

**PROGRESSIVES:** Members of all parties, churches, etc., who assume that political and social ideas improve in the same way as scientific discoveries accumulate; so that any change in society, provided that it is in the same direction and not a real change, is for the better. So the Progressive believes that social ideas wear out like old machines and he exalts time-serving into a moral obligation. As the drift of change is towards totalitarian government, the Progressive assumes that personal freedom and self-reliance conflict with social improvement.

**PROVIDENCE:** By any logical interpretation, the natural order of things which human action cannot change. As every true scientist accepts natural law, science makes genuine progress; as current political practice and modern economic teaching ignore natural law, Homo



Sapiens is continually trying to alter things that cannot be changed, and suffers the consequences in frustration and strife.

**QUALIFICATIONS:** Pieces of paper given by persons already having such pieces of paper to others requiring them for purposes of employment or prestige; extending from trade union cards to diplomas in philosophy and economics. Thus all spheres of mental as well as physical activity are subjected to control, and individual experiment is suppressed. As no genius ever required a piece of paper to prove it, the tendency is to stamp out human improvement.

**REVOLUTIONARIES:** Young persons, frustrated by the unnatural restraints of modern society, including the conditions required by the public assistance they enjoy; who imagine that old fallacies dressed up in long hair and mini-skirts are original. Having discovered that riotous conduct can obtain *gratis* more publicity than the soundest

appeals to reason, if those appeals are dangerous to the forces of privilege, these young persons indirectly bolster privilege by presenting chaos as the only alternative.

**STRIKES:** Outcome of the attempt to overcome the consequences of land and trade monopoly by organizing monopoly in employment. Trade union leaders, by denouncing fellow workers, called black-legs, and employers, for low wages, divert attention from the fact that if employment at its source, the application of labour to natural materials, is checked, the landless

must necessarily compete against each other for the lowest wages. As wealthy unions can give good strike pay, and strikers' rents are paid and families provided for from public assistance, and as great corporations, shielded from competition, can immediately pass on increased labour-costs to consumers—thus fomenting new demands—strikes become a permanent feature of democracy. The whole burden is thrown upon that Forgotten Man, the ordinary member of the general public; but the land monopolist, left unaffected, can preach the virtues of our Free Society.

## Putting the "Great" Back in Britain

S. W. ALEXANDER

Mr. Alexander was for many years private secretary to the late Lord Beaverbrook, financial Editor of the *Daily Express*, *Sunday Express* and the *Evening Standard*, and for many years the proprietor of the City of London newspaper—*The City Press*.

**I**N CONSIDERING economic and political association with any group of countries it must be recognised beforehand that the primary cause of the current widespread discontent in Great Britain arises from the uncertainty about the quality and buying power of money. The pound is no longer as it used to be, a good medium of exchange and storer of value. It cannot be relied upon to maintain its value for even a few months ahead. Thus, to save pounds to provide for the future is no longer regarded as a wise policy by a large number of people. People will not produce good work for bad money.

To restore strength to the currency there has to be a strict limitation on the volume of paper money put into circulation by the authorities. The outpouring of millions of paper notes which might be described as political paper money, can have no relation to the production of goods for which the money is exchangeable.

To give increasing value to the smaller amount of money in circulation there has to be restored to the people and to the industry of the country the right to buy from the cheapest market wherever it may be without tariffs, import restrictions quotas or other devices.

As soon as these principles of economic conduct are made acceptable, as they can be, all exchange controls should be abandoned. In the circumstances here envisaged the pound would not fall but would rise in value in terms of gold and foreign currencies. Apart from the confidence created by freedom a freely exchangeable currency has in itself a cash value. That value results from the mere fact of its freedom.

It should be recognised that in a free economy there can be no such thing as what is known as a "stop-go" element. In conditions of a free economy, adjustments in the economy are made minute by minute night and day and are an almost unnoticed form of correction. The protectionist policy and the absence of the elasticity resulting from it does not permit minute by minute adjustments with the result that crises arise in which major adjustments have to be made.

