

## Letter of the Month

SIR — I expect you're right ("Chronometer", September 5) about the Motor Industry Development Programme working miracles for car and component manufacturers, but it has cursed local vehicle-buyers with sky-high new and secondhand prices relative to car prices elsewhere.

I dream of no import taxes to rebate for exporters, and of buying cheap secondhand Japanese car exports like New Zealanders can.

What care I whether "we" make or assemble cars locally, as long as I can buy best-value world products.

In the name of "job creation and alleviation of poverty" you fancy extending such export-boosting schemes to minerals beneficiation. And presumably something similar to the textiles/clothing industry? And so on?

Well, excuse me, but reintroducing protectionism to boost exports while local consumers pay more doesn't seem the free market way to go.

What about focusing instead on whatever reduces local consumer prices? Wouldn't that leave consumers more income to boost other local manufacturing or imports?

And isn't ever-increasing consumption of goods and services the very measure and purpose of economic growth, rather than ever-rising exports? Doesn't mere exporting enrich foreign consumers at local consumers' expense? I think we (should) only export in order to import.

That's the difference between economic engines like the US, everybody's favourite consumer, and self-punishing workerist states such as Japan and China, which keep their exchange rate artificially high to accumulate paper dollars



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while their population's prosperity lags its productivity. Well, Japan is rich enough to indulge whatever economic idiocies Japanese voters will tolerate, and the Chinese don't get to vote at all, but do think rationally and grow fast.

Like China, we're poor, but governments of poor countries that don't do their "utmost best" to successfully facilitate high-speed China-like growth earn their countries the sobriquet of "failed state" — quite a disgrace.

It starts with food — why on earth would any sane government tax incoming cheap food to protect inefficient local farmers while undernourished local voters starve? And it's the same with cars, clothes, whatever. I'm afraid we're all suffering the consequences of elected communist unionists ignoring what their wives would tell them about household budgeting and shopping around.

**Jim Harris**  
Honeydew

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