but the one having an established government, and the other (say some neutral territory, under the protection of a powerful neighbor) with no government at all, and therefore requiring no revenue from taxation; and suppose that the only boundary between these two territories was an imaginary line, and that the goods manufactured on the one side of this line paid no taxes whatever, while those manufactured on the other were subjected to a high rate. In such a case it is plain that, if the manufacturers on the one side of the line who paid no taxes were allowed to enter their goods on the other side of the line duty free, they would enjoy advantages for which they had given no consideration; and the position of the manufacturers on that side of the line who paid taxes would be reversed, as they would have paid for advantages which they had not received, namely, protection to their property and labor. Or take another case. Suppose that in two adjoining States both similarly situated in every respect, and both under established governments, only that the inhabitants in the one State were much more heavily taxed than those in the other. In such a case, if the goods manufactured in the lightly-taxed country were admitted duty free into the country that was heavily taxed, one of two things would happen; either the taxation of both countries would have to be assimilated, or the lightly-taxed country would manufacture for both. The former alternative is often an impossibility; the latter would be simply ruin to the heavily-taxed community.

It is no doubt true that, in ordinary cases, commodities pay taxes in the country where they are manufactured; but, on the other hand, these taxes are often remitted when the commodities are exported, and sometimes the export trade is even directly encouraged by a system of bounties. But whether they pay or not is a matter of no moment, so long as the country to which they are exported is none the better for it. In the imposition of taxes on individuals, the State makes no distinction between citizens and foreigners; all are required to contribute alike, regardless of the relation any portion of them may bear towards any foreign power. And so it ought to be with regard to the products of human labor, whether home or foreign. They should contribute alike to the support of the government of the country where they are consumed. Mr. Mill, when arguing against discriminating duties, maintains that whenever an import duty is placed upon a foreign commodity, the home-made commodity should be subjected to a corresponding excise duty, so that the home and the foreign producers shall be on exactly the same footing. This is precisely what we contend for in the interest of the home producer. Mr. Mill, however, forgets that the latter already pays indirectly his fair share of the taxation of the country, and to charge him, in addition, an excise duty on the commodities he manufactures, would be manifestly unfair. This would be taxing the home for the benefit of the foreign producer, a policy which may be disinterested enough, but scarcely commendable for all that.

It is difficult enough at any time to establish manufactures in a new country, but altogether impossible if the local manufacturers are unfairly handicapped. The foreign manufacturer has possession of the market, to begin with. Next he is usually a man of large capital, while the local manufacturers as a rule are men of small means. Once in possession of the