freely as is compatible with achieving a fair allocation of societal resources and individual rights. To do justice to the subtleties of the arguments he deploys, using the tools of analytical philosophy, game theory and social choice, would take me too far away from my present purpose. But even a brief sketch of the central themes running through his works can yield valuable insights into the limitations of the Georgist ideal.

In complex societies one can always identify a plurality of views about which rules should govern the interactions of citizens in the marketplace and in the political sphere. Some of these views can be rejected. In a modern liberal culture, only those alternatives that treat all members of society as “free and equal persons” (2011, 2) can be included in the “eligible set” (2011, 327-332) of such potential institutional and moral rules. But that set can still be rather large. With respect to George’s vision, one can be impressed by his sin-

gularity of purpose but that also means that he failed to examine how his approach is more or less consistent with, or antithetical to, competing conceptions of desirable social reforms which were discussed in his times. The only alternative to which he paid much attention was egalitarian socialism. But this Manichean partition of the world into dangerous radicalism and his virtuous liberal democratic reform was, even in his days, a rather exaggerated simplification of the range of more or less reformist and more or less radical proposals that one would want at least to examine as potentially belonging to an “eligible set” of ideas about justice and a fair deal for all. Accordingly, he avoided engaging with the public in a manner that could have convinced a wider array of dissatisfied groups and individuals to find common cause with him, even if he did in fact attract a lot of favourable attention.

Gaus devotes much more effort to thinking about how workable rules can be selected from the eligible set. He conveys with great effectiveness the idea that this process is complex and cannot be boiled down to a simple formula. But for my purpose here, suffices to say that against a background of basic moral principles that evolved over the ages, which would include the concept of property rights, contending contractual arrangements are discussed and legitimized by appealing to “public reason.” Gaus (2011, chapter VII) suggests that an “equilibrium” can be reached, although the actual state of affair at any given time is bound to be only an approximation of that fully justifiable (albeit never perfect) contract. Such is the conclusion he reaches in his *The Order of Public Reason*. But in a sense, it is also the point of departure for his more questioning and unsettling *The Tyranny of the Ideal*. The status quo is rarely if ever satisfying for all; incremental adjustments or more substantive changes are regularly discussed in institutionalized political debates or social protests. At some point, those pushing for (or reacting to) these demands are confronted with what Gaus (2016, 82-84) calls “the Choice”: either they settle for less than ideal changes in institutional rules and the mechanisms impacting the situation they seek to improve, or they decide to forge ahead by seeking to bring about the full realization of their ideal of a just society. The choice is difficult because, while the former option can justifiably be selected on the ground that it produces fair and morally compelling effects, it typically does not match all the features of the ideal goal. Those who are intent on pursuing their ideals at all costs, may be tempted to settle for an outcome which, in the context of what Gaus calls a familiar “neighborhood,” is *less* desirable than a realistic one but can nevertheless be presented as a logical first step toward the ultimate realization of the ideal in a distant future. That is, the latter is less intrinsically just than the former, given present circumstances, but it includes more features of the ultimate goal. (Because the “ideal” is situated in a distant region, it is not immediately evident that what are deemed to constitute desirable features of that idealized goal are actually fair and just in terms of what is known here and now.) As Gaus (2016, 246) puts it,

The idea [of something like Rawls’ “well ordered society”] is ultimately a mirage, yet one that tyrannizes over our thinking and encourages us to turn our backs on pressing problems of justice in our own neighborhood. It is a mirage because even if we actually had full confidence and complete agreement about the principles of justice, we would disagree about what social states best satisfied them. And even within some perspective, as it approaches the social state in which the basic social institutions generally satisfy these principles, it will discover its estimates of its functioning were wrong, and their realizations are flawed.

