

FROM COBDEN TO CRIPPS—By Ashley Mitchell

In speaking of Richard Cobden it is well to remember that Sir Robert Peel paid a great tribute to him in Peel's last speech as a Minister. He said, "There is a name that will be associated with the repeal of the Corn Laws, the name of a man who has advocated this cause with untiring energy and, by appeals to reason, enforced by an eloquence the more to be admired because it was unaffected and unadorned. The name is Richard Cobden." The French writer, M. Halévy, says, "The noblest and most effective politician of the time was Cobden."

A hundred and fifty years ago Britain was subject to a state of planned economy which was then described as restrictionism. It was supported wholeheartedly by the Conservatives whilst all the opposing parties were enthusiastic for the liberty of the individual. But there was a growing movement for free trade before Cobden's time. Buckle stated the position clearly in his great work: "Year by year the great truth made its way; always advancing, never receding. The majority of Protectionists was at first deserted by a few men of ability, then by ordinary men, then it became a minority, then even the minority began to dwindle; and at the present day, eighty years after the publication of Smith's *Wealth of Nations*, there is not to be found any one of tolerable education who is not ashamed of holding opinions which, before the time of Adam Smith, were universally received."

THE MERCHANTS' PETITION

In 1820 the petition from the merchants of the City of London was presented to Parliament. Throughout that petition there is a constant reiteration of the necessity for freedom from restraint. One sentence states, "That a Declaration against the Anti-Commercial principles of our Restrictive System is of the most importance at the present juncture."

A well-known protagonist in the free trade cause was Colonel Perronet Thompson who published his *Catechism of the Corn Laws* in 1827. The lamentable state of the country in the late 'thirties of the last century has been well described by Macaulay and Thompson.

THE ANTI-CORN LAW LEAGUE

Eventually it was realised that the Corn Laws were the most glaring example of the injury done to the people by the tariff policy and that if attention were concentrated on that issue the whole free trade case could be carried. The Anti-Corn Law League was formed in Manchester in 1838 and at once made it plain that its object was to remove all the tariffs and establish free trade. A resolution of the Anti-Corn Law League, at a meeting held at King Street, Manchester, December, 1838, made that very clear: "Holding one of the principles of eternal justice to be the inalienable right of every man freely to exchange the result of his labour for the productions of other people, and maintaining the practice of protecting one part of the community at the expense of all other classes to be unsound and unjustifiable, your petitioners earnestly implore your honourable House to repeal all laws relating to the importation of foreign corn and other foreign articles of subsistence; and to carry out to the fullest extent, both as affects agriculture and manufactures, the true and peaceful principles of Free Trade by removing all existing obstacles to the unrestricted employment of industry and capital."

It should be remembered that the agitation had been growing for years. Cobden joined the Anti-Corn Law League in 1838 and almost at once became the leader of the movement, getting John Bright to his assistance, and together they went the length and breadth of the country until the propaganda was carrying all before it. The League raised large funds, published a newspaper and many leaflets and in 1843 began a great series of public monthly meetings in Covent Garden Theatre, which had been preceded by the delivery of nine million tracts and 650 lectures in the previous nine months.

REPEAL OF THE CORN LAWS

Cobden was by this time in Parliament and was riddling the objections of the opponents of the Anti-Corn Law League. In 1845 such was the state of the country that unless something had been done there would probably have been a revolution. Cobden made another speech in Parliament after which Sir Robert Peel crumpled up his notes and stated to a colleague, "You must answer this, for I cannot." The ruined harvest of that year in Britain and the blighted potato crop in Ireland finally carried the day. The Corn Laws were abolished and many other tariffs reduced soon after. But it was not until 1860 that Gladstone, in his Budget of that year, finally cleared the duties on 419 articles leaving only certain non-protectionist revenue tariffs.

The success of the Free Trade agitation in abolishing protection led some free traders into believing that revenue tariffs did not matter. This was an unfortunate blunder as it left a gap in the free trade case. But so great was the improvement in the country following free trade, through the extension of commerce, with the reduction in the cost of living and the lifting of wages through the great demand for labour, that the few remaining revenue tariffs were almost forgotten.

The beneficial effects of open ports became so firmly established that former ardent protectionists were bound to admit that free trade was an established institution. When the protectionist cry was raised by a few Tories who went to Disraeli urging him to press again for protection, that statesman told them that protection was "not only dead but damned."

JOSEPH CHAMBERLAIN'S BREAKAWAY

The result was that both leading political parties accepted free trade although there was always a small die-hard rump who advocated protection. But in 1903 Joseph Chamberlain, who had formerly led a free trade campaign against a protectionist revival in 1885, himself turned over to protection after he had split from Gladstone and the Liberal Party on the Irish Home Rule issue. Eventually he converted the majority of the Conservative Party back to protection and from that moment when one of the leading political parties became protectionist, free trade was obviously in danger whenever the Conservatives should secure a majority on other issues.

