

that the poor shall be constantly becoming poorer in all our large cities, the world over?"

And again he says:

I had never found so clear an exposition of the cause of the trouble, involuntary poverty, and its remedy, as I found in that immortal work.

I became all aglow with a new and clearer light that had come to my mind in such full consonance with all my thoughts and aspirations from earliest childhood, and I did, as best I could, *what* I could to justify the teachings of that great work based on the essence of all religion . . . the Fatherhood of God and the Brotherhood of Man."

Mr. Bell gives an excellent recital of the years to follow when the big-hearted priest, the gifted orator, took up the cause of the extermination of involuntary poverty through the extermination of monopoly of natural resources, and of what it cost him to do it. It is a recital of value, more today even than in years gone by. Because the rushing years between have somewhat obliterated the conflict, and many persons have possibly come to regard it as merely an internal question of Church politics. Understandable, when we read what Mr. Bell has to say of the attitude of most newspapers and leading controversial magazines of the day, few of which seem to have seen how important was the doctrine for which this priest gave so much. Even those organs of public opinion which did not object to exposing the arrogance of leading men of the Church were still wary of emphasizing the attack on modern society's most important monopoly as shown by the writings of Henry George and the stand taken by Father McGlynn. Characteristic of this is the fact that a great Encyclopedia of high standing as a work of reference, mentions Father McGlynn only in a few words in a short article on Archbishop Corrigan as "a New York priest and fellow-student with Corrigan at Rome who disapproved of parochial schools, refused to go to Rome for examination and was excommunicated in July, 1887, but returned to the Church five years later" (!!) Not a word about the doctrines that caused the conflict. . . . And not another word about Dr. McGlynn anywhere.

Mr. Bell gives a fine picture of the friendship between Father McGlynn and Henry George; their unfortunate estrangement during the Cleveland administration, and the reconciliation later. He gives in full Father McGlynn's marvellous doctrinal statement regarding Henry George's economic teaching, the paper which was accepted as justification for his reinstatement to the priesthood. It is a classic, that Statement, and should be preserved in a pamphlet for distribution, with perhaps, Father McGlynn's wonderful speech at the funeral of Henry George. That great oration *is* preserved in a book containing all the speeches at the funeral in 1897. But the Doctrinal Statement deserves wider recognition.

The story of Father McGlynn's later years in Newburgh, his illness and death, are sympathetically told. It is a book that deserves wide recognition, not only among followers of Henry George but among all students of the real development of history, the history of great ideas making their way against established custom of thought, against entrenched privilege with its power to control the organs of public knowledge and opinion.

And one point on which Mr. Bell is very frank, a point which may not seem of as great interest to the world in general as to his comrades in the ranks of Henry George disciples . . . is nevertheless of real importance. Mr. Bell tells us that he is willing to believe Archbishop Corrigan acted in all sincerity. He may even, says the author, "have scanned 'Progress and Poverty' to discover its purpose and encountering the passage 'We must make land common property' have balked at the proposition. . . ."

Again and again Mr. Bell emphasizes his belief (in which the undersigned agrees heartily), that a mistaken use of such a sentence, i.e., an apparent preaching of the extermination of private ownership of land, rather than an abolition of all taxation except on land values, leaving land undisturbed in private ownership and use . . . is what

turns away many who are really seeking the truth of today's economic problems. Mr. Bell shows how Father McGlynn understood this point clearly. And he states it superbly in his Doctrinal Statement. For while we may have little sympathy with the Church as land-owner, and therefore owner of temporal power, we realize that not only the Church of that day, but many well-meaning seekers after Truth balk at that proposition "We must make land common property." It is not only Archbishop Corrigan to whom that sentence smacks of the Communism they seem to fear. And it does not, in truth, express the essence of the teaching of Henry George. What Father McGlynn and what Mr. Stephen Bell have to say on this point is worthy of attention by all readers of LAND AND FREEDOM.

The book itself, for other reasons, is worthy of attention by a wide public.—GRACE ISABEL COLBRON.

