

Letters to the Editor

GOLD STANDARD

IMMIGRATION

SIR,—Recent events in the United States and the growing political pressure of immigrants in Britain add point to Mr. Carter's articles on immigration and his able refutation of economic fallacies that increase apprehension among British people. But I do not think it consistent to argue from the principle of freedom that immigration should be unrestricted, and to state that the larger the number the easier their assimilation, and then advocate increased welfare and educational compulsions as if they accord with that principle. Demands for Black Power are alarming, but even more ominous is the acceptance that governments have the right to choose our friends, our neighbours and our children's associates, "educate" our sympathies, and, in this matter at least, restrict discussion. Hitler employed such methods.

I think the first consideration is to recognise that mass migration is itself unnatural. Although individuals might do so, large numbers of people do not wish to leave familiar surroundings, families and friends, and change traditional ways of life for an alien atmosphere unless some artificial pressure is at work. The spectacle of West Indians flocking to our grey skies and shivering winds while wealthy Englishmen go to winter in their homeland is such a glaring anomaly that to consider artificial integration as any part of the solution appears irrelevant.

If freedom reigned throughout the world so that all persons could exploit the natural resources in their vicinity, enjoy the full fruit of their labour, and by exchange bring the products of the world to their door, few would wish to move; and as they would have the equal rights to space, and the means to provide directly for their welfare, house and children's education, no compulsory measures would be necessary. Moreover, with the unnatural fear of insecurity removed, it is unlikely that the morbid pursuit of affluence would divert so many people from more rational and self-respecting ways to happiness.

Natural factors must be considered not only in the economic sphere, but in the constitution of man himself. Racial integration is now preached as a kind of crusade, deriving perhaps from the fallacy that all men are created equal. The law of nature is infinite variety; there are differences between races as well as between individuals. It is unnatural to try to

stamp out race differences, as Europeans especially attempt to do on the assumption that only by copying Europeans can other races reach higher development.

If contact were left to a more natural and gradual process, each race could develop along its own lines and thus enrich all human experience. Legitimate concern for the excellence of one's own race and civilisation is not arrogance; it is an expression of self respect.

Experience shows that when two different races are thrown into artificial contact, it is the vices rather than the virtues of each that prevail. When one considers the moral atmosphere of Britain today, and how tamely the people submit to the dictates of currency-debasing politicians who rule through jargon, I cannot see how it is to the advantage of the immigrants' character or wisdom to be factitiously integrated.

Like other freedom lovers I would like to see all artificial barriers to the free movement of men as well as of goods abolished; but in a world where essential human rights are denied, it is a question whether the cause of freedom will be served by unrestricted immigration, involving, as it does, unnatural methods to deal with the consequences.

It is a choice between two expedients, both repugnant, but differing. I think, in ultimate effect. Britain must either restrict the influx of immigrants to a degree likely to allay racial friction, or intensify the vain task of trying to make people love each other by positive Act of Parliament. The implications of the latter expedient are so dangerous to freedom that I consider the former less objectionable.

Emigration has always afforded bad governments a let-out for difficulties arising from denying natural opportunity internally. If the receiving governments indirectly subsidise this export of people, bad governments have less incentive to better the lot of the immigrants' countrymen at home. Other governments could help them more by liberating all the channels of trade.

It is difficult enough at present to arouse attention to the denial of essential rights. If Britain is to become a battle ground for racial feeling the task will be even more difficult.

Yours faithfully

LIBERTARIAN

SIR,—In his article in your September issue, Gary North ascribes the balance of payments difficulties of both Britain and the U.S.A. to excessive state note issues. But before the war in Vietnam, the U.S.A. generally had an excess of exports over imports. Her difficulties were then due to generosity in loans and gifts to war-devasted Europe. France, who has twice recently devalued the franc, now repays American generosity by demanding conversion into gold of French-held dollars. In our own case, the serious run on our gold was due mainly to continental doubt of the ability of the Labour Government to run our economy.

Mr. North makes the astounding proposal that we should return to a full gold standard—that every note be redeemable on demand in a fixed weight of gold. But governments have everywhere been obliged to deny this right to their nationals because the hoarding of gold that would result would bring all production and exchange to a standstill. The reason for all the anxious going and coming between economists and governments is precisely that the old gold standard put an automatic throttle on all exchange of goods. This may be simply explained. Whenever a country increases its production, it requires more money for wages, and its more active industry requires that its savings be more readily converted into loans. When its notes are convertible into a fixed weight of gold on demand, the volume of notes that can be issued on a given gold reserve is strictly limited by the amount of that gold, no matter what the volume of its savings. When that limit is reached, the active country can get gold only by putting up its interest rates high enough to attract foreign gold. Other countries can then defend their gold only by putting up their interest rates. But high interest rates effectively throttle industry, and the process is one of making production fit the available gold supply. This process can be set in train when no government has inflated its currency at all. It results solely from our adherence to a fixed gold price.

