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EDITORIAL

Naught For Our Comfort

The Party Conferences Surveyed

THIS year's crop of political party conferences offers scarcely a crumb of comfort to those who are gravely concerned about the cankers threatening to destroy our society. Except that they were cleverly stage managed there is little the impartial observer can say in their favour. Scouting the next general election, Mr. Grimond's band (less accurately, the Liberal Party) took a further step or two away from traditional liberalism; the Labour Party attempted with only partial success to paper over its internal schisms; and Mr. Macleod took control of the Conservative political machine. He will apply a second coat of semi-socialist pink to Tory policies wherever the traditional blue shows through.

A dominant issue at each Conference was the Common Market. At Edinburgh the "Liberals" under-scored the protectionism they first embraced last year at Eastbourne. A resolution on British Agriculture and the Common Market welcomed and accepted the objectives put forward by the Six and was carried with only Mr. Oliver Smedley and four others dissenting. For the executive Mr. Jeremy Thorpe, M.P. suggested that fears that food prices would rise dramatically were exaggerated. He accepted an amendment which expressed the hope that the Common Market would be a step towards the Liberal idea of free trade.

A fortnight later at Blackpool the Labour Party showed itself deeply divided on this question, as on other issues. Replying to the debate for the executive Mr. George Brown, M.P. said the issue was not so simple and clear cut as many delegates had argued. His personal judgement was that probably the balance of the economic argument was in favour of our going in, and that the political objections were not so strong as had been said, but that was not an adequate basis on which to declare a policy. "It is not for a great responsible party like ours,

looking forward to the responsibility of power, to take snap decisions of black or white without a close examination of the issues and without a lot of answers to questions that only the Government can get and up to date it has not got: and I am sure has not even asked." This might be called fencemanship — the art of sitting, statesmanlike and uncommitted, on the fence. It faithfully reflects Mr. Gaitskell's performance in the Commons debate last August and also at Blackpool.

At Brighton the Conservative Conference endorsed the Government's decision to open negotiations with the Common Market countries although about forty people supported an amendment moved by Sir Derek Walker-Smith, M.P. This called on the Government to declare that it would not approve any proposals which involve surrender of British sovereignty or are inconsistent with pledges to agriculture and horticulture or with the traditional role of the U.K. in Commonwealth and world affairs.

The arguments at all three conferences for and against British membership of the Common Market followed familiar lines which need not be repeated. Only Mr. Smedley put a free trade view. He was greeted with cries of "nonsense" when he said, rightly in our opinion, that by abandoning the policy of non-discrimination in foreign trade the Liberal Party had destroyed itself. He could no longer stand as a candidate while the party pursued this policy.

At Brighton two Ministers defended the Government's policy. Mr. Edward Heath, Lord Privy Seal, said one of the objects of the Common Market was to improve living standards within the area so that the people concerned would not turn to the Communist way of life. The best way of maintaining our freedom and independence was in unity with other countries of the free world.

Mr. Duncan Sandys said that fears about the loss of sovereignty were exaggerated. Sovereignty was precious, a basic attribute of nationhood, and should be jealously guarded but that did not mean it was never right to part with any of it. From these two statements it appears that independence, to be preserved, must be partially sacrificed, as neat a piece of political casuistry as we have seen for some time. Czechoslovakia provides one of many illustrations of how naive is the notion that high living standards afford an effective barrier against the onward sweep of Communism. Washing machines and TV sets have their merits but they are powerless to defeat an evil, materialistic philosophy and international conspiracy. Military might can hold the line for a while but ultimately only the acceptance of a superior philosophy and adoption of a practical policy such as that outlined in our International Union's Declaration of Human Rights Based on Equal Freedom can prevent the whole world from obliteration or Communist dominion.

OTHER points from the Conferences may be briefly noted. The Labour Party emphatically confirmed the national executive's recent, eleventh hour decision to expel the Communist-led Electrical Trades Union from membership and reversed last year's conference decision on unilateral nuclear disarmament. It adopted the executive's policy statement, *Signposts for the Sixties* which, as previously noted here, contains a plan for the nationalisation of urban land on which building or rebuilding was authorised. Other proposals include the renationalisation of steel, the creation of an integrated, publicly owned transport system, a general extension of public ownership by diverse unspecified means and what is called "fair taxation" but which is merely a rearrangement and adaptation of the present grossly unfair system of financing government expenditure.

The Liberal Assembly carried a resolution on local government finance calling for the rating of site values and the "assignment" of other specific taxation to local authorities. The extraordinary idea was canvassed, and accepted, that the value of land is not sufficient to meet the cost of local government. An amendment in favour of a local income tax was heavily defeated. A 9-point motion on what the executive calls tax reform was carried after heated discussion and defeat of sundry amendments. Abolition of Schedule A property tax and introduction of a social security tax and a short term capital gains tax are among the tax policies to which the party is now committed. It has also adopted the five year economic planning scheme which, in August, we described as appalling and illiberal. That view was reflected by many speakers in the debate. Miss Y. Richardson (South Kensington), for instance, said some of its proposals were more suited to a "Fascist meeting than a Liberal Assembly". Mr. John Booker, prospective candidate for Salis-

bury, thought the motion was asking the Government to take a much greater hold on people's destinies than any Government in the country's history had done for hundreds of years. Mr. David Miller (Glasgow University), opposing, regarded the plan as opening the way for a centralised bureaucracy. Miss Heather Harvey, the party's joint hon. treasurer, said all they would be doing would be to place yet another Government department on the taxpayer's aching shoulders. The motion was "half-baked", "misconceived" and "ignorant". Miss Enid Lake-man also found the plan unacceptable, saying she would not like to entrust either a Conservative or a Labour Government with it. But despite those sound criticisms, the motion was carried by a large majority for, as a platform speaker had pointed out, the Liberal leader himself, Mr. Jo. Grimond, was one of the earliest people to come out in favour of a Five Year Plan. Surely that comment does less than justice to the late Mr. Joseph V. Stalin?

