

KEN. GRIGG

3907

written
you have prior to going
to.

Dear Winston,

54 Wattle Valley Road
Doncaster, 3126
Victoria
Australia

6/1/84

You said of you to send me your
monographs on R. Schrammer. Thankyou very much indeed.
I will see to it that it gets a mention in the George Journal
which emanates from Peter Henry of the Henry George Institute
55 4th Street New York 10017

~~I was a most happy, meaningful, and useful~~

We Alpine and I met you in Taipei. Each of us I believe has
been able to open up new horizons for the other. The Schram
see story is a very important one for the international
George community to become aware of. Indeed generally
speaking, the intimate details of the San Joaquin - George
connection have not been at all well known to the
current generation, either amongst George's or amongst San Joaquin
scholars. So I see a mutual role for us in an educative
programme, the significance of which lies in nothing less than
the structure of the non-Marxist alternative for China!
This is why I perceive that the groundwork in Taiwan
where there is this long San Joaquin tradition of consistency
in land reform is so crucial. And within that context I
believe that now an hundred years on from George and
three quarters of a century on from San Joaquin, the
crucially important thing is to re-state the spirit of
what they are striving for, but on a manner that of
possible, manages to avoid their own particular shortcomings.

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This means, in effect, that each generation has to work out its own set of truths for itself, with its own perception of truths earlier stated. Hence I feel that papers and discussions at conferences become, ultimately, obsolete if they deal only with what Henry George said, or what Sen said. Sen said. For now, they are so! He quoted an order to the effect to perceive their particular contribution to the sum of human knowledge, but I believe that we are intellectually and morally obliged to launch out into the deep of seeking our own old wells of wisdom!

It is interesting, indeed, quite fascinating, that Dr. Schumacher needed his own ethics to land native Hawaiian virtually a priori. To that extent he united ranks with George. The marvel of George was that he then went on to conduct a whole novel philosophy and I believe that for the sake of the people of all Nations, Georgism, as a philosophy must be studied in Taiwan as the would be Marxism.

The English George Journal is "Land and Liberty". The equivalent in Taiwan is "Hsun and Land". And because political reform must go hand in hand with economic reform, I find myself increasingly attracted to the slogan "Livelihood and Liberty" -- a title which embraces Sun Yat Sen's Second and Third

What I am saying is that it is too simplistic a statement to merely say that as society grows the value of land goes up. The prior step of portraying increased efficiencies and cooperation transmitted into increased utility of land → augmentation of the productive power of labour and capital, must be taken. This reveals the beauty of the whole sociological edifice.

The value of land subsequently goes up because in the market situation of a free economy, the advantaged sites then attract a commercial premium!

Principles

In my own re-reading of Bergson I am seeing away for ~~primary~~ emphasis upon land. I perceive that the starting point is human action. That, wherever people co-aggregate into a community, opportunities are spontaneously generated a thousand-fold, a million-fold, for human cooperation, and for economies in effort. And thus the location utilised by people where they interact are endowed with enormously enhanced utility in the service of labour and capital; and so it comes about that it is this increased utility in itself that increases the productive efficiency of the otherwise marginally operative labour and capital; there is a bonus of production of goods and services that is now attributable to the phenomenon of socially generated economy in effort that is engendered spontaneously in the very act of human association. I may have put this somewhat clumsily and belatedly, but this is what I regard as being the ultimate core of Bergson. It is that initial first step in the argument.

Having taken that first step, we may then proceed to the second, which is to note that in a competitive entrepreneurial society, land in those locations has thus been rewarded so much the more desirable will be of an economic, commercial premium, its rental value. This ongoing rental value will be the commercial expression

of what the increased utility of land is worth in making
its contribution towards Gross Annual National Product.
And as the needed values of all land rises throughout
the nation, when summarized into a combined figure, will
constitute a substantial distribution portion of the Gross
Annual National Income in monetary terms.

In the light of the earlier development of this
argument, we can say that the summarized Annual
(Recked) Value of Land, as a distinct, unique portion
of Gross National Income is the measure of what
the organism of the community is worth from year to year.
As much as constitutes the community's material resource for
resource, as its equitably and rightfully dividend.

So I would be come back to my point that
what the ultimate expression is in terms of land value,
what we are primarily seeking is the benefit of
human association; and the political problem is how
these benefits are to be equitably shared.

Mr. W. S. Johnson, who attended the conference,
'on the group photo the so forth from the left in
the front row) pointed out to me that the Chinese
word translated "equalization" (as in equalization
of land rights) may also and possibly better, be

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formulated as "equitableness" I believe that that is a most valuable contribution to discussion, because not many have formulated equitableness of land rights as "equitableness in land benefits", or, going back a step, as "equitableness in the sharing of community benefits". Now, obviously, everyone does not equally share in the enjoyment of community benefits - not everyone can have the benefit of the beach frontage or prime commercial corner. So the corollary to it is, "equitableness in the obligation to pay for ongoing community benefits". That one exclusively enjoyed.

In this sentence we come right back to where the speech of Sen. Gal Sen and of Henry George converge - and, indeed, of D. Schweitzer. So the political problem can be stated, "How can the benefits of human association be equitably shared and equitably paid for?" The updated answer is NOT an incremental gain on the sale of land, nor, indeed an annual levy on leased on land price, but, rather, an annual levy on the proceeds of land drawn from the annual benefit value of that land. We add in other words, socially diverting into public channels an income stream which is normally generated. And it is within that income stream

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is not socially diverted but is allowed through
legislative default to flow into the pockets of land
holders as a monetary rental advantage, that it
becomes spread by them as a dividend on an invest-
ment in land and is capitalized into the speculative
lump sum of the sale price of land.

And it is right here that the enormous longer
arise of land being treated as yet just another
commodity.

One half of the foregoing deals with the
operation of the normative healthy economy in which (a)
labor and capital have a free entrepreneurial role -
and, what is more, are left undisturbed, and (b) the socially
generalized rate rental component is socialized.

The other half of the foregoing deals with
what happens when because land rentals are not socialized,
land becomes treated as yet just another commodity
within the private entrepreneurial economy.

Both Richard M. Hoge and I were very
apprehensive that Reason Nguyen in his presentation,
in formulating his model for the economic future
for Vietnam, failed to make this vital distinction.
I think that our apprehension would have been
equally shared by George Ky Son Jet Son and by

Lebanon:

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I am deeply concerned that the strong success story of Lebanon, now long since passed at least phase of not to the Middle, is going to be spoiled, precisely because the capitalization of the economic benefits of progress adds the hurdle of land price to the very thing that they have not needed. I find it an awkward situation to be a friend and guest in that country, yet finding it necessary to remind and that they are running the danger of spoiling their record.

There has turned into a long and respect thing. I have reminded to you before. But what I am looking up to is to seek out your own advice as to how best we can get our friends in Lebanon to realize that unless they get land reform right (ie successfully achieve equalization in the sharing of the agricultural community benefits) then the efforts of Senate of San Jose and of Lebanese will all have been in vain. How can we, without offence, say these things within the circle of their land reform Association and of their government? My kindest regards and thanks,

Ken Sings

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