

campaigns in several states, among them Oregon, California, Missouri, Pennsylvania, New York. Prof. Dudden is rather sketchy about these campaigns and it would be instructive to know more about them other than that they failed.

Fels' money was not enough to overcome opposition—indeed it often exacerbated opposition. His generosity to the single tax colony of Fairhope, Alabama also precipitated controversy there. And staff members of the Fels fund wanted more and more money for less and less work—a familiar phenomenon in the world today! Yet his largesse enabled much to be done that might not have been done otherwise.

Returning to Britain, Fels found that the Budget was in trouble. He proposed closer cooperation with the Labour Party, which the United Committee declined—but he continued his support. He also visited and contributed to Georgist movements in France, Germany, Denmark Italy and Spain, and backed an international conference in Ronda, Spain in 1913.

In February 1914 Joseph Fels, worn out with his toils, died at the age of 60 in his home city of Philadelphia. He entrusted the carrying on of his work to his wife Mary. But she had other ideas. Although she followed her husband while he was alive, she soon discontinued support to the Georgists—the work of the United Committee was set back by this defection—and turned her attention and support to Zionism.

In the fateful year of 1914 the "guns of August" silenced many reform movements including the single tax. Prof. Dudden goes too far, however, when he concludes, "The worldwide single-tax movement founded on the doctrines of Henry George and nourished by Fels-Naphtha's profits ended with



his death as well." The argument goes on in many forms, and so does the work.

Letters to the Editor

HENRY GEORGE AND THE POPE

SIR, — In claiming that I am wrong when stating that the Papal Encyclical *Rerum Novarum* was a counter to Georgeist ideas, Mrs. Marie McCrone seems to be unaware of the conflicts caused by the writings of Henry George among Catholic clergy well before 1891, as shown in my book *Henry George und Europa*.

To begin with, Father Edward McGlynn of St. Stephen's in New York was excommunicated because of his Georgeist engagement in 1887. After that, George's books were submitted to the Holy Office at Rome and were condemned. However, the Cardinals Manning and Gibbons who disapproved of this, succeeded in preventing their being listed as forbidden literature.

As for the Papal Encyclical *Rerum Novarum* of 1891, it almost exclusively tries to justify the private ownership of land as it exists today. Henry George himself regarded the Encyclical as aimed at him, and so did Cardinal Manning (cf. Henry George jr., *The Life of Henry George*, New York 1901, p. 565).

I am very sorry to disappoint your correspondent, but these are the sad facts.

Yours faithfully,

MICHAEL SILAGI

Munich,
West Germany.

CHINA'S LAND VALUE TAXATION?

SIR, — When a recent Labour Party Political Broadcast began with the "Land Song" it made me sit up and listen, but when it continued by outlining Labour proposals for "solving the land question once and for all," I realised again how the powerful arguments for land reform are bent to attempt to justify more government interference in the economy. It also greatly interested me to hear that Sun Yat-sen, the founding father of the first Chinese Republic, and the founder of the Kuomintang political party was supposed to have believed in the principles of

Henry George (Fred Harrison's letter, Nov.-Dec. issue), and I had to find out what happened to such auspicious beginnings of China's first attempt at a modern democratic society.

On further examination, it turned out the basis for this suggestion was that Sun Yat-sen had privately told an American journalist at about the time of the first Chinese revolution of 1911, that he intended to found a state based on the principles of Henry George, but this was the only recorded instance of his actually mentioning a belief in H.G.'s principles, and furthermore that the journalist was known by Sun Yat-sen to be an advocate of H.G.'s land value taxation.

Unfortunately, Sun Yat-sen was only President of China for a very short period before the republic disintegrated into Civil War and the rule of Warlords and died before the Kuomintang regained power in 1926, and so the truth of this statement could never be put to the test, but before his death, he did produce a lengthy political statement in the book *San min Chu-i (The Three Principles of the People)* and the third principle, "the people's livelihood" contained his economic proposals. The book subsequently has gained lip-service approval of both the Chinese Communist Party and the Kuomintang.

The part of "the people's livelihood" relating to land does indeed advocate a land tax, but it is a tax on "unearned increment" similar to that advocated by J. S. Mill, which ignores historic land values and only seeks to tax increases in land value. Experience has shown that such proposals easily degenerate into mere taxes on development of land. Furthermore Sun Yat-sen regarded this source of revenue as a means of financing state capitalism—or state development of industry, and with his Marxist interpretation of history he thus hoped to by-pass the evils of *laissez-faire* capitalism.

