

# COMING OF PROTECTION IN ENGLAND

of the politicians. Pre- not encouraging. he other cities resemble But the workmen them- organized workmen, in the economic sphere ous campaigns. If it is for higher wages, re- recognition of the play marvellous endur- time the great mass of ed to vote for the can- tic parties. They elect surprised, afterwards, if ionic sphere are cur- by legislation. The ss, however, are so un- do not detect the self- mode of action. They o be hoodwinked by the of the demagogues.

which are centralised ration of Labor, there y corrupt politicians, re- posed to a Labor d on class. Their per- necessary that the themselves to be led by and the true representa- the candidates of the

icism especially resists alism into the trade Party therefore in the blushing capitalism has iver which has to be

ing class do not elect ives to the legislative ect to get the smallest of stress. The majority embles, Senators and oration-attorneys or whose exertions are ests of capitalism. As power, they will intro- the protection of labor oms of real value. The have the most miser- the world, as Carnegie defective social legisla- unties of the present

## Europe

Dr. Perceval, without e to secure the dissolu- tage, took to himself a of Charlotte, daughter Aubrey Carr, rector of Cliffe, in Gloucester-

Burke's Peerage were d of his third marriage, d in their issues of without taking the pre- nether the second mar- has been sundered either Mrs. Perceval No. 2 against Burke's Peer- the publication of the in a standard work of e peerage implied that as of no account, and ame of Mrs. Montague ventuality of becoming e realm as Countess of

decided against Mrs. e that no defamatory Burke's Peerage, and on for libel could lie. Burke's had asserted age had been sundered- ence of any decree, to eyes of English law, ave been regarded as instance of the Hon. his American wife,—

oints out that Mr. As- ew Premier, and Gov- or of New York, and ave a great many r. Asquith has never r no one can call Gov- he people. The Prem- d able student at Ox- e of Governor Hughes h was a fellow of his s for some time in at Cornell. Both ar- into prominence after ion. The Governor- own by means of ex- Armstrong insurance r. Asquith came into ssociation with Sir nducted the cross-ex- onald, manager of The e Farnell Commission. Examination conducted attention and won for O. C. As Gladstone's fier, his career some- Mr. Hughes as Gover-

THE Conservative Party with its official leaders is now definitely and formally committed to a protective tariff as the first item in its practical policy. Ten years ago no politician who had ventured to predict such an event would have been taken seriously. And yet the main forces which have contributed to this swift and dramatic change were clearly discernible. Their action was merely precipitated by the Boer War, that is all. If Mr. Chamberlain had never carried his ambitious energy into the Colonial Office, planning a scheme of imperial federation which carried the struggle in South Africa as its chief implication, the drive of two persistent currents of industry and finance would none the less, and not tardily, have compelled the Conservative Party in Great Britain to declare for a protective tariff. The imperialist sentiment, which dominated the party councils during the last two decades, though temporarily held in check during the personal ascendancy of Lord Salisbury, was forced to find expression in a colonial and foreign policy involving lavish expenditure on armaments. No Government in England or in any progressive nation can avoid large and practically automatic growth of its expenditure on education, industrial administration and other necessary social services. Every Government is therefore compelled to seek constant accessions to the public revenue. Now, while a Liberal Government has tended more and more to look to the development of direct taxation, particularly in the shape of income tax and death duties, to meet the growing financial needs of government, the circumstances and the interests of the Conservative Party precluded it from entering upon a taxation policy so unpopular with the possessing classes. Though Conservative Chancellors of the Exchequer were glad enough to avail themselves of the new sources opened up by Liberal predecessors, they could not, even had they desired to do so, have developed further a finance consciously and avowedly directed against the propertied classes. Indirect taxation is the natural finance of Conservatism. Now the required expansion of public income, by means of indirect taxation implies, or at any rate involves, protection. Thus a protective tariff must be regarded as one of the natural and normal defences of the propertied classes against the encroachments of what they consider socialistic and confiscatory finance. Co-operating with this stream of tendency is the desire of our pushing industrialists, especially in trades exposed to keen foreign competition, to secure their home market by handicapping foreign rivals, thus maintaining high and profitable prices for their goods.

