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## ALL PROTECTIONISTS NOW? *Liberal Party Abandons Free Trade*

**D**IVESTING its threadbare free trade mantle, the Liberal Party exultantly plunged over the cliffs at Beachey Head into the icy waters of protectionism. Political suicide was not intended. In this report a correspondent who attended the Party's Assembly at Eastbourne last month holds out the hope that men and women of principle may yet bring the party round after its death leap.

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Some people have expressed surprise at the lamb-like way in which the free-traders in the Liberal Party appeared to accept what looked like an overwhelming defeat. Perhaps there was a little more in the situation than met the eye.

To understand what has really been going on it is necessary to re-examine recent history within the party. Repeatedly since the war Assemblies have reaffirmed the party's faith in the free trade principle that is written into its Constitution. At the same time most of the Party's parliamentary leaders have been protectionist at heart. Exceptions have been Mr. Arthur Holt, M.P., whose instincts are right although he has failed to sustain an argument to its logical conclusion and Lord Grantchester whose singleness of mind appears to be confused by his inward-looking view of European affairs. There is little doubt that such eminent former Liberals as Megan Lloyd George, Dingle Foot and Wilfred Roberts deserted to the Labour Party because they disagreed with the free-trade inclinations of the Liberal Party Assembly. They need not have bothered. The other protectionists just stayed put and took no notice whatsoever of the free-trade resolutions passed by the Assembly. In fact—until this year—the only people officially in step have been the free traders.

The Executive motion which Mr. Mark Bonham Carter moved read:

*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.

Free Traders submitted an amendment to add:

*"provided that no step should be taken that would have the effect of precluding a future British Liberal Government from pursuing non-discriminatory trade policies towards the under-developed countries of the World."*

The Agenda Committee ruled that the amendment was tantamount to a direct negative of the main resolution and did not put it on the Agenda. The implication is clear. The effect of the Executive resolution, now official Liberal Party Policy, is "to preclude a future British Liberal Government from pursuing non-discriminatory policies towards the under-developed countries of the World."

A half-hearted attempt to suspend standing orders so that the amendment might be debated failed after Mr. Leonard Behrens had spoken for the Executive. If they had wanted to rout the free traders and rub their noses in the mud they could have allowed the amendment to be debated — and defeated. Was it susceptibility for free traders' feelings or fear that the amendment, if

debated, would be passed that was uppermost in the Executive's mind? We may never know. The upshot however is clear: *the Liberal Party is no longer even PRETENDING to be a Free Trade Party.* In every aspect of its policy it has become just another protectionist party producing vote-catching policies related to no recognisable fundamental principle whatsoever.\* Without such a principle to defend it will find itself hard put indeed to stand up to the attacks which its enemies will most certainly direct towards it now that it is showing signs of revival.

Fortunately, at the eleventh hour, the free traders within the Liberal Party saw clearly the true situation. After many years of bewilderment and denigration, they realised that if free trade were to be preserved it had to be clearly extracted from the semi-protectionist, semi-socialist and altogether muddle-headed Liberal Party who were totally ignoring it while being nominally in support.

The first step was to rescue the Free Trade Union. Under the control of prominent Liberal Party officers it had been allowed to wither away almost to the point of total extinction. It was just snatched up in time, with no money left and very few members. As we all know, under the control of men who do not have to look over their shoulders to find out what any political

\* Fortunately this is a little too sweeping — the Liberal Party remains committed in support of the taxation and rating of land values. But there are enemies within — some influential, whom we could name — who would like to sink that principle too without a trace.—ED. L&L.

party is saying, and with a most efficient, energetic organising secretary, the Free Trade Union has already made great progress in the task of forging an effective instrument for free trade propaganda and instruction. Members of all political parties and of none can support it and are doing so in the certain knowledge that its views will not be influenced by the necessity for political compromise.

The second step was to bring to the notice of the Liberal Party itself the fact that under its present leadership it was no longer a free trade party. The cavalier way in which Mr. Mark Bonham Carter dealt with the opposition to his Common Market resolution, removes any possible doubt on that score. He sought and appeared to relish a "show-down" with those whom he described, in a Gladstone quotation, as the "unmanageable" free traders.

So the *decree nisi* has been issued. The Free Trade Union is no longer Liberal, the Liberal Party is no longer Free Trade. It will be interesting to see, before the decree becomes absolute, whether the Liberal Party may not have more need of Free Trade than the Free Trade campaign has of the Liberal Party. At least we can be thankful that they now know where they stand. And in the meantime there would appear to be no good reason why the large number of free trade Liberal candidates should not remain with their party and be as loyal to the recent Assembly resolutions as the protectionists in the party have been to others in the past. There is no "better hole" for them. Besides, with a bit of organisation within the party, they may yet pull it back to free trade principles within a very few years.

## BRITAIN IN EUROPE

Reprinted from *The Liberal News*, October 6

**T**HE Common Market debate was widely regarded by delegates as one of the most important of the Conference. As *The Guardian* commented: "The Liberal Assembly performed an important service to the cause of closer co-operation with Europe; and in doing so took what may prove to be an equally important step towards a Liberal revival."

Moving the executive resolution in an immensely competent speech, Mr. Mark Bonham Carter said that the Common Market was "the most important development in the history of Europe for decades — probably for centuries". The European movement was in its origin and purpose political — with, of course, a strong economic foundation. Mr. Bonham Carter urged that Britain should open negotiations to become part of that movement as soon as possible — and for both political and economic reasons.

Wittily and concisely he dismissed the two main objections to our going in. Of course, our relations with the

Commonwealth would be altered by such a move. "But only the Tories believe that to alter is to upset. Oddly enough," he went on, "the Commonwealth was not created at Ottawa." Nor was it created by the tariffs that followed Ottawa. In any case, within the next six or seven years Imperial Preference would become negligible.

The real objections of both the Conservative and Labour Parties, said Mr. Bonham Carter, was that union with Europe meant a sacrifice of sovereignty. Even in the Liberal Party there were a few who objected on these grounds — and his remark that in 1960 "that is a most old fashioned view for a Liberal to adopt" brought roars of applause from the hall.

The past few decades had shown that a national state was hopelessly inadequate as an instrument for any constructive programme — whether in the field of disarmament, economic depression or investment in underdeveloped countries. For all these things only inter-