George’s ultimate goal of eliminating poverty by doing away with land rents is a rather good illustration of the problem identified by Gaus. Does this mean that attempting to improve upon the existing state of affairs is a losing proposition? Of course not. But in line with other authors, Gaus suggests that solutions are more likely to be workable if they are local and understood as being experimental rather than systemic and definitive. Space lacks here to examine in detail his suggestions that such experimentations are more likely to succeed within some of the many “republican communities” that make up a complex open society, but I want to draw attention to the fact that there is another author who has devoted a great deal of energy to the problem of finding a more feasible method for re-negotiating a social contract than the one proposed by

Rawls, and that he has reached a rather similar conclusion. Relying almost exclusively on game theory—an epistemology that Gaus (2011, ch. II) regards as being too narrowly instrumentalist—Ken Binmore (2005, chapter 12) nevertheless reaches a comparable conclusion: only a decentralized process of bargaining has any chance of being successful. That is because the “games” that the members of society play even when they are motivated to be fair and cooperative—which is evidently not always the case²⁰—are so varied, and the equilibria that can be achieved so numerous, that any hope of hitting upon a once-and-for-all solution is an illusion. George in fact sensed that this would be the case; he was prepared to start his process of reform in New York City (by unsuccessfully running for mayor) rather than pretend that it could be achieved on a national scale all at once. And in the numerous speeches he delivered in Australia in 1890, he frequently argued in favour of a decentralized implementation of the single tax (Pullen 2005, 697-698). But it is clear that he would not have been content with only a few local victories. His goal was to end poverty, not to make the poor better off here or there.

Lowering my gaze from abstract philosophical perspectives, I want to draw a quick parallel between these theoretical reflections and a metaphorical model that is widely used in the policy studies literature, namely, John Kingdon’s ([1984] 1995; 2001) agenda-setting model. His “multiple streams approach” is inspired by a similar diagnosis: policy-making is a very complex process and it is rather futile to expect that one preconceived ideal of the just society can easily be implemented. Kingdon’s hypothesis is that three “streams” flow through large organizations such as a central government or maybe a subnational government or an international institution: a stream of problems; a stream of policies; and a stream of politics. The first consists of expressions of concern, protests or some form of “crisis” (e.g., the previously mentioned “housing crisis”). The second are a range of possible organizational responses to such problems. The third refers to more or less sudden shifts in the political context: a change of government, a new party leader, a growing trend in public opinion, and so on. These streams are distinct but when, for some contingent reason, they converge, a “window of opportunity” is created which renders a new policy initiative more feasible and probable. It would seem that either George was unable to take advantage of such a window or, more probably, that one never really opened insofar as the political stream did not flow in his direction with sufficient momentum. But Georgists have since then been able to seize more opportunities although, as I explain in the next section, they could more inventively move in new directions that would be more in tune with the challenges of the twenty-first century.

RESCUING GEORGISM: A PRAGMATIC APPROACH

Having lost hope of transforming the entire tax system of the United States or any other country, the Georgists focused their efforts on implementing a land value tax at the local level. They have had some, albeit limited, success in that regard. The tax was widely used in Western Canada in the early 1900s but property taxes in all Canadian cities are now assessed on both land and buildings (a recent proposal to implement a Land Value Tax in Vancouver has not yet been enacted). Several cities in the United States, notably in Pennsylvania, have experimented with land value taxes. As mentioned, the most stable example of the applications of this tax can be found in Australia, in many other places (e.g., the UK, Norway, Denmark, Sweden, Mexico, Taiwan) the LVT has been tried and sometimes abandoned. (Singapore is a rare case of a free-market society where most of the land is owned by the state and leased for 99-year terms, although this did not occur as a direct result of following Walras’ prescription.) According to the defenders of the single tax, the evidence shows that, on the whole, in jurisdictions where it has been in place the effects are:

- 1) *The economy prospers.* Construction and renovation spurt because they aren’t taxed and because all land-sites will be used more productively.
- 2) *Most voters get tax reductions* because they own little valuable taxable land.
- 3) *Government revenue remains constant* because the higher tax on land assessments exactly replaces a lower tax on produced things.²¹

