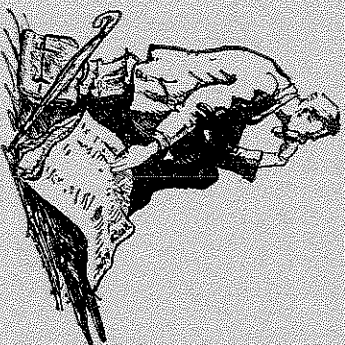


# HENRY GEORGE SCHOOL MAGAZINE

---

AUG 1955

---

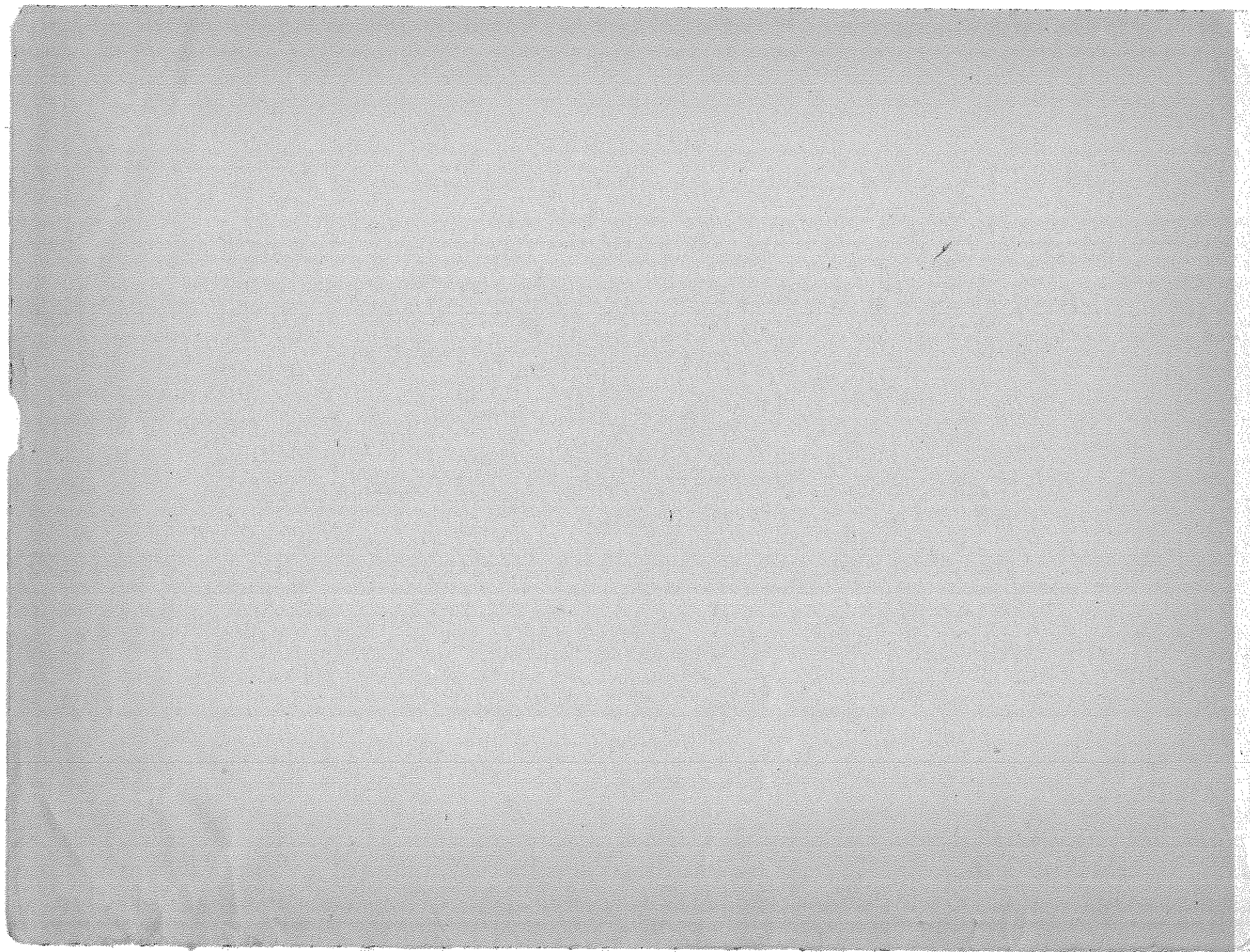


**HENRY GEORGE SCHOOL OF SOCIAL SCIENCE**  
4 Great Smith Street, Westminster, S.W.1  
Tel. ABbey 6665

Price: Fourpence

7510





# HENRY GEORGE SCHOOL MAGAZINE

(Edited by a panel of Tutors)

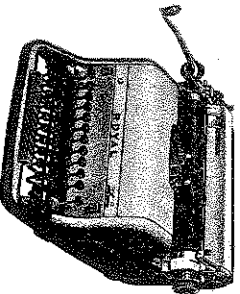
4 Great Smith Street, Westminster, S.W.1

Tel. ABbey 6665

Volume 4, No.8

August, 1955.

