

## FOR

1. That it will provide British exporters with a ready-made additional market of between 170 and 200 million consumers in a tariff-free area.

2. That if we do not join, the Common Market exterior tariff will make it difficult to sell there and our exports to the rest of the world will suffer from the competition of European industries, which will be enjoying the advantages of cheap labour and power, mass production and concentration of capital.

3. That the competition our industries will face from E.C.M. industries in the home and Continental markets will stimulate them to greater efficiency.

4. That we shall, by going in, enjoy the advantages of its "harmonising" effects on the social, economic and financial policies of member countries.

5. That the proposal is soundly in line with the policy of strengthening European unity in the face of the menace of communism.

### Expanded Market

The plea that entry into the E.C.M. will automatically open up a new market of anything from 170 to 200 million consumers is misleading. These people have not just arrived in Europe, placed there by the Common Market. They have been there quite some time. Furthermore, it should be remembered that this great "new" market is not there just for our benefit; we shall at best share it with the industrialists of all Europe, whose competition will be no less severe than at present.

### Facing Common Market Competition

It is alleged that if we do not enter the E.C.M. we shall find it even harder to compete with the mass production onslaught of the combined exports of the E.C.M. The answer to this is that trade is not unilateral. In order to sell we must buy. How can we improve trade with the rest of the world by imposing a high tariff barrier against its products, which is what joining the E.C.M. means? The only safe and permanent way to improve trade relations with any country is to lower, not raise, barriers against its products. Is this not one of the alleged reasons for the E.C.M.'s very policy of free trade among its own members?

### Competition Stimulates Efficiency

The argument that the increased competition our industries will face inside the E.C.M. will have the effect of making those industries more efficient means little beyond the general principle that all competition stimulates efficient production. Undoubtedly, the best way to achieve this desirable end is to increase competition by the ordinary means available now, without taking the fatal step of joining the Common Market. The way is to lower or remove present tariffs.

# WHO WANTS THE

Free Trade or Tariff Bloc?

Economic or Political?

### Joint Social, Economic and Financial Policies

It is suggested that the "harmonisation" of the respective policies of member states of the E.C.M. relating to labour, capital, banking and currencies will be a good thing, since more uniform policies will facilitate interchangeability of manpower, the ready movement of capital and the stabilising of currencies. In a really free trade economy, where there were no industrial tariffs and other obstacles to trade, where industry was unhindered by penal taxation and "closed shops," and where production was based on incentive payments, there would be no shortage of labour and therefore no need to invoke the cumbersome machinery of the E.C.M. bureaucracy to procure it. Similarly, there would be no shortage of capital since capital flows where enterprise and opportunity are seen to be successfully engaged. As for the question of stabilised currencies, such problems only arise through the existence of pegged currencies and other artificial devices designed to obscure the true market value of currencies. The cessation of deliberate currency inflation would make international arrangements such as those proposed for the E.C.M. completely unnecessary. Furthermore, such measures are dangerously restrictive of an individual nation's freedom of action in financial policy.

### European Political Unity

To claim that Britain is part of Europe and, by her membership of NATO and other European pacts and agreements, has obligations of a political nature which make it imperative that she join the E.C.M. is like saying that because Britain is a member of SEATO she ought also to become a member of the new Malayan Federation. The argument is offered on the ground that the greater European unity *vis-à-vis* Russia and the satellite states, the less the chance of a communist take-over in the economic cold war — this in spite of the fact that Britain's joining the E.C.M. is supposed to be simply an economic question. The political reasons have always been soft-pedaled by those most in favour of the move. We are members of NATO for the clearly expressed and universally accepted purpose of sharing in the mutual



# COMMON MARKET ?

Political Reasons?

What Advantage to Britain?

defence of Europe and the North Atlantic area. Despite attempts by some imaginative intellectuals to broaden its sphere of activity into cultural, sociological and other unlikely fields, it remains a military pact of mutual defence and has nothing to do with economics, as such. Being also an agreement freely entered into and capable of abrogation on giving the statutory notice, it is flexible within the strategic situation and involves no relinquishment of sovereignty on the part of the parties to it. The E.C.M. is a very different affair. Once a member, always a member. There is no getting out. Not only is there no provision for withdrawal after commitment to the Rome Treaty, but the resultant integration of a member's economy into that of the whole "Community" would make it a practical impossibility. Obviously, this means the surrender of a large part of a nation's sovereignty. Britain's voice on any number of vital issues affecting her trade and on the way of life of her people will be no more than one in the Council of the E.C.M.

## The Commonwealth and the E.C.M.

It is becoming clearer every day that the price Britain will have to pay for entering the E.C.M. is a drastic alteration in the present arrangement by which she receives about 50 per cent. of her imports from Commonwealth countries free of duty. All attempts at compromise on this issue appear to be doomed to failure; the choice will be clear-cut when the time comes for decision. All she can hope to do is to make provision for those African territories still dependent on her, most of

which involve only the question of raw materials, which are unaffected by the E.C.M. tariff policy anyway. Australia, Canada and, more particularly, New Zealand will be shut out. The effect of this will be twofold: British housewives will pay more for food imported from these countries and the tariffs imposed against such imports must have the effect of reducing their volume; this in turn will be bound to cause a reduction in the purchase by these countries of British goods.

## Trade With the Rest of the World

International trade can never benefit from the strengthening of protectionist blocs such as the E.C.M. undoubtedly is, despite all the euphemistic talk about "free trade." Any



## AGAINST

1. Britain will revert from being a 50 per cent. free trade nation to being a member of a 100 per cent. protectionist group.
2. The exterior tariff of the E.C.M. will severely curtail our trade with the rest of the world.
3. Our industries will reap no benefits that could not be better provided in other ways — for instance, from lower tariffs and taxation.
4. Membership will mean that British housewives will have to pay more for foodstuffs, since duty-free food imports from Commonwealth countries will cease.
5. Membership is binding and permanent. We shall hand over vitally important powers, now held by Parliament, to the politicians and bureaucrats of Europe.
6. It will have dangerous effects on the minds of non-European peoples, who will suspect that we are strengthening anti-racial attitudes and blocs.

such trend must inevitably involve the stiffening of trade barriers in retaliation, rather than their relaxation. As far as Britain is concerned, she will cease to have control over her trade policies with those countries outside the E.C.M. and will have to submit to the dictation of the Council of the E.C.M. on these as on many other vital matters.

## Effect on International Tensions

The argument that Britain's entry into the E.C.M. is a move in the direction of increasing the strength of Europe as a balancing factor in the cold war is erroneous. It is far more likely that many of the nations outside this bloc will see in it a "lining-up" by the white nations of Europe against them; this could cause them to decide, however mistakenly, that their salvation lies with the communist powers. Particularly is this likely to be so in the case of the "under-developed" countries of Africa, the Middle East, the West Indies and South America. How this could possibly contribute to a lessening of international tensions is a mystery no amount of specious talk can explain. The only practicable way to reduce world tension is to work constantly for a reduction, and ultimate elimination, of tariffs, import quotas and controls of all kinds, including those of currency exchange. The E.C.M. is a retrograde protective device in the interests of the European state and of private commercial and industrial cartels. As these groups diminish in number and increase in power and influence, Britain will have less and less control over the actions of its government, and our vaunted democracy will become a mockery in the face of an authoritarian administration, centred on Brussels or some other European capital, with power to reduce government in Britain to the status of that of a province of the Roman Empire. Is that what we want?