With Chamberlain's triumph, the influence of Birmingham supplanted that of Manchester, and the threat to free trade grew. But so great had been the benefits from free commerce that the country had established a big population with an aggregate wealth (its distribution among rich and poor is a matter apart) which enabled the country to come successfully, later, through two world wars. In spite of the fact that most of the other countries

maintained a protectionist system, the open market place in Great Britain provided a breathing space for world trade which showered countless financial benefits on the business community.

FREE TRADE BRITAIN

From 1860 to 1917 there was no protectionist tariff on the British Customs Register, but with the outbreak of war the protectionists searched for an opportunity and in the Coalition Ministry of 1917 Chancellor McKenna, who had previously been a sound free trader, allowed the thin edge of the wedge to be inserted in the free trade position by the McKenna duties (on motor cars, watches, clocks and musical instruments) of that year. One by one, men who had been sound free traders began to fall. In the early 'twenties Lord Keynes was advocating a general tariff for revenue purposes. But the free trade case had been so firmly established that the opponents only dared to sap and mine, and the "safeguarding duties" for certain industries of 1922 were an example.

But in 1923 the first Labour Government was returned with the great free trader, Philip Snowden, as Chancellor of the Exchequer and Willie Graham as President of the Board of Trade. Snowden's first action, to the horror of the protectionists, was to abolish the duties and return to free trade. Unfortunately, Ramsay MacDonald threw that Parliament away and the Tories were returned with Churchill as Chancellor of the Exchequer, who immediately restored the McKenna duties.

TARIFFS RESTORED

In 1931 the National Government came into power, having been elected on a definite pledge that there should be no interference with established policies. That pledge was flagrantly violated and the general tariff was established in 1932. Never had Free Trade been defeated on a plain vote by the electors. Imperial Preference was then re-established by the Ottawa agreements. Thus it happens that the free trade position has been completely destroyed and we have the spectacle of a Labour Government returned in 1945 with an overwhelming majority, which made no attempt to act as Philip Snowden did. On the contrary, Cripps, as Chancellor of the Exchequer, maintained all the tariffs, described the International Tariff Conferences as places for bargaining instead of where Britain could have gone offering a clean sheet with no tariffs at all. In addition to the tariffs, we have internal purchase taxes, import licences, etc., so that now we are back to the planned economy and restrictionism which our liberty-loving forefathers had managed to abolish.

HISTORY REPEATS ITSELF

Over 100 years ago Sidney Smith published a witty satire on the overtaxation of the old protectionist days: "The schoolboy whips his taxed top; the beardless youth manages his taxed horse, with a taxed bridle, on a taxed road; and the dying Englishman pouring his medicine, which has paid 7 per cent., into a spoon which has paid 15 per cent., flings himself back upon his chintz bed, which has paid 22 per cent., makes his will on an eight pound stamp, and expires in the arms of an apothecary, who has paid a licence of £100 for the privilege of putting him to death. His whole property is then immediately taxed from two to ten per cent. Besides the probate, large fees are demanded for burying him in the chancel. His virtues are handed down to posterity on taxed marble, and he will then be gathered to his fathers to be taxed no more."

Sidney Smith's description is trifling compared with what people are having to bear now. Criminals are being made of harmless persons who have no criminal mentality, by the constant prosecutions for smuggling. The situation now reminds one of Byron's words:—

Here is the moral of all human tales,
'Tis but the same rehearsal of the past;
First Freedom and then glory; when that fails
Wealth, vice, corruption, barbarism at last,
And History, with all her volumes vast,
Hast but one page.

And now we see the two leading political parties disturbed by the high cost of living which could easily be reduced by announcing at the present Torquay Conference that our tariffs had been abolished. We could then go forward to completing the whole free trade system by securing freedom of production, never forgetting that Cobden himself said, "You who shall free the land will do more for your country than we who have freed its trade." The significance of that statement is hardly ever appreciated. Coming from Cobden, who knew what the abolition of protection meant to the country, his saying that the liberation of the land would do even more than freeing the trade is of tremendous importance. Let us not forget, too, that Henry George pointed out how necessary it is that the free trade movement should be appreciated as a means of liberating the working masses. He says, "It is not merely that until workmen get over thinking of labour as a poor thing that needs to be 'protected,' and of work as a dole from gracious capitalists or paternal governments, they cannot rise to a sense of their rights; but it is that the movement for free trade is in reality the van of the struggle for the emancipation of labour."

In fact, it must be acknowledged that unless men have the liberty to exchange their production freely wherever they wish, they cannot rightly be described as enjoying liberty.

(The foregoing is text of the Address by Mr. Ashley Mitchell at the Harrogate Week-end Conference of the Henry George School of Social Science, October 28.)

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