Imperial Rome's Planned Economy

DURING THE THIRD CENTURY, that is between the years 200 and 300 AD, the finances of the Roman Empire utterly collapsed. The *denarius* and the *antoinianus,* chief silver coins of the realm, lost more than ninety per cent of their silver content: in effect, they were copper coins washed with silver.

We of the United States are today, for the first time in our nation's history, being introduced to quarter dollars of somewhat similar composition; and if I understand correctly, in 1966 our dimes and half-dollars will also be reduced in silver content.

We are further told: "Inflation gripped the money market, and the price of goods soared." In Egypt "bankers refused to handle Roman money." This affected Roman prestige, and "the value of Roman citizenship declined with it."

Centralisation of government power "called for an increase in officials and paper work, as the enormous government establishment grew and grew some more. As the monetary chaos increased, bureaucratic power in finance increased." The Roman government attempted to fix prices, then wages, and a black market was the result. Prices so increased that "a peck of wheat price-fixed at 100 *denarii* sold for 10,000 *denarii."* Then the Emperor Diocletian, in an attempt to relieve the country's financial dilemma, introduced tax reforms. In the end, the once free citizens of the Roman Empire, through taxation, became the slaves of the government that they once governed.

During these years over a million people lived in the city of Rome. They "complained about the housing shortage, soaring rents, congested traffic, polluted water, crime in the streets and the high cost of living. Unemployment (within the city of Rome) was a perennial problem; it increased as farm families dispossessed by changing agricultural methods (imposed by government) flooded the city. To keep some semblance of order, the government created a civic service with a multitude of agents — police, fire wardens, building inspectors and public health officials."

We have in these words, I think, a fairly accurate picture of the United States today and tomorrow, if what one reads in numerous papers and publications is correct.

After such a government, what was the final chapter ? Nothing more than the complete collapse of the Roman Empire, the greatest nation in all world history.

The United States, one may say, has never been an empire and never expects to be. This may be true in the sense of governing other nations ; but in the more general sense of government by indirection, are we not today an empire ? Compared with the population of the Roman Empire in the year 250 AD, the number of citizens of the United States in 1965 is about the same. Certainly the complexity of economic problems which in that day beset Rome are the same which now beset us. They are nothing new. The lesson is clearly written on the pages of history, that whoever may wish to may read.

— Frank Peyton in *The Pensacola News-Journal,* November 21

What Next, Mr Crossman ?

Local Government Chronicle, December 11

SINCE he became Minister of Housing, Mr. Richard Crossman has never attempted to hide his dislike of the rating system. He has been consistent in expressing this view and in his use of the epithets "vicious" and "regressive" to describe it ; he added a few others when he moved the second reading of his Rating Bill on Monday.

On this occasion, however, he went very much further. He committed himself to "a planned operation for first demolishing rates and then replacing the system with a new local tax, fair, intelligible and capable of being administered reasonably efficiently." On this, as he sees it, the survival of local democracy depends.

But what is this "fair, intelligible" tax to be? Can Mr. Crossman produce any indication of how this grand-sounding idea would work in practice? For years fiscal experts have exhaustively examined alternatives to the rating system and have been unable to agree ; the chief objection to most alternatives is their insufficient yield. Site-value rating is promising and should not be entirely ruled out. A local income tax could only be a supplement and would be unfair in its incidence over the present local authority areas.

In this context Mr. Crossman's outburst makes sense if, in fact, he is going to proceed with a radical reorganisation of local government on the lines he first indicated in September to the editor of this paper and at the A.M.C. conference. But he will have to wait a long time for democratic regional government to emerge from this — and even longer for a regional income tax. No Chancellor will lightly let out of his control any part of such a major source of revenue as income tax, now yielding over £3,500 million a year. And with the standard rates at 8s 3d. in the pound, where is the additional revenue to come from? Not only local government but the whole fiscal system may be involved here.

It would help if Mr. Crossman would explain exactly what he has in mind to local authority representatives at an early stage and give them the chance to produce their