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March 28, 1991

BY HAND

Mr. Edward J. Dodson, President
Board of Trustees
Henry George School of Social Science
121 East 30th Street
New York, NY 10016

Re: Lincoln Foundation and
Lincoln Institute of Land Policy, Inc.

Dear Ed:

On the morning of March 26, 1991, George L. Collins, the Director of the Henry George School of Social Science, called me on the telephone and told me that there would be delivered to me by hand that day, communications dealing with the above corporations. Also, included in the material he said, would be letters from a Stanley M. Sapiro, Esq., an attorney with offices in Malibu, CA, who wanted permission from your organization to act in its behalf pro bono, in connection with allegations by him that these organizations have violated their responsibilities under their corporate charters insofar as they were not propagating the teachings of Henry George as set forth in his book "Progress and Poverty", the alleged purpose for which the Lincoln Foundation had been organized.

In the afternoon, there was delivered to me by hand, the following:

1. Letter dated March 22, 1991 from you to me requesting my input to be presented to the Board of Trustees meeting on April 11, 1991 with reference to the above matter.
2. Copy of an undated letter from Benjamin Chinitz, Director of Research of the Lincoln Institute of Land Policy, Inc. to a Mr. Graham Hart, Secretary of the Georgist Education Association at 10 Broome Street, South Perth, Western Australia 6151.
3. Letter dated January 3, 1991, from Stanley M. Sapiro, Esq. to Mr. Benjamin Chinitz. It was indicated that copies of that letter were sent to Lillian L. Howell, David C. Lincoln and Dr. Roland (sic) Smith.

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4. Letter dated January 31, 1991 from Dr. Ronald L. Smith, Vice President and Executive Director of the Lincoln Institute of Land Policy, Inc. to Stanley M. Sapiro, Esq. This letter disclosed that copies were sent to Lillian L. Howell and David C. Lincoln. Further, it referred to an enclosure of the operative provisions of the Lincoln Foundation purpose clause which Dr. Smith stated had not been changed during the last fourteen years. Included, and presumably a copy of the enclosure of that letter, was an Article III A and B, page 2, which apparently was what was referred to in his letter.

5. Letter dated February 5, 1991 from Stanley M. Sapiro, Esq. to Mr. George Collins.

6. Letter dated February 26, 1991 from Stanley M. Sapiro, Esq. to Mr. George Collins.

I have carefully reviewed the material which you have furnished to me and wish to render the opinion that at this time, there is no basis for authorizing Mr. Sapiro to act in behalf of the Henry George School, even though he has graciously volunteered to act pro bono and to accept collect calls from either members of the Board or the attorney for the School.

The reasons for my opinion are as follows:

I. The material furnished to me is totally inadequate to properly assess the situation. There is no evidence from the letters that Mr. Sapiro has assembled all of the documentation that is even publicly available albeit at a financial cost to the person requesting such documentation. I am referring to such material as:

A. The Certificate of Incorporation and all of the amendments, if any, of the Certificate of the Lincoln Foundation which allegedly was incorporated in the State of Arizona.

B. The Certificate of Incorporation and all of the amendments, if any, of the Certificate of the Lincoln Institute of Land Policy, Inc., which was allegedly incorporated in the State of Connecticut.

C. Any and all documentation from the Commonwealth of Massachusetts as to whether the Lincoln Institute of Land Policy, Inc. qualified under the corporate law of Massachusetts in the Commonwealth of Massachusetts.

D. Information as to whether the Lincoln Institute of Land Policy, Inc. is qualified under the Commonwealth of Massachusetts' Education Law to operate as an educational institution there and if in fact it is operating such an institution.

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II. Under no circumstances, should the Attorney General of the State of Arizona be approached to take any action against the Lincoln Foundation unless there is substantial evidence at hand that it is violating its Charter to a material degree.

III. Dr. Smith's letter of January 31, 1991, addressed to Attorney Sapiro states the following:

"It is true that LILP's curriculum and related research activities and publications do not (and legally cannot) "propagate" or "advocate" the principles of Henry George's land tax policy. However, it is equally true, I believe, that such ideas of Henry George are fully expounded and fairly reflected as part of the teaching and related activities of LILP and we intend to continue this in the future."

It does not appear from this, that a good case can be made out for the contention that the requirement in Lincoln Foundation's Charter as specified in Article III B that funds are to be distributed . . . "to teach and expound the ideas of Henry George as set forth in his book 'Progress and Poverty'" is not being met.

IV. Attorney Sapiro states in his letter of January 3, 1991 to Mr. Benjamin Chinitz the following:

"I have been consulted relating to bringing a legal action against the directors, officers and managers of the Lincoln Foundation and the Lincoln Institute to compel it to undertake its obligations "to teach, expound and propagate the ideas of Henry George" and to recoup the funds expended for other purposes."

If Mr. Sapiro would be empowered to negotiate for the School, the impression would erroneously be given that the aforementioned threat of legal action was initiated by your organization, when in fact that is not true.

It is perfectly possible as stated by Mr. Sapiro that some employees of the Lincoln Institute made disparaging remarks with reference to Henry George ideas. However, I feel that this can be taken up at a personal meeting with Dr. Smith. Dr. Smith has indicated that he would be willing to meet with Mr. Sapiro. However, I believe that instead, some high level representative of this School can at an appropriate time meet with Dr. Smith in Boston, in order to see that the proper attitude is promoted by that institution with reference to Henry George and his ideas.

Mr. Edward J. Dodson, President -4-

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If the Lincoln Foundation has one hundred million dollars in assets as Mr. Sapiro indicated in his letter of February 26, then it is worth exploring as to whether in fact the Foundation, as seems probable is still primarily authorized to promote the teachings of Henry George. Under the circumstances, diplomacy would be the better part of valor and it might behoove the Henry George School to ascertain whether an application should be made to the Foundation for funds for special programs.

In view of the foregoing, it would serve no purpose for me to call Mr. Sapiro at this time.

This letter is being rushed to you so that if there is the necessity for any further give and take before the meeting of the Board of Trustees on April 11, time would still be available to satisfy that purpose.

Kindest regards.

Sincerely,



Harris L. Present

HLP:tw

cc: Mr. George L. Collins (BY HAND)
Director Henry George School
of Social Science