

THE ONLY WAY OUT



"MOST intuitive Englishmen know by now that we shall never join the Common Market as it now exists. Presumably it is politically important to sustain some sort of superficial dialogue while the organic national process of coming to terms with the alternative takes place in the minds and hearts of the people. What we have to do is to go it alone once more with the help and support of all other people everywhere who prefer individual freedom to tyranny, whether by industrial monopolists or political dictators.

"Would that Richard Cobden were alive today to spotlight the weaknesses in the monopolists' case and to organise the opposition on a national scale! We shall have to do the best we can without him. Strangely enough, the circumstances are fundamentally the same as in his day. He had to attack the Corn Laws which made food dear. We have to attack the agricultural policies of the EEC which would make food dear for us.

"He had to attack the crippling industrial tariffs which made fortunes for the few at the expense of the many. We have to preserve the right to attack our own crippling tariffs before we get sucked into the Common Market with its high external tariff wall which we should be powerless to reduce.

"Miserable though the performance of our pound sterling has been under successive spendthrift governments since the end of the war, nevertheless it can still be saved by determination and intelligence, and, under free trade, its purchasing power restored. The Bank Charter Act of 1844 could serve as a model and General de Gaulle as our tutor on the elementary theory of money.

"For the British people of today to throw up the sponge at this stage in their history and to confess, so soon after the Battle of Britain, that they were no longer able through democratic processes of preserving their own sovereignty and political independence or even to doubt their ability to modify the apparent but in fact entirely artificial power of the trade unions, would be as much a gross betrayal of the patrimony of future generations as an insult to the memory of Richard Cobden."

From a speech by Oliver Smedley, M.C., F.C.A., at the Cobden Club Centenary Dinner, February 3.

"THIS centenary dinner of the Cobden Club could not have been held at a more opportune time, for it was only yesterday that we saw in the Press Mr. Edward Heath's recommendations for the farming industry. He said that the Government should put into effect immedi-

ately a policy of import control and that a start should be made by putting a duty or levy on imported wheat, barley and maize to increase the market price by £2 a ton this year, next year and the year after. Such a policy would be, in effect, a return to the Corn Laws which Cobden and his friends spent their lifetime in abolishing.

"The issue before our people is again going to be the price of food and it will be made the more serious by reason of the fact that Japan and other nations by their energy and wisdom in trading are securing an increasing command over the world's food supplies . . . The Japanese today are pursuing what used to be orthodox British policy, based on free trade, of saving and investing around the world. For where our investments went, there our goods were sold, and our ships carried the goods.

"The National Farmers' Union, the most vociferous pressure group in the country, is misleading the people. All production by farmers in this country, especially the growing of sugar beet, which has to be directly or indirectly subsidised, represents not a saving of foreign exchange and a support for sterling, but the very reverse. A strong case could be made out showing that apart from animal husbandry and perishables, much of British farming today is a burden on the nation. Land and capital are being wrongly used on a grand scale. And while there is a pampering of home industries of all kinds the burden of high costs are being more seriously felt than ever by our mercantile marine—once our largest foreign exchange earner and now reduced to a state where 56 per cent of the goods carried to and from British ports are carried in foreign ships."

S. W. Alexander, M.B.E., President of the Cobden Club, at the Centenary Dinner.

Free-Traders In Whitehall?

WRITING in *The Observer*, January 22, Margot Naylor poses the question of what Britain would do if she fails to get into the Common Market.

"This is, of course, a political question and it would be nice to know if the Government has turned its mind to it. A move towards an Atlantic free-trade area has its advocates, but I am not one of the more enthusiastic of these. I would infinitely prefer a policy of unilateral free trade.

"Sweeping away our own tariff barriers has the emotional advantage of retaining mastery of our own

house. I don't attach all that importance to national independence, but if we are not acceptable as part of a larger trading unit, I see great advantage in going it alone. We've done it before and if we had the courage, we could do it again.

