

DEBATE ON MONOPOLIES

SOCIALIST AND TORY REVERSE TRADITIONAL ROLES

Legislation introduced in 1948 by the Labour administration requires the President of the Board of Trade to "refer" for investigation by the Monopolies Commission industries suspected of acting contrary to the public interest. On the basis of the Commission's findings the Minister is free to legislate, or take other action. A major defect of this legislation is that since only a limited number of industries can come under review at any one time, the majority of protected manufacturers are left free to restrict production, enhance prices, debar new entrants to their sphere of production, and to engage in those other harmful pursuits which are the hallmark of monopoly.

This well-mannered method of monopoly "busting" has been most agreeable to the Conservative government which has administered the Labour Act since late 1951. A little unfairly, Mr. Harold Wilson, former President and author of the 1948 legislation, censured the Government for its leisurely attitude in a debate on Monopolies, February 24, and called on it "to take all possible measures, by legislation and other means, to protect the public interest against the misuse of monopoly powers." The five words we have italicised are significant. As if to underline them, Mr. Wilson reminded the House of his words when introducing his Bill in 1948. Then he had said: "A monopoly is neither good nor bad in itself, but it has the power to be good or bad." The dictum is convenient for diverting attention from nationalised industries and "closed shop" trade unions.

The general case against monopoly was competently stated by Mr. Wilson and he supplemented his remarks with interesting instances of the extent and nature of monopoly practices in this country. Emphatically he asserted that had the Labour Party remained in power, the main types of restrictive practice would have been made illegal long ago.

Interrupting his tirade against the wickedness of monopoly in principle and the inertia of the government, Mr. Wilson took up cudgels on behalf of the monopolistic calico printing industry, and offered his sympathetic support to Mr. Peter Thorneycroft, President of the Board of Trade. (The calico printing industry had been referred to the Monopolies Commission in April, 1951, and its report had been in the hands of the government for fifteen months. It recommended the ending of the compulsory minimum price arrangements, of the "percentage quantum" scheme, of fixing compulsory uniform terms and conditions of trade, a compulsory rental for the use of certain new designs, and of arrangements to limit the capacity available for calico printing.) Mr. Wilson said that the President had had a very difficult task in connection with this report; he had no wish to make his position any more difficult. "There is now in Lancashire a desire—which we can condemn if we like—for some degree of protection or safeguard against a return to the conditions of the 1920s and 1930s. That is the reason for these price-fixing agreements. My own feeling would be to allow the agreements to continue, but to ensure that they are subject to Board of Trade approval. This applies not only to calico printing, but also to the yarn spinners' scheme."

Contemptuously Mr. Thorneycroft spurned these suggestions, remarking that Socialist policy was to strengthen the Commission, to act in advance of its recommendations,

and to ignore any unpopular or difficult report which it might issue. The Government accepted the conclusions of the Monopolies Commission that in the calico printing industry practices operated, and might be expected to operate, against the public interest, and it was in general agreement with the Commission's recommendations.

Restrictive practices, said Mr. Thorneycroft, had been deeply woven into the British industrial system over a very long period. In the main they were devised by employers out of fear of the full vigour of competition, and by workers from fear of working a man out of a job. (Interjecting, Mr. Ellis Smith, Labour Member for Stoke-on-Trent South, asserted that there were no such practices in the trade unions!) Were restrictive practices "really as necessary in the fifties as they were in the thirties?" Mr. Thorneycroft believed that an increasing body of enlightened industrial opinion, and certainly of public opinion, was beginning to give a fairly forthright answer to such questions.

Economic monopoly and restrictive practices are the fruit of a plant deeply rooted in land monopoly and sheltered from the breeze of competition in a hothouse of tariff and other discriminatory legislation. The swift, radical commonsense solution to the so-called "problem" of monopoly is to strike at its very roots by restoring equal rights to land and to dismantle the rickety structure of privilege behind which it shelters and proliferates. Since nothing less will avail it is pardonable to suspect the sincerity of those who advocate a timorous, piecemeal approach to the matter.

