

esteem which is given to the humble, competent dentist."

Charles Carter, Vice-Chancellor of Lancaster University, is concerned to avoid our being "mastered by our own affluence." His book* is therefore not at all about the production of wealth, nor even about the distribution of wealth, but rather about the effect which an apparently limitless ability to create wealth has on the society which possesses it. Once material well-being has been adequately secured, what enjoyments do we have? How can we say that material progress advances the cause of civilization, when all around there is abundant evidence of degrading self-indulgence?

On the way to these larger observations, the author entertains us with cautionary advice on the fallibility of figures ("an excess of facts, even if they are completely accurate and up to date, can be as inhibiting to decisions as a deficiency"); deals generally with the standard wealth indicators (such as gross national product and per capita income) and their shortcomings; discourses on the relativity of poverty ("satisfaction is, to some extent, a state of not having need to feel envy") and on the artificial stimulation of wants ("perhaps the process of want-creation without genuine satisfaction can be seen most clearly at work in the commercialism of the British Christmas"); and notes the stratification of society and the importance of status in the eyes of the community (however high the dole might be, "it is degrading (in the exact sense of that word) to have no work").

So far, so good - but a Vice-Chancellor who is also a joint editor of the *Economic Journal* must offer more than a collation of reflections, and, accordingly, the final chapter is entitled "Implications for Policy". Earlier, we indulgently let pass statements such as "the greatest of all economic imperatives is the provision of full employment", or that the fundamental British economic problem is the balance of payments dilemma and stop-go policies. Now, however, we have to be more careful when told that "the freedom to be influenced to buy a branded drug, instead of an equivalent in the British Pharmacopoea at a quarter of the price, is not worth fighting

for." On the contrary, the freedom to make one's own mistakes is a basic one. Lancaster's Vice-Chancellor, however, would have us determine a subsistence level for ourselves, which "might turn out to be at or somewhat above the level of social security benefits. It then becomes possible to calculate what excess exists . . . and to direct attention to the ways in which this excess is used and ought to be used As long as a substantial public sector of spending exists, there is really no alternative to engaging in rational thought about the pattern of the total use of resources."

If you have swallowed all this, you may now wash it down with a heady cup of long-term planning - the real thing, over twenty years. "The appropriate technique is the rolling plan, revised each year (and extended for an additional year) in the light of the latest estimates. . . . The rolling plan provides a possibility of orderly convergence to the truth, as knowledge increases and the incorrect elements of information are put right."

The author is plainly no power-mad visionary, and he would probably be the first to be appalled at what would happen to his ideas once they had been converted into political policies by the twin types who would converge on them (the arid and calculating, and the glib and woolly.) In fact the writer's motives are respectable enough, for he clearly points out the failure of accumulations of short-term expedients, and he is concerned to underline the lack of forward thinking about the use of the world's resources and the damage to what we prosaically call the environment.

If his sense of proportion has gone astray in devoting so many pages to where and how to curb advertising, his humanity returns triumphantly at the end of a discussion on the costing of amenities: "Wise and experienced men sometimes get a bad reputation with the young, because their pronouncements lack exactitude. This, however, may be a sign of their wisdom rather than their senility A man does not usually decide to marry a wife solely because of her dowry, or her vital statistics; other factors, of a type distinctly difficult to quantify, enter in."

In the end, he himself admits

that what he has produced is "an odd mixture of vague hopes and precise proposals", and he hopes for "a saner appreciation of Wealth" and "a change of attitudes which will then inform both public policy and individual action."

Early in his book, in commenting on a quotation from John Stuart Mill, the author has written: "Wealth is everything which has a power of purchasing - that is to say, money, and all things exchangeable for money or for other things. The free gifts of nature, such as air, do not form a part of wealth". Land is a free gift of nature, and, though exchangeable for money or other things, is not wealth in the economic sense. The author was so near to seizing on this distinction that one's disappointment with his closing chapter is tempered by the hope that he will return to that early point and perhaps begin again some aspects of his analysis from there.

Letters

THE TRUE ALTERNATIVE

SIR, - The alternative to entry into the Common Market, suggested by John Allan May in his article on this subject, namely "A Free Trade Area or an EEC-EFTA Partnership," is not acceptable.

Maybe the political entanglements will be missing, but it is not "quite a different alternative" since the countries forming the EEC would continue to maintain tariff barriers with the rest of the world and no free trader could accept this.

Neither is a "joint Council of Ministers" needed to "regulate development" of free trade in any area - indeed, there is no need to join a free market, we simply rid our own market of all restrictions.

Mr. May claims that "any government can make free trade agreements" and apparently supports this concept which has been disproved in the past. In Great Britain the Corn Laws were repealed and free trade established, without negotiations with, or regard to, the likely action of other countries. The true alternative to joining the EEC protectionist bloc is to open our ports to the free entry of goods and services. Let all countries send us their surpluses, created by their stupid protectionist set up, as well as those things for which they possess a greater productive ability. If

our imports double and treble, so will our exports because there is no other way in which imports can be paid for. That the ensuing competition will affect privileged and sheltered industries in our country, will be to our advantage. We may then become the world leaders of prosperity and the Common Market subterfuge may become extinct.