The floggers and hangers were roundly defeated when the Conservatives discussed crime and punishment as was Sir Edward Boyle, M.P., Financial Secretary to the Treasury, when the Schedule "A" Tax was discussed. A motion calling for its repeal was carried amid cheering despite Sir Edward's plea that it should be rejected. Mr. Selwyn Lloyd, Chancellor of the Exchequer, defended his "Little Budget" and "pause" policy, as in duty bound, arguing that without it inflation would continue. He said that public expenditure must be kept within bounds and revealed that he was under unbelievable pressure to spend. During the preceding debate one awakened Rip Van Winkle said it was not part of Conservative philosophy that under guise of fiscal legislation the wealth of the few should be compulsorily distributed among the many. Sir Cyril Osborne, M.P., wanted sacrifices from capital as well as from labour and put forward an eight point plan which included a capital gains tax. Mr. Gerald Nabarro, M.P., spoke sense in saying that the Chancellor could not deal effectively with the unbalance in the national economy until he tackled vigorously the archaic conditions of the taxation system. It was hopelessly complicated and beyond the comprehension of the ordinary taxpayer. A credit squeeze, he said, was a palliative not a policy.

REPLYING to a debate on exports, Mr. R. Maudling, former President of the Board of Trade, let slip some illuminating remarks. There must be a search for new incentives and he would not be against any tax incentive which would produce results but there were clear rules against them in the Treaty of Rome. Now when the Government hoped to negotiate an agreement with the Six was not the time to introduce schemes inconsistent with the basic treaty. Mr. Maudling let it be taken for granted that he was opposed to throwing spanners in

the works in order to remove them. But he did deem it necessary to tell his Conservative audience that he doubted whether there would be a good case for putting a turnover tax on industry as a whole and thereby raising the cost of production in order to remit it for exporters. Ye gods! His further remarks were, in effect, an indictment of the protectionist policies which he, among others, has carried out. "There will be no sheltered markets left for us, including the one at home, in the relatively near future," he said. To that we would simply add that if there had not been any in the past we would not now be worried sick about the Six and in danger of destroying the Commonwealth.

AT the mass rally which concluded the Conference, the Prime Minister touched on many matters including foreign affairs with a special reference to Berlin, and the Common Market—"We must expect competition to intensify; it is a bracing cold shower we shall enter, not a relaxing Turkish bath." Of the prospects for social progress Mr. Macmillan painted a rosy picture flecked with admonition, exhortation and warning as befits an office-holding politician. Up till now we've never had it so good but in future, apparently, we are going to have it even better.

NOTES OF THE MONTH

Plain Words On The Common Market By the Christian Science Monitor's Financial Editor

PRESCRIBED reading for every liberal who still nurses the vain illusion that the Common Market is a step toward free trade are the splendid articles which Mr. Nate White, business and finance editor contributes to the *Christian Science Monitor*. The skilful propagandists who have successfully deluded so many (even, we are sorry to say, a few Georgeists) have failed to pull the wool over his eyes. Supplementing the extracts from one of his earlier articles published here in August are these from articles which appeared in the October 13 and 16 issues:—

"The six nations of Europe in the Common Market are not the protectors of the so-called free enterprise system. They are in a very large sense state capitalistic and socialist economies, operating collectively and exclusively in their own interests. Cartels have long operated in Europe. Their control has always been hidden. Today's state-operated enterprises in Europe, seldom issuing full reports of their activities, operate as state cartels in much the same way that private cartels have always operated.

"Control of these cartels, control of these state capitalistic enterprises is difficult to trace. The interlocking directorates of Europe are complex, interrelated. Common traditions, common practices, often traceable far back to the days of the Florentine merchants, prevail.

In the last 10 years the real value of wages had gone up by one third, he said. If they could keep the general rate of increase the same, level with, but not ahead of productivity, the average wage packet should rise from the present figure of £15 a week to something like £20. That means the average industrial wage earner should be a £1,000 a year man at current prices. This would have seemed an impossible dream a few years ago. He was confident that given goodwill great strides forward could be made over the next 10 years. It was no easy road. If the Government were to preach thrift they must practice it. Mr. Macmillan added that they intended to see that Government expenditure, current and prospective, was kept in line with national resources. Greater skill than we command is needed to comment adequately without overstepping the bounds of journalistic propriety. A partial answer is afforded by the letter we reprint elsewhere from Mr. W. C. Bond, patron of Orpington Conservatives.

We end as we began: the three Conferences offer scarcely a crumb of comfort to those gravely concerned about the cankers threatening to destroy our society.

A similarity in background, religion and tradition throughout Europe finds its principal unifying factor in the Treaty of Rome which established the European Common Market of six nations. This is the tightly manipulated economic situation which Britain now hopes to join. Doubtless the problem of hidden control will be the most difficult one confronting the British . . .

"Much of Europe today, especially key members of Euromarket, are operating as collective economies in the name of modern capitalism. They are socialised collectives in which the major interest and control is hidden. Sometimes the control is the federal government. Sometimes it is a municipality or province. Often it is in the hands of church-controlled trusts . . . Control in Europe is a secretive thing. It has always been so. World War II changed nothing except to make the cartel system a little more efficient, and the state capitalism or socialistic system on the surface more nearly competitive.

"In many European industries the visible officers of a corporation are only the front meant for the hidden system which lies behind them. Much of this development, it needs to be pointed out, is supposedly benevolent in nature. It is a form of social justice to keep people employed, to improve standards of living, to increase ultimate consumerism. Even so much of so-called free Europe today is a collective economy . . .