MAU MAU IN KENYA

Victor Saldji's article MAU MAU IS VIOLENCE OF DESPAIR (L. & L., December, 1954) has brought a critical letter from Mr. John B. Llewellyn, Milford-on-Sea. Extracts, and a reply, are printed below.

When I read Mr. Saldji's statement that there can be no hope of solving Kenya's many problems until the prevailing ignorance regarding the background to the present tragedy is cleared away, and that the present violence is one of despair, I venture to say that his own lack of analysis of the Kikuyu background is at fault, if, as he seems to infer, the whole trouble is due to the "Whiteman" taking the native's land.

To start with, the Kikuyu menfolk never did any work in the reserves to any appreciable extent. Prior to the arrival of the "Whiteman," the men did the fighting to defend the tribe against attacks from marauding tribes or to attack other tribes to secure more womenfolk or other plunder. The women and children did all the cultivation and farm work, and still do, as far as I know. At any rate they did before and during the first world war.

The individual's main incentive to find employment was to have his wages (his employer fed and housed him generally) in order to buy livestock which was and still is, as far as I know, the currency used for the purchase of a wife, and it rather depended how many wives he wanted as to his keenness to continue earning money by working. Land alienation, however unfounded, was a good-enough pretext to hoodwink the simple Kikuyu into starting trouble.

All my labour, in the days when I lived there, were Kikuyus, and I liked them, some of them—very much, and I am very sorry for them because many quite innocent ones will suffer, but the idea that because Europeans

have farms in the area spasmodically occupied at one time by sections of the Kikuyu tribe in times past, is no justification for saying that they have not plenty of land available now for all the farming they want to do or are capable of performing. Kikuyu country is a very large area and in days gone by they wandered about, scraping the ground in likely spots for a few seasons and having worn it out a bit, then moved and scraped another mealy patch somewhere else.

Victor Saldji Replies

Your correspondent Mr. Llewellyn does not seem to appreciate what the British administration is up against in Kenya. From the beginning there has been a struggle between the hard core of *herrenvolk* settlers and those administrators who felt a real sense of duty for the African. But the settlers were not to be trifled with. I heard one old timer say to my host at the Sotik Club in Nairobi in 1949, "If they (the British Government) try to give the African or Indian the right to buy land in Kenya we will shoot them off it as we threatened to do last time." The last time referred to was in 1923, when the Wood-Winterton agreement, that was to have allowed Indians to buy land in Kenya, was dropped after the settlers had united and planned armed revolt, involving the taking over of the administration and the kidnapping of the Governor. They got their way. What an example to the "primitive" African as to how to get things done!

If the allocation of duties between men and women laid a large burden on the womenfolk of African society, how much more indefensible was the Labour Circular of 1919 in which District Commissioners were instructed to use "every possible lawful influence" to get the natives, including women and children, to work outside the reserves. Furthermore, Chiefs and Elders were to be "repeatedly reminded" that it was part of their duty to help and that they "must at all times render all possible lawful assistance" in this matter. Those who know Kenya and the way the Chiefs depend for their pay and position upon the government will realise the significance of the provision that "District Commissioners will keep a record of the names of those Chiefs and Headmen who are helpful and those who are not helpful," and make reports from time to time to the Chief Native Commissioner. Credit must go to those "Whitemen," in Kenya and Britain, who resisted these provisions, so open to abuse.

The great truth that I hope one day will be clearly seen by Mr. Llewellyn is that fundamentally "they are even as we are." We can only justify a discriminatory policy by presuming the victims of it to be inferior beings. But even then we must get our facts right, and this Mr. Llewellyn has not done. He tells us that the individual's main incentive to find employment was "to save his wages . . . in order to buy livestock." Irrefutable evidence shows, however, that the individual's "main incentive" was that he either left the reserve to earn the money with which to pay his poll tax or else he left the reserve to go to prison for not paying it.