The history of tariffs in other countries shows the textile and metal industries as foremost in the conscious pressure of this policy. Everywhere they have lain in wait for their political opportunity. That has usually arrived when some war or other critical disturbance has created an embarrassment of public finance, for it is noteworthy that alike in France, Germany, and America, modern high protective tariffs have been a legacy of war. Even in Canada the triumph of Macdonald's national policy was a fruit of the animosity between Canada and her great republican neighbor, directly attributable to the civil war. So here the heavy taxation imposed by the expenditure of the South African war, and the large new outlays upon permanent costs of armaments to which it gave rise, furnished the opportunity for the gathering forces of protectionism inside the Conservative Party and among our manufacturers.

The powerful personality of Mr. Chamberlain fused these forces and gave them conscious purpose and definite aim. His own particular contribution was not important, and was from the standpoint of direct political expediency a tactical mistake, for protection is a feeble instrument to secure any sort of imperial federation. It is a national and not an imperial policy, as is proved by the complete subordination of the much-applauded principle of Preference to the dominant motive of colonial self-sufficiency disclosed by each of the colonial tariffs. The enthusiasm of Jingoism has always proved a poor cement for solid international agreement, and no one can have read the interesting report of the last Colonial Conference, without recognizing that each of the four groups of British self-governing colonies claims to regulate its future on a basis of substantially complete national independence and perfect equality with the mother country in all material essentials of her policy.

Though, therefore, Preference has some sort of sentimental backing both in our Colonies and the British Isles, none of the imperial factors is prepared for any serious business sacrifice, in order to promote the commercial imperialism which Mr. Chamberlain desiderated. As soon as Mr. Chamberlain probed public opinion he discovered the gravity of his mistake in supposing for one moment that Englishmen would submit to any tax upon their food for the benefit of their colonial fellow subjects. At the same time he discovered an unexpected fund of powerful animosity against foreigners, partly resentment against their pro-Boer criticism, partly exaggerated fears of their commercial encroachments upon our markets. Retaliation against the foreigner thus furnished a far better leverage for the protective movement than imperial preference, and gave a powerful impetus to the economic doctrine that the foreigner who makes us pay should himself be made to pay. To the ordinary man, untrained in economic thinking, this was a convincing policy of retributive justice.

Thus under the shelter of these war-bred sentiments the business interests, which craved protection for the plunder which it promised, secured their control of the Conservative Party. They first made certain of the rank and file, capturing the constituencies together with the local and central machinery of the party. Their main difficulty was with leaders, for most of their men of intellectual substance had been trained in the fiscal orthodoxy of free trade finance, which they were unwilling to abandon for this new and hazardous campaign. With these forces and these defects they entered the fight, and two years ago encountered a conspicuous defeat. The time was not yet ripe. Feeble, untrained leaders, short-sighted and erroneous tactics, and a period of preternaturally prosperous foreign trade contributed to their rout. But during the administration of the present Government the protectionists have steadily improved their position. The excessive confidence which such a signal victory imparted to free traders induced apathy. The commercial tide has turned against the Government; a period of growing depression has set in. The culpable negligence of maintaining high sugar duties, together with an unfortunate conjunction of circumstances raising the price of bread and coal has been of material assistance. All these things affecting in various degrees the fickle mind of the electorate have sapped the popularity of the Government, and have sown a discontent which is being carefully educated towards protectionism by the assiduous labors of our fiscal reformers. Never before has so elaborate and expensive an organization of public opinion been attempted. Most of the powerful newspapers are open preachers of protection. Missionaries are abroad in every town and village of southern England, and though the manufacturing north is not yet captured, even there the confidence of the free trade policy has been visibly weakened.

With the exception of the banking and shipping interests, and such manufactures as ship building and cotton, which live largely by foreign trade and foreign markets, the manufacturers, the commercial, and probably the majority of the professional classes, may already be claimed as protectionist in interest or at least in sympathy. How far the working classes have been lured from their free trade attitude of two years ago there is not yet sufficient evidence to test. But the zeal and ingenuity, not to say indiscipline, with which protectionist writers and speakers are fastening on the dire fact of unemployment in our centres of industry are certain to produce

great results unless the tide of industry should take another favorable turn, or some serious and popular attempt to remedy the grievance of unemployment should be set on foot without delay. Meanwhile the energy of fiscal enthusiasts and the futility of opposition to the tide of party destiny have broken the opposition of most of the recalcitrant leaders within the Unionist Party. Deserted by their leader, harried in the constituencies and weakened in influence by the death of such powerful men as the Duke of Devonshire and Lord Goschen, they have with few exceptions abandoned the struggle and bowed themselves in the house of Rimmon.

