

Protectionism During War

NEXT TO DEMOLISHING our armed forces the enemy can do us no greater harm than to shut off our sources of supply. And that is exactly the effect of our protectionist policy.

Last month, against the pleas of the Administration, our House of Representatives rushed through a bill reducing the amount of raw sugar which under the present law is permitted to enter the country. Fortunately the opposition of the Administration prevailed on the Senate Finance Committee, which had a companion bill under consideration, and by a ten to four vote this body reported a substitute bill continuing the present quota law for three years. It is not expected that the original plan of the Congress to further curtail our supply of sugar for the purpose of enriching our sugar monopolies will become law. But even the exigencies of war cannot break down our quota system.



Sugar is not only a food; it is used in making explosives. To limit our supply of sugar is an act comparable in a military way to the Presidential embargo on scrap iron to Japan. The motivation of our Congressmen is not military; quotas are imposed for the pelf they produce. Regardless of motive the effect is the same. The flow of materials essential to our war effort is cut off—by our own legislators for the profit of our sugar landowning monopolists.

Among the "foreigners" against whose economy our sugar quotas are imposed are: Cuba, which has declared war on Japan in sympathy with the United States; the Philippines, which our military forces are now defending; Hawaii, where we maintain a great naval base; Puerto Rico, an important cog in our defense of the Panama Canal; and our poverty-stricken Virgin Islands, to whose producers we magnanimously make benefit payments to offset some of their loss resulting from these quotas. There is also a quota on molasses from the British West Indies (an ally), so that the dollars Britain might

secure from this business to help pay for the military supplies we are furnishing will have to be paid by American taxpayers, while the increased cost of molasses will inure to the benefit of our sugar monopolists.

Some of the Congressional arguments for the quotas are characteristic of the duplicity (or is it sheer stupidity?) of our protectionists. It was held, for instance, that a decrease in the quotas was warranted by the increased demand for sugar expected next year. That is, if we need more sugar we ought not to let it come in. Rather, we must protect (that is, enrich) our owners of marginal sugar lands.

But the prize argument, advanced by those who opposed increasing the quotas, was that American workers, needed in armed forces and in the production of war materials, ought not to be diverted to cane and beet sugar production; logic would suggest that the quotas should be wiped out entirely, that more sugar would release more workers, to say nothing of providing the sugar stimulant that workers and soldiers require.

The fact that increase in the quotas was not necessary because war in the Pacific would have the same effect was advanced as an argument against the nefarious proposal. And that was an indirect admission that our protectionist policy is analogous to war against the country. A stoppage of supplies by law affects our war effort exactly like the destruction of the supplies by an enemy.

Politically, the sugar quota legislation is particularly harmful at this time. It demonstrates to our Central and South American friends that our "good neighbor" policy is merely a song conveying the idea that "I can't give you anything but love, baby."

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