Experimenting with resource rent taxation does not have to be limited to land rents. As Backhaus (1997) makes clear, it is consistent with the logic of the Georgist program to recommend taxing rents derived from the use of many other fixed resources; these include, for example, water, wind, minerals, radio waves, take-off and landing spots held by airlines, etc. Of course, some of these resources are already taxed in various ways in many jurisdictions but Georgists should invest more of their efforts in studying these opportunities insofar as there are less politically salient than urban land rent. All this is well and good but is a far cry from the sort of intelligent urban planning that could address “the big picture”: inequalities, sustainability and economic prosperity. The fact that a gradualist approach to the LVT comes short of the expected result is definitely not a condemnation of gradualism. What is required, however, is a more ambitious gradualism, bolder approaches to policy experimentation above and beyond resource rents.

My goal in this paper is not to be prescriptive but since I have so far outlined the drawbacks of either seeking a comprehensive utopian plan or of merely tinkering with the details of existing regulations and city plans, it is incumbent on me to sketch out at least in broad terms what a way out of this dilemma could look like. I suggest that it would consist in generating enough political will and capital for “nudging” spontaneously formed coalitions of like-minded interests and policy advocates to find some common ground with other coalitions around innovative ideas about how to redress injustices caused by the unfair allocation of revenues from rent in a broad, generic sense.

I see at least two such “windows of opportunity” opening up in the present context. One concerns rising questions about unequal access to education. A Georgist angle here suggests that the most socially deleterious source of rents nowadays, especially in the United States, can be traced to unfairly distributed educational opportunities and benefits. The indirect impacts of this problem on urban planning are significant.²² Classical liberals and libertarians will want to insist that simply spending more on public schools and centrally managed educational bureaucracies would be the wrong way to proceed. That is certainly true although, in my opinion, the point should be to enhance competition between the public and the private sectors rather than to gut the former to benefit the latter. Space lacks here, however, to explore all the dimensions of a problem that continues to vex policy-makers and the public even though there is a clear understanding in many countries that access to quality education is both the key to resolve worrisome inequalities and an essential condition for sustaining economic growth in a rapidly changing techno-social environment.

There is another mounting concern: the question of who controls the generation, transmission and analysis of the data that sustain the new digital economy, and for what purposes. If we are to move forward in the direction that George charted, namely, limiting the capacity of some powerful market players to abusively take advantage of rent opportunities in order to ensure the preservation of the creative and wealth-generating potential of free markets, and thereby promoting individual freedom, I would like to suggest that curbing the power of monopolistic digital platforms ought to be prioritized. It is a difficult challenge but also one which in the foreseeable future could attract sufficient attention and political involvement to bring about feasible and effective policy responses. My admittedly subjective reading of the political discourse on this topic is that this constitutes a “window of opportunity” to push ahead with Georgist strategies for limiting abusive and socially harmful forms of rent-capture.

Not very long ago, Jaron Lanier (2013, 108) wrote “Few people realize the degree to which they are being tracked and spied upon in order that this new form of currency can be created.” It would seem that there is a much higher level of awareness today, although probably still not quite as acute as it arguably should be. Rents from digital platforms have become a very topical and controversial issue; it is likely to become even more contentious in the foreseeable future. Corporations, such as Amazon, Facebook or Google (Alphabet), which did not even exist 20 years ago, now are ranked at the top of several business indices (e.g., by market value). Their reach is global and they have captured a dominant position in the markets in which they operate. While there still is competition in some sectors of the digital business world (e.g., travel/tourism), Google and Facebook are quasi-monopolies. They have achieved massive economies of scale which place them way ahead of any competitors but which, admittedly, also work to the advantage of their users. Their

