

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

Britain epitomised in Lord Arran's comment on *95 per cent is Crap*: "I know nothing whatever about economics; I know even less about the state of the country—but I like reading bright saucy stuff." Bright saucy stuff, Arthur-style, consists of humbug just as bad as that of the politicians.

The author is as critical of people who say precisely what they mean (e.g. *The National Front*, p 98) as of those he believes do not (e.g. Carr, p 24), he labels as "meaningless and contradictory" anything he cannot grasp (e.g. Dahrendorf, p 77) and is quite prepared to damn, without explanation, others for "special pleading" (e.g. the N.U.T., p 104).

For Mr. Arthur, the 1974 Reith lectures are a case for special treatment: he quotes, for example, Dahrendorf's clear definition of what he means by "allegedly private organisations" and then, apparently to make the Professor seem obscure, actually asks "What in hell's name" these organisations are.

He delights in ripping a sentence out of its context to hold up a man to ridicule (e.g. Carr, p 148) and, on the other hand, quotes a politician accurately (Benn, p 48) and then, to make a point, distorts what the man said. In fact, Arthur attacks all the popular "Aunt Sallies", like Harold Wilson, but surely for the wrong reasons. The Labour Leader and *The Guardian* are, for example, castigated for stating the obvious—that the "proprietary Press is not free"—and citing a perfect example of this in 1971; then follows a series of supposed parallels (p 3) which I ask your reviewer to re-read in order to see how silly they are.

Though he advocated a radical change in our system of taxation (and hence a very different society), Henry George would not have disagreed "that a civilised society can be judged above all by the social provision it makes . . . for those least able to help themselves." This is "ideological crap" for Mr. Arthur; because social provision means taxation taken by force, the author concludes "the more a government uses force to tax its citizens, the more civilised is the society! H'mm."

"H'mm" indeed, and so one

could on and on, but is *Crap* worth the bother? And would anyone like a nearly-new copy at half-price?

Yours faithfully,

W. H. SIMCOCK

*Butterton,  
Staffordshire.*

**Nicholas Bilitch** writes: It would seem from Mr. Simcock's strictures that I am in danger of being pro-

secuted under the Trades Descriptions Act. In defence of Terry Arthur, he was doing no more than expose the proliferation of humbug which masquerades as serious political debate. That he has done so in a knock-about fashion in no way detracts from the merit of the book, which has received an accolade from none other than Professor Milton Friedman.

## *Inflation Dropped from the Sky*

FRANK DUPUIS

**I**N his book, *The World's Strangest Crimes\**, the author, C. E. Maine, shows that debasing the currency is a crime that injures more victims than any other. Unfortunately it cannot now be called strange. Ordinary people regard it as familiar and natural as sunrise and sunset.

When the Battle of Britain showed that the people of that offshore island could not be induced by force to join the Hitler-Mussolini-Vichy common market, Himmler began to consider indirect methods. If he had had a monopoly of propaganda that might have served his purpose—as a recent example has shown. But not having that monopoly, and German Intelligence having reported that British morale was breaking, he seems to have recalled the circumstances which helped Hitler to seize power. The dishonesty of the Weimar politicians had prepared the ground by rapid inflation. At the last moment fear induced them to become more honest; but then it was too late. The ordinary German, who probably disliked both, felt his only option was to support the planned economy of Stalin or that of Hitler. By the destructive weapon of inflation the British people might be placed in a similar position.

A Captain Kruger was given the task of forging British currency notes to be dropped during air-raids on Britain. Kruger established himself within a closed block inside a concentration camp, so the work could proceed with the utmost secrecy. He assembled the most skilful engravers, printers, paper-manufacturers and suc-

cessful forgers he could find so that the work would be perfect. Many difficulties arose. Some material could not be produced in Germany and could not be imported. These difficulties caused such a delay that the first batches were not dropped until January, 1944.

German thoroughness had ensured that the forgeries could be detected only by experts after the most stringent tests. But the human factor had been overlooked. At that time the British people had not been exposed to the hectic, gambling influence of inflation that promotes dishonesty. Also Himmler to achieve quick results had printed many notes of £5, £10 and higher values although notes of £1 and ten shillings were in general circulation. When people saw fivers and tenners scattered about after an air-raid they became suspicious and handed them to the police. Experts detected the forgeries and a warning was given.

So Hitler failed where Messrs. Heath, Wilson, etc. have succeeded. The people did not think about "fighting inflation", they recognised dishonesty.

It is sad to think that it needed a ghastly war to arouse the public spirit of the British people and encourage them to apply their common sense to what is called an economic question, not regard "economics" as a mystery only to be interpreted by "qualified" experts who disagree among themselves.

Two hundred years ago that great statesman, Turgot, pointed out that so-called savages obey the laws of political economy instinctively.

\*Odhams Books Ltd., 1967