## Editorial



Under the heading "Fighting Record of the Land Union", the Real Estate Journal in their June issue reprint an article which appeared in their January 1943 number. The article is an historical account of the Union originally called the Land Defence League, from its formation in 1909 to oppose the Lloyd George Budget. The Union congratulates itself on having enlisted in support of the landed interests

"a formidable array" of agriculturists, barristers, solicitors, business men, builders, county councils and others. It takes the credit for the opposition to the Lloyd George Budget and the extensive and expensive litigation which ensued to hold up its operation and to try and make it unworkable, as well as for the repeal of that legislation and the Snowden Land Value Tax of 1931.

The article repeats the hoary, misleading story that the valuations for the Lloyd George land taxes cost £5,000,000, whereas Sir Edgar Harper, who was Chief Valuer of Inland Revenue, explained that only £2,000,000 related to these valuations and the rest was on valuations for other purposes. It also repeats that the budget of 1909 decreased the building of houses and "caused chronic unemployment among builders." In the House of Commons on 28th April 1913, Mr. Lloyd George dealt with this as follows: "So far from the budget of 1909 affecting employment in the building trade, this is how

The purpose of the School Magazine is to provide articles, news and comments dealing with political, social and economic matters as an extension of the study classes of the School; to expound the first principles of economic science and social justice and show their validity relevance and significance when related to current economic problems; to sustain interest among ex-students and to inspire participation in the School's work.

things went. In March 1909, the unemployment was 13.3 percent; in 1910, 8.9 percent; in 1911, 6.5 percent; in 1912, 6.2 percent; and in March 1913, 4.6 percent; so that unemployment is exactly one-third of what it was in the months preceding the introduction of the budget of 1909."

The fallacious arguments against land value taxation die hard and it is often the most absurd of those that takes the strongest hold. The most popular argument today is that land value taxation or land value rating is impracticable - this in the face of the practical experience of its operation in many parts of the world today.

The Real Estate Journal is concerned to keep its readers up to date with its bad arguments. Perhaps they fear that in spite of their "fighting record" the ideas of land value taxation still have a firm hold on public opinion in many parts of the country.

---

#### FARM LAND IN THE MARKET

The Manchester Guardian of 30th July gives the following report of land sales which have taken place recently :

"Something like a repetition of the high prices realised during the Crimean War for bare agricultural land, with the benefit of possession, is now taking place in the Romney Marsh area of Kent. Prices in the region of £100 an acre for such land has become commonplace, but Burrows, Clements, Winch and Sons (auctioneers of Ashford, Kent) report that they have recently disposed in lots of a farm of 223<sup>3</sup>/<sub>4</sub> acres at prices ranging from just under £100 to £250 an acre. The latter figure, which is believed to be the highest ever reached, was for a single lot of fourteen acres with neither house nor other buildings."

\*\*\*\*\*

#### .... AND BUILDING LAND

In the Financial Times of June 6 the estate market correspondent reports that the prices of building sites continue to show an upward tendency, particularly those suitable for commercial development. The prices of sites for business premises in the central trading positions in London and in the big provincial cities have been very high and several have reached the level of £100 per sq.yd. and even more. The number of sales has also shown some increase.

As regards building land for housing development the demand is steadily increasing and in and around London and the Home Counties prices are said to have ranged from £1,000 to £1,250 an acre; in some favourite areas the price has reached as much as £2,000 an acre.

## MEMORANDUM TO AN IMPORTER

The following open letter to an importer is by the Editor of "The Standard" (Sydney, Australia) and appears in the June issue of that journal. The relevance of this letter, we need hardly say, is not confined to Australian importers. Will importers take up the challenge? (Eds.)

Dear Sir: I understand you have difficulties with import licences. You deserve sympathy for your predicament only because whenever you are in this sort of trouble it is shared by the whole community: everybody is going to suffer from the effects of a policy which hurts you first. Don't you think you may have asked for what you are now getting? How much time, energy or money have you spent in the last ten years to advocate, promote or defend free trade?

You knew that some people were fighting this battle, but you didn't care. You weren't even convinced that they were right, and you didn't bother to give the matter a second thought. At the best you were of the opinion that "free traders" were just letting off steam and it didn't really matter a hoot whether they were doing something or doing nothing. You made your living and while you enjoyed it some local manufacturers and the "experts" in their pay moulded a public opinion which today accepts it as a matter of course that general welfare can come from obstructions to production and trade. All political parties dance to the tune played by the protected interests.

However, I do not intend to rehash the argument for or against tariffs. We are on import restrictions now, and why you accept these weekly as if they were an "Act of God", passes understanding. Here again it is not your special interests only that are at stake but those of each and every citizen, and there is no reason why you should have to bow your head and step back in the belief that your sacrifice and inconvenience is necessary to help the nation. There is no war and no national emergency. What possible justification is there then for preventing an Australian from buying whatever he likes and wherever he likes with the money that he has earned? The Government says that Australia's sterling balance in London is diminishing rapidly and we cannot export enough to pay for our imports. But why then does the Government not review its own financial and commercial policies, and those of previous Governments, which have priced one Australian product after the other out of foreign markets? No import restrictions make goods produced in Australia any cheaper, they only make production more expensive. If

the Government prevents "unessential" goods from entering the country, labour and capital will be diverted into their production locally; if it shuts out "essential" goods, it causes hardship to Australian consumers and hits the industries on which our exports depend.