This virtual transformation of the Unionist into a Protectionist Party has not been accomplished without qualifications and concessions which may or must impair the efficiency of the policy when it is required to pass from the specious generalities of platform speeches into the formal accuracy of a definite legislative proposal. We may even detect three diverse streams of tendency kept with difficulty within this common channel. First come the distinctively Conservative Protectionists of the agricultural and manufacturing interests that want a tariff to improve their rents and profits, and to shift the burden of taxation on to other shoulders, but who otherwise desire to keep down public expenditure and to avoid above all things experiments which savor of Socialism. This is the "Old Guard" of protectionism, of which Mr. Chaplin and the late Sir Howard Vincent may be considered representatives. But the main portion of the fighting line today is composed of another order of men who combine an active advocacy of popular social reform with their protectionism. This conduct is animated in the case of some younger and keener minds by a genuine conviction that a protective tariff is only one essential in a broader and more complex policy of building up an efficient modern State, with a full public control of industry, designed to develop the full natural and human resources of the country, to direct them into permanent and useful channels of employment, and in various ways to regularise the production and distribution of wealth. Many who are temperamentally opposed to the deliberate development of what is in effect a Socialistic State are nevertheless alive to the immediate tactical advantages of a Neo-Protectionism which shall recommend a tariff to the work classes as the only or the quickest instrument of furnishing old-age pensions, unemployed relief, small holdings and other working-class advantages out of public money.

The able organ of this forward social policy in the press is the Morning Post, and its most promising protagonist is Lord Milner, who is warming up the old enthusiasm of his Toynbee days for this new tactical emergency, which may furnish him a fresh career.

From both these species of open and avowed protectionists we must distinguish Mr. Balfour and others of his sort. Mr. Balfour has never formally espoused protection, or admitted as any part of the motives for his fiscal proposals the desire to assist home producers even in their own markets against the ordinary competition of foreigners. But he has committed himself quite definitely to the adoption of import duties for four separate purposes, each of which implies or involves protection. He favors a tariff which will enable us to negotiate with foreigners, and, if necessary, to retaliate against their discrimination. He will meet Colonial Preference by placing import duties upon foreign food. Dumping he will encounter by stringent duties for exclusion, and he will safeguard British industries from other forms of unfair competition. Last and most urgent in his mind is the insistence that a small general tariff is justifiable as a means of "broadening the basis of taxation," and so meeting the requirements of revenue without recourse to a high income tax or other confiscatory modes of taxation. Each of these steps is protectionist because in no case is it proposed to balance the new import duty by a corresponding excise; but in order to conceal or mitigate the protectionism, Mr. Balfour and his friends propose a set of taxes upon so low a basis as to enable him to argue that they will neither raise prices nor act as demoralising doles to British trades.

The weakness of this mixed protection is easily exposed. A wide-spread imposition of low duties is at once the most difficult of all tariffs and the least productive of revenue. Such a tariff, if confined to fully or even to mainly manufactured goods, could not furnish more than a few millions to our national exchequer—a sum obviously inadequate to meet the normal increase of expenditure, still more to provide the public doles demanded for the social policy which will make the working classes rally round the tariff.

Still more futile is the supposition that any one of the objects of Mr. Balfour's tariff can be accomplished without the taxation of raw materials, unless an utterly false and arbitrary definition is assigned to that term. Two of the countries whose tariffs are most likely to call for the exercise of negotiation or retaliation on our part, are the United States and

Russia, but against neither of these powers could we bring pressure to bear without taxing some important material of British manufactures. Similarly with colonial preference; the least investigation of the character of imports which come into this country from the several colonies attest the accuracy of Mr. Asquith's contention at the Colonial Conference, "that you cannot possibly give a preference, which shall be anything like an even-handed preference as between the various colonies of the Empire, unless you include in it raw materials as well as food." As for the anti-dumping policy, we could not deprive ourselves of the right to exclude steel bars or rails or other important materials which it is claimed furnish the chief materials of dumping on the part of American trusts and German cartels.

