

income assessed in Great Britain increased from £115,000,000 at the beginning of the century to £130,000,000 in 1815, £251,000,000 in 1843, and £262,000,000 in 1853; and then in the United Kingdom, from £308,000,000 in 1855 to £396,000,000 in 1865, and £571,000,000 in 1875. If the capital of that portion of the income derived from capital had only progressed at the same rate, the annual increase of capital all through, and especially of recent years, must have been enormous. The increase in the income assessed between 1865 and 1875 amounted to £175,000,000, which was equal to forty-four per cent. of the income assessed in 1865. Leaving out altogether the capital not yielding income, a similar increase of capital, assuming the present amount to be what he had stated, would give us from 1865 a total capital of about £5,200,000,000, on which the increase at forty-four per cent. would be £2,228,000,000; or, in round figures, £230,000,000 per annum. The foreign investments, though they were very large in the years before 1875, were by no means the chief part of the national accumulations. Our main savings were at home. Before the nation could be said to be living on its capital, it must be shown that not only was capital being called in from abroad, but that more was so called in than was being simultaneously invested at home. He had not seen this point considered by any of those who had made suggestions that the nation was living on its capital."

An American writer commenting on this remarked:

"Here you have two proofs, out of many, of the enormous internal riches of England in mere money! Fifteen hundred millions of dollars in the public and private banks, drawing little and some of it no interest, and a recent annual accumulation of over \$3,000,000,000."

That was the country supposed to have been ruined by Free-trade, and which, he ventured to assert, as he had asserted before, was only waiting for a revival of the trade of the world to begin once more to pursue her course of prosperity. But they must also glance for a moment at the statement made as to the cause of the depression in England, and the character, to some extent, that depression assumed. Free-trade had the effect in England of creating a result, to a certain extent, similar to that which arose under Protection in the United States, although from natural causes. Free-trade in England had the effect of making her so great a manufacturing community, that she was able to manufacture more cheaply

than any other nation in the world. In consequence of that very cheapness her manufacturers became impressed with the idea—an idea very largely justified by the result—that they had a monopoly of the world's trade. The consequence was that they did not keep pace with the times, and that, in many articles, they were beaten by other nations; and, moreover, that their workmen and employes became convinced that they had a monopoly of labour also; and, as a result, they had seen in England from time to time not only the most ignorant opposition on the part of the employes of the great manufacturers to new inventions, sometimes amounting to refusal to adopt what were known as "Yankee notions," but they had seen also that from time to time thousands of men, whenever trade had been a little more brisk than usual, had turned out on strike, and, consequently, raised the price of the article, and, what was fatal to the prosperity of the country, had deprived the manufacturer of his profits, and induced him to find his profit in the depreciation of the quality of his goods. But the real cause of England's depression was the depression that existed elsewhere. There was no part of the world where the depression did not exist. But there was this remarkable feature in the case of England: the wave of depression struck her last of all. Such were her resources, such were the ramifications of her trade, such was the extent of her commerce, such was the number of her customers, that she was the very last to succumb to the influences of the depression. It was only when the whole commercial world was depressed and the great consuming markets had been affected by that depression, that Great Britain had to succumb and confess to the influence of that depression on herself. They heard a year or two ago of sugar being sent from the United States to England; it was no new thing that cottons were being sent by American manufacturers to Manchester, and he could remember as long ago as he could remember anything the feeling of alarm for the prosperity of England engendered by the arrival of American productions. It was no new thing for American goods