services are free (albeit not for advertisers) and, therefore, users do not suffer from the welfare-reducing effects of monopoly pricing. Moreover, breaking up these monopolies (which may be complicated by the fact that anti-trust legislation in most jurisdictions was not drafted specifically to deal with digital platforms) could adversely affect consumers; it is because “everybody is on Facebook” that it is so easy to find someone there. It is also difficult to determine whether a firm that appears to hold a monopolistic advantage really poses a long-term threat considering how fast things change in the digital economy (iTunes was once dominant in the music industry but is now being phased out). Nevertheless, there are other very worrisome aspects of the activities of, not only these giant quasi-monopolies, but of most other digital platforms about which ordinary users ought to be concerned, both as consumers and as citizens of democratic political communities. And in fact they increasingly are. One such worrying practice is the non-transparent control that digital platforms exercise on the data that users (which by now is almost everyone!) generate—the electronic trail they leave by accessing various services. The second has to do with the potentially immense *political* influence that these corporations could exercise and already are exercising (Epstein 2018).

Big data is an essential component in the development of Artificial Intelligence and as such can have many valuable applications.²³ Digital platforms profit from the sale of data they gather when millions of individuals access the Internet on a daily basis. The Internet culture that took shape in the late 1990s produced the expectation that information needed to be free. The quid pro quo, however, was that digital platforms monetized these data without users being fully aware of this development (Posner and Weyl 2018, ch. 5). The question is, then, who does, or more appropriately, should own these data, and are not digital platforms capturing significant but untaxed rents? The answer to the latter is rather obvious but exactly how to redirect these large revenues toward the common good is technically very challenging. One issue in particular has received a lot of attention: the fact that it is difficult to locate the place where the digital transactions are taking place, which could lead to double taxation. Some experts (e.g. AICPA 2019) argue that these problems are intractable; others (e.g. Cui 2019) have proposed solutions to these problems. Indeed, the European Union is studying how to put in place a new tax regime. France has move ahead already by implementing a new levy on Google, Apple, Facebook and Amazon (GAFA) and Austria is considering doing the same. Are these uncoordinated initiatives premature? Aiming for a more balanced and well-thought approach resulting from wide-spread consultation (and not just among technocrats) would be preferable but the international architecture for this sort of debate does not exist. Therefore, a bottom-up process where some countries take the initiative could pave the way for more harmonious coordination in the future.

Taxing the transmission of data collected about users and generated from users’ activities on digital interfaces is not, however, the only way to approach the problem. A more radical solution, and one that would obviously be less state-centric, would consist in creating a property right that users of digital platforms could claim with respect to the data collected about them. I agree with Eric Posner and Glen Weyl (2018, 209) that “People’s role as data producers is not fairly compensated.” How exactly this can be achieved is not something I can discuss in detail here,²⁴ but I regard this eventuality as a very promising avenue that broad-minded Georgists should prioritize. (The citizens of the 28 member-countries of the European Union now have greater control over how their data are used thanks to the newly adopted *General Data Protection Regulation*.) This could lead ultimately to a rethinking of what “property” means in the twenty-first century.

Curbing the political influence of the new digital monopolies is also an important consideration. This political influence takes two forms. One is essentially not new: like the “robber barons” of the Gilded Age, Silicon Valley billionaires can potentially exercise undue and unfair political influence. But the digital platforms they somewhat lackadaisically control have also proved to have nefarious effects on the democratic process in a number of ways: they polarize political debates by confining voters to “echo chambers” and they provide opportunities for domestic or foreign malicious interveners to create suspicion and chaos. As I underlined above, breaking up monopolies is not an evidently beneficial move. But at least from the point of view of democratic fairness, it would be a reasonable reform.²⁵

So far, I have outlined the social costs attributable to the digital platforms. Before new regulations are put in place to mitigate these costs, however, careful attention should be paid to the positive aspects of the

