

COMMON MARKET CONTROVERSY



U.K. READERS REPLY TO OVERSEAS
CORRESPONDENCE ON THE E.E.C.

NATIONAL SUICIDE

SIR, — It is surprising that Bob Clancy should recommend Britain to join the Common Market. He may not be aware of all the facts. Nearly half our imports are free of duty. These are mainly from the Commonwealth and are nearly four times the imports from the six countries of the Common Market. If we join the Common Market most of these free imports will be taxed. The free imports of food and raw materials are survivals of the long years of almost total Free Trade that we enjoyed until 1932. The open door that we keep for Commonwealth exports to Britain is for the benefit of Britain rather than of the Commonwealth countries who protect themselves heavily against British manufacturers. But that is no reason why we should punish ourselves with taxes on their exports to us. If we join the Common Market, most of their imports will be taxed—the six countries are not likely to accept anything less, and a transitory period would only be a delayed surrender.

Mr. Clancy asks what chance there is of our persuading a British Government to adopt a Free Trade policy. The answer is — a lot sooner than it would take to persuade six countries with us to adopt Free Trade! Before it was proposed that we join the Common Market, there was a real revival of Free Trade sentiment in Britain.

The six countries have already shown how they will interpret the actions of other countries. The U.S.A. has recently increased its tariff on glass and carpets, and the Six have immediately increased tariffs on American synthetics. In order to bring themselves level with the Common Market tariff, Italy and Benelux have had to increase their import tax on coffee, to the detriment of South America.

The action of the original American states in abolishing their tariffs is not analogous with that of Europe. Those states were already members of a federation. A better analogy would be the countries of the British Commonwealth abolishing their tariffs against one another. If we join the Common Market, that prospect will recede for ever. In fact, Trinidad has already used the excuse that Britain is likely to join the Common Market, to punish her citizens with tax increases on British woollens ranging from 10 to 25 per cent.

Mr. Clancy says that if Britain joined, the other members of E.F.T.A. would follow suit. Now why should the countries of E.F.T.A., who are reducing their tariffs against one another at the same pace as the Six

are doing, join the Six? Should it not be the other way—that the Six should join the Seven? E.F.T.A. is a Free Trade Association that allows its members complete freedom to fix their own tariffs against the outside world as each country wishes. Why is that not good enough for the Common Market countries?

It is clear that freedom is at stake, that another massive bureaucracy is being created. We are already suffering enough from bureaucratic Government. For Britain to yield her freedom to an outside un-get-at-able bureaucracy would be national suicide.

Mr. Zincke's fears are understandable, since he has had bitter experience of the Communist yoke. But it is not necessary that we should join the Common Market in order to help in resisting aggression.

Yours faithfully,
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RICH MAN'S CLUB

SIR, — The arguments for and against the entry of the United Kingdom into the Common Market have been conducted with considerable vigour but, in the main, the problem has been viewed against too small a blackcloth. Fortunately, however, there is a growing awareness, particularly amongst liberals, that the picture must be seen against a wide canvas, particularly in so far as its political repercussions are concerned.

The Common Market in the eyes of many in the so-termed underdeveloped countries is seen as a rich man's club. And we in Britain would do well to remember this. Further, before joining a club one enquires regarding the entrance fee and the yearly subscription.

In this case part of the entrance fee would be the imposition of high customs duties and low quotas on a wide range of tropical foodstuffs. The impact which this may have may be gauged in part from the case of coffee. The duties already imposed on this item by the Six are costing Latin America \$130 million a year, according to Dr. Walter Sedwitz, the Director of the Department of Economic Affairs in the Organisation of American States.

Duties and quota restrictions, as far as one can ascertain, would also have to be imposed by the United Kingdom on a wide range of manufactured goods which at present enter duty free from Commonwealth countries. This would hit such countries as India, Pakistan and Hong Kong, and the impact on their economies may be so great that the