

Mandan, North Dakota. But by then, I was asking too many pertinent questions, and they shoved me over to the FmHA.

Setting the record straight

For anyone who still believes that it was farmer mismanagement that caused the agriculture crises in the United States, North's book goes a long way toward setting the record straight. But North's analysis is erroneous on some very fundamental economic issues, one being the surplus production question. Surpluses accumulate when there is a lack of buying power. Lack of buying power is generated by less than parity prices for production. When the production at a parity price exceeds the needs of the producing nation, the excess production generates potential for credits to feed the starving.

Second, North thinks President Kennedy's investment tax credit was a mistake. North, a tax practitioner, has witnessed some of the superficial problems that occur on an individual basis, but he has failed to see how to mobilize a productive economy on a grander scale. Capital startup costs are significantly reduced by investment credits deducted from profits of industry and agriculture. Along with rapid depreciation on capital investment, the engine of an economy is started and propelled forward. Invention of technologies is also encouraged to realize greater efficiencies in production. That's how consumers realize cheaper products. Japan is an excellent model of how this works. Not to mention the production boom realized here in the United States at least partially because of the investment tax credit. But then, North believes farmers are too productive, and surpluses cause lower prices, adding to the plight of the farmer. Does he realize the "invisible hand" controlling prices belongs to the grain cartel?

We need a Hamiltonian national bank

Third, on the question of interest rates: It is my impression that he sides with the Federal Reserve. Raise the interest rates to control inflation, and lower them to stimulate the economy. All we need to do is look around us, to see where that leads us.

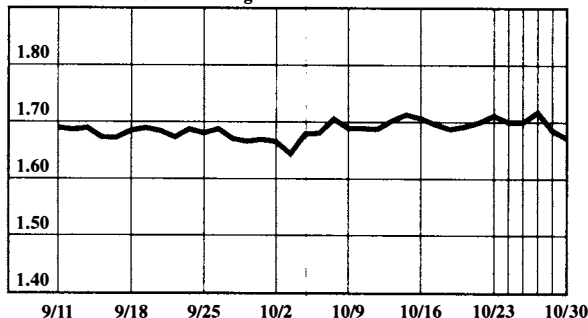
North's failure to define a solution to the banking crisis is also a problem, yet American history shows exactly the kind of program that is required. George Washington's Treasury Secretary Alexander Hamilton's "Report on Banking" explains the needs of a national bank and purposes it serves. While you are at it, Hamilton's 1791 "Report on Manufactures" gives one insight into the workings of a national economy. Both reports are necessary parts of any concerned citizen's library.

In conclusion, while North's *Night Came to the Farms* covers ground that needed to be documented, his expertise in economic analysis is lacking in understanding of natural law. It leaves out morality, the question of economics with dignity for the common man. That lack of understanding flows over into his suggested solutions. It is obvious he does not know or realize there is another way: the way of Lyndon LaRouche.

Currency Rates

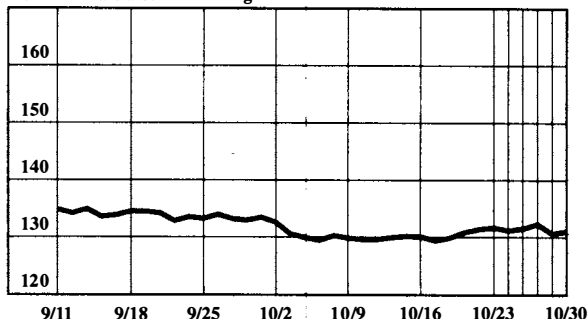
The dollar in deutschemarks

New York late afternoon fixing



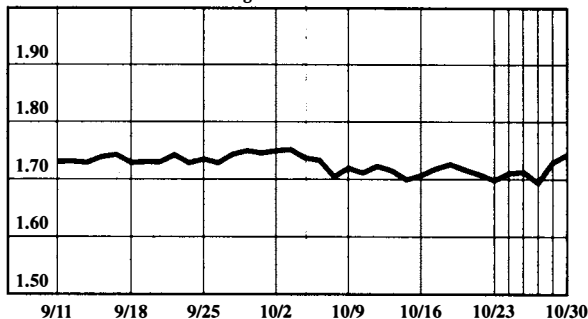
The dollar in yen

New York late afternoon fixing



The British pound in dollars

New York late afternoon fixing



The dollar in Swiss francs

New York late afternoon fixing

