

WE SAY: The Common Market is a protectionist bloc. Britain should keep out—and discard her own trade barriers. Meanwhile, British importers and exporters should continue to trade with firms in the Six as best they can. Later, when we have free trade, it will be easier for them.

## Common Market Divides Liberals

### Leaders Discuss Pros Cons of British Membership

THE Liberal Party is divided on whether Britain should seek membership of the Common Market. For the Party Assembly at Eastbourne next month, Mr. Mark Bonham Carter is to move a resolution as follows:-

*Britain in Europe.* This assembly: (1) warns Britain of the grave political and economic implications for the whole Commonwealth of the present division in Western Europe between the European Free Trade Area and The Common Market; and (2) urges Her Majesty's Government to start consultations with other members of the Commonwealth and of the European Free Trade Area with a view to the entry of the United Kingdom and other countries into The Common Market.

The Executive may move an amendment to this resolution should any developments take place.

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The Liberal Party leader, Mr. J. Grimond, M.P., had the following letter published in the *Guardian* (Manchester) on June 17:

"MR. MAUDLING lays blame on the 'Six'!" Such is the heading to your account of the President of the Board of Trade's speech to the National Press Club. It fairly takes one's breath away!

The Government have miscalculated the strength of the movement for unity in Europe. They have lost the chance of leadership. They may well have gravely damaged British industry by getting it excluded from one of the fastest growing common markets in the world. Mr. Maudling has been the leading exponent of the policy of first of all trying to ignore the Common Market and then shilly-shallying about the growing need to come to terms with it. Almost every responsible paper has now come round to the Liberal Party's policy of negotiating our entry into the community of the "Six" along with membership or association for our partners in the "Seven". The Board of Trade remains like a blushing virgin waiting now for some offer, and blames the "Six" for not making it.

Why on earth should the "Six" make a new offer? They have asked us to join them. They have offered to negotiate terms once we have made up our minds that we want to get in. They are going ahead. Every country in the "Six" has outstripped Britain in industrial production over the last ten years and all but one last year.

You only have to go to Europe to sense the purpose and drive which contrast so strikingly with the stick-in-the-mud attitude of the Board of Trade at home.

Two things are now essential. First, we must take this matter out of the hands of the Board of Trade, who seem bent on proving that failure is inevitable and treat it for what it is — a political economic development of the first importance to be handled by the Prime Minister and the Foreign Office. Secondly, our Government must give up double talk. Are they sincere about interdependence? If so, here is something they can do now without waiting for the Russians, the Americans or anyone else — propose to their partners in the "Seven" that they try to negotiate entry into the Common Market with proper safeguards for the Commonwealth. The initiative must come from us — for the very good reason that it is not the "Six" but British industry and agriculture and indeed the whole political future of Britain which is going to suffer from the ineptitude of our Government.

We may be too late, but we must try. If we fail, then indeed the Government may have to fall back on the other suggestion apparently considered by Mr. Maudling — that the Prime Minister should resign himself to becoming a mannequin for men's clothes, presumably of a rather old-fashioned Edwardian cut.

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Following are extracts from Mr. Ashley Mitchell's unpublished letter of June 6 to the *Guardian*. Well known to readers as joint hon. treasurer of the International Union for Land Value Taxation and Free Trade, Mr. Mitchell is president of the Yorkshire Liberal Federation.

ONE dangerous factor today is the dominance of the herd instinct: something is proposed and we are all expected to follow blindly. The Outer Seven Association leaves each member free to reduce and even abolish its own tariffs; joining the Six means joining a protectionist bloc and forever losing our fiscal freedom (even our Tory protectionists jib at that); it means to surrender the fight to recover the advantages of Free Trade. (Sometime, Sir, you might think it well to have some articles re-stating the Free Trade case). It was open ports and no protective tariffs that made the strength and greatness of this country; a Free Trade country is like an oasis in the desert.

Mr. W. Pickles shows well how we should be sub-merged as a nation if we joined the "Six". How often we have heard the argument that it is better to join a party and influence it from the inside, the point on which the Liberals split from the Simonites. Are we now to say that Samuel, Sinclair, Isaac Foot and the other Liberal ministers were wrong when they resigned after Ottawa? Was this country wrong when it continued to resist Hitler? We could have ended the war then and joined the European market in the ignoble company of Petain and Laval.