Mr. Llewellyn infers that the Kikuyu have plenty of land available now for all the farming they want to do or are capable of performing. This is absurdly untrue, and if he himself has been in any of the reserves he will know how acute the congestion is. The seriousness of the problem was stressed by Sir Philip Mitchell in 1951 and Negley Farson gives a vivid picture of it in his *Last Chance in*

Africa (1953). Patrick Monkhouse in an article in the *Manchester Guardian* (November 24, 1952) sums up by saying, "To improve farming methods in the reserves will make those who have land more prosperous, but make little room for more."

Certainly there is plenty of land in Kenya. The Troup report revealed much unused land in the White Highlands, and a United Nations publication on *Defects in Agrarian Structure* (1951) showed only 11.8 per cent of the cultivatable area of Kenya as being actually cultivated—but this land is *not* in the African reserves.

Mau Mau and the whole course of history bear witness to the fact that disaster follows man's disobedience of the law of survival: "whatsoever ye would that men should do to you, do ye even so to them." Of those who sought to obtain security for their children, by sowing the seeds of violence, we can only say: They knew not what they did.

SUBSCRIPTIONS AND DONATIONS

The United Committee for the Taxation of Land Values, Ltd. (proprietors of LAND & LIBERTY, postal subscription 10s. or \$2 from U.S.A. and Canada), the International Union for Land Value Taxation and Free Trade, and the Leagues listed below are maintained by the voluntary support of those who believe in and would seek to advance the principle and policy which the Committee, the Union and the Leagues advocate: Land Value Taxation and Free Trade in its fulness, with removal of the tax burden on industry and abolition of all monopolies and special privileges that interfere with the production of wealth and prevent its just distribution. Cheques, etc., may be made payable to R. W. Frost (United Committee), Ashley Mitchell (International Union) or to W. E. Fox (The Land-Value Taxation League), 4 Great Smith Street, S.W.1.

Transatlantic Readers

Friends in the U.S.A. and Canada can contribute through the Robert Schalkenbach Foundation, 48-50, East 69th Street, New York, in which case they should name LAND & LIBERTY and make cheques, etc., payable to the Foundation.

FORM OF BEQUEST

I bequeath, free of duty, to the United Committee for the Taxation of Land Values, Limited, the sum of £.....

ADDRESSES

At 4, Great Smith Street, London, S.W.1. Telephone: Abbey 6665; *United Committee for the Taxation of Land Values, Ltd.*, Richard William Frost (Hon. Treasurer); A. W. Madsen (Secretary); *International Union for Land Value Taxation and Free Trade*, Ashley Mitchell (Hon. Treasurer); *The Land-Value Taxation League*, S. Martin (Hon. Secretary); *Henry George School of Social Science*, V. H. Blundell (Director of Studies), with Branches at Birmingham, Blackburn, Liverpool, Manchester, Portsmouth, various London suburbs, and Glasgow.

Branches of the Land-Value Taxation League: Derbyshire, G. Musson (Hon. Secretary), 29, Denby Lane, Codnor. *Manchester*, Mrs. D. J. J. Owen (Hon. Secretary), 12, Hillside Rd., Offerton, Stockport. *Merseyside*, Miss K. Hand (Hon. Secretary), 14, Bentley Road, Liverpool, 8. *Portsmouth*, H. R. Lee (Hon. Secretary), 13, Lawrence Road, Southsea. *Yorkshire and Northern*, Howard Binns (Hon. Secretary), 3, Westfield Road, Riddlesden, Keighley. *Midland*, Dirom Young (Hon. Secretary *pro tem*), 15, Boulton Road, Wyde Green, Sutton Coldfield.

Scottish League for Land Value Taxation, R. J. Rennie (Hon. Secretary and Treasurer), 220, Mill Street, Rutherglen, Glasgow. *Welsh League*, Dr. Fredk. Jones (Hon. Secretary), 53 Amesbury Road, Penylan, Cardiff. *Crosby Henry George Fellowship*, C. C. Paton (Hon. Secretary), 11, Tudor Road, Liverpool, 23.

Office of the President of the International Union:
Mr. J. Rupert Mason, 1920 Lake Street, San Francisco, 21.