Apparently, the successors to Sun Yat-sen in the Kuomintang never clearly understood Sun's land proposals, and although land reform has remained a slogan in the con-

tinuing revolutionary programme of the Kuomintang, there has been no clear exposition of what these proposals entail and no meaningful reform. Chiang Kai-Shek, who succeeded Sun Yat-sen as leader of the Kuomintang and came to power in China in 1926, began a serious conflict with the Chinese Communist Party from 1928, and just as the communists' power base rested on the landless peasants, so Chiang's political base was unquestionably the rich landlords of China. Under such circumstances it would have been surprising if the Kuomintang had made any attempt at instigating land value taxation.

I would, therefore, suggest that a study of the Kuomintang, as suggested by Fred Harrison, may not be as fruitful as it may appear at first sight.

If Fred Harrison is still interested in the subject, he may be interested in the biography of Sun Yat-sen by Harold Schiffrin, and an article by the same author referred to in this book called 'Henry George in Two Continents.'

Yours faithfully,

CHRISTOPHER CORMACK

Brentwood,
Essex.

GOLD AND THE MARKET

SIR, — In reply to Mr. Smedley, if the price of gold is allowed to float, gold ceases to be of use as money and becomes merely a store of value. As such, it would be held in ingots of one ounce or larger. Notes would be converted into the nearest ingot, with the balance in silver or copper. The current free market price of gold is published daily today in the press. The important consideration is that a floating price for gold would render the money we really use, the paper note, independent of the demand/supply fluctuations of gold. This is really important. Our need to buy and sell the myriad commodities necessary for our daily life is quite independent of the chance presence of gold in the country.

Mr. Smedley repeats his point that if a noteholder can change his note for gold in the free gold market, there is no point in the

issuing bank offering conversion in gold. But the free market price is merely the average price ruling in the market at a particular time: any one dealer can offer or accept any price, or even refuse to deal at all. Mr. Smedley writes that in a free market a seller would have to sell. I can say only that Mr. Smedley's idea of a free market differs from mine. In my free market a seller can refuse to sell for any reason that moves him, even for "I do not like thee, Doctor Fell; the reason why I cannot tell." A bank, however, binds itself to redeem its notes in gold at the price ruling on the previous day. A bank would have to be in a pretty bad way before the free market refused its notes; but the bank could defend its reputation by offering gold at the current average market price.

Yours faithfully,

HENRY MEULEN

London, S.W.19

LAND-USE PLANNING— FOR WHOM?

SIR, — I have just received the September-October *LAND & LIBERTY* with Robert Clancy's "Straws in the Wind" column about progress in land reform. An excellent summary, I think.

One note on land-use planning: the biggest complaint seems to be that it creates even more bureaucracy. While I agree, I find this not the biggest danger. I suspect land-use planning, with all its homilies about land as a public trust, of being a powerful tool for manipulating land sales and prices on a grand scale. I see it as no coincidence that members of the President's Council on Environmental Quality, from which the land homilies emanate, have connections with some of the biggest land speculative interests in the country. That Council has been and is closely related to the Rockefeller-funded Task Force on Urban Growth. (See Reilly, William K., *The Use of Land: A Citizen's Policy Guide to Urban Growth*, N.Y. T.Y. Crowell, 1973).

Around 1913, zoning was introduced supposedly to halt the evils of land speculation. We know that zoning plays right into the hands of the speculators. So today, there is widespread environmental con-

cern for the land damage done by "developers." Here again, I think, speculators are just mouthing the environmental slogans but trying to put through some legislation that will give them even greater economic power.

When we think of the large-scale planning that the President's Council has in mind (they stress the point that *local zoning* is no longer adequate), we can get some idea of the impact of their restrictions. Let's say New York State passed a planning law that all land now open is prohibited from future development. What happens to the value of the remaining land that *can* be developed? And who owns that land?

Yours faithfully,

CATHY COVELL

San Francisco,
California.

NOT AMUSED

SIR, — On the strength of Nicholas Bilitch's glowing review of the first publication of *Libertarian Books* I spent £1.75 to discover that the book's title aptly fitted the author's work: *95 per cent is Crap*.

Mr. Terry Arthur applauds those who fail to vote at general elections (p 67) and his concluding advice to the reader illustrates the totally negative approach apparent throughout his "guide to British politics": "put a bloody big cross right across the ballot paper, preferably with a short rude message."

Having read the book, I am amazed that *LAND & LIBERTY*, of all journals, should applaud this rubbish. Mr. Arthur should be told that it is hardly a mark of scholarship merely to quote from a politician's speech (however specious) and then add a "Ha ha", a "Dazzlin', eh" or a "Phew! But really."

As a reader brought up on Henry George, I urge you, sir, to encourage the positive and informed approach towards political problems which that great man initiated, and to reject the Arthur-like attitude which can only lead to the death of democracy. It consists in sitting on the fence and damning everybody in sight and will contribute to the increasing apathy and indifference in