The restriction of imports is a policy that cannot achieve its objects for many reasons. Its sole result can be the shrinking of the Australian economy, the reduction of national wealth and of living standards in general. In addition import licensing carries in itself its own wrongs, its own injustices, with which you are, no doubt, only too familiar.

Adam Smith wrote that to prevent one person from buying from another person in order to force him to pay a higher price to a

third person was so manifestly unjust that it must be termed robbery.

It is not less manifestly unjust to force a person to place an order through a second person because the latter has an import quota. There is no just and equitable way of distributing quotas whatever policy may be followed. The only person who profits is the racketeer who sells his quota and collects five or ten per cent. without doing any work, taking any risk or performing any service at all. Import quotas are a good example of monopoly created by legislation.



The situation is hardly better when no quotas are required, but applications are decided on their "merits". Public servants have not - cannot be expected to have - the necessary qualifications to decide the importance of machines or other goods in trades of which they have hardly ever heard - and all applications have merits; nobody would want to import goods for which there is no demand and demand shows that there is merit in importing them. So the best thing the bureaucrats can do is to ask your competitor. Yet these public servants can make decisions that will confer wealth on one and ruin on the other. It would take saints to eliminate the possibility of bribery and corruption under such circumstances.

But you know all this only too well yourself. You know what it costs you already in time and money to keep unnecessary records for income tax purposes; to make customs and sales tax enquiries, applications and returns; and now in addition you must arrange for import licences. You work hard to make a deal, and when you



have clinched it and have got the order, then your worries start; will you get the licence or not?

Why all this and where will it lead? We have a Government which calls itself Liberal, but is dominated by the Public Service. It may not believe in Liberalism, but if you shout loud enough it may listen and brace itself sufficiently to show their place to the public servants who want to take your business out of your hands.

Power corrupts, and Government interference snowballs. Every interference creates new problems. Import restrictions will create shortages and maladjustments, and to overcome these the bureaucrats will demand control of manpower, capital, materials, etc. All this in peacetime. It is up to you how long you will, together with others, keep silent about your interests which are identical with those of the nation, how powerful you will allow the bureaucracy to grow.

Of course, you need not take all this too seriously. For the time being they may not kill your business - they'll only drive you nuts. So what are you going to do about it?

Yours faithfully, The Editor of The Standard.

\*\*\*\*\*

#### WRONG - WHICHEVER WAY YOU VIEW IT

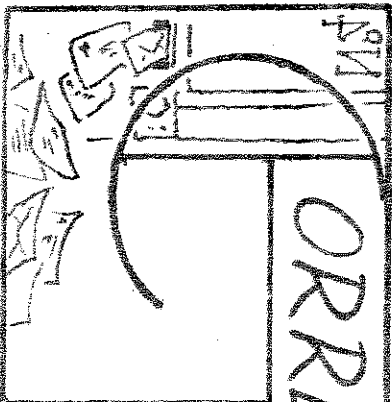
GIVE... "If all the subsidies which are being paid to agriculture were equally divided between all the farmers, tenant farmers and owner-occupiers in the country, each farmer would get about £1,000 a year. I cannot help wondering what will happen next year if there is a further rise in the farmers' bill. We want to avoid a situation in which the Government is unable to afford the huge and growing cost of these pledges to farmers."

- Lord Listowel, House of Lords, 1st July 1955.

AND TAKE ... Some examples of our import taxes on farm machinery and fertilisers are as follows: Barbed wire - 33 1/3 %. Wire netting - 30%. Forks, shovels, spades, scythes, sickles - 15%. Ploughs, planters, seeders, reapers and binders, threshers, tractors, mowers, milking machines, separators, churns - 15%. Fertilisers - with certain exceptions, usually £4 per ton.

C L O S E D! ..... but only for two weeks. The offices at 4 Great Smith Street, S.W.1 will be closed during the evenings from Friday, 12th August to Monday 29th August. Enquiries may be made during normal office hours from Monday to Friday.

# CORRESPONDENCE -



Sir: With reference to your extract from the Bulletin of the Federation of Master Builders, dealing with the "poaching" of labour, I should like to draw your readers' attention to what I consider to be the most significant aspect of this article. It is the use of colour words by the writer in an attempt to influence the reader. He uses the sheer weight of graph we get "poaching labour", "bribing labour", and "pernicious system" applied to offers of higher wages by competitive firms. In the second paragraph the bells are rung again with "flagrant system" and employees are said to "desert" their present employers. The third paragraph tells us that we have a "growing scandal", that firms are "blatantly advertising", builders "deprived" of their labour by "unscrupulous and strong-arm methods" and that rival firms "invade" the Midlands.

