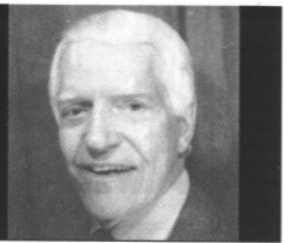


LETTERS

YOUR VIEWS
edited by
JERRY STOVIN



The Euro and the Super-state

Sir, The European single currency – the euro – was flamboyantly launched on January 1 1999. It was going to be a world class currency on a par with, or even better than, the almighty American dollar. It may yet be. But until recently it has steadily declined and is only now climbing back towards its launch value. Investors suffered heavy losses, and much of British industry was hit by a pound “strong” in terms of a weak euro.

The euro performs all the functions of any currency, but that is almost incidental. Its primary purpose is to bind together the economies and people to form “a country called Europe” – a single currency for a single state.

Rarely have states voluntarily surrendered the right to issue their own currency, one of the defining aspects of sovereignty. Nor has a currency been issued on behalf of a putative polity. The euro is the monetary cart before the super-state horse.

The consent of the people was neither sought nor granted. The Germans would have kept the mark; almost certainly the French would have kept their franc had they been asked. The Danes are the only Europeans who have been asked whether they wish to keep their currency, and last October they gave a resounding “yes” against the wishes of the government, the main opposition parties, the trade unions, 46 of the 48 newspapers and the

wealthy multi-nationals. Unofficial polls repeatedly show that the British and Swedish people would be similarly emphatic, given the chance

In Britain a fair poll is unlikely. The scandalous new Political Parties, Elections and Referendums Act 2000 unlevels the playing field so as to secure a “yes” vote if ever British voters are asked whether they want to junk the pound. Millions of pounds of tax monies are being spent for the same reason under the National Changeover Plan.

The magnetic attraction of wining and dining and the myriad opportunities to control and direct, to prohibit and encourage which the European Union already offers are irresistible to ambitious politicians. These will be augmented as new countries are sucked in. Concurrently domestic politics increasingly loses its appeal as national parliaments become mere rubber-stamping houses, and countries are chopped up into bite-sized micro regions.

In common with countless others, I see the euro as a means to an end, the establishment of a new European tyranny: the successor to Stalin’s and Hitler’s evil empires. That is why it is so resolutely and passionately opposed by patriots and libertarians. Georgist reforms stand no chance of adoption in euroland.

Peter Stubbings
Llandrindod Wells
Wales

The Origins of Wars

Sir, recent efforts by diplomats to negotiate a peace in the Middle East have been interrupted by the harsh reality of violence that spares no one. Especially poignant was the scene shown on worldwide television of a father desperately trying to shield his 12-year-old son from harm. The next scene shows the son shot to death in the crossfire.

This episode is only a microcosm of what is happening even now in wars being fought constantly around the world. As aware, concerned and compassionate individuals, we seek forthright answers to our many questions, starting with “Why”? What is that terrible force that drives a man to risk his very life, ready to be sent anywhere to kill his unknown brothers, meanwhile setting aside his fundamental instinct to be constructive, to marry and raise a family?

That force is a manifestation of the same pressure that drives wages to a minimum, causing poverty and unemployment. Men and women in such a situation have little choice but to accede to the demands of the organized political state.

But why does any country go to war? What is the basic cause of war? What is the driving force that leads to war? What is the source of that great pressure that impels a citizen to volunteer or accept being called up in a draft? I believe that there are logical answers to such queries. A current example is the Middle East conflict. The Henry George Schools of California have published data in “A Middle-Eastern Timeline” to show that this conflict started about 4000 years ago. It is no closer to being resolved now than it was back then.

The reason is that very little has been done about eliminating the cause of war. And what is the cause of millions of military and civilian casualties? The fundamental cause of war is the desire to have and use the power that results from the ownership of land. Whether it is border disputes or civil war within a country, the goal is to own and control the earth’s land and resources. There is no way that treaties and negotiations can bring anything but temporary lulls in the fighting. The cause of war remains and until we realize that and do something about it, the strife will continue.

The solution is simple, but not necessarily easy. The answer is to reduce and eventually eliminate all taxes on production and commerce while putting a greater emphasis on a land value tax. The land value tax system frees up the land and provides greater opportunities for both capital and labour. So, instead of fighting for the land, each user of land, whether Jew or Palestinian would only be fairly charged for the advantages available at his site.

Ben Russell
San Francisco

Kaletsy’s Sinister Plan for Japan: reflate the asset price bubble

Sir, Anatole Kaletsy (writing in *The Times*), has proposed reviving the Japanese economy, devastated by the burst equity and land price bubble of the 1980s, by “boosting asset prices”, “tax incentives for equity and property investment” and “deregulation to accelerate new investment, especially in property and land”. In other words, Kaletsy is trying to reflate the very bubble which caused the catastrophe in the first place.

Whereas, what Japan and, indeed, the U.S.A. (as may soon be seen) need, are measures to ensure that no equity, or land price, bubble every recurs. That would require transfer of the total burden of taxation from the production of wealth to the ownership of the very land and natural resource values which Kaletsy would like to reflate. Such a transfer would guarantee best use of natural resources and best reward for investment, which Japan, let alone the rest of the world, has lacked for so long.

Kaletsy’s sinister, Keynesian mentality epitomises the most insidious and, so far ineradicable, economic evil of the modern world. It is inexcusable that *The Times* should publish his views. Henry George’s well-documented policy of a “single tax” upon land and natural resource values is the only way to prevent the “boom-bust” cycle of modern pseudo-capitalism which persists in denying the significance of Ricardo’s Law of Rent.

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