

Prairie Centre Policy Institute  
Weekly Commentary

WHERE DO WE GO FROM HERE?  
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TITLE: *Zwangswirtschaft* Policies in Western Canada

For many years the policies of the Canadian Wheat Board have been compared to the communist policies of the old Soviet Union. No one thought to examine the economic policies of Adolph Hitler's Nazi Germany.

In a commentary posted on the *Le Quebecois Libre* web site, Harry Valentine asserts that the law under which prairie farmers were jailed for having exported wheat without a licence is more consistent with the *Zwangswirtschaft* system that was the cornerstone of the Nazi's economic regulation (*Zwang* means compulsion while *Wirtschaft* means economy).

Mr. Valentine quotes economist Ludwig von Mises, who describes this system in his treatise entitled *Socialism*. "Under the Nazi system of *zwangswirtschaft*, private ownership is maintained over the means of production, but the government tells the entrepreneurs at what price and to whom to sell." The Nazi slogan for this economic philosophy was *Gemeinnutz geht vor Eigennutz*, or the commonwealth ranks above profit. "This certainly is consistent with the philosophy by which Western Canadian wheat farmers are regulated by the Canadian government", adds Valentine.

In Canada, prairie farmers are forced, by law, to market their wheat and barley through the Canadian Wheat Board. Eastern wheat growers, it seems, are not. It apparently doesn't matter that the Charter of Rights and Freedoms says *all citizens are equal before and under the law*.

On the subject of interventionist public policy, Mr. Valentine writes: "Despite a plethora of proof illustrating the consistent and long-term failure of state economic regulation and control, the national government continues to stand ready to use coercion and forcible compulsion against the productive activities of peaceful citizens, as the means by which to enforce such regulation and control. Canada's government need look no further than the decimation of the East Coast cod fish industry, to see proof that state enforced economic regulation and control can and does fail. Despite having had a large bureaucracy backed by an extensive staff of politically favoured experts to guide governmental action in the fisheries industry, a mega-debacle still occurred.

Recently, a trial balloon was floated from Ottawa suggesting that farmers may be allowed some limited freedom to sell their wheat directly to customers. Such a plan may ultimately resemble Ontario's recent electric power deregulation farce and its subsequent failure. In this debacle, a few minor cosmetic changes were made to the existing regulatory regime and the farce renamed "deregulation." Except that private

producers could not operate under such a regime. A regime of limited freedom to privately sell wheat indicates the agriculture department's loyalty and commitment to *Zwangswirtschaft* and its refusal to abandon such a regime. Such behaviour from Ottawa adds credence to the western independence movement and what they stand for. Ottawa's own behaviour gives western Canadians little choice other than secession to achieve economic freedom."

"Federal regulatory behaviour in Western Canada Agriculture (CWB) and the environment (the Kyoto Accord) ultimately justifies and adds legitimacy to the cause of Western Independence", he concludes.

It is interesting how we in western Canada are perceived by some people in the eastern part of the country. Too bad it doesn't rub off on the mandarins in Ottawa who are responsible for public policy.

Ken Dillen

Harry Valentine is a free marketer living in eastern Ontario. His commentary can be found on the *Le Quebecois Libre* web site at [www.quebecoislibre.org](http://www.quebecoislibre.org). He has given permission for the Prairie Centre to use his material to inform our membership of how excess state control affects the prairie region. Where Do We Go From Here is a feature of the Prairie Centre Policy Institute.