In addition to all these subsidiary difficulties, there is the utter impossibility of distinguishing raw materials from foods on the one hand and manufactures on the other. Arc wheat, timber and leather, to quote three leading cases, to be regarded as raw materials or not? No answer can be given to this question, which must raise inevitable conflicts between the British traders into which these goods enter as materials and other British trades engaged either in producing them or other commodities that compete with them.

While the trivial nature of Mr. Balfour's proposals do not secure them against such criticism, neither does it recommend them as satisfactory to the full-blooded protectionist, who wants a tariff for the revival of British agriculture and the complete security of home markets for the national manufactures. To such men the prominence assigned to the imperial aspect of the tariff is an amiable error, knowing as they do that the substantial value of the electoral appeal will be to the hopes of plunder for those manufacturers whose organized influence can be made most effective in the actual construction of a so-called scientific tariff, and for a specious solution of the problem of the unemployed as a bait to the working classes.

Such are the essentials of the present situation. If the opposing forces of free trade and protection continue to move in the force and the direction in which they are moving now, without the intrusion of some new unforeseen determinant, a victory at the polls at the next election will almost certainly return to power a Conservative Party committed, not merely formally but by conviction, to the formation of a protective tariff, as their first step in practical policy.

Many free traders are disposed to view this probability with only moderate alarm, for they believe it is still possible for the Liberal Government to recover the waning confidence of the people by a drastic policy of legislative and administrative reform. But this possibility is merely formal, and does not take accurate account of the mixed composition of the Governmental forces. The rally of the Whig and Imperialistic sections, brought about two years ago in defence of free trade, is itself the chief disabling cause of any policy sufficiently advanced and vigorous to satisfy the demands for a truly constructive Liberalism.

The party, if not the Government, has indeed formally committed itself to a radical attack upon the privileges and power of the landed aristocracy. There is a wide-spread and eager desire for bold measures of legislation and taxation, which shall secure the best use of agricultural land and shall obtain for civic purposes a substantial share of the socially created values of town lands. Among distinctively working-class questions, the provision of an adequate and universal old age pension, a thorough grappling with the problem of the unemployed, and a large humane provision for the deserving poor, stand in the forefront of their programme. Some of these measures involve a large increase of public expenditure, all of them courageous legislation. The former is precluded by the timid temper of a large Whig minority of supporters of the Government, unduly represented in the Cabinet, the latter by the shirked issue of the House of Lords, who still retain a legical power, which they will not shrink from using to prevent the Government from recovering its lost popularity by effective legislation.

If this diagnosis of the situation be correct, nothing but a large and most unlikely revival of industrial prosperity is able to prevent the "debacle" of British free trade at the next General Election.

Serious as would be the effect of a revival of Protection upon the national industries and politics, still more dangerous would be its reactions upon our international position.

The foreign merchants, manufacturers and farmers who are injured by the loss of our market, or by the necessity of submitting their goods to custom duties which place them at a disadvantage, will feel a sense of injury, and will arouse in their nation a feeling of resentment against Great Britain, which will be none the less dangerous because it is unreasonable and unjust. Every diminution of amicable and profitable traffic with Germany, the United States, and other industrial countries, will serve only to embitter the struggle for neutral markets; it will be easier for some slight international difference to ripen into a quarrel and for a quarrel to lead to an outbreak of hostilities, when the sense of injury is rankling in many a foreign manufacturer and merchant who has lost his profitable trade with Great Britain or one of her colonies, and when a war is no longer opposed by strongly organized commercial and financial interests in the respective countries.—J. A. Hobson, in International Review.

## Churchill Through American Spectacles

IT is interesting to Canadians to know how Winston Churchill is regarded in the United States. Henry G. Purvis has just written an article for American publications under the title, "A Half-American Member of the British Cabinet." The article follows:

From an American viewpoint the most interesting feature of the recent reconstruction of the British cabinet was the new premier's choice of Winston Churchill as president of the board of trade. That gives the fortunate young man a seat in the cabinet at the comparatively youthful age of 34, a distinction which is as rare as it is gratifying.

For Winston Churchill is the son of an American woman whose brilliant and entirely satisfactory career has made for her a warm place in the hearts of Englishmen without in any way detracting from the esteem felt for her in her own country. As Jennie Jerome, daughter of the well known and genial Leonard Jerome of New York, she was a general favorite, and when she became the wife of Lord Randolph Churchill, third son of the Duke of Marlborough, who even at that early age gave promise of an unusual career, it was the opinion of all those who knew her that the young nobleman was getting a great bargain. Her good looks, abundant wit and unvarying good nature made an impression on the English social world that has never grown indistinct. As Mrs. Cornwallis West, she is still a mother of whom even so promising a statesman as Winston Churchill well may be proud.

