

Progress and Poverty: Reading group guide

Progress and Poverty in eight sessions, with page ranges, what George argues, questions, and the strongest case against him. Or the core of it in one evening.

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Progress and Poverty is long, and it reads best with other people. This guide splits it into eight sessions of 30 to 85 pages, each a natural unit of George's argument. For each session there is a short account of what George argues, a few questions to start the talk, and one serious critic, because a book this sure of itself needs someone pushing back.

One question each time asks George's question of our own economy: chips, the cloud, data centers, power and the AI labs. It links to a [George vs. today](#) note that sets his example beside the modern one and says where the comparison breaks.

Page numbers are those of the [PDF edition](#), which match its printed page numbers. Every chapter is also on this site, linked from each session.

How to run a group

Before the first meeting

Agree on one edition so the page numbers match; this guide follows the free [PDF](#), and the site has the same text chapter by chapter. Meet every two to three weeks. Sessions 1, 5 and 8 are the longest, so allow more time before them.

In the room

Start with a few minutes on what George is trying to prove in this part, before anyone says whether he's right. Read one passage aloud; George wrote for the ear. Then take the questions in any order, and leave the critic for last so the group meets George on his own terms first.

Keep it fair

Nobody has to agree with George, and the guide doesn't. Judge his claims by what can be checked. When the talk turns to people, landlords or tech companies, bring it back to the rules: blame the game, not the players.

The sessions

1. The puzzle, and where wages come from: Introductory and Book I, pp. 14 to 86
2. Malthus, and whether nature is to blame: Book II, pp. 87 to 139
3. Rent, interest and wages: Book III, pp. 140 to 202
4. What progress does to rent, and why busts happen: Book IV and Book V, pp. 203 to 262
5. The remedy, and whether it is just: Book VI and Book VII, pp. 263 to 346
6. Putting the remedy into practice: Book VIII, pp. 347 to 376

7. What the remedy would do: Book IX, pp. 377 to 410
8. The law of progress, and the ending: Book X and Conclusion, pp. 411 to 487

Session 1

The puzzle, and where wages come from

Introductory and Book I, pp. 14 to 86 of the PDF edition

What George argues

George opens with the puzzle of his century: steam, railroads and machinery multiplied the power to produce, yet want persisted and was deepest where wealth was greatest. He then clears away the standard answer of his day, the wage fund theory, which said wages are low because capital is scarce compared with workers. In Book I he argues that wages are not paid out of capital at all but out of the product of the work itself, as with a whaling crew whose wages come home in the hold. Capital does not limit industry, so the cause of low wages must lie somewhere else.

Questions

1. George calls poverty beside progress “the great enigma of our times.” Is it still the right description of the country you live in, or has the puzzle changed shape?
2. Do the whaling crew and the Farallone egg gatherers convince you that wages come from current work? Think of a job you have had: when was your pay earned, and when was it paid?
3. George could have attacked the wage fund theory in a few pages. Why do you think he spent a whole Book on it, and does the rest of his argument need it?
4. **Then and now.** An AI lab may pay its engineers for years before its models earn anything, and in one quarter of 2026 Alphabet spent more on equipment than its operating cash flow. Does that sink Book I, or is it just a very long voyage before the ship comes in?

The other side: Frank Taussig, *Wages and Capital* (1896)

“the laborer of the great civilized community does work which may not result in enjoyable goods for years. The element of time enters in the one case, not in the other; the difference is world-wide.”

Taussig, a Harvard economist, wrote a history of the wage fund debate and took up George in its chapter on the arguments of his own day. His objection is time: in a simple economy work soon yields something to live on, but in a modern one most work produces nothing anyone can use for years, so someone must advance the means of living in the meantime. He also judged that George’s share in the controversy had little visible effect on the development of economic theory.

Source: <https://mises.org/online-book/wages-and-capital/chapter-xiv-contemporary-discussion>

On the web: The puzzle: poverty beside progress (George vs. today); Book I: wages come from the work, not from capital (George vs. today); Introductory on the web; Book I on the web

Session 2

Malthus, and whether nature is to blame

Book II, pp. 87 to 139 of the PDF edition

What George argues

George takes on Malthus, the idea that population tends to outrun food and that poverty is nature's penalty for too many people. He argues that the famines usually cited, in India, China and Ireland, came from tyranny, insecurity and the seizure of what cultivators produced, not from overcrowding. Against the analogy with animals and plants, he argues that people differ: new mouths need no more food than the old ones, the hands they bring can produce more, and denser societies produce more per head. His test case is California, where wages fell after the gold rush even though labor had become more productive. His conclusion is that the injustice of society, not the niggardliness of nature, is the cause of want.

