

to share out those jobs that are available or by manufacturing jobs with the aid of public funds. A truly radical employment policy would increase job opportunities by dismantling the artificial barriers that tend to prevent the factors of production from freely combining and co-operating in the production of wealth. Such barriers are: taxation that falls upon employment and production; restrictive employment legislation; and a land tenure system that diverts economic rent away from the community fund and into private pockets.

Until we have a government prepared to stake its future upon such policies, Britain will be condemned to act out its old familiar drama.

THE PROTECTION RACKET— AN EEC GROWTH INDUSTRY

THE innately protectionist nature of the EEC surfaces more and more frequently. Press reports in early February indicated that the major European steel producers have pressed Viscount Davignon, commissioner for industrial matters, to obtain agreements from steel exporters to the EEC to reduce the volume of their sales. Such an agreement has already been reached with Japan.

Some member countries, particularly France, are seeking the imposition of quotas and duties upon steel imports in order to avert a price-cutting war within Europe.

British interests are making their own contribution to EEC protectionism. Two weeks after the above reports, Michael Meacher, Trade Under-Secretary, said in Parliament that the Community was to begin surveillance of imports of hand-woven fabrics, and he promised that action would be taken if imports this year looked as though they would exceed certain limits. "We are determined," he said, "to secure international agreements for textiles, and protection from low-cost imports." The developing countries and the United States would, he warned, be against the British proposals, but the level of import penetration had become unacceptable to the Government.

The imports are clearly not unacceptable to the British purchasers of them, but as usual their

interests are ignored. And will Mr. Meacher in future be seen to cry crocodile tears for the handweavers in the developing countries pushed further into poverty through a denial of a market for their products? Should we succour them with aid and then refuse trade?

Trade is not, of course, a question of fairness or unfairness. It is a matter of common sense that all parties are enriched if freely allowed to buy and sell in the best market.

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WE might regard existing food prices in Britain as high, but they still have quite a way to go before equalling Common Market levels (as they eventually must under the Common Agricultural Policy) according to a report published in the *Sunday Times* recently.

Three vegetable growers have formed a company to sell Lancashire salad vegetables to Western Europe, and are encouraged by their initial success. "Shipping the lettuce was a nightmare task," one of them said, but "very ordinary prices on the Continent are so much higher than in Britain that our stuff is very attractive indeed."

Good for their business, of course, but pity the poor consumer when our prices are brought into line with the EEC.

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THE Consumer Association recently issued a warning that forthcoming increases in food prices could add up to twenty per cent to family food bills. The Association identified five factors likely to lead to such an increase: the raising of our food prices to the full EEC level; the drought; phasing out of food subsidies; the falling value of the pound; the EEC's annual price-fixing.

It will be noticed that of these, only one—the drought—is a natural cause (the subsidies should not have been there in the first place). The others could be avoided by pursuing a policy of purchasing in the world's cheapest markets with a non-debased currency.

GOOD NEWS FROM DENMARK

Knud Tholstrup reports:

THE minority government of Anker Jorgensen, Socialdemokratiet (Labour), had to call an election on February 15 and gained twelve new seats, from fifty-three to sixty-five, in the new parliament, which consists of 175 plus two from Greenland and two from the Faroe Islands. Anker Jorgensen is continuing with his minority government with aid from some of the smaller parties. At the last election two years ago, the Georgeists, Retsforbundet (Justice Party), lost their five seats when they polled less than the two per cent limit of total votes. Now they have won back the position, gaining 3.3 per cent of the votes, and six seats.

Land speculation has been one of the main issues in the election campaign, as half of the parties promised to do something about rising land values, which indicates that Retsforbundet's continuing propaganda has borne fruit. There is to be a new valuation this year, expected to show a 100 per cent increase over four years, from 100 billion DKr. in 1973 to 200 billion today (equal to £20 billion). This average increase of 25 billion DKr. per year equals more than ten per cent of the GNP.

Farm land sells at a price reflecting what it can yield above the rate of interest, and building land in suburban areas costs an average of £2 per sq. ft., in some places a good deal more, in others less.

Land values rose "only" 83 billion DKr.—from 17 to 100 billion—from 1960 to 1973. The inflation rate last year was 13 per cent, against eight per cent in 1975, but is expected to be considerably lower this year. Retsforbundet is sure that a halt to land speculation by the re-establishment of land-value tax, thus diverting money from land purchase to investment in production, would almost stop inflation and bring the interest rate down to half of the present rate of about 15 per cent. But it might be too optimistic to believe that the six members are able to have influence enough to achieve so much.