

PROTECTION GAME

IMPORTS account for half of the black and white television sets sold in the USA, for 96 per cent of portable tape recorders, 80 per cent of electronic microscopes, 60 per cent of sewing machines, 35 per cent of shoes, 20 per cent of automobiles, 15 per cent of steel. . . .

Far from being pleased that American consumers, including his members, are able to buy quality goods more cheaply, George Meany, president of the AFL-CIO*, is indignant about it. Many of these imports are produced by US-owned corporations operating overseas, utilising the "cheap" labour of Japan, Taiwan, Hong Kong, Singapore, Spain, Mexico and other Latin American countries. Since 1966, says Mr. Meany, a million job opportunities have been lost in the US because of the operation of these overseas corporations.

American organised labour is strongly backing the Burke-Hartke Bill (referred to in our previous issue). This Bill would restrict imports for all time to the percentage of imports prevailing for each product during the years 1965-69. Thus while imports could increase as an absolute amount, they could not increase as a percentage of home-produced goods. The Bill would also tighten up the tax laws affecting US-owned corporations a b r o a d, making their establishment much less attractive.

The National Association of Manufacturers and the US Chamber of Commerce argue that jobs would be lost, not created, by the passing of the Burke-Hartke Bill. More than a quarter of US manufactured exports, they say, go to American subsidiaries overseas. This trade would be lost if the subsidiaries were closed down. In addition, import quotas would provoke retaliation by other countries, and all US exports would suffer.

It is one of the most dearly loved contentions of protectionists that free trade causes unemployment, but it is an argument logically unsupportable. The basic causes of

"Europe of the Multinational Corporations"

At a banquet at Hampton Court on January 3, Dr. Sicco Mansholt, outgoing President of the Common Market Commission, made an important speech welcoming Britain into the EEC. He made some remarkable admissions. Below is an extract from his speech.

THIS WEEK sees the inauguration of a new Community, a Community of nine proud and resolute peoples that is to replace the old Community of Six.

It is not only a time of present rejoicing at the increase in our numbers, but a time of hope and promise for the future - and of forewarning.

The main purpose and function of the Community of Six was to give effect to the Treaty of Rome. This meant establishing a customs union and a common agricultural policy, so as to allow industrial and agricultural products to move freely within the Community's borders.

Now these were rather limited, unromantic tasks. By and large, they failed to fire most people's imagination.

I do not think I am going too far when I say that what we have done so far has not come up to the European public's expectations. People cannot feel that what we have done is anything new: "Europe" has still not given a new dimension to life. Admittedly some sections of the population definitely have benefited from the developments of these twenty years - industry, in particular, has found the opening-up of frontiers a great blessing, and some categories of farmers certainly cannot complain at what the agricultural policy has brought them.

But it is also true that the progress of integration has led to major social stresses, that the disparities in standards of living between different areas of the Community have become more marked rather than less, and that for the great mass of the population there has been no broad improvement in conditions generally.

Dissatisfaction is indeed widespread, notwithstanding the solid achievements of these twenty years. The Norwegian referendum came as a blunt reminder, when great numbers of Norwegians voted against entry because they simply could not see the point of what we are doing. In Britain, too, not everyone is pleased at the development which has today become history: here too there is a tendency to think of the Europe of the Multinational Corporations rather than the Europe of the Peoples.

Nor is it only the young and the political left-wingers who carp. Others too are critical: they complain for instance that the Community is undemocratic. And it is a fact that the Community has developed a network of "official channels" which the man in the street can make nothing of. He knows that important decisions, which affect his own immediate affairs, are being taken at European level, but he does not know exactly who takes them, or who has to carry them out, or how.

The Commission proposes, the European Parliament gives opinions, the Council decides, and without more ado the individual citizen is committed. Of course, influence is exercised on the decision-making process. National and European civil servants have been meeting and discussing for months and months before a draft instrument is ready for adoption at all. National and European statesmen confer together and reach agreement - usually in the middle of the night or early in the morning. But the ordinary democratic decision-making process as we know it in the individual state does not yet exist in the Community.