new digital economy. One can expect that well-positioned socio-economic and political actors will use these facts to oppose radical reforms. For one thing, the problem of separating rent-seeking from rent-capture is a very thorny one. Firms that are evolving into monopolies, i.e., able to capture huge unearned rents, are also directly or indirectly spreading “disruptive” technologies that unsettle existing rentiers in a variety of sectors. (The examples of Uber vs the taxicab companies or Airbnb and the hospitality industry come to mind but, in the future, several other disruptions are likely to occur, e.g., in the banking sector.) Therefore, one can anticipate that those pushing for more competition will be faced with countervailing arguments from those who think that the beneficial impact of disruptive technologies more than compensate the welfare-reducing effects of monopolistic or oligopolistic market dominance. On balance, however, I suggest that the threat posed to individual liberty by digital platforms that are now in control of “Big Data” can cause more serious harm than what can be gained from the price-reducing effects of disruptive technologies. Indeed, it seems that politically the wind is turning in the direction of those who are more concerned about privacy and the long-term dangers posed by the emergence of digital Behemoths than about the short-term advantages associated with disruption, although I readily admit that this is a subjective estimation on my part.

CONCLUSION

To sum up, remedying injustices such as the lack of access to affordable housing or public amenities in many metropolitan areas, while also sustaining a vibrant cultural climate and continuing to provide the economic opportunities that these metropolitan cities offer is, and will remain for some time, an elusive goal. Rationalist plans that a priori look appealing, such as the Georgist program, have proven to be disappointing. The main reason is that they face multiple and reinforcing political obstacles. The political process is almost bound to derail radical reforms or, as the poet said, “The best plans of mice and men often go awry...” Among the many reasons for this tendency is the fact that, to appear coherent, these plans are typically rather too narrowly focused on specific goals that ignore aspirations and demands emanating from a variety of groups or organizations in increasingly complex societies. Moreover, the objectives and ideas that reformers advocate often mean very different things to different people who end up on opposite sides of the debate. These are only some of the weaknesses inherent in utopian ideals.

The Georgist program is a telling example of why focusing on a *single* problem and a quasi-miraculous solution leads to disappointment. Logically coherent but one-dimensional plans tend to close other avenues for making the required adjustments to the institutions and policy regimes that have failed citizens living in prosperous but increasingly polarized and fragile liberal democracies—democracies that are sometimes tilting toward authoritarianism and seem in danger of losing their liberal character. A more prudent strategy is to resist the temptation of solving all problems once-and-for all. Any non-utopian approach would have to closely match existing realities. We know, for instance, that experimentation is more easily conducted on a small scale. Pilot projects can be very useful in that respect. At some point, however, these experiments will feed into a broader agenda-setting process involving many more actors. This is, of course, what takes place, more or less successfully, during electoral campaigns. The results are admittedly often messy and social choice theory tells us that the belief that a party can receive a “mandate” to achieve some specific policy objective ought to be taken with a huge grain of salt.²⁶ But sometimes it is clear that public opinion endorses at least a fuzzy set of priorities, albeit not detailed objectives. The role of policy-entrepreneurs then is to mediate between the various jurisdictions (central or subnational government and cities) to find avenues for cooperation in achieving these priorities when circumstances render them more salient. The iterative process whereby issues move back and forth between the local to the subnational or national level can be blocked by “veto players” but sometimes the momentum built by a convergence of ideas and interests can prove decisive. The literature on rational choice institutionalism is an indispensable tool for understanding the limits within which institutional reforms can realistically be pursued. It has also become intellectually fashionable to claim that the most effective method for getting over obstacles is a gentle “nudge”: the resources of social psychology should be used to incentivize players to behave in ways that are more com-

patible with the goals of those who do the “nudging” (Thaler and Sunstein 2008; Abdulkadirov 2016).²⁷ If reformers learn to pay more attention to these institutional constraints and to the lessons of behavioural economics, they can help to bring about, not a “just society,” but workable responses to the unfair allocation of unearned benefits.²⁸ At the moment, housing affordability seems to have moved to the top of the agenda in many cities and maybe there is here a new window of opportunity for traditional Georgists. This is indeed the case in Vancouver.²⁹ But even if the political challenges are more manageable at the municipal level, it is unlikely that the land value tax will be adopted on a scale that will even begin to approximate what George had in mind. The problem of economic rents, however, will not go away.

