THE MERCHANTS' PETITION

ON THE 8th of May, 1820, the following petition from the merchants of the City of London was presented to the House of Commons by Mr. Alexander Baring, afterwards Lord Ashburton:

"To the honourable the House of Commons of the United Kingdom of Great Britain and Ireland.
"The humble petition of the undersigned merchants of the City of London, showeth —

"That foreign commerce is eminently conducive to the wealth and prosperity of a country, by enabling it to import the commodities, for the production of which the soil, climate, capital and industry of other countries are best calculated; and to export, in payment, those articles for which its own situation is better adapted.

"That freedom from restraint is calculated to give the utmost extension to foreign trade, and the best direction to the capital and industry of the country.

"That the maxim of buying in the cheapest market, and selling in the dearest, which regulates every merchant in his individual dealings, is strictly applicable as the best rule for the trade of the whole nation.

"That a policy founded on these principles would render the commerce of the world an interchange of mutual advantages, and diffuse an increase of wealth and enjoyments among the inhabitants of each state.

"That, unfortunately, a policy the very reverse of this has been, and is, more or less, adopted and acted upon by the Government of this and of every other country, each trying to exclude the productions of other countries with the specious and well-meant design of encouraging its own productions; thus inflicting on the bulk of its subjects, who are consumers, the necessity of its submitting to privations in the quantity or quality of commodities, and thus rendering what ought to be the source of mutual benefit and of harmony among states a constantly recurring occasion of jealousy and hostility.

"That the prevailing prejudices in favour of the protective or restrictive system, may be traced to the erroneous supposition that every importation of foreign commodities occasions a diminution or discouragement of our own productions to the same extent; whereas it may be clearly shown, that although the particular description of production which could not stand against unrestrained foreign competition would be discouraged, yet as no importation could be continued for any length of time without a corresponding exportation, direct or indirect, there would be an encouragement, for the purpose of that exportation, of some other production to which our situation might be better suited; thus affording at least an equal, and probably a greater, and certainly a more beneficial, employment to our own capital and labour.

"That of the numerous protective and prohibitory duties of our commercial code, it may be proved, that while all operate as a very heavy tax on the community at large, very few are of any ultimate benefit to the classes in whose favour they were originally instituted; and none to the extent of the loss occasioned by them to other classes.

"That, among the other evils of the restrictive or protective system, not the least is that the artificial protection of one branch of industry, or source of production, against foreign competition is set up as a ground of claim by other branches for similar protection, so that, if the reasoning upon which these restrictive or prohibitory regulations are founded were followed out consistently, it would not stop short of excluding us from all foreign commerce whatsoever. And the same train of argument, which, with corresponding prohibitions and protective duties, should exclude us from foreign trade, might be brought forward to justify the re-enactment of restrictions upon the interchange of productions (unconnected with public revenue) among the kingdoms composing the Union, or among the counties of the same kingdom.

"That an investigation of the effects of the restrictive system, at this time, is peculiarly called for, as it may, in the opinion of your petitioners, lead to a strong presumption that the distress which now so generally prevails is considerably aggravated by that system, and that some relief may be obtained by the earliest practicable removal of such of the restraints as may be shown to be most injurious to the capital and industry of the community, and to be attended with no compensating benefit to the public revenue.

"That a declaration against the anti-commercial principles of our restrictive system is of the more importance at the present juncture, inasmuch as, in several instances of recent occurrence, the merchants and manufacturers in foreign states have assailed their respective governments with applications for further protective or prohibitory duties and regulations, urging the example and authority of this country, against which they are almost exclusively directed, as a sanction for the policy of such measures. And, certainly if the reasoning upon which our restrictions have been defended is worth anything, it will apply in behalf of the regulations of foreign states against us. They insist upon our superiority in capital and machinery — as we do upon their comparative exemption from taxation — and with equal foundation.

"That nothing would more tend to counteract the commercial hostility of foreign states than the adoption of a more enlightened and more conciliatory policy on the part of this country.

"That although, as a matter of mere diplomacy, it may sometimes answer to hold out the removal of particular prohibitions, or high duties, as depending upon corresponding concessions by other states in our favour, it does not follow that we should maintain our restrictions in cases where the desired concessions on their part cannot be

obtained. Our restrictions would not be the less prejudicial to our own capital and industry because other governments persisted in preserving impolitic regulations.

"That upon the whole, the most liberal would prove to be the most politic course on such occasions.

