

the large exportations of wheat from Canada to the United States during two years.

We have seen in some quarters a very erroneous view of the principle of protection to domestic industry. It has been regarded as merely a tax on one part of the community for the benefit of another, without any countervailing advantage to the former. If this were the case, the principle would indeed be of doubtful justice or policy, although even in this case the objection would have but little application to the protection of Canadian agriculture, because those who are engaged in it form nearly the whole of the community, seven-eighths of the whole population. Therefore if their protection did operate as a tax on the other part of the community, without any compensating benefit whatever, yet the interest of the larger number is to be preferred to that of the smaller, especially where the latter is so inconsiderable a part of the whole. There is also another difference between agriculture in Canada and in England, that in the latter, land is chiefly rented to farmers, and as the excessive competition keeps rents up to the highest point at which the farmer can manage to live, any benefit to him amounts to, or is in fact, a benefit to his landlord, for he constantly raises his rents as the prices of farming produce rise. But in Canada there are no rented farms worth mentioning. Every man farms his own land, and therefore any benefit to agriculture is a direct benefit to the farmer himself, instead of to a rich landlord who does not need it. Therefore if the objection were valid, it would not apply here, where we have no interest to set up against the agricultural.

But the objection rests on a misconception of the nature and grounds of protection to domestic industry. It is protection against *foreign* competition, and it is founded on this principle, that it is for the common national advantage to have each separate national interest in a prosperous state, just as it is for the advantage of the human body and of each individual member to have every separate member in a healthy and vigorous state. If any national interest be depressed, the depression extends to every other interest; but if it be prosperous, they share that prosperity, because the better that branch of industry is rewarded, the more of its profits are expended on the other branches, and thus if they pay by protective duties an extra price for any

article, they receive an equivalent therefor in extra sales of their products to the producers of that article. If the extra price caused by protective duties was hoarded up, then the objection to them would apply; but while it is dispersed abroad and returned in various ways to the very persons who pay it, by the increased supplies purchased by those who received it, the protection is not given for the sake of the protected branch alone, but for the common benefit of the whole community. The only exceptions to this are, either when the protection is excessive, and therefore cannot give any countervailing advantage to the other branches of the national industry; or when an attempt is made to counteract the laws of nature, by fostering some employment to which the climate, soil, or genius of the people is not congenial.—Of the first class was the late tariff of the United States; and of the second would be an attempt to promote the growth of silk in Canada.

Protection is necessary in the infancy of all States, or modes of employment, in order to enable them to advance against matured foreign competition. It is well known that an old merchant with large capital and extensive connexions, can always undersell a young beginner with but little capital and all his connexions to form; and so it is with nations. When any branch of industry has become matured in one country, those who follow it can always undersell in the markets of another country those who are but beginning to establish it there, natural advantages being supposed about equal in the two cases. It is said, we know, that if foreigners were allowed to import their goods or produce free, they would purchase others in exchange; but this argument is fallacious, because, although the foreigner might purchase one or two articles in exchange for his imports, still, the home manufacturer or producer purchases all his supplies in the home market, and the difference between them is therefore as one to five hundred. The true policy of nations, on this head, is the same as that of individuals or families, namely, to purchase nothing from others that they can produce themselves. The exception to this rule is when there is no natural facility for producing, for if we have to contend against nature, then, indeed, protection is vain and impolitic. Protection should not be made a kind of hot-house, to produce what