Gold deserves all the eoniums lavished upon it by Gary North; its cost of production varies less than that of any other commodity. But the enormous growth of industry has rendered inadequate the available supply of gold for bank reserves; and industry in Britain has suffered from this restriction for well over a century. Gold is essentially a store of

value, useful only to support trust in note issues; its very scarcity renders it inferior to paper as money. All value increases in proportion to demand, and gold also should have been allowed to increase in value in proportion to demand. No holder of a note can object if the amount of gold he receives in redemption of his note buys the same value in ordinary goods as he originally gave for the note. If the paper price of gold were free to respond to demand, gold

could appreciate in price sufficiently to support the lending of any volume of savings that the community can produce. This proposal is recommended to all who dislike the present move towards giving the IMF sole control over the world development of money. The hand that controls the money supply, controls industry as well, and indeed our very lives.

Yours faithfully

HENRY MEULEN

London, S.W.19.

Miscellany

Aid for Land Owners

REGIONAL employment premiums in respect of employment in manufacturing industry in the Development Areas, at a rate of 30s. per week for men, 15s. for women and boys, 9s. 6d. for girls, became payable September 4.

The purpose of the scheme, says the Department of Economic Affairs, is to reduce the labour costs of manufacturing industry in the Development Areas.

"This development is in the long-term interest of the economy as a whole, and firms will wish to consider ways of using the premium to achieve its aim. Thus, it is clear that its use, for instance, to finance investment or training, to reduce prices, or to improve marketing at home or in export markets, will make a valuable contribution."

And then, innocently, says the D.E.A.: "On the other hand, to apply it simply to increased dividends or wages will frustrate the objective."(!)

Other things remaining equal, since it will now be more profitable to manufacture in a Development Area, it will not be long before the price of land for factory sites creeps up to absorb the grants.

Too Many Passengers

IF WE are to be strictly fair in our commentary on the present situation, we must acknowledge unhesitatingly that the Government has succeeded in one field, and in a quite startling manner. It has increased the number of civil servants.

It has not been niggardly in this. It may have been mean to home-seekers; mean to manufacturers; mean to would-be workers; mean to

wage earners and various branches of industry and to many sections of the ordinary public—but in increasing the army of administrators it has beaten all records.

It has been finding jobs for bureaucrats at an astonishing rate. It is said that by March next year there will be 46,000 more civil servants than when the Government came into power.

All these people, though non-producers, have to be paid and given office accommodation for which the poor taxpayers must find the money. Even the new taxes devised by the Chancellor to extract this money help to swell the bill. The Inland Revenue alone needs to increase its establishment by 6,580 to sort out the complexities arising from new taxes.

Expensive Space

KARL MARX lies buried in very valuable land. The 126-year-old cemetery at Highgate, in North London which covers forty acres, is attracting the eyes of developers.

One acre of unconsecrated ground has been bought for £31,000 by Camden Borough Council for a re-development scheme.

Checkmate

RECENTLY British Rail decided to have a "light-hearted dig at road transport" with a new snakes and ladders game which it distributed to customers. The game is played with dice and two counters, and some of the hazards incurred include punctures, floods, a fallen tree, fallen blondes, tea stops, and so on. Needless to say, the freightliner speeds at 75 m.p.h. to square eighty, but the lorry never arrives.

The Road Haulage Association de-

cided to get its own back. In the September issue of its journal *Road Way* it added a few more rules to the game: Road consignment for Aberdeen arrives Aberdeen—wait fourteen days for turn. Rail strike threatened—lose fifty-two turns. Train derailed—all play suspended for two days. Load of valuable machinery arrives in fragments—fill in 462 forms in triplicate. Railways deny negligence—haggle for two years. Railways say claim submitted but out of time—see solicitor. Rail strike—retire from game for fourteen days.

Make Way for the Bureaucrats

THE British Steel Corporation is to set up permanent headquarters in a huge new office block in Baker Street, London, with some 60,000 square feet of accommodation.

The Government is forcing private firms to move away from London, but seems intent upon filling the capital with more and more bureaucrats, housed, paid and looked after as expensively as possible on taxpayers' money.

Only God Can Make a Tree

WHEN Moss Hart bought a country place in Pennsylvania and was showing George Kaufmann around, Moss pointed out its features, including an instant forest of 3,500 trees he had transplanted. Kaufmann marvelled. "It just goes to show," he said, "what God could do if He had money."

—The Gargoyle, N.J.

Sweet Smell of Success

THE U.S. Government has awarded almost \$50,000 of taxpayer's money to rose breeders whose yearly sales are almost 40 million dollars, "to select and breed more fragrant roses."

BOOKS RECEIVED

Growth Through Industry—a re-consideration of principles and practice before and after the National Plan. John Jewkes, Jack Wiseman, Ralph Harris, John Brunner, Robert Appleby, Sir Edward Lewis, D. H. Barran, A. G. Norman, H. G. Lazell, H. Allan Walker, Sir William McEwen Younger, Richard Lynn. Readings in Political Economy 2. Institute of Economic Affairs, 15s. 0d.

Population Growth and Land Use by Colin Clark. Macmillan, 70s.