

“Not Bad Because It Is Old”

THE EMERGING WORLD ECONOMY, by Harry Stark. William C. Brown, Inc., Dubuque, Iowa, 446 Pages, \$7.50.

***Reviewed by*
Josephine B. Hansen**

Here is a find—a profusely documented, readable book on an intricate subject by a modern economist.

Dr. Stark is Professor of International Economics and Latin American Affairs at the University of Miami, Florida. His concern: what position should the United States take in its global commercial and financial policies?

He answers definitely, “My conclusion is that free trade is that which is best for that fully developed area called the United States and that a policy based on free trade . . . will most benefit the rest of today’s world . . . Dissenters may taunt that my arguments are the ones of yore . . . An argument is not bad because it is old.” To substantiate his theory he has written a book of factual material which is a reservoir of world trade information.

The history of trade—the exchange which civilized man—is briefly reviewed. Then modern trade, with its increasingly intricate barriers of duties, quotas, embargoes, exchange controls, government preferences, subsidies, dumping (to list a few) is examined. Maps, charts and graphs of today’s statistics lend authority and understanding to this work. The protectionist arguments and the free trade answers are ranged against each other. Dr. Stark reminds us, “the protectionist stand has the advantage of simplicity; it lends itself readily to dramatization. Free trade arguments are more difficult to understand. Following them

requires at least an elementary command of economic theory.” Therefore, he illustrates and explains many basic economic principles. The intricacies of the multiplier, the periphery hypothesis, money wages vs. real wages, international labor costs become understandable.

Japan and its resurgence, Britain and the Outer Seven, the Common Market, Latin America and the “underdeveloped” nations, foreign aid, international investments and industrializations are discussed. Charts and maps assemble much information for easy reference.

In chapters dealing with finance Dr. Stark’s position on the gold standard is that of the classical economists. The land question is sidestepped. However, interesting observations on land reform in various Latin American countries point to some of our misunderstandings of the difficulties involved.

This economist firmly advocates free enterprise. He holds that “economic illiteracy” is the Achilles heel that “enables witch doctors in high places to win the support of the public for such economic malpractices as currency devaluation, crop destruction, price and rent controls, expropriation, exchange control, high tariff barriers, and striving for national economic self-sufficiency.” Professor Stark’s students and readers will be among the enlightened. A fine teaching aid.

Josephine B. Hansen is a gifted Georgist, well remembered at the Henry George School in New York for her help in revising the manual. She is currently teaching the basic course and believes the above book should be available for use by teachers. It will be in the library of the Henry George School.

From England comes word of a pilot survey and evaluation of land in the town of Whitstable, which Land & Liberty describes as “a triumph for the advocates of site value rating.” We hope to have more on this next month.