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VERY PRETTY THEORY, BUT—

To compensate, or rather to preserve alive, the shipbuilding industry of the United States, coasting laws have been enacted prohibiting the carrying of goods from one American port to another in foreign vessels. The tariff which increases the cost of every product of the republic kills ship building, which has no incidental protection in the cost of carriage from foreign countries. The people want goods carried from one port to another, and to that end adopt every device and invention available for land and water transportation. But the theories of protection induce them to increase the cost of

water transportation by prohibiting those best qualified to render the service cheaply. The result is an artificial increase in the cost of carrying goods—in the necessary transfer from producer to consumer. This is merely an aggravation of the protection tariff which gives rise to it, and serves to put the nation imposing it at a still further disadvantage. Railways with lines competing with the coast vessel service have an advantage corresponding to the effect of the coasting laws, and the cost of land transportation is proportionately advanced. The protection theory not only regards as an enemy the foreigner who supplies things cheaply, but includes in its condemnation the foreigner who carries them cheaply from place to place.

When the Toronto Globe adorns its pages with literature like the above infantile contribution to the study of international economics it must not feel hurt if some of us even go so far as to smile, and smile rather broadly, at the remarkable ignorance displayed by that ambitious journal. At first The Globe's "lesson in economics" was taken seriously, but people are now beginning to treat it as a joke. The inconsistency of the argument is so apparent and its absurdity is so absurd that it needs no reductio ad absurdum. It reads as though some youthful collegian had been given the conclusion and the demonstration had been asked of him—and our sympathies are with him in his attempt to fit a logical demonstration to an incorrect conclusion.

Perhaps The Globe may have some gentleman on its staff who delights to research into ancient history. It might be well for him to study the history of Great Britain under protection and revert especially to the navigation acts which Cromwell passed about the middle of the seventeenth century when the importation of colonial products in other than English ships was prohibited. Again by Charles II. and by Elizabeth these laws were supplemented and a system of grants to vessel owning companies was instituted. In 1848 the acts were modified. Foreign ships were allowed to trade to British ports and ships not of British build were allowed to be registered as British if wholly owned by British subjects, all of which was simply an intimation of faith that British ships were built as cheaply as any others. Trace the history of the progress of Britain's merchant navy and then decide honestly whether its foundation is due to the protection policy of Britain for two hundred years, or to the free trade policy of Britain for fifty.

Then again, "the tariff which increases the cost of every product of the republic kills shipbuilding," if The Globe is to be believed. Perhaps The Globe can explain how it is that under a tariff "which increases the cost of every product of the republic," wire nails are exported to Great Britain where The Globe's goddess, Free Trade, holds sway, and, of course, allows wire nail to be produced cheaper than anywhere else in the world (to use The Globe's logic). This tariff in the United States "kills shipbuilding," says The Globe. How, when, and where did it do so? Does not The Globe know that the protection given the British merchantman two hundred years ago developed the shipping industry of Great Britain so that the United States has never yet been able to compete with it on the sea? And here is another suggestion. Let The Globe study the lake shipbuilding of the United States. The gross tonnage that passes Detroit every year is greater than the shipping trade of Great Britain at Liverpool and London combined can show. Does that look as though the United States had killed its shipbuilding by a tariff? The