

comed, but it is worth noting that the proposed legislation is made necessary only by our existing land tenure system.

Under land-value taxation, or for that matter, under site-value rating, the injury done by the public development would be automatically taken care of. When a property is thus reduced in value it is not the value of the building but the value of the land that falls. The site is no longer as desirable a location as it was before. Upon the occurrence of any such injurious event, the owner would be able to apply for a revaluation of his site, and his rate or tax would be adjusted accordingly. He would thus be automatically and accurately compensated for injury done.

Got it at last

T. O. EVANS

I'VE MASTERED the theory of inflation at last! Here it is, a beautiful thumbnail sketch for your edification condensed to tabloid form in a nutshell - in other words a child's guide.

Inflation is caused by the unions blackmailing the community for undeserved wage increases extorted by threats from the capitalists who brazenly and without a thought for the community selfishly pass on the increases in higher prices to the wholesalers and retailers, who in turn greedy for profits are allowed under our *laissez faire* free enterprise system to rook and exploit the consumers. The consumers, including pensioners, widows and orphans then go on a spending spree so as to buy as much as they can before prices rise still higher. This in turn puts a strain on the banks to meet their cash demands and hire-purchase financing, so they go to the Government demanding more cash, which the Bank of England is immediately instructed to print. To get these notes into circulation the Government either:

- (a) hands them out through its agents at street corners;
- (b) gives them as a present to the joint stock banks;
- (c) shares them out among MPs.

Whatever you believe of the above, the end result, once the new money is in circulation, is to bid up

SHAW ON RICARDO

IF AS MUCH pains had been taken a century ago to make us all understand Ricardo's law of rent as to learn our catechisms, the face of the world would have been changed for the better.

- George Bernard Shaw

RICARDO ON LAND TAX

A LAND TAX, levied in proportion to the rent of land, and varying with every variation of rent, is in effect a tax on rent; and as such a tax will not apply to that land which yields no rent, nor to the produce of that capital which is employed on the land with a view to profit; it will not in any way affect the price of raw produce, but will fall wholly on the landlords.

- David Ricardo, *The Principles of Political Economy*.

the demand for goods and services and thus the demand for labour. Workers take advantage of the increased demand for labour to screw more money out of the wicked capitalists who are making exorbitant profits . . . but that's where we came in, simple, isn't it - once you grasp the thread?

That the above is a true and correct explanation of the cause of inflation, I have on the authority of the Prime Minister, Chancellor of the Exchequer, Jack Jones, the BBC, ITV, CBI, EEC, Alf Garnett and a reputable firm of property developers all of whom have contributed something to the explanation of inflation. For collating the various explanations and weaving them into a coherent understandable theory you have me to thank.

Now for the solution. It is equally simple. Strict control of unions, prices, incomes, employers, banks, consumers and anyone who steps out of line, with special legislation to outlaw competition, private enterprise, the laws of supply and demand, Gresham's law, the quantity theory of money, and any other economic law which threatens to interfere with or sabotage the smooth running of the country by a leader who was elected to manage it with the voters' full-hearted consent.

Anyone for a beer before it goes up again?

Addleheaded Economics

FEARS by the Great Britain egg industry over payments to Northern Ireland egg producers were groundless, Mr. David Howell, Minister responsible for Agriculture in Northern Ireland, recently told Surrey farmers. "The aim of the scheme is not to encourage expansion but to maintain employment. Great care has been taken to prevent increasing the difficulties of the egg industry in Great Britain.

"To ensure that they do not encourage and increase any egg production in Northern Ireland any producer who wishes to receive the new payments must not increase his flock above its size in a previous twelve month period and aid is to be given only to producers who enter into a contract with their packers."