"Unilateral free trade provides the same *kind* of benefit that would be given by membership of the Common Market—large-scale operations and a shake-up for that part of industry cosily cocooned in cottonwool. The benefits would clearly be different in degree. The shake-up of industries whose price structure is protected by high tariffs would be more violent—and a good job too. The scale of possible operation would be smaller—that's a pity—but it would be larger than the scale obtaining today.

"Unilateral free trade would give us cheaper imports, hence a lower cost of living, reduced manufacturing costs and more competitive exports. A free market made us prosperous once and there is no basic change in underlying realities that would prevent us from repeating the experience. What holds us back are the rigidities that have developed as a result of more than fifty years of devices to prevent inefficient producers from feeling uncomfortable.

"I would advocate an immediate abolition of all tariffs. A gradual removal sounds attractive, but really, if there is plaster to pull off, it is best done quickly. Simultaneously we should have to adopt a more flexible exchange-rate policy. No doubt it is in our interest to maintain the internal value of our currency so that we can borrow at a lower rate than if the value is being continually eroded. But there is no more powerful reason for exchange parities of the 1940s to be perpetuated than there is for the relative price of lead and zinc to be immutable.

"I don't expect to find an awful lot of people rallying to my free-trade banner—but even in Whitehall there are more than you think."

Managing the Ministers

By P. R. HUDSON

IT HAS often been claimed that in Britain the only truly professional politicians are civil servants. There are two good reasons for this; first, the elected representative is desperately short of factual information, apart from that provided for him on request; secondly both when in power or in opposition, he frequently lacks the right kind of research facilities to help him do his homework.

There are some Members of Parliament who are quite content with present arrangements, but for those who like to form opinions and make decisions in the light of objective analysis, the relationship between elected Members and the permanent civil servants is not satisfactory.

The 16,000 word proof of evidence to the Fulton Committee on the Civil Service submitted by the Labour Party put forward some strong recommendations for re-

forming the service. No doubt much of this evidence has been coloured by impressions gained from relatively new Labour Members of Parliament on how the civil service works. In many cases Members may be resentful about the apparent resources of knowledge that the civil servants may call on to refute suggestions or slow up procedures when it appears to suit them. It is clear from the proof of evidence that all is not well.

In one passage reference is made to the "enormous amount of work which goes on in a department of which the Minister knows nothing . . . some of it deliberately concealed from him . . . this secrecy which makes Ministers the tools of their departments . . ." Since it appears that nearly all ministerial contact with departments is channelled through the Permanent Secretaries, the influence of these men must be considerable, both within their departments and in the formulation of policies. It has been claimed, for example, that where the "departmental point of view" runs contrary to a Minister's aims obstacles of insurmountable difficulty appear out of nowhere, or else the Minister is "blinded with science" in a form which he cannot grasp or see through.

One of the main problems, of course, is that the scope of government management of the nation's affairs has grown to such an extent that it is extremely difficult for an MP to lift himself above the interminable procedural wrangles to look at problems in a clear, simple manner. The truly great issues of politics are concerned with simple principles—not with management and administrative procedures. It must be very difficult, however, for Members to adopt a "man-in-the-street" approach to problems when at every turn there are professional advisers telling them that "it cannot be done like that." In the final analysis Ministers must decide whether or not this or that policy is worth supporting. From the evidence submitted by the Labour Party it would appear that they are not always well equipped to do this.

Reading the evidence, one tends to wonder for example, whether those MPs who answer letters on site-value rating have ever thought out the issues themselves, or whether they have blindly accepted a draft or a brief prepared for them by someone else who also has an incomplete grasp of the subject or who, for one reason or another, has with-held vital information. From some of the correspondence received this would seem to be probable.

In the last resort, MPs must think for themselves, and simplify issues down to "desert island" situations. To help see the wood instead of the trees, two things are necessary: a simplified system of calling in expert advice quickly—the best that is available—and a determination to question the fundamental principles of everything they read. It would be a help to all concerned if politicians of all parties would resolve to be honest with themselves, their colleagues and those that question them. Evasion will never bring respect but honesty can reap rewards on both sides of the Permanent Secretaries' desks.