

LAND & LIBERTY

Editor V. H. BLUNDELL

DECEMBER, 1968

TWO SHILLINGS

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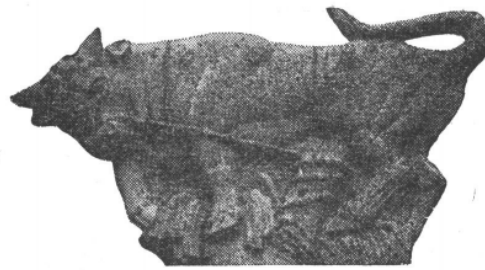
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The Scourge of Protectionism

A SURE WAY to success for any pressure group seeking to profit at the expense of consumers, is to identify its own interests with those of the community generally. By this means, not only are victims exploited but they are conned into aiding and abetting in their own exploitation. Nowhere is this technique more successfully applied than in agriculture and agricultural products.

The best advertising agent of the agricultural protectionist interests is, of course, the Government, who also act as collecting agents of the spoils.

The principles of agricultural grants, subsidies and protection are never discussed—only their extent and application—and this is true whatever the political party in or out of office. Whether the power of the agricultural vote is a myth (as some people maintain) or real, the threat is taken seriously, and agricultural protectionism is virtually written into the constitution of every party. That the people can have the wool pulled over their eyes so easily is perhaps not so surprising when Press, Parliament and the agricultural interests churn out an unending stream of propaganda which drowns the occasional dissident voice.

No opportunity is lost to further the cause of protectionism, as is evidenced by the eagerness with which the balance of payments difficulties have been exploited. How disarmingly simple the argument is: we must import less agricultural products and produce more at home so as to help our balance of payments position. Yet how facile is this argument—as though a satisfactory balance of payments position was an end in itself instead of a simple reflection of the state of international trade, which in turn is a reflection of the desires of individual people all over the world for each other's goods.

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But of course we have fixed exchange rates and payments are just not allowed to balance. What are thus Government-generated crises provide an opportunity not for re-considering the unwise policies of pegged exchange rates and debasement of the currency, but opportunity for exhortations and recriminations aimed at producers and consumers, together with reprisals in the form of higher taxation.

The Government is innocent: we the people are to blame. We are bombarded with political speeches which tell us we are consuming more than we produce (what economic nonsense); that we are guilty of going on a spending spree; buying too much from abroad in preference to buying British, as though we did so for any other reason than that we got better value for our money.

In short, the Government pours out paper money by the ton, spends it into circulation itself, and then proceeds to warn us not to spend it ourselves when it comes our way through the multiplicity of exchanges. It does more than warn. It actually tries to stop us. It orders banks to cut loans and hire-purchase companies to restrict credit; maintains a high rate of interest to make money dearer to borrow, pegs wages, restricts capital and ties industry and trade into knots in order to save itself from the consequences of its own folly. With all this new money and credit flooding the country, the government seems surprised that inflation has occurred and that other countries value our pounds less, thus aggravating the pressure on the £.

The agriculturalists are grateful—not that they themselves are immune from the consequences of this economic folly, but they foster the myth of the balance of payments being made to conform to artificial exchange rates because it suits them, and “Farming Imports Curb Will Save £160 million a Year” are welcome headlines.

The protectionists have the ear of the Government all right. Here are other recent headlines. “Potato Support Costs £8m.” “Ten per cent Tariff Reimposed on Frozen Fish Fillets.” “Government Urged to Act Now on Bacon Imports.”

The Opposition Front Bench Spokesman on Agriculture, Mr. Godber, is rooting for the agriculturalists. Criticising the Government for not doing enough, he said in a speech on 14 November: “There is no action on dumping of milk products, particularly cheese; no action on the marketing of eggs . . . no action on the export of calves which is making nonsense of expansion plans for beef in this country. Above all, there was no announcement about financial support for new proposals.” He concluded: “Farmers are not fools. They will want answers.”

In an earlier speech (October 21), Mr. Godber had called for restrictions on imports in strong language. “. . . imports of milk products, notably cheese, are

dumped on our market and all this Government does is to make polite requests to supplying countries not to embarrass us with these surpluses . . . the United States faced with the same problem did not waste time . . . they slapped on a quota overnight.”

The simple economic fact that orders for overseas products originate with the British housewife who would not buy them if they did not suit her palate or her purse would no doubt be dismissed as irrelevant.

What with what has been termed the “fiddle of the riddle”—a scheme that ensures a strict limitation of potatoes on to the market to help keep the price up; the “lion eggs” debacle—a scheme to sell not so fresh eggs to the public—and all the other money-making machinations of marketing boards, the consumer is the sufferer. and yet he cheers it all on—or would appear to do so through his elected or non-elected political representative.

Even the all-party select committee of members of parliament on agriculture looks like being silenced by the Government for daring to probe too closely into its agricultural policies.

All agricultural grants and subsidies eventually come to rest in higher prices for agricultural land. This is inevitable. Farms on offer for rent today are virtually non-existent. Farming one's own land certainly does not pay—if land is bought at today's prices. All the advantages of Government aid “for farmers” are now capitalised in the price of land and if people do not pay for this protectionist folly one way, they pay in another.

It is time we had another repeal of the “corn laws.”

JACK HASTINGS

WE REGRET to report the death of Mr. Jack Hastings of Wimbledon, South London, on December 3. He was eighty-nine and had been a member of the United Committee for very many years and a regular volunteer worker for the Henry George School. He was also a prolific letter writer both to the Press and to individuals.

Jack Hastings, born in the same year that saw the publication of *Progress and Poverty*, lived through the political vicissitudes of the land-value tax; he saw it mutilated by Lloyd George and betrayed by Ramsay MacDonald, but he never lost faith in its ultimate adoption.

Up to recent years, he could match his physical prowess with many men half his age and took delight in demonstrating this ability which he claimed was in no small way attributable to the avoidance of adulterated foods—so much part of modern living—and his vegetarian diet.

His boyish exuberance and earnestness won him friends in all age groups and he will be sadly missed.

To his family we send our sincere condolences. V.H.B.