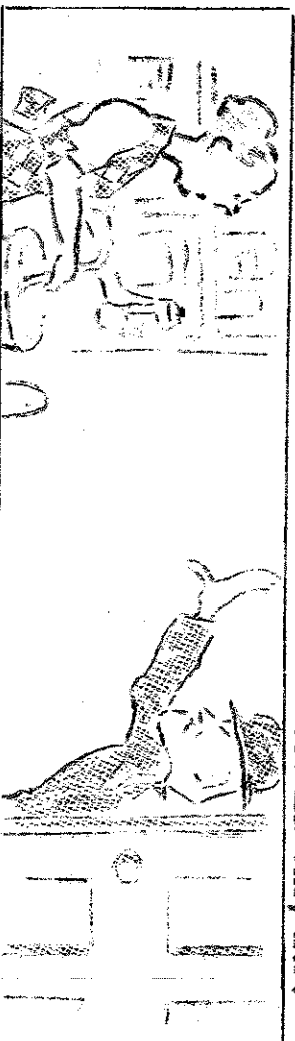
Having got his readers thoroughly warmed up with these word pictures, he adds a few more for good measure and in the final paragraph speaks of the "unprincipled system" (of poaching labour), "prairie fires", "ruthless scrapping" and "blacklegging".

For sheer distortion this takes some beating. I shall mark my copy of this article for future reference - it's a classic of its kind!

- J. Baron, Walthamstow.

Housewives as a whole cannot be trusted to buy all the right things where nutrition and health are concerned-in the case of nutrition and health the gentlemen in Whitehall really do know better what is good for the people.

DOUGLAS JAY, M.P.





# YOUR QUESTIONS ANSWERED

Question: Should stocks and bonds be exempted from taxation ?

Answer: Yes. It is wrong to penalize wealth or the evidence of wealth. Bonds, stocks, etc., represent investments on land which have already made their equitable contribution to the expenses of government by the taxation of ground rent and they should not, therefore, be subjected to double taxation. Exemption from taxation of anything resulting from human labour is a step in the right direction. Capital as well as labour should be liberated from all taxation.

Q: Is not the "ability to pay" the right basis for taxation ?

A: No. Voluntary contributions in accordance with ability to pay are all right in family matters and in church and charitable subscriptions but for taxes this plan is neither just nor expedient. The payment of taxes is strictly a business transaction in exchange for equivalent services rendered by government and those services are accurately registered by ground rent. The single tax upon ground rent, therefore, becomes the ideal tax. The ability to pay is a dishonest stipulation.

Q: Why is not one tax as good as another so long as the Government gets the money ?

A: This is like asking what difference does it make how you transport a barrel of flour from the store to the home so long as you got it there? It could be transferred by hand, by wheelbarrow or by truck. Taxation has the power to promote prosperity, happiness and peace, or poverty, crime and warfare.

Q: Would not an increased tax upon inheritances, taxing the dead instead of the living, be the better tax?

A: Taxes upon inheritances are unjust. Robbery is robbery no matter who the victim may be; rights should never be violated. Confiscation of bequests is not only essential robbery but acts against social welfare by discouraging thrift and the protection of dependents. Governments should in every way be scrupulously honest.

Q: Should not excessively large incomes be taxed?

A: No. If civilized society is based upon justice, the greatest of all civic virtues, the sanctity of personal property must be respected to the extreme limit. That the rich man could spare some of his income were it taken from him is no excuse. That is the theory of the highwayman, the sneak thief and the burglar, for better stop exploitation - if there is exploitation - at the root.

## THE APPEALING RATE PAPER

Our absurd and unjust rating system, which penalises development and frustrates enterprise by levying rates according to the state of development of property (real or imagined), has its humorous side. These valuation court notes by "Anon" are from the Journal of the Rating and Valuation Association, June 1955.

EXPLICIT. "There is a plan here, designed to assist members who don't understand this case, but it is so confusing that I don't propose to put it in."

A MATTER OF DEFINITION. "He calls it a garage! Well, I calls it a shed. There's four stumps, five rafters, and eight or nine corrugated iron sheets on top. I've known a wind that'd blow this thing up in the air - and he calls it a garage!"

DILEMMA. "I would have come here sooner, but I was told in 1948 that if I appealed against my assessment the others in the street would be put up, and I was most reluctant because one was occupied by a fellow I work with and another by my mother-in-law."

BASIS FOR PAYMENT. "What is the gross value? What would a willing tenant pay?"

"I assure you that the tenant is no longer willing!"

ARGUMENT THAT WOULDN'T WASH. "Wash-basins in the bedrooms have been mentioned. These are creature comforts. I have no television. I prefer wash-basins."

THEY CALL IT RATES NOW. "I don't know which additional windows have been put in; not that that matters as it see it, because after all window-tax was abolished some time in the 16th century."

EXPLANATION. "The plan does not show a verandah, and although I am not claiming to be infallible, I don't think I would have missed it."

