

Sydney Mayers

VIEWS THE NEWS

The Anaconda Company recently advised its customers of a 25 per cent cut in copper deliveries, caused by a work slowdown at a Chilean refinery, and the reaction was as prompt as it was inevitable. According to *The Wall Street Journal*, "the company's announcement sent copper prices to record levels"—demonstrating anew the self-enforcing power of the Law of Supply and Demand.

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Not only has General Motors lost a part of its share of the 1965 automobile market because of the United Auto Workers' strike, but it is anticipated that total car sales in America will drop as a result of the strike's impact. What was it Henry George said about the consequences of a broken link anywhere in the chain of production?

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President De Gaulle's flamboyant junket through South America has resulted in considerable public excitement, but no evidence of any governmental desire to jump on France's bandwagon. *The Wall Street Journal* offers a logical reason for this lack of interest: "Practical Latin Americans know their economic future lies with the United States."

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Thanks (it is said) to current global prosperity, tallow, a basic ingredient of soap and livestock feed, has been enjoying a briskly increasing world market, American exports having risen some 500,000,000 pounds this year. It seems gratuitous to point out that the price of this greasy but useful by-product of meat has also risen during the same period, by about 40 per cent.

Northern Rhodesia, preparing for independence under its new name of Zambia, has announced that it will institute a program of protective tariffs in an effort to encourage and aid new industries. It is to be hoped that before this new nation is much older, its leaders will learn that such tariffs, whilst mulcting its people, will "protect" only the privileged few who will benefit from the barring of vital trade with the outside world.

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Despite full-capacity production in American aluminum mills, which would seem to prompt price-hikes, smelters of the metal have in fact had to shave their prices to encourage buying by fabricators, this apparent inconsistency being readily explained by the existence of intense competition. However, it is interesting to note that the competition prevails not within the aluminum industry, but outside it—from producers of steel, copper, zinc, lead, tin, mercury and tungsten, all of whom are jockeying for a better share of the market for metal.

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An amusingly worded advertisement in the real estate columns of *The Wall Street Journal* offers to sell, at \$375 per acre, a 991-acre ranch located in Florida not far from the Palm Beaches. Whether the ranch, which is described with circus-like eloquence, is really the "bonanza" the realtors enthusiastically claim may be a matter of *caveat emptor*, but we cannot quarrel with the thought-provoking question that climaxes the sales pitch: "Do y'all know of a better inflation hedge than land?"