

wages or pensions returns to the rich via rent or price adjustments. At the other, communist revolution may lop a few tall poppies but it leaves fewer people than ever in control of the means of production. . . . Russian inequalities are not much different from American." He passes over the key words in the key phrase: "a dollar added to poor wages . . . returns . . . via rent." Although later on he examines the land question, he cannot see a solution other than in terms of state interference, and indeed the confiscation of wealth and its forcible redistribution.

The simple truth that a 100 per cent annual taxation of the site rental value will knock out the speculative price of land eludes him. Nor does the logic of this tax—that the community as a whole should receive the site value it creates, and that natural distribution of income would follow—come into his arguments. No: "Land and housing should be traded in managed markets" and there should be a "once-for-all redistribution" of wealth. People with more than a figure set somewhere between one and three times the annual national income will have their personal holdings above the limit confiscated and redistributed to those citizens below the limit. Having satisfied the author's sense of justice, amazed the improvident and robbed those foolish enough to save money, Hugh Stretton then goes on to propose that "thereafter, taxation should be designed to make it difficult to accumulate new fortunes above the limit."

The author does admit to the problems his proposals would create, and tempers his Draconian measures with a touch of mercy. It would be interesting to see the effects on the economy if ever such a plan approached the statute book. The boom created by people spending and gambling their way through the money they were going to have confiscated, to say nothing of the rush into gold sovereigns and penny blacks to be hidden under the floorboards, would probably bring us temporarily out of the present slump at the speed of an overheated moon rocket.

Hugh Stretton will need to dig

deeper if we are to have lasting solutions to problems at their causal level rather than naive and unworkable manipulations of end

## Towards a Better Understanding

ROY DOUGLAS

**T**HERE are many good books on twentieth-century political history, and many on British economic history of the same period. Until recently, however, one would have been rather at a loss to recommend a work which looked at the economy of Europe as a whole since the outbreak of the First World War.

Professor Derek Aldcroft's new book\* goes a long way towards filling the gap. As the title suggests, the author tries to see the several economies of Europe constantly interacting with each other. No doubt readers of *Land & Liberty* will applaud the recognition that policies of economic autarky were harmful. As the old aphorism puts it, "If goods cannot cross international frontiers, armies will." Readers may feel, as your reviewer did, that the land question was not discussed as much as it should have been. A powerful argument exists for the view that one of the main reasons why the military and political frontiers of Russian communism now stand in the very centre of Europe, is that people did not adequately tackle the land question in the period before 1939.

History is now developing more and more as an integrated study; and this book is a contribution in that direction. The picture of Hitler's Europe seems particularly valuable in that sense. We all hear so much about the political and military history of the period that we sometimes neglect a point which is here brought out well:

"The Nazis never had a very clear idea of what was involved in setting up the New Order. No complete and comprehensive plan for the restructuring of Europe was ever published so that the concept remained vague and confused. . . . As a result of the rapid acquisition

results. Mr. Stretton's heart seems to be in the right place, the great pity is that it seems his brains are not.

of new territories the Nazi regime was occupied with the immediate task of administering them. . . ."

Like other planners before and since, the Nazi planners just didn't plan. Successful centralised economic planning presupposes a measure of prescience which is never vouchsafed to mortals. May facts like these provide a large part of the explanation of Nazi Germany's collapse?

In time, no doubt, the "integrating" process of history will go further. We shall one day come to see more fully how economics and politics have received their inputs from science, technology, the fine arts, literature and religion. How big a part, for example, did engineers or industrialists play in the development of Europe's twentieth-century economics? Five hundred years from now, may historians decide that men from those fields played a bigger part in shaping human life in this century than all the politicians, soldiers and economists put together? Again, are we perhaps too prone to assume that deliberate human intervention necessarily produces some large effect, whether for weal or woe? Since 1945, there have been some spectacular economic upsurges, both in the "capitalist" West and in the "socialist" East. May we one day come to decide that these upsurges were due far more to the development or spread of technological knowledge than to the economic system within which that knowledge was received? Is it fair to say that conscious intervention by organs of government in economic processes usually either generates no significant effect at all—or, if it does generate an effect, is counter-productive?

Your reviewer does not pretend to know the answers to all these questions, but this book has encouraged him to think about them.

\**The European Economy 1914-1970*, Croom Helm, £6.95.