

PROSECUTING THE FREE TRADERS

THE extensive smuggling which is now taking place, tempted by the extravagant profits to be made by over-leaping Customs barriers and bringing heavily taxed goods freely into the country, provide a practical demonstration of the results of tariff-mongering. In his *Protection or Free Trade*, described by the late Lord Snowden as "the most popular and most scientific exposition of the subject which has ever been written," Henry George has these reflections: "Conscientious men will, until they get used to them, shrink from false oaths, from bribery, or from other means necessary to evade a tariff, but even of believers in Protection are there any who really think such evasion wrong in themselves? What theoretical protectionist is there who, if no one was watching him, would scruple to carry a box of cigars or a dress pattern, or anything else that could be carried across a steamer wharf? . . . And why should he scruple to carry such things across a wharf, a river, or an imaginary line, since once inside the Custom-house frontiers no one would object to his carrying them thousands of miles? That unscrupulous men, for their own private advantage, break laws intended for the general good proves nothing; but that no one really feels smuggling to be wrong proves a good deal. . . . To make a crime by statute which is no crime in morals is inevitably to destroy respect for law; to resort to oaths to prevent men from doing what they feel injures no one, is to weaken the sanctity of oaths. Corruption, evasion and false swearing are inseparable from tariffs. . . . A system which requires such spying and searching, such invoking of the Almighty to witness the contents of every box, bundle and package—a system which always has provoked, and in the nature of man always must provoke, corruption and fraud—can it be necessary to the prosperity and progress of mankind? . . . Trade does not require force. Free trade consists simply in letting people buy and sell as they want to buy and sell. It is protection that requires force, for it consists in preventing people from doing what they want to do. Protective tariffs are as much application of force as are blockading squadrons and their object is the same—to prevent trade. The difference between the two is that blockading squadrons are a means whereby nations seek to prevent their enemies from trading; protective tariffs are a means whereby nations attempt to prevent their own people from trading. What protection teaches us to do to ourselves in time of peace what enemies seek to do to us in time of war."

The number of reported prosecutions for attempted evasion of Customs, within the one month of December, makes a huge pile of newspaper clippings, and still they flow in. They all tell the same story of the hide-and-seek between the criminally self-appointed free traders and their legally protected detectives, the one pitting their wits against the other. The Liberals, who first shied at Free Trade with the Paris Resolutions during the 1914-19 war and contributed to its ultimate downfall with the Safe-guarding of Industries Act and the McKenna duties; the Conservatives, who made Protection and Preference their goal and achieved the all-in obstructive Import Duties Act and Ottawa Agreements—they are out-Heroded by the Labour Government, which has built the barriers higher and employs an ever-greater army of Customs, excise, police, law court and prison officials to guard them. It has erected restrictionism to an ideology. Its heavy weapons for the destruction not only of Free Trade (in

the sense of untaxed imports) but also, and even more serious, of *free trading* (the right of persons to engage in foreign commerce) is State Monopoly under the Board of Trade, with its bulk buying, which forbids all competition, makes a secret of its prices and allows none to know what variety and plentitude could reach the market, and on what terms, if freedom had a chance. The cost and loss upon the community of this tariff-ridden, restrictionist and monopoly régime, its deprivations, its band of tax-eating officials, who produce no wealth but only consume it, is beyond reckoning. It would need another Cobbett to do justice to its detestations. And derisive he would be of the Socialism which pretends that by these means it is planning for prosperity or for freedom and is the antithesis of a totalitarian Communistic State.

The régime is now so perfected that Henry George himself is out of date (or lacked insight) in his reference to smugglers who get beyond the frontier. Great Britain is apparently more efficient than America. The police pursues the culprit into the wild. Thus at Lynn (*Lynn News*, December 12th), K. G. Zilliman, second engineer on the German s.s. "Pioneer," was seen by plain-clothes constable Menear in a shop, carrying a typewriter. Let others beware. They might be questioned and charged with handling their own—or, maybe, someone else's property—which was not declared. Zilliman's fate was sealed. Later, on search of his ship, an adding machine was found hidden under straw. He had wanted to sell the machines to buy clothes, but both machines were confiscated. Similarly, W. Williams (a V.C. in the 1914-18 war, who had put his age back 20 years to fight in the last war and was wounded at Dunkirk) was stopped in the Strand, London, by two detectives. He was carrying 98 watches in a case and was charged with knowing that, although he bought them they were undeclared Customs goods. Magistrate sympathised that he had been "bested" by some rascals, but he was fined £50.