"It is so small you might not have noticed it. There was an old lady in the house before us, and that's why the verandah went up. I call it a porch. It's a windshield really."

REVEALS. INDEED! "There are only two public services for us to enjoy: the policemen and the dustmen."

C O N F E R E N C E A T S T. A N D R E W S

Convened by

International Union for Land Value Taxation and Free Trade.

\*\*\*\*\*

You are invited to apply for copies of Conference Papers which are to be presented at the International Conference to be held at St Andrews this month. The subjects covered by Papers are shown with an asterisk in the programme given below and are available to students at the special price of 6d.

SUNDAY AUGUST 14

Evening

Preliminary gathering, J. Rupert Mason presiding, topic: "The Ethical Aspects of the Henry George Social Philosophy" Speakers include R.C.Bryant (USA); Dan Bjørner (Denmark) and W.E.Standring (Western Australia).

MONDAY AUGUST 15

Morning

Inaugural Session. J.Rupert Mason presiding opens the proceedings. Civic Welcome by the Provost of St.Andrews. The Conference constituted. Address by the Hon F.A.W.Lucas, Q.C. (\*) "Towards Real Peace". Papers presented: (\*) "The Land to the Tiller" by Miss V.G.Peterson and (\*) "Latin America - a Victim of Land Monopoly" by John Bathe.

Afternoon

(\*) "New Light on Richard Cobden and the Land Question" by V.G.Saldji, and (\*) "False Paths to Increased Wages" by V.H.Blundell.

Evening

Plenary session for informal discussions.

TUESDAY AUGUST 16

Morning

(\*) "The Tenure, Taxation and Rating of Land in Scotland" by Bailie John Potter. Address by Ashley Mitchell on the Land Values and Free Trade Movement in Great Britain.

Afternoon

Education. Work of the Henry George Schools. Progress reports, discussion of techniques etc, led by Robert Clancy.

Evening

General propaganda. The written and the spoken word. Papers presented: (\*) "The Resurgence of Henry George" and (\*) "What is Social Science?"

WEDNESDAY AUGUST 17

Morning

(\*) "Reconstruction and Recovery in West Germany" by Martin Pfannschmidt; and (\*) "Does Taxation Matter? - Answering

Scotias in France" by Max Toubeau, presented on his behalf by Gabriel Stampfer.

Afternoon

Free for recreation or organised excursion.

Evening

Plenary session for informal discussions.

THURSDAY AUGUST 18

Morning

General Meeting of members of the International Union. Administrative Reports. Election of officers and executive for ensuing period. Resolutions etc.

Afternoon

Municipal Conference on Land-Value Rating, with representatives appointed by local Scottish authorities, convened jointly by the United Committee for the Taxation of Land Values and the Scottish Land-Value Taxation League. Civic Welcome by the Provost of St.Andrews. Chairman: Bailie John Peter. Speakers: Hon F.A.W.Lucas, Q.C. and A.W.Madson. Members of the International Conference most welcome as visitors.

Evening

Municipal Reception and entertainment given by the Provost of the Town Council of St Andrews, their guests being the members of both the International Conference and the Municipal Conference.

FRIDAY AUGUST 19

Morning

(\*) I. "Land Valuation and Land Value Taxation in Denmark" by K.J.Kristensen, Chief of the Land Valuation Department. II. Discussion of the proposals contained in the Report of the Danish Parliamentary Land Values Commission.

Afternoon

General review of legislative progress in various countries - latest reports from New Zealand, Australia, South and East Africa, Canada and the U.S.A. as submitted by correspondents and as contained in the new book "Land Value Taxation Around the World" published 1955 by the Robert Schalkenbach Foundation.

