

to be otherwise, for as Arthur Goddard points out in the preface to the English language edition of Frederic Bastiat's *Economic Sophisms*:

"Ever since the advent of representative government placed the ultimate power to direct the administration of public affairs in the hands of the people, the primary instrument by which the few have managed to plunder the many has been the sophistry that persuades the victims that they are being robbed for their own benefit. The public has been despoiled of a great part of its wealth and has been induced to give up more of

its freedom of choice because it is unable to detect the error in the delusive sophisms by which protectionist demagogues, national socialists, and proponents of government planning exploit gullibility and its ignorance of economics."

Thus, for those who do not, or will not think, the accumulating sophisms of the land use advocates will, with each passing day persuade: "the victims that they are being robbed for their own benefit." Measures of this sort go a long way towards fulfilling deTocqueville's prophecies: "Hence the concentration of power and the

subjection of individuals will increase among democratic nations, not only in the same proportion as their equality, but in the same proportions as their ignorance." A bit later in *Democracy in America* he further stated: "... till each nation is reduced to nothing better than a flock of timid and industrious animals, of which the government is the shepherd." With national land use planning the shepherd will be well equipped to keep all his flocks in their appropriate pastures, feed lots and yes, perhaps one day, even the slaughter chutes.

(To be continued)

## A Man With Money and an Ideal

ROBERT CLANCY

ALMOST forgotten today is Joseph Fels, the millionaire single taxer. The product that he developed, Fels-Naphtha Soap, at one time a household name, has been supplanted by today's detergents. Forgotten too is his active crusading and financial support for the Georgist movement everywhere.

A book has appeared in recent years recounting the Fels saga.\* Unfortunately, even this book did not make much impact and it too is nearly forgotten. But the story deserves to be told, and some day this as well as other neglected lore of the Georgist movement will come into its own.

In his book on Fels, Prof. Dudden presents what must be the first look in perspective at Joseph Fels and his relation with the single tax movement. Although it leaves one wanting more information, much research did go into it, as evidenced by the extensive notes, and it is hoped this may be further built upon.

Early in his career Joseph Fels, as part of a family enterprise, developed the soap that gave him fame and fortune and also showed a strong interest in social questions. He knew of Henry George's

work in the 1890's but it took some time for him to become fully converted. At first he experimented with putting the unemployed to work on vacant lots both in the U.S. and England, but the transitory effects of this solution disappointed him. When he at last turned to the single tax, no one was more dedicated than he. Lacking in Prof. Dudden's book is a sufficient explanation of the Georgist doctrine and why Fels became fully converted.

From the early 1900's to his death, Fels seemed to be everywhere speaking and spending for the single tax. He was one who, in the vernacular, "put his money where his mouth was"—although there were reformers who wanted his money without his mouth. For Fels was generous to various movements with the hope that he could win them over to single tax.

Among the movements that caught his attention was Zionism (Fels was Jewish) and he came into contact with Herzl, Rothschild and Israel Zangwill. But his support was contingent upon a Jewish homeland becoming a single tax land. Zionist leaders were not fully persuaded but they still worked together. Could not the Zionists see, Fels wondered, that Henry George was the only way to apply Moses today? There was a search everywhere for a suitable homeland—Asia, Africa, South America. Interestingly, it was Fels who pro-

moted Palestine long before the Balfour Declaration, while other Zionists backed off because of too many obstacles.

Fels also mingled with Fabian socialists—in those days all sorts of reformers hobnobbed together. The Fabians too welcomed his support but he made not a dent in their thinking.

About this time the leaders of the Russian revolutionary movement, including Lenin, Stalin and Trotsky, came to London seeking a loan which Fels granted them. He knew of the Henry George influence in Russia and he hoped somehow that his help would promote single tax in Russia. Events proved him wrong—but the loan was eventually paid back after the Revolution, to Fels' widow.

But of course it was the single tax movement which primarily engaged Fels' attention and funds. He shuttled back and forth between the U.S. and Britain, with forays into Europe, lecturing, campaigning, giving money. Besides being a generous contributor he was a strong and effective speaker who had great impact on his audiences.

Shortly after the formation of the United Committee for the Taxation of Land Values, Fels gave it financial support. Soon came the great opportunity to achieve land value taxation via the Liberal Budget of 1909-10, and Fels increased his support and active participation. So sure was he of its success that he returned to the U.S. to promote land value taxation there. He established the Fels Fund and promoted single tax

\**Joseph Fels and the single-tax movement*, by Arthur Power Dudden. Temple University Press, Philadelphia, 1971. Unfortunately this book is highly priced. Originally published at \$10.00, the price is now \$16.00. However, if any reader wishes to place an order through this magazine, every effort will be made to secure it for the lower price.

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-Naptha'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,

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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-