



THE PROVIDENT
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August 18, 1982

Thomas Main, Editor
Manhattan Report on Economic Policy
Manhattan Institute for Policy Research
20 West 40th Street
New York, NY 10018

Dear Mr. Main:

During the 1981 summer, former "Manhattan Report" editor David Asman and I appeared together on a panel discussion concerning Reaganomics, and shortly thereafter I began receiving your publication. The quality of the product has, I believe, improved with each issue. The most recent issue "Idle Resources, Easy Money, and Hard Choices", is also excellent -- at least as far as it went.

For reasons I have yet to fully comprehend, the economic profession has largely ignored the historical development of our economic and political systems when analyzing "the economic puzzle". Even those who profess to desire a return to laissez faire capitalism fail to address the classical analysis associated with rent and its impact on economic growth. David Ricardo, John Stewart Mill and Henry George recognized the dangers private land/resource ownership imposed on a world where frontiers disappeared and government sanctioned monopoly. A recent essay I have written attempts to explain, simply and directly, why solutions which ignore land monopoly cannot work in the long term to solve the economic puzzle.

Better yet is the enclosed article written several years ago by University of Wisconsin economist Arthur Becker, entitled "Full Employment Without Inflation". Additionally, I would strongly recommend inviting Mason Gaffney (Chairman of the Department of Economics at the University of California, Riverside) to participate in a Manhattan Institute forum. His work in the area of land and resource economics is a vital, yet largely unknown, contribution to a policy prescription which deals with fundamental structural problems faced by capitalist economies.

I look forward to your comments and will be happy to offer my services in whatever manner you feel beneficial.

Sincerely,

Edward J. Dodson
Senior Mortgage Officer
Manager - Mortgage Administration

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Enclosures