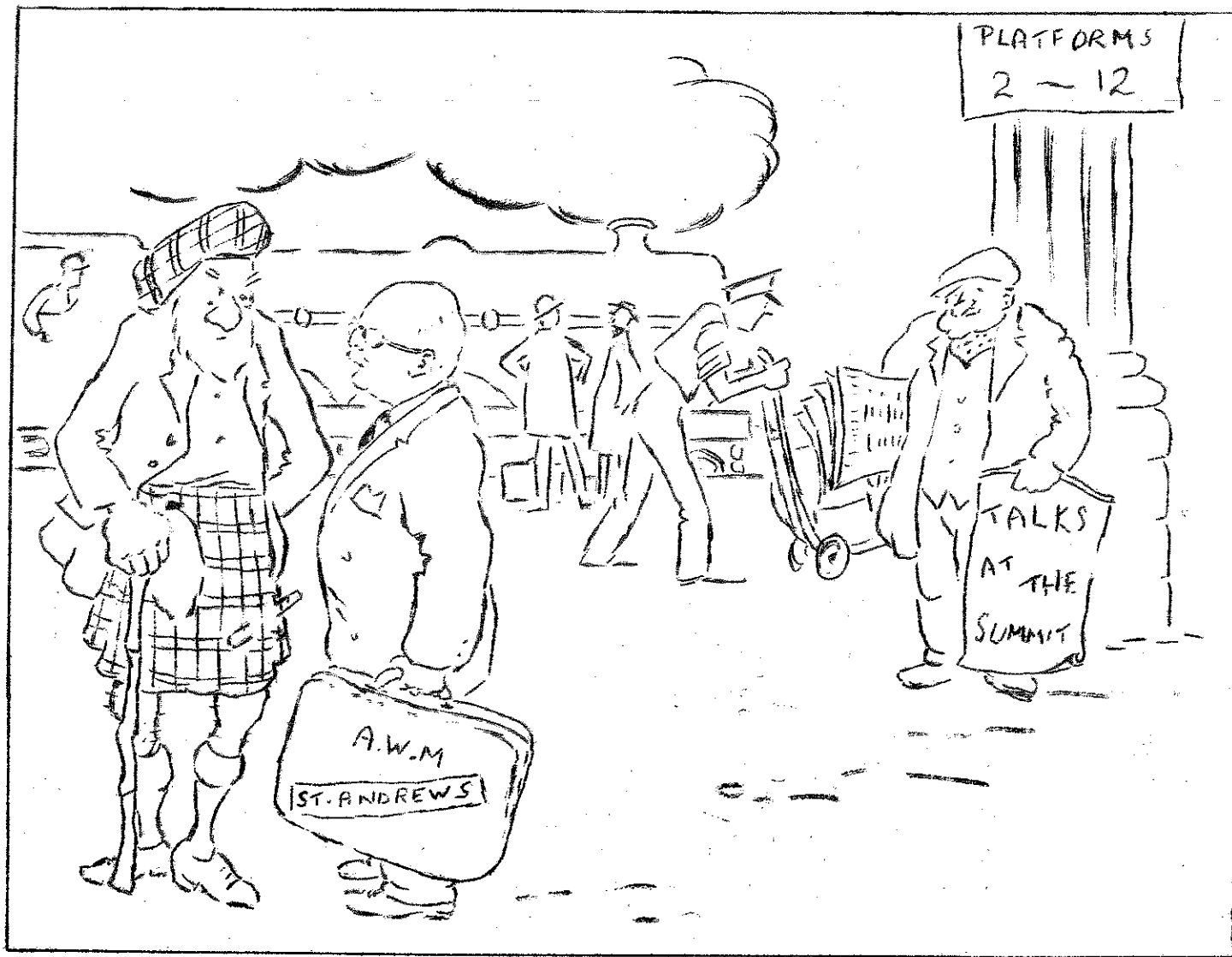
Evening

Survey of the work of the Conference. The advancement of its objects by necessary co-operative effort in all countries.

SATURDAY AUGUST 20.

The Conference dissands immediately after breakfast.





"Finished? Why it's only just started!"

# PLANNERS' DILEMMA

You cannot permanently benefit people who are in economic distress simply by giving them food or giving them technical training, not even if you are prepared to do so ad infinitum.

This is recognised by economists who, although in favour of this kind of paternalism, are also pessimistic about the results. They are proud of the impressive amount of financial aid being voted to such schemes, and point happily to the many scientific miracles that are being performed - dams built, irrigation schemes perfected, deserts and soils wasted by erosion reclaimed, etc., but at the same time they are vaguely aware that many people for whom such aid is intended do not directly benefit from it.

The fact that a great deal of the initial outlay is swallowed up by land speculation wherever these plans are put into operation is either blandly referred to after it is too late, or else it is ignored altogether. The blame for poor results is shifted to the people themselves, who are told that it is the increase of population that is preventing fully beneficial results from being achieved.

Thus, land monopoly, the fountainhead of inequality, is allowed to remain unchecked, while "overpopulation", which is only one of its adverse symptoms, is blamed as if it were a cause! It would be as logical to blame the rain for entering the holes in your shoes.

What is lightly referred to as "overpopulation" is really a crowding-out of populations by the monopolistic effect of private land ownership. It is untrue to say that populations everywhere in the world are "pressing against the limits of subsistence." They have never been allowed to. Land monopoly sees to it that populations are kept well away from the full potentialities of nature. Is it any wonder that they starve? And how can our experts even begin to talk of overpopulation when they are fully aware that less than one-eighth of the world's cultivable area

is being used?

When, due to land monopoly, people are obliged to exist on an insufficiency of land or on land of artificially high cost, and are additionally burdened by taxation, unrest inevitably arises, manifesting itself in industrial disputes, class friction, professional jealousies and in the setting up of thousands of little "protective" barriers among workers in different trades and within the same trades. Thus, we are surrounded by a thousand and one symptoms of the same basic injustice, symptoms which must disappear as soon as their cause is removed. But by the same token they can never disappear as long as their cause is allowed to remain, and this is as true in a "developed" country as it is in an underdeveloped one.

(Digest of a recent talk given by L.J. Hubbard  
to the Palmers Green School Association.)

\*\*\*\*\*

#### HARDBOTTLED

Last month's steep rise of three points in the cost of living index is officially attributed to a "temporary and exceptional rise" in the cost of potatoes. But it is no coincidence that such

a "temporary and exceptional" rise should follow the re-establishment of the National Farmers Union's Potato Marketing Board.