The majority of the reported prosecutions are for smuggling tobacco, cigars, wines and spirits. Other articles frequently mentioned are watches, mechanical lighters, fountain pens, various jewellery, fur coats, stockings, and things of high value in small bulk, and in respect of these the culprit is guilty also of evading the purchase tax. It can be taken for granted that with these as with all other contraband goods the number of successful smugglers, more lucky or more wary and expert, far exceeds the number of those caught. Prosecutions accompanied by seizure and heavy penalties, should serve as a warning, but it is questionable whether they have much effect. The chance of gain by getting freely inside an artificially price-raised market is so great as to outweigh these considerations.

Described as "definitely one of the most serious smuggling cases brought to that court" (*Southern Daily Echo*, December 28th) was that of J. W. Swindells, steward in the "Queen Mary," who was free-trading with 30 pairs hose, 10 watches, 10 watch cases, 18 handkerchiefs, four boxes face powder, a fountain pen and pencil, a dress, a fur coat, 6,000 metal locketts, 2½ lb. tobacco and 600 cigarettes. Mr. Sherlock, the preventive officer, gave evidence of how the goods were landed, placed on a van and afterwards discovered. Value of the goods in bond and duty paid was £7,658. The Commissioner of Customs elected to sue for a penalty of treble the duty, amounting to £22,975 on the first charge and a penalty

of £22,942 on the second charge. The accused was fined £2,000, with alternative of 12 months' imprisonment. Chairman of the Bench spoke of the "sinister band of people" lying behind such cases. That's all very well. We blame more the sinister band of politicians who are responsible for the tariff robbery which leads to temptation and makes a host of Swindells and Sherlocks trying conclusions with one another.

R. G. Walravens, on arrival by air from Belgium, had all his property confiscated when he tried to bring it into the country in a false-bottom case—thought he might escape the eagle eye of the "preventive officer," suitable name for the Customs man. No doubt he was breaking the law of the tariff and the law for the protection of our paper currency. There were diamonds, emeralds, brooches, necklace, rings, watches and earrings; also were sterling notes to the value of £685. Once upon a time all such things came into the country free, and did the country suffer? It is different now; a crime is involved. Customs duty and purchase tax on the trinkets would have been £8,777. Walravens wept copious tears in the court at Uxbridge at the thought of his shame, or was it chagrin for having been discovered? He was punished with a fine of £18,000 or a year's imprisonment and the fine will have to reach the court in cash—3,168,000 Belgian francs.—Comment on a case reported in the *News Chronicle*, December 23rd.

An American skipper who "forgot" 112 stockings was up before the bench at Middlesbrough. Found in his cabin were also 17 petrol lighters. J. J. Schrovens, of the "Rene Paul" was fined £102 3s. 9d. for evading Customs duty on the stockings and £50 for evading purchase tax on the lighters.—*Newcastle Journal*, December 23rd.

About to fly to Bordeaux three R.A.F. officers had their aircraft searched at Tangwere by Customs and Excise men. They were found contemplating the crime of taking 27 lb. of coffee beans and 20 lb. of cocoa out of the country. Each was fined £6.—*Chichester Observer*, December 20th.

"One of the finest concealments ever discovered by Customs officers" was not secure against the Sherlock who went about tapping the walls of the steamer "Uskport," in Dundee harbour. The boards of the hiding place had even been repainted. The smuggler-culprit, chief officer J. A. G. Dogle, was fined £47 for attempting free trade with 28 bottles of spirits and 450 cigarettes.—*Evening Standard*, December 27th.

A similar case came before the Thames Magistrates' Court, where G. F. Hughes, a ship's second engineer, was fined £300. Here the sleuth found 20,000 cigarettes under the plates in the engine room.—*Morning Advertiser*, December 30th.

An airplane which landed at an airfield in the Greater London area was seized and "frozen" after intensive enquiries by Customs investigators into smuggling by air. It is alleged to have been carrying Swiss watches. Customs investigators are leaving London by air for the Continent to continue their inquiries.—*Evening Standard*, December 20th. Think of the cost of it all, the petrol consumption and airplanes flying abroad to catch smugglers in their lairs. Why not pin-point the factories? Be practical. This injurious import trade should be stopped at its source. It would do Customs officers out of a job, but they could turn to and become productive citizens.