That is one reason why Americans are interested in Winston Churchill and pleased to hear that he is doing so well. Another is because the young man is always inclined to pride himself on his good American blood and to ascribe his success in life to the fact of his half-American parentage. He does not hesitate to assert at all times and in all places that he owes everything to his clever and still very handsome mother, and that she has saved him from many of the mistakes which have been made by other Spencer Churchills.

Although the president of the board of trade is not as lofty a personage as the first lord of the admiralty, for instance, he is actually an individual of much importance. It is a position which corresponds to that of the secretaryship of commerce and labor in this country, and he who holds it is capable of exerting a wide influence. For this reason it has always been regarded as a stepping stone to something higher. Joseph Chamberlain went from it to the post of secretary of state for the colonies, and Mr. Churchill's predecessor, David Lloyd George, has become chancellor of the exchequer. So there is no reason why Mr. Churchill should not step from it to something that will be even more

gratifying to his ambitious mother, perhaps to the dignity of prime minister.

In the meantime, Mr. Churchill will find plenty to do. The board of trade of the British cabinet is a working institution, and the man at the head of it has abundant opportunity to ex-



hibit executive ability, if it is at his command. It is far more comprehensive in its activity than American department of commerce and labor. All sorts of duties and powers have been added to it from time to time until it has become an institution of great importance. For instance, it has the control and supervision of all railroads.

Mr. Churchill will have control of the fisheries, a mighty responsibility in Great Britain. He must also set in motion all of the machinery connected with bankruptcy and must keep a watchful eye on the doings of corporations and business concerns of every description. At the head of the department of labor he will have an opportunity to show his ability by reconciling the serious differences between capital and labor, which are especially prevalent in Great Britain.

Lord Randolph Churchill, brilliant political leader that he was, made no secret of the fact that his career was hampered by his lack of education. He was resolved that his elder son should not be handicapped in a similar manner,

and the boy was sent to Harrow at an early age. At that famous school he soon established a reputation for cleverness, but failed to become popular either with his teachers or his fellows. Even at that early age he had developed a habit of accepting nothing without discussion, and as a result he was in constant trouble with the authorities of the school.

After he left Harrow the youngster was put into the hands of a famous coach, one Capt. James, who prepared him for the army. Then he went through Sandhurst, the English military academy, and eventually became a subaltern in the Fourth Hussars. In this regiment his tendency to express his opinion unasked did not meet the approval of his superior officers, and he was not a favorite at mess. His manner was pronounced to be markedly American, and when this criticism came to his ears he took pains that the impression should be even more distinct.

As a subaltern Churchill was a worker and was also frankly outspoken in his opinion of those who were shirks. That did not contribute to his popularity, and no one at quarters was especially sorry when he obtained leave to go to Cuba. He reached the West Indies just at the breaking out of the Spanish-American war and at once proceeded to the front in search of adventures. Knight errant that he was, he embraced the first opportunity that presented itself to go into action. It was on the Spanish side, but he did not hesitate to turn a lance against the countrymen of his mother. That was the great mistake of his life, and he is not ashamed to confess it. He conducted himself so gallantly that he was awarded the first-class medal of the Spanish Order of Military Merit. It is safe to say that he never wears this decoration in the presence of his mother.

One of his friends has drawn the following pen picture of Churchill as he is today:

"Of medium height, looking rather slimmer than he is, for he is compactly built. The red hair of his boyhood has lost some of its fire and seems now rather a reddish brown than red. The eyes of light blue are large of pupil, having in them something of the free quality of the eyes of a bird. The mouth is an orator's mouth—clear cut, expressible and not small. The forehead is both broad and high, with a fairly deep vertical line above the nose; the chin, strong and well formed. His hands are somewhat remarkable, a sort of index to his life as well as to his general character. They are distinctly strong hands, broad in the palm, with that breadth which palmists take as showing honesty; fingers both long and fairly thick, but tapering; the thumb slightly bent backward at the top joint. The man with such a hand should go far."—Henry G. Purvis.