I concede that I barely scratched the surface.³⁰ My intention was simply to draw to the attention of Georgists, left-libertarians and pragmatic classical liberals the importance of looking beyond land speculation which does not affect everyone to the same extent. whereas by now almost everyone has a presence in the digital world. The ephemeral nature of the “windows of opportunity” that political trends open and shut makes it difficult to estimate if or when such reforms will see the light of day. But I would suggest that the public is getting more and more concerned about these issues and that greater gains can be achieved by focusing on resources such as digital data which do not evoke ideological responses as visceral as those associated with owning land. (Or if they do, it would be in ways that would ease the way for potential Georgist reformers to empower ordinary users of digital technologies.) Ultimately, the promotion of liberty is best achieved by making a realistic appraisal of what is feasible but also of what constitute the most immediate threats to liberty rather than falling into the trap of committing to “solutions in search of a problem.” Since economic rents keep on being re-created in new guises, Georgists and their philosophically liberal allies need to learn to act more like foxes and less like hedgehogs!

NOTES

1. To give just one example, home prices in Vancouver have risen by 48% during the period 2010 to 2016 but only 16.23% of that variation is attributable to the increase of real personal disposable income (Canada Mortgage and Housing Corporation 2018, 66).
2. George himself was ambivalent about it but he justified it in a speech given in Australia in April 1890 on the following grounds: “(a) he could not think of a better [phrase], (b) it clearly expressed [his] methods, and (c) it dispelled the false notion that [he] proposed to divide up the land” (Pullen 2005, 699).
3. Although not formally trained in economics, George was a competent analyst and did not deserve the scorn that professional economists have often heaped upon him. As Joseph Schumpeter (1954, 865) noted: “he was a self-taught-economist, but he was an economist.”
4. As the Georgist businessman and author C. B. Fillerbrown (1917, vii) rather elegantly put it, “Students of Progress and Poverty are haunted by glimpses of worthies more or less ancient who, in the last century, have previsioned the doctrine of Henry George.”
5. As Mark Blaug (2000, 274) explains, “[Marshall had] sympathy for the Ricardian approach to rent but, increasingly in the twentieth century, mainstream economists followed John Bates Clark and Frank Fetter in abandoning the notion that land is a unique factor of production and hence that there is any need for a special theory of ground rent.”
6. George (1935, 455-456) even envisioned the “abolition of government,” although he conceded that government might still be needed to carry out a few minor tasks.
7. Whether these affinities, however, are sufficient to compensate for their profound divergence on the issue of the private property in land is questionable, as Oscar B. Johannsen (2001) points out.
8. George, (1935, 336), however, insisted that natural law fully entitles individuals to what “springs from labor.”