This matter is even more serious. If Britain ever hauls down the flag of freedom it will go hardly for humanity. Only the Scandinavian countries would remain and unfortunately they are only small; the sleepy giant in U.S.A. takes so long to wake.

There is a great fallacy in this matter; a Free Trade area is not a Free Trade country. We are asked to notice how U.S.A. industrialists are establishing factories in the Common Market, rushing in to share the swag by plundering the people of that area who will not be able to import competitive goods.

One of the greatest dangers today is the cult of Big Business and the consequent monopolies. Free Trade stops both smuggling and plundering.

*Following are extracts from recent letters printed in the Liberal News*

MR. OLIVER SMEDLEY: Am I right in thinking that by joining the Common Market Britain would lose the right unilaterally to reduce her own tariffs? If this be so, how is it consistent for the Liberal Party to support such a policy when at the same time, at nearly every Assembly since the War, it has committed itself to a policy of the unilateral reduction of tariffs?

MR. NEWTON JONES: It is quite fantastic that any Liberals should consider joining the European Common Market since this would automatically put a barrier between us and the rest of the world. It would deprive a future Liberal Government or any British Government of the right to reduce or abolish tariffs on goods coming into the United Kingdom. It makes nonsense of our frequently expressed desires to assist nations and peoples less fortunate than ourselves to enjoy the benefits of increased productivity and the exchange of goods, and is contrary to everything the Liberal Party has ever stood for in the field of overseas trade and commerce.

Liberal Ministers resigned from the National Government at the time of the Ottawa agreements and Liberals have always opposed Lord Beaverbrook's conception of Empire free trade. The European Common Market is basically, as regards economics at any rate, nothing but a mixture of these two schemes and does certainly not warrant the description of "International Co-operation" which its advocates apply to it. It is in fact the reverse of international co-operation. It is in fact co-operation with six Nations only and non co-operation with the rest of the

World. There can be little doubt where the choice should lie for true Liberals.

MR. ARTHUR HOLT, M.P.:... Only as a member of the Common Market can we effectively agitate for it to follow Liberal policies towards the outside world. It is, of course, worth remembering in passing that the outer tariffs proposed for the Common Market will be a good deal lower than our own are at present.

DR. NATHANIEL MICKLEM:... The Common Market is a *Zollverein* or Customs Union such that free trade is established within the union and a protectionist tariff is erected against all other countries. If the Liberals are, as they constantly claim to be, a Free Trade Party, their support of the proposal that the United Kingdom should enter the Common Market would appear as a *volteface* or a very striking paradox. There are weighty political reasons why we should actively encourage every movement towards European unity; there are economic reasons which cannot be lightly brushed aside.

It is not illegitimate for Liberals to argue that on balance and for the time being our entry into the Common Market would best serve our interests and the Free Trade cause. I, for one, remain not unconvincible but unconvinced and I more than suspect that those of us who believe the principles of Free Trade to be unshakeable, and who desire London to offer once again a free market for the world in the interests alike of our economy and of the moral lead we should offer to the World—are as unconvinced as I am ...

### PAPER PLAYS NEW TUNE

*News Chronicle*, July 4: The countryside must be saved from further ruin; and speculators must be stopped from exploiting the legitimate desire of more and more people to acquire a home of their own in pleasant surroundings. These are the basic issues underlying the current dispute about land values . . . We must build high. In an overcrowded island, we should get more used to the habit of living in flats. The green belts must stay: cities should not be allowed to sprawl unchecked . . . But how to check rocketing land prices and speculation? The Labour and Liberal proposals for a site value tax deserve consideration. At least as a temporary measure, it would encourage speculators to sell out.

*News Chronicle*, July 6: There is really no policy in mind for tackling rocketing land prices, that much is clear. Mr. Brooke will "ask" planning authorities to allow more land for building beyond the green belts and "encourage" the fullest use of land within urban areas . . . New buildings, probably multi-storey blocks of flats in many cases, must replace the decrepit property now standing. But, judging by yesterday's performance, Mr. Brooke has no real idea how any of this can be achieved. If he has, he failed to say so.

**FLASHBACK.** *News Chronicle* editorial, 4 September, 1958: "What Henry George said about landlords is rightly regarded as irrelevant by intelligent voters today."