



A MODEST FARMER

The Australian Financial Review, 3 February 1978

Trade wars can easily end up on a battlefield

In the dying days of the last Parliament one of our duller MPs went to Canada to a conference of the Commonwealth Parliamentary Association (CPA).

Once a year representatives of State and National Parliaments in the British Commonwealth meet or chew each other's ears about mutual problems.

I have never been important enough to be asked to such a conference so I have always tended to regard them as opportunities for jaunts.

But I am told by my colleague, who is a reliable if tedious person, that there is also plenty of work done.

And he told me that at this conference, the Australian delegation got rough treatment because of the harsh way we had behaved towards the ASEAN countries by imposing yet more barriers in the way of their exports to Australia.

You will remember that Eccles was nagging me last year about this question. Evidently the difference between our preaching and our practise has been very much resented by the Malaysians.

My colleague was then asked to represent the Australian Parliament at the Council of Europe at Strasbourg in France. Some people have all the luck.

If only I could have gone in his place, Eccles would have been able to come as an observer. It would have made a fitting finale to my parliamentary career.

For one day annually the Council of Europe debates the annual report of the Organisation for Economic Co-operation and Development (OECD).

As Australia is a member at OECD, we and other OECD countries which are not members of the Council of Europe are invited to take part in the debate.

Our MP spoke for the Australian Parliament, but I don't suppose he said anything important.

He told us that Eccles would have been concerned to hear how the debate concentrated on looming dangers of protectionism.

For instance, the Secretary-General of the OECD, Mr van Lennep, issued this grave warning: "I believe that the growing strength of protectionist sentiment in many countries is one of the most disquieting features of the present situation."

This grim warning, reiterated time after time by many of the other speakers in the debate carries more weight in Europe than elsewhere because it is in Europe that trade wars have become real wars.

Indeed, Eccles tells me that there has never been a serious trade war that didn't end up on a real battlefield somewhere.

The Council of Europe then was more aware of the dangers that were hidden behind the rising tides of protectionism.

It wasn't economic theory that Mr van Lennep was discussing, but the causes of the kinds of wars in which people die.

When I heard this my mind went back to the speech that Mr Les Bury made in 1962.

You remembered that Mr Bury was dismissed from the Ministry because he had had the courage to say that Australia, with the rest of the world, was wandering down the tragic path of protectionism.

Soon after his dismissal he spoke in the House and I quote a small portion of his speech:

May I recall to the House that twice in our lifetime eruptions in Europe have handpicked for slaughter the finest flowers of Australian manhood.

Does anybody suppose for one moment that we can elude any future miscarriages of events in Europe?

Our prime task is to make Australia secure in this dangerous world without regard to the sentimental hangovers of history.

If, by some chance, we lose a bit of trade in the process then let us compensate and help the unfortunate few who suffer loss.

There is no future in drifting idly upon the stagnant pools of the past.

The Council of Europe this year came back yet again to the fundamental threat looming behind the darkening clouds of protectionism.

True, the Europeans have behaved badly, particularly the French, but we behave badly also.

We have been particularly assiduous in protecting BHP from the imports of Japanese steel, yet now the Prime Minister is lecturing the EEC because it is adopting practices that are "inimical to the free flow of world trade."

I should think that a sense of humour would be a great handicap to a Prime Minister, because it may prevent his making this kind of statement.

Perhaps Eccles and I are wrong to concentrate so much on the damage that trade barriers do to farmers in particular or the economy in general.

Even more serious is the likelihood that trade wars are likely to turn into real wars.

We should remember those poignant words of Les Bury: "Twice in our lifetime eruptions in Europe have handpicked for slaughter the finest flowers of Australian manhood."

But no one in Canberra seems to care.