Yours faithfully,

STEPHEN MARTIN

Fordingbridge, Hants.

NOT SUFFICIENT?

SIR, - I enjoyed the thought-provoking article by Basil Butterworth (January & February issue). However, there was one point that I would question. Mr. Butterworth says (page 17) "Eloquence, sincerity, persistence and a reasoned appeal to a less numerous electorate, had been sufficient . . . to enable Cobden and Bright to carry the repeal of the Corn Laws." It would be encouraging to think that this was so. But in fact it appears that the eloquence etc. of Cobden and Bright had not been sufficient to carry the repeal. *They certainly prepared the ground* but the immediate cause of repeal seems to have been the Irish potato famine.

May I quote from *The Great Hunger* by Cecil Woodham-Smith (page 49): "Peel had arrived at a momentous decision. To compensate for the failure of the crops the millions of Irish who had lived on potatoes must be fed on grain; to accomplish this, grain must be freely imported, and therefore the Corn Laws must be repealed."

"The decision was not sudden but the result of long deliberation. Though famine in Ireland proved the immediate cause, Peel had been painfully moving for more than four years towards the conviction that he no longer believed in protection for British agriculture, and that the Corn Laws must be removed."

This is not to deny the vital part played by the Anti-Corn-Law League, and, in connection with the above quotation, it is only fair to remember that it was Sir Robert Peel himself who said that the name which ought to be, and would be, associated with the repeal of the Corn Laws was the name of Richard Cobden.

Yours faithfully,

V. G. SALDJI

London, N.W.1.

Miscellany

Back to the Printing Press?

THE following paragraphs are from a report of a speech made by Mr. Heath on February 8.

"The Prime Minister last night gave a strong hint that the Budget next month will reflate the economy with a further stimulus, presumably by way of reducing the burden of taxation.

"Mr. Heath said that since the Government took office it had been steadily bringing down the rate of inflation and would continue to do so.

" 'Fortunately,' said Mr. Heath, 'we have a strong balance of payments. So this provides us with scope for reflation the economy without running straight back into the problems that beset the '60's.' "

In the first paragraph above, the words "reflate the economy with a further stimulus" implies an increase in the money supply. To reflate is to start inflation going again. If the words "by way of reducing the burden of taxation" mean anything they can only mean that the printing press will be substituted in part for the tax-collector.

The second paragraph contradicts the first.

The third paragraph supports the first again by making the point that monetary inflation in the '60s by reducing the value of the £ upset our fixed exchange rates and consequently our balance of payments.

Now that our balance of payments is "strong" we may presumably indulge in inflation to our heart's content!

All One Happy Family

ACCORDING to the Rome Treaty, nationals of all the member states are free to work in any other Common Market country - but they can draw their family allowance from only one, says a recent press report.

Many migrant workers are opting for payments in the country where they work, and then omitting to tell their own officials of the change.

An Italian worker with eight children living in Belgium collected an extra £6,000 in six years. He and his wife were jailed for three months for fraud and ordered to pay back £2,000.

A "Star" Holding

THE existing lease of Watney House, London, S.W.1. is to be surrendered to Star (Great Britain) Holdings Ltd. by Watneys for the sum of £3½ millions, says a recent press report. The lease has 994 years to run, with rent reviews at thirty-five-yearly intervals. Watneys are to take out a new thirty-five-year lease at a revised rent and with rent reviews every seven years.

Star have also recently bought the overriding leasehold interest of Lee House, London, E.C.2. from Swiss Israel Trading Bank for £2,395,000. The bank has taken a new twenty-one-year lease at a current market rent with reviews every five years.

BOOKS RECEIVED

Factor Pricing and Economic Growth in Underdeveloped Rural Areas, by Anthony Bottomley, Crosby Lockwood & Son Ltd. £2.75.

Investment Analysis, by Denis Weaver, Longman Green & Co., £4.95.

Matching Employment Opportunities and Expectations - a programme of action for Ceylon, report and technical papers, International Labour Office, Report £1.60., Technical Papers £1.80.

Regional Development - Experiences and Prospects in South and Southeast Asia, by Louis Lefebvre and Mrinal Datta-Chaudhuri, Mouton & Co, Netherlands.

Can Parliament Decide . . . About Europe . . . Or About Anything? by Andrew Roth, Macdonald, £2.50

Peasant Wars of the Twentieth Century, by Eric R. Wolf, Faber and Faber, £3.00.

India: Progress or Poverty?, Institute of Economic Affairs Research Monograph 27, £1.00.

East Anglia, A guide to business location and Expansion 1972-73, Gower Economic Publication, £5.50.