

evidence has been given to the Commission pointing to the need for a thorough overhaul of U.S. land use regulations, political jurisdiction and the property tax system. Although not mentioned by Mr. Nelson, the growing change in emphasis from taxing buildings to

taxing land, which is gaining greater political acceptance in the U.S.A., can point the way to a land reform programme which is becoming rapidly overdue. The need for urgent remedial action of the right kind has been well illustrated by Mr. Nelson's research.

## What a Prospect for 1969!

T. O. EVANS

A "SET OF simple things that need doing" in 1969 were listed and explained in the *Observer*, December 29, under the heading "What we want is . . ." Personally I would prefer a Watney's ale.

Among the things the *Observer* wants is the Treasury to give top priority to producing a plan to encourage new saving with income tax concessions as an inducement. As a further inducement, the Government should compete more closely with the equity market for funds, and, because everyone believes that inflation is here to stay, should offer a "cost-of-living adjustment both for the interest and capital sum."

This is rather like suffocating a man with one hand while administering artificial respiration with the other. It would be more honest to stop debasing the currency—no further inducement to save would be necessary.

### EXPORT FETISH

On the subject of exports, the *Observer* complains of the number of bodies who are teaching us how to export more and of the export committee set up to increase exports. The solution? A Ministry of Exports—"a single unified organisation whose single concern should be to promote, advise and analyse our export efforts."

Another Ministry of Meddlers with its army of civil servants is more likely to make matters worse—apart from its cost. Under a sound economy and a floating exchange rate the export "problem" would not exist to give rise to such footling and fatuous proposals.

### HOW TO BEAT INFLATION

Continuing the theme of the falling value of money, the *Observer*, loath to advocate the removal of the cause, wants a scheme for making people believe that prices will fall, not rise, so as to stop them from buying (all shopping is now a "spending spree" and is anti-social). It suggests that the Chancellor should encourage the idea that he is considering sharp cuts in purchase tax and also increasing Selective Employment Tax in the service trades. This brilliant idea would, it maintains, cause people to postpone their buying of "consumer durables," but not to stock up on their con-

sumer services since "no one can stock up today on the haircuts and restaurant meals he will be buying in a few months' time, even if he believes that their prices will be higher in the future."

This puerile palliative is not enhanced by the suggestion that the Chancellor need only spread the rumour or "encourage the idea"—but not necessarily carry it out. Debased thinking is no solution to a debased currency.

### WHY NOT BURN THEM AT THE STAKE?

Since the heroes of modern times are the exporters it naturally follows that the villains are the importers. Throwing aside the economics of international trade, the *Observer* declares:

"Who are Britain's guilty importers? Too often we hear about the magnificent efforts of firms in exporting but never details of what the same firms are importing. It is time that there was an attempt by the Customs and Excise department to name the firms who are bringing in large quantities of foreign goods which are not for re-export. At the same time the efforts to identify areas where Britain can produce what she is currently importing should be invested with urgency."

Thus we should import only for re-export. Even a hardened protectionist would splutter at this one.

### SCRAPING THE BARREL

As a final contribution to the brave new world of 1969, the *Observer* comes up with the revolutionary idea of raising the price of dog licences and, after the usual sop to old-age pensioners who would be exempt, it concludes: "and what about cats? They pay nothing."

If this is the best a reputable and serious Sunday newspaper can offer for 1969, then give me the politician any day—at least we are accustomed to making allowances for him.

I was tempted to think that this unsigned article in "The Nation's Business" section of the *Observer* must have been written by a student who had failed his economics and political science exams, but on reflection I think he might well have passed them with honours!