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# Natural laws we should not flout

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Geoff Forster

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## THE NATURAL ECONOMY

by John Young

Shephard-Walwyn, £9.95/A\$24

**T**HE AIM of this excellent book is to expound the basic principles or laws underlying all economies, in jargon free language, and to relate these principles to current economic problems. I believe that the author has succeeded admirably.

Notwithstanding the difficulty of verifying economic principles in laboratory experiments (as in the "hard" sciences), the fact is that a major economic experiment in the Soviet Union led to disastrous results because a major factor, the market, was overlooked. It became clear that markets can be neither abolished nor replaced by bureaucratic decisions.

While the western capitalistic method works more efficiently, it involves two basic weaknesses: (a) the boom-slump-boom cycle; and (b) the growing gap between rich and poor. Here again there is the widespread though fallacious belief that bureaucrats can manage the economy by income redistribution and the welfare state, using interest rate readjustments, etc.

The author sets forth the natural economy that could give rise to prosperity with equity. Topics include wealth and services; labour and wages; capital and interest; association and site revenue; value; money; government. There is a glossary of terms used (and precisely defined).

Current problems reviewed in the light of the principles outlined include: public debt, taxation, inflation, land prices, recessions, unemployment, poverty. Authorities quoted include Aristotle, Michael Novak, R.B. McKenzie, E.F. Schumacher and Henry George.

The author has taught philosophy for many years, and this is apparent in the clear, rigorous thinking underlying his presentation. His chapter on the objections to taking site revenue for public needs is especially good.

Unlike so many books on economics which describe how events are happening, this one gets to those fundamentals which must be grasped and then acted upon if an harmonious economy is to be realised.

For its clarification of economic principles and its demonstration of the application of these to current issues, this book is cordially commended.