

economy and make it less able to withstand attacks, should they come.

Much concern is expressed over European unity. For decades, attempts have been made to unite the countries of Europe by political alliances, international cartels, and trade agreements of all sorts. Actually, the elimination of trade barriers between European nations and the restoration of trade opportunities to individuals and firms would go further toward bringing about a peaceful Europe than would any other scheme that could be devised. And this could be accomplished without the least disturbance of political, religious, or other cultural institutions.

What to Do about Tariffs

The author has neither the desire nor the ability to present here a detailed blueprint for the elimination of trade restrictions in this country or throughout the world. He is convinced that once there is a will to remove these restrictions, there will somehow be a way.

The will to remove restrictions on trade can come about only through understanding—through the realization that restrictions do not yield the benefits claimed for them. Worse than that, they are harmful—harmful economically and harmful to the cause of peace, friendship, and good will, at home and abroad.

On the surface, tariff protection seems to offer benefits to the owners and workers of a protected industry. When a tariff is first applied, the producers of the par-

ticular product affected have a price advantage which should be reflected in higher profits. But tariffs do not prohibit domestic competition within an industry. The higher profits attract newcomers to the field, and competition tends to erase the gains from the special privilege. After this happens, the producers are back in their former competitive position. In order to maintain any benefit, they will have to continue to ask for new privileges as the old ones lose their power—much as a drug addict must use more and more of the drug to avoid the suffering it is supposed to relieve.

Thus, the so-called “benefits” of tariff protection are illusory—the only consequence of the tariff being that the domestic owners and workers are competing with one another in an industry erected on a false base. The base is false and weak because it is supported by the threat of force—force which directs individual spending—instead of by voluntary choice. The force is directed against consumers, the friends and neighbors of those who seek special privileges for themselves. But consumers do not respond kindly to force or threats of force. They have only so much buying power, and they cannot be forced to buy more of everything. Nor will they buy a commodity as freely as before if its price is forced upward by a “protective” tariff. Thus, tariffs serve merely to put the whole economy on an artificial foundation instead of on a sound business foundation. No one really gains—and nearly everyone loses—by this arrangement. It stifles progress.

Adjustments such as those which would be required