Now there is news of an Egg Marketing Board. A document detailing the provisions of the scheme has gone out to county branches of the N.F.U.

The new Egg Marketing Board will have power to prescribe that no sale of eggs shall be made by a producer who is not registered, that, subject to a few exceptions, all eggs shall be sold through the Board or to persons specified by the Board, at prices and on terms prescribed by the Board.

Hospitals, Nursing Homes and Schools will be denied the privilege of buying fresh eggs direct from producers.

The cost of the scheme will be paid by producers out of profits made by the Board, and a levy of up to  $\frac{1}{2}$ d per dozen for all eggs sold. Based on the number of eggs passing through packings in 1951-52 this levy alone could bring in no less than £750,000. Quite a tidy sum.

If the English permit this attempt of N.F.U. headquarters to control their cost of living, they will have only themselves to blame if a few months hence there is another significant rise in the cost of living due to a "temporary and exceptional" rise in the cost of eggs.

# CANT ABOUT COMPETITION

The word "competition" has gradually acquired obnoxious implications. The impression has been heightened by the fact that prejudicial adjectives, such as "unfair", "cutthroat" and others, are frequently tacked on to it.

Leaving aside the adjectives for the moment, what does competition in economic affairs mean? Competition exists when there is more than one person (or firm) which offers to supply a commodity or render a service. The commodity (or service) must obviously be one which is scarce and for which some people are willing to pay. If no one wanted the commodity, and consequently no one was willing to pay anything for it, evidently there would not be anyone who would offer to supply it. If the commodity existed in superabundance so that every one could have as much as he pleased, it could also have no value and no one would offer to supply it.

The concept of competition applies, therefore, to scarce commodities, and it exists when there are several independent persons offering to supply such a commodity. The persons must be independent; if they are bound together by some arrangement which obliges them to act in concert, they become virtually one supplier and there is no competition. It is not essential, however, that there should be more than one consumer of any particular article in order that competition should exist.

Competition implies freedom of choice on the part of the consumer. There are a number of alternative sources from which he can obtain the commodity he requires. The absence of competition means that the consumer has no freedom of choice.

In a free market the competition of producers operates to reduce price to a lower limit determined by cost of production. In a monopolised market this is not so. The monopolist fixes the price (or the quantity sold, which comes to the same thing) so as to assure himself of the maximum profit. This inevitably means that the quantity sold is less and the price charged is more than would prevail under competition.

Frequently it is said that, while these arguments are true, they mean only that competition is beneficial to consumers, and it is suggested that competition is detrimental to producers. In this it



is to be observed that everyone is a consumer, and a policy which benefits consumers must benefit everyone. The suppression of competition does not benefit producers generally, but only those who remain as monopolists. The others, who are squeezed out, would be left to starve if the policy of monopoly could be applied to every industry and occupation. In practice monopoly is not carried so far as that. There remains a residue of occupations which people are free to enter. Competition in these is much accentuated, and earnings in them are less than in the monopolised occupations. The lower level of earnings in such non-monopolised trades as compared with the monopolised ones appears then to be the result of competition, whereas the real cause is monopoly or lack of competition in other trades.

A particular case of the argument last examined is the contention that competition reduces wages. This is frequently put in the form that high prices mean high wages, and many people accept this as axiomatic. The truth is the exact opposite. Consider for

A U T U M N T E R M
of
Economic Classes
Begins
in
WESTMINSTER and
GREATER LONDON
Week commencing
September 19th
Send to the School
Names and Addresses of
prospective students

example some commodity which is produced under a monopoly, for example by a patented process. The manufacturer adjusts his price so as to get the maximum price and restricts production accordingly, as we have already seen. Suppose that after a time the monopoly ceases, for example by the expiry of the patent. Other persons are attracted to this branch of production by the higher profits gained in it; production is increased; the price of the commodity decreases until finally profits fall to a normal level. The increased sales at lower prices cause a greater demand for labour in that industry, and the tendency will be for wages to rise rather than to fall, while workers generally will benefit by the reduction in prices.

To put the matter in another way: monopoly means less production; it must therefore injure the community as a whole; if some particular individuals gain by it then the remainder must suffer all the greater injury. It is impossible to think of any argument by which it could be demonstrated that in such circumstances it is the workers who would gain by monopoly and the landlords and capitalists who would lose. Yet this is precisely the proposition which the workers are asked to accept when they are invited to vote for protective tariffs, quotas, and other schemes for restricting production.

It is no doubt conceivable that some trade union could be formed sufficiently close and powerful to wrest a share of the profits

of a monopolised industry from the employers. The profit would then be divided between a larger number of persons, but as between them and the community generally the position would be no whit improved. Politically the situation would be worse because a larger number of persons would have a vested interest in an uneconomic and unjust arrangement. In any case the position of workers as a whole could not be improved by such monopoly practices, for each monopoly would despoil the remainder as consumers, and as the number of monopolies increased those who had been parties to the original one would by the increase of prices caused by the others be deprived of all the advantage they had at first and in the end be worse off than ever.