Questions

1. George blames famine in India on tyranny and insecurity, not numbers. How would you test that claim with today's data?
2. Is his California example strong evidence? What else changed between 1849 and 1879?
3. George wrote before the demographic transition. Does the fall in birth rates in rich countries help his case or make the whole debate moot?
4. **Then and now.** The common story today is that there simply isn't enough power or compute to go around. The median power project built in 2025 waited five years for a grid connection, against under two years in 2004 to 2008. Is today's compute shortage nature's limit, like Malthus's, or an institution's, like George's?

The other side: Gregory Clark, A Farewell to Alms (2007)

Clark, an economic historian, argues that for almost all of history Malthus was right: before about 1800, gains in technology were eaten up by more people, and living standards barely moved. Robert Solow's review, quoted by the publisher, sums up the claim: "for thousands of years before the Industrial Revolution, there was essentially no sustained improvement in mankind's general material standard of living." If Clark is right, George's mistake was to treat the exception of his own century as the rule.

Source: <https://press.princeton.edu/books/paperback/9780691141282/a-farewell-to-alm>s

On the web: Book II: scarcity blamed on nature (George vs. today); Book II on the web

Session 3

Rent, interest and wages

Book III, pp. 140 to 202 of the PDF edition

What George argues

George sets out the laws that divide what is produced into rent, wages and interest. He takes Ricardo's law of rent as settled: the poorest land in use sets a margin, and whatever better land yields above it goes to the owner. Interest, he argues, comes from the reproductive forces of nature, as wine ripens and cattle breed, and he separates true interest from monopoly profits and from the wages of management. Since wages and interest are both fixed at the margin, the rent that rises above it explains why they do not rise with progress.

Questions

1. Put the law of rent in your own words with an example from where you live. What is the "least productive land in use" there?
2. George explains interest by the growth of wine, bees and cattle. Does that persuade you? What about a loan that finances a factory?
3. George insists that land values and stocks and bonds are not capital. Why does the distinction matter to his argument?
4. **Then and now.** Amazon Web Services earned a 39.4% operating margin in the second quarter of 2026, and Nvidia a 75.0% gross margin. In George's categories, how much of that is rent, how much interest, how much wages of skill and how much monopoly? What would you need to know to decide?

The other side: Eugen von Böhm-Bawerk, *Capital and Interest* (1884, English 1890)

“The natural sciences have long ago told us that the co-operation of nature is universal.”

Böhm-Bawerk, the Austrian economist, devoted part of his history of interest theory to George. He argues that George repeats an old mistake of the French physiocrats: nature works in every kind of production, not only in growing things, so it can't single out some capital as earning interest. And even granting George's point, it never explains why goods that are naturally fruitful should earn interest at all.

Source: <https://mises.org/online-book/capital-and-interest/chapter-ii-later-fructification-theory>

On the web: Book III: rent is set at the margin (George vs. today); Book III on the web

Session 4

What progress does to rent, and why busts happen

Book IV and Book V, pp. 203 to 262 of the PDF edition

What George argues

Book IV asks what material progress does to the division of wealth. Growing population raises rent, not just by pushing work onto poorer land but by making central land more productive, as with the settler on the savannah whose land gains value as neighbors arrive. Labor-saving inventions raise rent too, and the expectation of rising values leads owners to hold land out of use. Book V argues that this speculation is the main cause of recurring depressions, and the reason idle workers and idle capital appear side by side while poverty persists amid advancing wealth.

Questions

1. Read the settler on the savannah aloud (IV.2, paragraphs 10 to 13). Where does the value of his land come from?
2. George's Marin County redwood owner held his timber off the market. Is there land held empty near you? Was the owner wrong to wait?
3. George dismissed railroad overbuilding as a cause of the depression of the 1870s. Was he right to?
4. **Then and now.** 97 acres in Loudoun County, Virginia sold for \$615 million, about \$6.3 million an acre against a county median near \$125,000. Is that the savannah story with fiber and power lines in place of neighbors? If a bust comes after the current spending on data centers, would it support Book V or undercut it?

The other side: Murray Rothbard, *The Single Tax: Economic and Moral Implications* (1957)

“The speculator allocates sites over time.”

Rothbard, a free-market economist on the opposite side from George, defends the speculator. Holding a site until the best use for it arrives, he argues, is a service, and land that looks idle is not idle to its owner, who is waiting for a better use. He also argues that no assessor can find the pure value of land apart from what has been built on it, so the assessment would be arbitrary.