Smuggling and evasion of purchase tax on numerous articles was the accusation against Miss M. B. Cheeseman

at the Harwich Sessions (*East Anglian Daily Times*, December 23rd) as the result of searching her luggage on her arrival from the Hook of Holland. The baggage opener, Customs Officer Gatford, "revealed a smart piece of Customs detection," discovering 22 pieces of silver, mostly cutlery, a Swiss alarm clock, four fountain pens and four propelling pencils. The contrabandist was fined £150 with the alternative of going to prison for four months. It was for pieces of silver that some one else was sold.

Mechanical lighters are so heavily taxed (for support of the match duty) that huge risks are taken to get them somehow through the Customs barrier. A German seaman of the ship "Elbing II," at the Hartlepoons, whose home is in Poland, tried to smuggle 29 lighters, which he had hoped to exchange for food for his wife and family. He was fined £6 10s. 6d. The captain of the ship undertook that he and the crew would collect the money and pay the fine.—*Northern Daily Mail*, December 13th.

"Fraudulent attempt at evasion of Customs duty and purchase tax" on three gold watches and a gold and diamond ring was the charge against E. MacMinn, lounge steward on the "Athlone Castle." Chairman of the Southampton Court said they were "getting quite tired of this sort of thing." The defendant was fined £500 with alternative of six months' imprisonment. He said he could not pay. The Chairman: "Very well, you must go to prison."—*Southern Daily Echo*, December 24th. It did not occur to the Chairman that the remedy for "this sort of thing" is to demolish the Customs houses so that trade may be free and law-made crimes cease.

The courts have been busy taking care of the flying contrabandists. If heaven sent down tariff-taxed manna the angels would be in for trouble. From not so far, in fact from Dublin, Mary Flynn brought a fur coat. She was fined £175 and lost the coat. Same day a discharged American soldier was fined £30 for smuggling 45 pairs of nylons (*Evening Standard*, December 29th). An Austrian refugee, Hilda Leder, tried the plan of wrapping goods round her body. When she was searched at the airport, imitation jewellery and 68 watches were found. She lost them and was fined £25 (*The Star*, December 29th). Capt. J. Willis, landing at Northolt, was "caught red-handed" committing the big sin of bringing money to the country. He had hidden the sum about his person—£700 Bank of England notes and 30,000 Belgian francs. He had laid himself open to a fine of £2,604, but got off with £700 (*South London Observer*, December 26th). One of the biggest catches, however, was that of G. Geoffrey, a French diplomat (*Evening Standard*, December 11th). He had lined his jacket and waistcoat with 291 watches. He had tried to claim immunity under a French diplomatic passport. Told that he was liable to a penalty of £12,000, he gave a drawn-out sigh. He was fined £6,000, or a year in jail. G. Stopes, a Polish-American alien, was fined £100 or 60 days, and forfeited £238 which he tried to bring into the country. On the further charge of using a passport that did not belong to him he was sent to prison for four months. (*Daily Record*, December 13th).

Not by any means to exhaust all the reports, here are a few more: Sarah Cohen fined £700 and losing a fur coat of import value on which purchase tax and Customs duty were £1,612 (*Manchester Guardian*, December 21st). The steward, who lost his "presents" of stockings, silkwear, shoes, watch, cigars, etc., and was fined £30 (*Stratford Express*, December 5th). A fur coat

case, ex s.s. "Mauretania," American citizen, W. R. Spence, being fined £100 (*Southern Daily Echo*, December 3rd). Three Italians fined £50 each for carrying and hiding 80 pairs stockings, other articles of clothing and imitation jewellery valued at £140. They could not bring money out of Italy and they tried the dodge of a false-bottomed case (*Dover Express*, December 5th). The ship's greaser (*Stratford Express*, December 12th), who was fined £30 because of five wrist watches, and the two Belgian seamen who, having bought 960 imitation pearl necklaces for 2s. each in Belgium, worth between 25s. and 30s. each in this country, were fined £105 (*Manchester Evening News*, December 15th).

What a catalogue of crime! But the boot is on the other foot. Of a truth the "law is an ass." It impounds private property; it denies liberty; it impoverishes all and undermines the safety of the State; it is rightly held to obloquy.

The conclusion of the matter is—stop this tariff robbery, open the ports, LET THE PEOPLE TRADE and ABOLISH THE CUSTOMS HOUSES.