The fact is that competition includes not only freedom of choice for consumers, but it also involves freedom of choice for producers so that they may devote themselves to whatever calling offers to them the greatest advantages. Competition in economic life is a synonym for economic freedom, and it is not possible to conceive how the one can exist without the other. It is by the growth of economic freedom that economic progress has been made possible. The economic evils which oppress men arise not from freedom but from monopoly and restriction. Where land is monopolised and held out of use, where production is restricted by tariffs, quotas and other monopolies, the condition of life of the ordinary man is depressed and he complains of "cut-throat competition", but the remedy is not to be found in more restriction but in more freedom.

---

#### MANY A TRUE WORD!

A former student, shown a list of current examination questions by his old economics professor, exclaimed: "Why, those are the same questions you asked when I was at the University!"

"Yes," said the professor, "we ask the same questions every year."

"But don't you know that students hand the questions along from one year to the next?"

"Of course," said the professor. "But in economics we change the answers." - *Minneapolis Tribune.*



# CONTEMPORARY COMMENTS

SELF-SUPPORTING. This country is composed of two kinds of people. One group believes that the government can support all the people. The other wonders whether all the citizens can support the government.

James A. Farley (U.S.A.)

NO SYSTEM. A Soviet Mission visiting New York was asked by its American host, after their work was finished, whether he could help them for the rest of their stay. "If you would be kind enough," the spokesman replied, "to give us directions to the American Commissars of Housing, Light Industry and Transportation, we can then obtain approval for hotel accommodation, shoes and a trip to Boston." When their host explained that in America they could go where they pleased and buy what they liked, they were astonished and said, "Well, yours is a good country, but you have no system here."

(Freedom First, Summer 1955).

PLANNING HIGHER PRICES. The following revealing resolutions were passed unanimously at the Annual General Meeting of the National Chamber of Trade, on 25th April 1955 :

"This Chamber is of the opinion that the overall economy of the country cannot be divorced from the world trading competitive problems of the Lancashire textile industry; and if full employment is to be maintained some measure of restriction on the imports of Indian and Japanese textile goods is essential, together with a vigorous policy of protection in the Colonial market in every field of manufactured British exports."

"This Chamber deplores the non-cooperation of the Board of Trade in response to repeated approaches made by the Executive of the National Association of Glove Manufacturers on behalf of its members, and views with alarm the continuance of glove imports from Hong Kong into this country at a price level with which home manufacturers cannot possibly compete.

"The Board of Management is accordingly urged to use every means at its disposal to bring pressure upon Her Majesty's Government to protect the home industry from the dumping of cheap products which is bound to end in unemployment in the industry."

"This Chamber is completely satisfied that a system of resale price maintenance is advantageous to producer, distributor,

consumer and employee alike, and should be continued."

BLOATED CAPITALISTS.

Mr. Arthur Horner, General Secretary of the National Union of Mineworkers, speaking at the Union's recent annual conference, said that more than £90 million were invested in pension and accident funds on behalf of the miners; in fact the miners, with a total of £500 millions, would soon be the biggest single investors, with more invested than any capitalist enterprise. The unions started by getting 3.5 per cent on their money, and now they were getting 5 per cent. "We are cashing in - and I think we are entitled to do so - on the increasing returns being paid to investors of money in various properties and industries," Mr. Horner commented. Mr. Horner added hurriedly that this did not in any way alter his view of the evils of the capitalist system.  
(Manchester Guardian, 8th July 1955)

CHANGED MAN. It is vain to advocate a bureaucratic reform through the appointment of businessmen as heads of various departments. The quality of being an entrepreneur is not inherent in the personality of the entrepreneur; it is inherent in the position which he occupies in the framework of market society. A former entrepreneur who is given charge of a Government bureau is in this capacity no longer a businessman but a bureaucrat. His objective can no longer be profit, but compliance with the rules and regulations. As head of a bureau, he may have the power to alter some minor rules and some matters of internal procedure. But the setting of the bureau's activities is determined by rules and regulations which are beyond his reach.

Ludwig von Mises

PUT YOUR MONEY IN LAND -  
OR FERTILISERS

For one year from 1st July 1955 substantial increases in the fertiliser subsidy are provided by the Fertilisers (England Wales and Scotland) Scheme, 1955, which has been made following approval of the draft scheme in the new session of Parliament. It has been announced that "from 1st July next increased rates of subsidy will be fixed for nitrogen and phosphates involving additional payments of £3½ million in aggregate." In moving the approval of the Scheme in the House of Commons, Mr. G.R.H. Nugent, Parliamentary Secretary to the Ministry of Agriculture, Fisheries and Food, said: "We are convinced, and I am personally convinced, that increased fertiliser usage is the high road to better farming, higher production and lower costs."

A MATTER OF TASTE. It is not the difference in taste between individuals that Libertarians object to, but the forcing of one's tastes upon another.

Charles T. Spradling