

Trade is likely to turn out a very unprofitable experiment for England. England has discouraged her agriculture, and turned most of her labour to manufactures. These have so depreciated in value as not to purchase food enough, and she has to fall back on the precarious profits of banking to make up the deficiency. A great war might, and probably would, deprive England of this business, and break up this centre of capital, or transfer it to some other place. It would hurt her in two ways. First, it would make food scarce and dear by interrupting its importation. Secondly, it would deprive her of her banking business, out of which she now makes much of the money with which she pays for the food imported. This is a very sensitive and artificial state of industry. If England was engaged in a great war, capitalists would not have the same confidence in English bankers that they have now. But war is a thing which free-traders refuse to consider in questions of this kind. They tell us that arbitration is going to supersede war in future. It is, however, my opinion that the nations which neglect to consider this question will soon have to consider the questions of foreign intervention and servitude.

England is protecting her manufacturers, all the time, on a most gigantic scale, though free-traders do not appear to know it. She is keeping up naval stations out of the public purse to keep the way open for manufactures all over the world. She goes to war with China, and compels that nation to open her ports. She keeps an army in India to protect her trade. If India afforded English manufacturers no market, would the Government risk a war for that country? If it is not for its trade, India is of no use to England. She paid the Alabama claims for the privilege of allowing her people to sell the Southern ships and munitions of war during the rebellion. She has just paid the Khedive of Egypt twenty millions of dollars for the Suez Canal, to keep the way for her manufactures open to the East. *This is protection to home manufactures, no matter under what name it goes.* But it is a kind of protection rendered necessary by the evil effects of Free-Trade. The misapplication of English labour, caused by Free-Trade, has created a vast amount of fixed capital, which must be wasted unless things like these are done; and, no matter whether free-traders or protectionists rule, this policy is now forced upon them.

The London correspondent of the *Globe* says with regard to the Suez Canal. "The bargain is a wise one, whatever may happen, though, pecuniarily, it is a losing transaction. We shall lose the interest of £4,000,000 for some forty years." But "so important is the friendliness of Egypt to us that, no matter at what cost, it must be secured."

Now, England is paying all this to protect her manufactures. She has ceased to confine the circle to her own shores, but there is, nevertheless, a circle within which she employs protective measures. She is paying for this protection just as surely as when she levied duties on imports.

The time it paid England to protect her manufacturers was while they were striving to supply the home market.

*When the manufacturers become able to hold the home market against all comers, they need, and ought to have, no more protection. Further protection only creates an artificial state of industry.*

Measured in labour, England is paying much higher prices for food than any other nation; and, measured by the same rule, she is getting much lower prices for her manufactures. This is the reason. Food is nowhere so cheap as where producers and consumers deal direct. But England is fed by a lot of dealers and middlemen. Thus the people pay dear for food and get little for manufactures. When we add the losses arising from bad debts on goods exported, it is apparent that great quantities of labour go for small quantities of food.

The net cash proceeds of her exports do not buy near so much food as the gross cash value of those exports would take out of her own soil, if employed in agriculture.

When one subject cheats another, it is an individual but not a national loss; but where a foreign merchant cheats a British manufacturer, it is both an indi-