Source: <https://mises.org/mises-daily/single-tax-economic-and-moral-implications>

On the web: Book IV: the settler on the savannah (George vs. today); Book V: speculation and the bust (George vs. today); Book IV on the web; Book V on the web

Session 5

The remedy, and whether it is just

Book VI and Book VII, pp. 263 to 346 of the PDF edition

What George argues

Book VI reviews the remedies of George's day: thrift in government, education, unions, cooperation, regulation and breaking up estates. None, he argues, reaches the cause, so whatever they win, rising rent takes back. His own remedy is that we must make land common property. Book VII asks whether that is just. Property rests on labor: what a person makes is theirs, but no one made the land, so private property in it is a wrong; and since the wrong is ongoing, he holds that owners are owed no compensation.

Questions

1. Which remedy that George rejects in VI.1 has the most support today? Is his reason for rejecting it still good?
2. George refuses compensation to landowners (VII.3). A family that bought a house last year paid full price for the land under it. Is it fair to tax that value away? Is there a fair transition?
3. George grounds property in labor. Do you agree? If so, does his conclusion about land follow?
4. **Then and now.** Data centers depend on things the public grants, such as water rights, grid connections and county consents like Box Elder County's 2026 handover of a data center project area in Utah to a state authority, first 40,000 acres and later cut to about 20,000. Should a public grant carry a duty to share its value, the way California's miners held claims only while they worked them?

The other side: Pope Leo XIII, *Rerum Novarum* (1891)

“The right to possess private property is derived from nature, not from man; and the State has the right to control its use in the interests of the public good alone, but by no means to absorb it altogether.”

The encyclical defended private property, land included, as a natural right, against the socialists of its day. It argues that land does not stop serving everyone when it is divided among owners, since all live on what it produces (paragraph 8), and that the state may regulate property for the public good but may not absorb it (paragraph 47). George thought taking the rent left titles alone; the question for the group is whether taking all the rent is absorbing the property.

Source: https://www.vatican.va/content/leo-xiii/en/encyclicals/documents/hf_l-xiii_enc_15051891_rerum-novarum.html

On the web: Book VI: remedies that miss the cause (George vs. today); Book VII: the miners' rule (George vs. today); Book VI on the web; Book VII on the web

Session 6

Putting the remedy into practice

Book VIII, pp. 347 to 376 of the PDF edition

What George argues

George turns the principle into a tax. He does not propose to buy or seize land: owners keep the shell and the public takes the kernel, because it is only necessary to confiscate rent. The method is to abolish all taxation except that on land values. He tests it against the classical rules of taxation and finds it hardly checks production, costs little to collect, is certain and is fair. He separates land value, which he calls pure monopoly, from patents and railroad profits, which mix monopoly with real labor and capital.

Questions

1. Milton Friedman called “the property tax on the unimproved value of land” the “least bad tax.” Why would a free-market economist say that, and why have so few governments followed it?
2. Altoona, Pennsylvania dropped its land-only tax partly because it confused people. Is a tax that is hard to explain a bad tax?
3. George would not tax patents. Should a land value tax stop at land, or should other monopolies be taxed too?
4. **Then and now.** Loudoun County taxes the computer equipment in data centers at \$4.15 per \$100 of value and real property at \$0.805, and expects \$879.1 million from the equipment against \$417.7 million from real property on data centers. What would a Georgist Loudoun look like, and would it collect more or less?

The other side: Pittsburgh and Altoona, two cities that tried it (1913 to 2016)

“because the tax never proved to be effective and because it caused confusion”

The strongest case against Book VIII is what happened where it was tried. Pittsburgh taxed land more heavily than buildings from 1913, at a ratio the Chicago Fed gives as 5.77, until a countywide reassessment in 2001 sharply raised assessed land values; residents objected, and the city went back to a single rate ([Chicago Fed](#)). Altoona moved to a tax on land alone in 2011 and voted in 2016 to drop it, the paper reported, because the tax never proved effective and caused confusion. The city’s levy was only about a quarter of residents’ property tax bills, so the test was partial.

Source: <https://www.altoonamirror.com/news/local-news/2016/06/city-council-decides-to-cut-land-value-tax/>

On the web: Book VIII: tax the land, spare the machines (George vs. today); Book VIII on the web

Session 7

What the remedy would do

Book IX, pp. 377 to 410 of the PDF edition

What George argues

George describes the effects of his single tax. Ending taxes on industry would be like removing an immense weight from a powerful spring: production would leap, speculation in land would end, and wages would rise toward the full product of labor. The surplus would let society take on new tasks with less corruption. He argues that most landowners, small farmers and homeowners would gain more as workers than they lose as owners, and that involuntary poverty would disappear.