"That, independent of the direct benefit to be derived by this country on every occasion of such concession or relaxation, a great incidental object would be gained by the recognition of a sound principle or standard, to which all subsequent arrangements might be referred, and by the salutary influence which a promulgation of such just views by the legislature, and by the nation at large, could not fail to have on the policy of other states. . . .

"As long as the necessity for the present amount of revenue subsists, your petitioners cannot expect so important a branch of it as the customs to be given up, nor to be materially diminished, unless some substitute, less objectionable, be suggested. But it is against every restrictive regulation of trade, not essential to the revenue — against all duties merely protective from foreign competition — and against the excess of such duties as are partly for the purpose of revenue and partly for that of protection — that the prayer of the present petition is respectfully submitted to the wisdom of Parliament.

"Your Petitioners therefore humbly pray that your honourable house will be pleased to take the subject into consideration, and to adopt such measures as may be calculated to give greater freedom to foreign commerce, and thereby to increase the resources of the state."

Concept of the New Europe

By PAUL KNIGHT

"M. Monnet dismissed the economic factors of the Common Market as a hook to catch the fish. The fish, in his view, is not even political; it is moral".

THE above statement is from one of several articles recently published eulogising the "Father of the Common Market" (Anthony Sampson's phrase), M. Jean Monnet. It is as intriguing as it is explicatory of this man, the quiet, yet dynamic genius, as he is commonly described, who fishes with a long rod in the turbulent waters of ancient prejudice and revolutionary ideas.

To any understanding of the shifts and changes that congealed, at least temporarily, into the concept of the New Europe, of which the E.E.C. is but one manifestation, it is essential to know something of this man, Monnet, who, more than any other, was its inspiration.

Following a career between the wars in which his organising ability took him through the fascinating jungles of commerce in countries as various as the U.S. (banking), Sweden (the match industry), Poland (currency), and China (railways), he was again, in the second world war, co-ordinating Anglo-French supplies from America. He was responsible for the highly imaginative scheme of British-French unification, actually drafting Churchill's famous statement on the concept. He devised the great lend-lease project. Later, he was engaged on the work of France's post-war reconstruction, out of which came the famous Monnet Plan. He drafted the Coal and Steel Community plan, itself a model for Euratom, and later the Common Market plan.

Thus, the picture emerges of the Great Planner. Monnet is a self-declared socialist — of the genus Continental. He is an admirer of British pragmatism; a politician "using economics for practical results." Says Sampson: "He is still not much of an expert on tariffs and economics."

What does this add up to in the light of political economy as Georgeists understand it? Is he to be seen as the great beneficent influence, the unifier of antagonisms, the creator of the supra-national Europe for which so many now praise him — and for which de Gaulle detests him; or is he to be considered the *evil* genius of State Planning, Centralism, the preservation of privilege and the ever-greater concentration of power, confessedly ignorant of economic principles, pursuing an organisational dream in which men, human beings, have become cyphers, statistics, industrial fodder?

Describing Monnet's work in the rebuilding of France's shattered post-war economy, Sampson says: "It was a ruthless rebuilding — for the plan was financed, not only out of Marshall Aid, but also out of inflation, with corresponding suffering for ordinary people."

That he is dangerous is, thus, clearly enough seen. This ruthlessness is inherent in the acts of a visionary who acquires power to affect the lives of millions in the name of a "plan", however "noble" in concept, however "moral" in purpose, however "unifying" in aim. What, in the long run, is the difference between being organised by a tyrant and being organised by a well-meaning theorist "for your own good?" What, in fact, is the essential difference between the sort of "New Europe" of Jean Monnet and that of de Gaulle?

For all the talk of unity and the abandonment of nationalism, the "new Europe" of Monnet's is still something arranged between governments. It has not arisen out of the spontaneous wishes of the people of Germany, Holland, Belgium, Italy, Luxembourg or France. Under the existing political and economic systems in vogue in these countries, there is little opportunity for ascertaining the wishes of the people on any issue; their electoral systems alone preclude it. In any case, the perpetuation of privilege, and the power that flows from it, implicit in the private appropriation of land-rent — common to the whole area — makes nonsense of the term Democracy, of which Monnet and his fellow socialists talk so glibly.

Between de Gaulle, the realist, and Monnet, the idealist, there is little to choose which can give comfort to the truly liberal mind concerned for the preservation of liberty and dignity, and the safeguarding of justice.