

of liberty is external vigilance; to be forewarned against the false notions of "experts" is to be forewarned against such advocates when peddling their economic panaceas.

Lest it be thought that all is gloom and despair we note with pleasure and satisfaction the award of a Nobel Peace Prize to that Grand Old Man of Libertarian economics Frederick Von Hayek, whose ominous warnings in *The Road to Serfdom* were published some thirty years ago, in the wake of a most dreadful war which had engulfed over half mankind for some six years. In spite of his brilliant analysis and uncompromising warning he was (and still is) abused, ridiculed and treated with contempt by his trendy colleagues. The history of these past thirty years has borne out the truth of Hayek's misgivings regarding the way the future was being shaped when he wrote the aforementioned classic; while the utter failure of the New Economics is condemnation itself of his critics past and present.

We also note with satisfaction and a qualified

optimism the emergence in the press of contributions to intelligent economic discourse by Professor Alan Walters and the good work being done week by week by Samuel Brittan in *The Financial Times*.

Which one of us who watched a recent B.B.C. programme on inflation, wherein Milton Friedman routed his critics and demolished the pompous fatuity of those trendy bores of the Cambridge School of Economics, was not delighted with the former's mastery of his subject. If they but knew it classical liberals are back in business; cant and sophistry have (as always) many powerful friends; it behoves men and women who follow reason to resist the temptation to follow the crowd in admiring the Emperor's succession of new clothes. That not all the resistance fighters for freedom appear to be aware of the significant relationship between land and liberty is regretted but they are allies in a crucial battle for the freedom that will at least leave this question open to debate and resolution.

N.A.B.

SOUTH AUSTRALIA

Ratepayers Again Reject Taxes on Buildings and Improvements in Marion City



TWO YEARS ago a change was made in the South Australian Local Government Act to allow each ward within a municipality to choose its own local tax basis instead of a common basis being used over the entire city. Marion City had adopted the land value basis by voting to un-tax improvements at a poll of ratepayers many years before. Nevertheless, most of the councillors in four of the five wards decided to sponsor proposals to return to local taxes on buildings. Ratepayers had the right to demand that this be not implemented unless confirmed by polls and demands were soon presented for these.

After a very heavily fought campaign the proposals to return to local taxes on buildings were defeated in all four wards at the polls on May 28, 1973. But although other legislation on change of rating systems in South

Australia stipulates that two years must elapse before a defeated proposal can be re-submitted it is found there is no limit in the new legislation.

A little more than a year after their previous defeat, most councillors of the same four wards decided to try again and further polls were taken in each of these wards on December 7, 1974. An active committee was formed to oppose a return to taxes on buildings and other improvements. A strong campaign was conducted by personal canvass, press letters, advertisements and pamphlets.

In the overall result the proposals were again defeated in all four wards. In three of the four wards the margin in favour of retention of land value rating and un-taxing improvements was higher than before, although the total number of voters who exercised their votes was less than before.

The campaign to return to taxing improvements was conducted by and in the name of the Marion Council under order of the Council through its Town Clerk. A sixteen-column-inch advertisement under its name, addressed to "Ratepayers of Marion . . . An

Open Letter from your Council" appeared in *The Guardian* of December 4, 1974, putting its case. The morality (and possibly legality) of its action in spending ratepayers' money to press a partisan case on an issue subject to referendum is questionable. Those opposed to its proposal have had to meet the costs of putting their own views and will also have to pay their share of extra rate money spent by the council in putting its views.

The councillors concerned must feel chastened at the rebuffs they have suffered twice in all four wards. It seems a change is needed to elect new councillors who will carry out what the ratepayers of Marion have said they want on three occasions.

Efforts should be made to make the South Australian Government aware of the need for an amendment to the relevant Act to assure that three years must elapse before further polls can be initiated on proposals which have been rejected. Otherwise, confidence in stability of the rates will be undermined. People will be less willing to outlay large sums in buildings if their rates are liable to be drastically increased at any moment on capricious proposals initiated by two or three ward councillors.

The above report is from *Progress*, February, 1975.