Questions

1. Which of George's promises in Book IX can be tested? How would you measure each one?
2. George says homeowners and small farmers would come out ahead. Who would lose? Did he underestimate them?
3. George expected a large change. If the measured effects of land taxes are modest, does that refute him, or were the trials too small?
4. **Then and now.** Suppose a county collected the full rental value of its powered sites and grid connections, and stopped taxing chips and buildings. What would you expect to see five years later? What result would prove you wrong?

The other side: The measured results, studies of Pennsylvania's split rate taxes (2010 to 2023)

"Changing the tax rate to raise the rate on land versus structures does not seem to have influenced business establishment formation."

The evidence finds real effects that are much smaller than Book IX promises. Banzhaf and Lavery found that Pennsylvania towns that taxed land more than buildings got more housing units and denser building ([Journal of Urban Economics, 2010](#)). The Chicago Fed's review summarizes Oates and Schwab, who credit the land tax with a real part in downtown Pittsburgh's building in the 1980s but note that office vacancy was already extremely low and the city was running a major redevelopment program, so the tax's share is hard to isolate. It also reports Hanson's finding, quoted above, that raising the land rate against the building rate did not seem to change how many businesses formed.

Source: <https://www.chicagofed.org/publications/chicago-fed-letter/2023/489>

On the web: [Book IX: the spring released \(George vs. today\)](#); [Book IX on the web](#)

Session 8

The law of progress, and the ending

Book X and Conclusion, pp. 411 to 487 of the PDF edition

What George argues

George closes with a theory of history. He rejects the view that progress comes from a kind of natural selection among peoples. Progress comes from association, people working together, which frees mental power for improvement, while equality keeps that power from being wasted in conflict: association in equality is the law of progress. Civilizations decline as inequality grows, and he sees the signs in his own America. The Conclusion turns from economics to the meaning of a single life, and ends in hope.

Questions

1. George says civilizations decay from inequality. Name one case that fits and one that doesn't.
2. Is the modern internet association in equality, or association without it?
3. After eight sessions, judged by results that can be measured: what did George get right, and what did he get wrong?
4. **Then and now.** Five hyperscalers hold an estimated 71% of the world's AI compute. George's warning in X.4 was about men who controlled railroads and chose governors. Is concentrated compute the same danger, a different one, or no danger while prices keep falling?

The other side: The World Bank, global poverty figures (2024)

George forecast that unless rent was taken for the public, progress would bring decline. The best single test is global poverty, and it has fallen a long way: the World Bank counts the share of people in extreme poverty, under \$2.15 a day, falling from 38% in 1990 to 8.5% in 2024. The same source shows the number in Sub-Saharan Africa rising from 282 million to 464 million, and progress stalling since 2018, so the gains are real but uneven. Much of the fall came from fast growth in East Asia.

Source: <https://blogs.worldbank.org/en/opendata/getting-to-zero--focusing-on-ida-countries-for-ending-poverty>

On the web: Book X: the barons and the decline (George vs. today); Book X on the web; Conclusion on the web

One evening

The core of it in one evening

For a group that can only meet once, read the essay [Compute Is the Soil](#), about six minutes, and one short passage of George: the settler on the savannah, the heart of Book IV. Read the passage aloud at the start; it takes about five minutes. Then take the questions in order.

Read

- The essay [Compute Is the Soil](#) by GANDALFO, computeandpoverty.com/essays/compute-is-the-soil/
- George, *Progress and Poverty*, IV.2, paragraphs 10 to 13, pp. 211 to 214 of the PDF edition, or on the web at computeandpoverty.com/progress-and-poverty/book-4/chapter-2/

Questions

1. In George's passage, what has the settler done to make his land worth more, and what has everyone else done?
2. The essay says compute is the new land. List what compute needs that nobody made: which items belong on the list, and which are things people built?
3. Who in your own work is the landlord and who is the tenant? Do you have a choice?
4. The essay says the compute barons "aren't villains." Is that fair to the owners, or too easy on them?
5. George's remedy is to collect the value of land and stop taxing what people build. What would that mean for a data center campus, and for the town around it?
6. What evidence would change your mind about any of this? Look at the numbers page, [Who Collects the Compute Rent?](#), and pick one figure that matters most.

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This guide is also at computeandpoverty.com/reading-group/, with each chapter of the book a click away, and the chapter notes are at computeandpoverty.com/george-today/. Copy it and print it freely for your group.