HOW TO SUCCEED IN BUSINESS AND HOW TO CHOOSE AN OCCUPATION *

This is a very interesting and well written book with a title which should command the attention of a business man or anyone who wishes to waste no time and to get ahead financially. It outlines the nature of competitive business, privileges, copyrights, patent rights, franchises and land. It is an excellent condensed explanation of what Henry George stood for. Not that George advocated that any individual should be given any of these privileges, but that their abolition would allow everyone a fair field and no favor. We disagree with the author in some minor matters and we do not hold his views on Interest, although we are aware that many Georgeists are in agreement with him. Lack of space prevents our going into detail over this very debatable subject. Briefly his position is that Interest has no ethical basis.

Correspondence

CRITICISES OUR CONTRIBUTORS ON INTEREST

EDITOR LAND AND FREEDOM:

I have found the articles and letters on interest in your last two issues very interesting, but suspect that their conflicting statements must be most confusing to many.

This confusion is a result of the mistaken practice of first defining terms and then checking the facts of life by this arbitrary measure instead of first checking the facts of life and determining the truth and then defining terms in accordance with the truth. The critics of Christopher Columbus made that mistake and ruled out his proposal because it did not check with their preconceived and mistaken definitions. The economists, so-called, to whom Raymond McNally refers on page 79 have made this mistake. In their definitions they limit interest to the return that is in excess of replacement value. This view contradicts the excellent statement by McNally that interest is the return on capital, which he defines as wealth devoted to obtaining more wealth. It is noticeable that McNally says "obtaining," instead of "producing."

This distinction is important because it makes for certainty and universality; there can be no "ifs" in science. The question whether a certain dollar is interest must not depend upon the contingencies of the market and the other uncertain factors that determine whether or not a venture is profitable. Nor may a fact in science rest upon the fact that any group of men agree that it is a fact; the agreement of the authorities mentioned by McNally has no weight in science, for scientific facts are not determined by ballot.

McNally appears to be guilty of self-contradiction in saying on

* Alan C. Thompson. 88 Pages. Paper. Price, \$1.00. The Greenway Press, Ltd., Toronto, Ont., Can.

page 82, or appearing to say, that interest exists only in cases in which the capital is borrowed; and he contributes further to confusion and uncertainty by injecting into the discussion the matter of absolute and relative returns. Here he overlooks the fact that the interest question is merely a phase of the problem of ownership; a man's title to his product is in no way affected by the fact that his product has become capital. This is the assumption that led Karl Marx so far astray.

This confusion is compounded by the letters in these issues in which the writers comment on McNally's article. Here, too, some of these take it for granted that interest exists only in cases of borrowed capital. The letter of Henry P. Sage is faulty in this respect. C. H. Kendal's letter, excellent in some respects, is open to criticism; for he says on page 96 that "under equitable conditions" interest is inevitable. One might as well say that, in a just world, the law of gravity will always be operative. What has equity to do with the fact which Kendal himself states so well; namely, that wealth is produced by the application of labor to land, or by labor assisted by the tool capital. The question whether the claim of the owner of the capital is recognized, and the problem of evaluating that claim do raise a question in equity; but that is another matter, and it lies outside the science of economics. The interest is there, regardless of equities; and regardless of the question whether the operator is making money, or being useful to the community.

In his letter, page 133, Kendal makes a similar mistake in limiting labor to human effort directed to production. No physicist would think of limiting the term "force" to manifestations of nature having certain preconceived effects. Force is force, anywhere, always, under all conditions, regardless of purpose or effect. So labor is labor, regardless of circumstances. There are no "ifs" in science; and no contingencies.

Stockton, California.

L. D. BECKWITH.

MR. KENDAL REPLIES

EDITOR LAND AND FREEDOM:

I have read Mr. Beckwith's friendly criticism in the preceding letter.

