

25th. October, 1929.

Major L. Darwin, Sc.D.,
Cripps's Corner,
Forest Row,
Sussex.

Dear Major Darwin,

Suppose a fixed population with two needs only, Food and Bricks, say. They work at these two industries until an extra expenditure of a unit of labour upon either is just balanced by the additional satisfaction due to greater quantity or ^{better} quality of the product. Let them make an invention which enables them to produce more or better bricks with the same labour. Bricks will become cheaper relative to food, and they will direct some of the labour previously given to brick-making towards food production. The standard of living in both respects being raised, and maintained equal as between brick-makers and food-producers. If the invention applies only to food production the reverse should take place, and if the progress of knowledge applies equally successfully to the two industries, the standard of living will rise, without division ^{of} of

I do not think that we can argue that mechanical improvements have aided food production more than industry, but rather far less, except in the important item of opening out new lands. The facts that such lands are available, that it is politically important to civilise them, and that there is little else other than agriculture that we can do with them, are those which I am inclined to emphasise as the causes of the lowering prices of foods, and the division of labour to other occupations. I think this is only another way of saying world underpopulation.

As to local over- or under-population, I have had great difficulty in understanding how the state of employment is in any sense an index of it. No one believes that the number of jobs is fixed, without reference to the demand for services, and this demand turns everywhere on the population to be served. Of course certain jobs such as police supervision, will not increase proportionately to the population, but this only shows that a denser population can devote a larger proportion of its man power to productive work. If I wanted over-population I should be open enough in saying so, but I cannot see the evidence that 40 millions, or 90 millions, is over-population for this country.

Unemployment means, I think, supporting a number of men capable of doing useful work, without giving them an opportunity of doing it. Why should this maladjustment be associated with the condition in which an increase of population lowers the general standard of living (overpopulation) rather than one in which an increase of population raises the general standard of living? I cannot find any logical connection.

It is probable that I differ from you essentially about Free Trade and Protection, for I have never understood why Free Traders, however right they may be as to the advantages of Free Trade when full employment is available, do not accept protection at least as a means of guaranteeing full employment for the available man power. Any useful work seems better than none. I leave aside the advantage which I believe Protection gives of choosing among different industries which shall be fostered.

I am rather surprised that you do not think the confident expectation of world settlement has influenced our commercial as well as our political development. The unquestioned confidence with which men speak, even in Australia, of "when the interior is opened up" has certainly led many men to make their homes in the wilderness to their ultimate ruin.

Has the financial loss been borne only by a few wild enthusiasts, or is it shared in less proportion, by others who use the same phrases?

I have simply picked out the points in your letter I disagree with, or on which I think your opinion might be modified by what could be said on the other side. So I am very argumentative. About tropical forest, do you know any physiographical reason why the ^{valleys} villages of the Ganges and the Yang-t-se should not revert to dense forest, if the cultivators were removed?

Yours sincerely,

(Sgd.) R. A. F.