9. It is worth quoting George (1935, 436) who in his typical hyperbolic style wrote:
 under this system no one would care to hold land unless to use it, and land now withheld from use would everywhere be thrown open to improvement. The selling price of land would fall; land speculation would receive its death blow; land monopolization would no longer pay.
10. While, as I noted, neoclassical economists were typically not kind to George, Alfred Marshall was sympathetic to the idea of a land tax and indeed expressed his approval of the 1908 budget (Gafney2004, 447).
11. Today, this symbolic/ideological red flag is reinforced by the fact that a great many middle-class households see their homes as a potential source of liquidity, e.g., if they can get a “reverse mortgage” (Davies 2018, 8).
12. This was not because George was uncritical of monopolies; indeed, he wrote “all businesses that involve monopoly are within the necessary province of government regulation, and businesses that are in their nature complete monopolies become properly functions of the state” (George 1883, 241). But Hudson’s point is that George committed a tactical error by not practically acting on this intuition.
13. It may be useful to read this passage in the light of David G. Dick’s (2019, 531) admonition not to forget that Locke explicitly identified “the preservation of mankind” as “the fundamental law of nature.”
14. It must be noted, however, that natural law continued to be used as a legal doctrine. In the philosophy of law, the debate between legal positivism and its critics has never been decisively resolved.
15. While some extreme forms of utilitarianism are not necessarily compatible with liberalism, Harsanyi’s preference for “rule utilitarianism” leaves much room for a defence of individual rights (see Harsanyi 1980),
16. Which is not to say that contractarianism lacks defenders. The libertarian philosopher Jan Narveson (2016, 695) claims that “there is no other way to understand morals.”
17. The French philosopher Alfred Fouillée (1838-1912) made the idea of remedying injustices the corner stone of his moral and political philosophy (see Dobuzinskis [2010]).
18. G. A. Cohen (2008) argued that there are better strategies than contractarianism for building a theory of justice, but I agree with Sen (2009, 61) that what he proposed was an even more unrealistic conception of justice. Cohen criticized Rawls for having conceded that some inequalities may have to be tolerated if they can be shown to generate incentives that effectively enhance the general welfare; but Sen is right to suggest that doing away with incentives in the name of equality is untenable.
19. Without endorsing George’s end goal, Sen (1988) pays tribute to his analysis of poverty while also underlining its limitations. Sen contends that rights should be judged in terms of both their intrinsic value and their practical consequences. When even intrinsically valuable rights produce catastrophic consequences (e.g., famines), the moral obligation to uphold such rights is in doubt. George can be read as implying that property rights are intrinsically valuable, but property in land is not inviolable insofar as it is the root cause of poverty; by contrast, the ownership of the products of one’s labour (i.e., “giving the product to the producer”) ought to be respected. But Sen (1988, 60) takes issue with the latter point because its literal application could leave those who are incapable of producing anything with no claim on the resources they need to survive.
20. Binmore (2005, Preface) insists, however, that evolutionary psychology has established that fact that most people, most of the time, can be counted on to treat each other fairly.
21. This is based on an analysis of 238 studies compiled something like two decades ago by Dr. Steven Cord: <http://savingcommunities.org/docs/cord.steven/238.html>
22. To provide just one example, Edward L. Glaeser (2003) draws an interesting comparison between the paths followed by Boston and Detroit since the early 1980s; the comparative success of Boston on many levels is largely due to its much greater capacity to generate human capital, that is to say, the quality and effectiveness of its educational system, even if its admittedly not performing equally well at all levels.
23. A giant step was achieved in a relatively recent past when “machine learning” replaced algorithms designed to directly program computers to act “intelligently.” An enormous amount of data is needed for computers to “learn” on their own.
24. A good start for getting this discussion under way can be found in Lanier (2013, 369-380).
25. As mentioned previously (see note 10), George was not averse to regulating monopolies.

26. Arrow's (im)possibility theorem famously shows that collective choice runs into intransitive cycles (i.e., cannot yield an ordering that is rational) when voters have to decide among more than two options. Gerry Mackie (2003) has convincingly shown that not only can some of the conditions upon which Arrow's theorem rest be plausibly relaxed, but that in any event cycling does not appear to be empirically observable.
27. Social psychology is a double-edged sword: on the one hand it can help policy-makers and other participants in the policy process (think tanks, consultants, social scientists, etc.) to better appreciate the limits of a purely rationalist approach and to design procedures that are more likely to produce agreement or to facilitate the implementation of agreed upon changes; but it also opens the door to paternalism, strategic manipulations, etc.
28. Michael Pagano and Benoy Jacob (2010) argue that advocates of the land value tax have not paid sufficient attention to the "framing effect."
29. In 2018, city councillor Christine Boyle introduced motion B.5 proposing the adoption of a "Land Value Capture Tax" in Vancouver, mandating a review of the concept by the Council staff.
30. I have not touched on the subject of the implications of the new blockchain technology. This is still a very incipient development, but one can anticipate that the decentralizing logic of the blockchain architecture will provide a technological solution to the problem of excessive digital rents. According to Darcy W.E. Allen et al (2019) it could also profoundly transform the entire democratic process. But we are probably still a long way from all this. And, again, a priori ideal solutions can run into all sorts of practical roadblocks.

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