In the next to the last paragraph he apparently is in agreement but feels that the phrase "under Equitable Conditions" is superfluous and that one might as well say "in a just world the law of gravity will always be operative" . . . Also he says the question of equity lies outside the science of economics. This is another exemplification of his well known view that the moral law has nothing to do with economics. In Blackstone's Commentaries, Volume I, opening chapter, one may note the basic definition of *law* is *natural law* as distinguished from human enactments, statutes and the succession of precedents, common law. Blackstone goes on to state that the aim of the human law is to coincide with the natural law and any violation thereof is in offence to both the human and the divine. Is the law of equity a natural law or does it come in the category of the human?

In his last paragraph Mr. Beckwith feels I have made a mistake "in limiting labor to human effort *directed to production*." Is not any other human effort outside the field of economics? "Labor is labor regardless of circumstances," but labor to walk, to run, to play, to make mud pies has nothing to do with economics. In economics wealth must be *produced* and that wealth must have exchangeability.

In an earlier paragraph Mr. Beckwith refers to Mr. McNally in his use of the word "obtaining" which he approves instead of the word "producing." There are many unproductive ways of *obtaining* wealth such as thievery, gift and inheritance, but it seems to me these should not be included in the Science of Economics.

In another paragraph he mentions ". . . a certain dollar is interest

. . . " I am sure this is only a slip on his part as I cannot believe he can consider a dollar as either interest, capital or wealth. However his meaning is clear but not altogether scientific.

C. H. KENDAL.

DOES CANONIZATION AWAIT HIM?

EDITOR LAND AND FREEDOM:

Bernard Shaw in the preface to his "Saint Joan," wrote:

"Many innovating saints, notably Francis and Clare, have been in conflict with the Church during their lives, and have thus raised the question whether they were heretics or saints. Francis might have gone to the stake had he lived longer. It is therefore by no means impossible for a person to be executed as a heretic, and on further consideration canonized as a saint." Vol. XVII, Collected Works of Bernard Shaw, p. 32.

Father Edward McGlynn was excommunicated in 1887 for refusing to obey the order of his superior to refrain from preaching the philosophy of Henry George. A few years later, after an exhaustive investigation of the writings of Henry George, Father McGlynn was reinstated and received a new pastorate. It took five hundred years for Joan to rise from burning at the stake for heresy and blasphemy to beatification among the saints. The philosophy of Henry George is being increasingly accepted; so it is not too much to hope that it will take much less than five hundred years for Father McGlynn to be numbered among the saints.

I enjoyed the personal friendship of Father McGlynn from 1886 until his death. He was not only a sincere, zealous and eloquent follower of the "Prophet of San Francisco" but a man of a sweet and sunny disposition. I therefore hail the publication of his life by Stephen Bell as the vindication of a great man.

Essex Fells, N. J.

FREDERIC CYRUS LEUBUSCHER.

MR. McNALLY ANSWERS HIS CRITICS

EDITOR LAND AND FREEDOM:

I note some comments in the July-August issue on my article ("What Is Interest?") which I think demand a reply.

D. L. Thompson states that if I am right in my opinion that what is termed "interest" is merely "compensation for risk," interest rates should be higher, as he believes "the element of risk has steadily increased since the last industrial breakdown." I am afraid, however, that such a belief is not substantiated either by fact or in theory. Anyone who has made a study of business cycles knows that the element of risk is greatest immediately prior to an industrial crisis, when speculation has driven values upward to the breaking point, and is lowest during the period between crises. It is the wise man who invests during this interim. Your readers will doubtless recall the fact that commercial interest rates just prior to the 1929 debacle were at a record height and gradually shaded off as a new equilibrium was being established. A few years ago at the low point of the depression, after the terrific liquidation of 1932 (when business failures were more numerous than in any other year), interest rates were at the lowest level—one-eighth per cent on call loans. Since that time they have been slowly hardening, corresponding with the increase in the hazards of doing business—not, as Mr. Thompson contends, since the "last industrial breakdown," but since the low point of the depression. They will continue to rise, for the risk element increases as we creep nearer to the next crisis. The great activity recently in the building industry is a sure indication that men with capital regard conditions now to be more secure than they were just prior to or immediately after 1929.

As for Mr. Thompson's claim that the element of time accounts for "interest," I would like to refer him again to my article, for he has