As a result of the unsound and unjustified belief by authority that some activities in the community are

more important than others, vast sums have been provided to maintain uneconomic industries. It cannot be too often emphasised that such subsidies are provided by other taxpayers and other industries already heavily burdened by taxation.

In its effort to secure what it calls a favourable balance of payments the government provides special privileges and facilities for exporters and it puts pressures against importers. There should be no discrimination against or in favour of

exporters or importers. The important element in trading is its profitability and it is conceivable that a considerable portion of exports are being made at a loss.

If we were to enter the Common Market in anything like its present form we would be prohibited from returning unilaterally to a Free Trade policy. The urgent need is that we should immediately proceed to do those things which it is in our own power to do. We cannot afford to wait and consult other peoples as to what is right to be done.

providing a continuing income for the future and automatically reducing the initial premium.

## The Luddites Return—

THE Luddites and Wage Fund Theory advocates are returning according to a report in *The Christian Science Monitor*, September 26. An all-out campaign for a four day working week is urged by I. W. Abel, president of America's United Steelworkers Union.

His contention is that industry already has the know-how to replace assembly line workers with computers so that the jobs of millions of Americans will be threatened.

Mr. Abel suggests that a four day working week with three day work-free weekends would create more jobs by spreading work, and would make workers more productive by reducing fatigue.

There has as yet been no suggestion of breaking up the machines!

## BOOKS RECEIVED

*Housing Market Analysis and Policy* by F. G. Pennance, Hobart Paper 48, Institute of Economic Affairs Ltd. 10s. 6d.

*Derelict Britain* by John Barr, Pelican Original, Penguin Books Ltd. 7s. 0d.

*The Persian Land Reform 1962—1966* by Ann K. S. Lambton, Clarendon Press: Oxford University Press. 84s.

*The Property Tax and its Administration*. Edited by Arthur D. Lynn Jr. University of Wisconsin Press. \$7.50.

*Money in the International Economy* by Gottfried Haberler. Hobart Paper 31. Second edition. Institute of Economic Affairs Ltd. 7s. 6d.

*The War On The Poor* by Clarence B. Carson, Arlington House, New York. \$5.95.

*Economics Of Land Use Planning: Urban and Regional* by William Lean, The Estates Gazette Ltd., 35s. 0d.

# Miscellany

## Moody Economics

ECONOMICS is no exact science." This statement in an article in *The Christian Science Monitor*, September 27, is inspired by the fact that plans to cool the economy have not worked as simply as the experts anticipated last year. The conclusion drawn from this is that there are various natural economic laws governing individual phenomena, "But the overall equation, if there is one, hasn't been written yet."

It might, perhaps, be more accurate to say that the economists are not exact rather than the science.

The writer says that economic doctrines are seen at any one time to be concerned with dealing with the problem uppermost in the public thought, and as the public mood changes, then these doctrines should quickly change with them.

Shaping the hand to fit the glove as it were!

## Land and Revaluation

A FARMER'S income in Taiwan today is three or four times what it was before land reform. This is the estimate given by an official of the Taoyuan Farmers Association in a recent *New York Times* report.

Under the 1953 Land to the Tiller programme, tenant farmers, who had been cultivating 40 per cent of the total farmland, were given the opportunity to acquire their land for a payment of only two and a half

times the annual value of the main crop, in twenty semi-annual instalments.

Similar programmes, if undertaken in time, might have safeguarded Chinese Nationalist control over key mainland provinces, and could also have kept the uprising in South Vietnam from reaching a level requiring American military involvement.

## Lesson in Economics

PEOPLE of limited understanding, such as Harvard economists and sociologists with their beards flecked with the milk of human kindness, are not aware of the fact that if you pay some people for not working you must perforce compel some other people to work without getting paid. Letter in *The Christian Science Monitor*, October 3.

## Land Price Rise in Hong Kong

LAND "prices"—premiums for long leases at low ground rents—are rising in Hong Kong. In four recent sales, leases have fetched more than five times the reserve price set by Government (*Hong Kong Telegraph*, July 23 and August 6).

The Hong Kong Government is no doubt glad of the revenue from land sales for revenue purposes, but a more sensible approach would be to increase the ground rent, thus