THE TRUTH WILL OUT

Two spokesmen for the Local Government Bill grounded themselves very neatly. At a venture and without perhaps realising its import, they revealed the true basis and just source of public revenues which the Bill itself so deliberately fails to exploit. They were Rt. Hon. A. Woodburn, the Secretary of State for Scotland, and Mr. Emrhys Hughes, Labour M.P. for Ayrshire South. In Committee, on Part II of the Bill, House of Commons, December 10th—

MR. WOODBURN said: "A person in Glasgow rises in the morning, has clean water straight from Loch Katrine to wash in, comes down to a well-lit street, I hope; steps out on to a beautifully clean pavement swept by the cleansing department, gets on to one of the finest tramcars in the world and goes to work with the greatest convenience, and with no danger even of getting wet. The man who has to work in Argyllshire has none of those conveniences. To suggest that he should pay equal rates for the services which Argyllshire has to give, compared with the services which Glasgow has to give, is fantastic. As things happen, certain parts of the country are favoured. My own city of Edinburgh has been favoured in every way. It is a great privilege to live in it and to belong to it. Personally, I think that anyone would be foolish who was not prepared to pay something for that privilege. Glasgow has developed social services for a generation back. They have provided municipal entertainment for people in the evenings. They have provided concerts, almost free entertainment, whereas people in other parts of the country have never heard a concert in their lives. If people are provided with these services they should be willing to pay for them. They cannot expect people in other parts of the country to pay for them."

MR. HUGHES said: "You have to teach the Scots that if you are to have good services, the amenities of civilization, you have to pay for it in rates, not just go to the English Treasury holding out your hand for more. For our rates, from the town council expenditure we get the following services: Police, lighting, cleansing, municipal buildings, a public park, burial grounds, roads and bridges, sewers, public health, housing, water, miscellaneous services, a civic restaurant, and so on. From the

county council we get education, lunacy and mental deficiency service, social welfare, police, roads and bridges, public health, lands valuation, registration of voters, registration of births, court houses, weights and measures, J.P. courts, diseases of animals, and miscellaneous services. I find that for all those services I am being asked to pay 10s. 9d. a week—the cost, roughly, of three packets of cigarettes."

If "land values" were a dog it would bite them. Could there be any clearer demonstration of how the rent or value of land arises and how all the public services and amenities of civilization mirror themselves there? Neither the Scots nor any folk need to be taught that you must pay for the privilege of enjoying these services. They are well aware of it. They pay for them in rent and in price charged for land—that is, for nothing more or less than those self-same amenities which give value or advantage to the location and its surroundings. See the advertisement of any plot of land, built upon or not, and see the owner claiming credit for the amenities he has done nothing to provide, nor ever provides, for payment to him, and he walks off with the public revenue. The fact of the matter is that the land-user pays twice, in rent and in rates; and infinite damage is done, as well as a second theft committed, by taxation having to be imposed on houses and other buildings and improvements as well as upon industry generally and its fruits. Moreover, every community remains within the stranglehold of an all-surrounding tax-free and rate-free land monopoly. Messrs. Woodburn and Hughes have unknowingly given a brilliant exposition of the case for rating and taxing land values and they have clinched the argument as to who should pay, he being the person who now appropriates the land value. There might be a chance of rating reform if Mr. Bevan would withdraw his Bill and entrust a better draft to those two enlightened colleagues of his.

A JOINT BRAINS TRUST

Taking place on Tuesday, February 3rd, 7 p.m., in the Caxton Hall, Westminster, and open to the general public, a "Brains Trust" has been organised jointly by the Liberal Liberty League, the Society of Individualists and the Distributists Association of Great Britain.

The subject is "The Alternative to Socialism."

The Question Master is the Rt. Hon. Lord Hacking, O.B.E., D.L., The Liberal Liberty League is represented by its Chairman, Mr. Ashley Mitchell and by Mr. A. W. Madsen, B.Sc., Editor of LAND & LIBERTY; the Society of Individualists, by Mr. Collin Brooks, M.C., the Editor of *Truth*, and by Maj. Tufton Beamish, M.C., M.P., who represents Lewes in the Conservative interest; the Distributists by their chairman, Mr. C. Graham Hope, and by Mr. A. R. U. Enfield.

The Brains Trust thus constituted and in charge of such a controversial subject, should provoke a most lively discussion, the three societies being by no means agreed on their attitudes and objectives. Very searching questions may be expected from the audience and an educative evening is in store for all, not least the "Brains Trusters" themselves.

Because Reno made artificial snow for its new ski run from the clouds overhanging its mountains, a lawyer's letter from neighbouring Utah arrived to-day. It threatens to seek an injunction to prevent Nevada from dehydrating clouds bound for Utah which would normally drop their precious water on Utah's arid soil.—*Daily Express*, January 6th.