

wealth of the latter. This is not borne out by the facts, which prove just the contrary. In 1860 the six New England states with New York and Pennsylvania which are manufacturing states, returned an aggregate wealth of \$5,123,000,000; in 1880 they returned \$16,228,000,000 an increase of 216 per cent. In 1860 the Western States of Illinois, Indiana, Iowa, Kansas, Michigan, Minnesota, Wisconsin, and Nebraska, which are agricultural states returned an aggregate wealth of \$2,271,000,000. In 1880 the return was \$11,268,000,000 an increase of 366 per cent.

Protection certainly keeps capital at home. Since 1870 thousands of miles of railroads have been built in the States for which the greater part of the material, such as rails, locomotives, etc., were manufactured in the country; had it not been for the tariff the national industries supplying them would not have been in existence and the money would have passed into the hands of the importers. Another thing, the sum thus spent was so great that it would have been impossible to raise it in gold for export, and many roads could not have been built.

In considering these opposing views and the accompanying figures, we cannot fail to be struck by the facts, that wealth has increased enormously under both fiscal policies, and that while wealth has shown a greater increase per cent. in protective America, the greatest increase has been in the agricultural or free trade states. The fact that articles are now produced at a lower cost than when trade tariff was in force, is not altogether due to protection; there has been a lowering of prices the whole world over, owing to increased facilities of production. The fact that when the McKinley tariff went into force, the articles affected by it, took a sudden and upward bound, cannot be lost sight of and bears out the argument of those who hold that you cannot legislate for higher prices in behalf of native productions without obtaining them.

We now come to the third group, namely, "Fair Traders." Under this caption, may be ranged those who look upon a tariff as a means of offence as well as defence, which, while it permits the es-

tablishment and prosecution of home industries, also enables the citizens of a protected country to obtain more favorable treatment in the markets of another. Imperial Federationists, United Empire Trade Leaguers, are of this class, and certainly current events point to the fact that there is a great deal of reason in their views. Starting from the axiom that freedom from restriction in commercial matters is necessary for any nation's welfare, it is natural to conclude that it is the duty of all citizens to work for the adoption of a fiscal policy which will obtain for them the greatest freedom of trade possible. A very cursory examination enables us to perceive which policy is obtaining for its advocates, those results which it was intended to bring about. England has so called "free trade," but she is excluded from the markets of the United States, France, Spain and of her own colonies by prohibitory tariffs; in none of these does she obtain preferential treatment, apparently because she has nothing to offer. With regard to the nations forming the commercial league of Central Europe she is on a different footing; twenty articles are on the free list in Belgium, and she has preferential treatment in the markets of Germany, Austria, Italy, Switzerland. In return for these privileges, England gave something, namely, the "most favored nation treatment in the markets of her own colonies;" that is to say, no colony may lower her duties upon the products of any nation, without granting the same rebate to Belgian and German commodities. On the other hand the United States, by granting concessions, has obtained preferential treatment in the French and Spanish markets. These illustrations most certainly bear out the statement of the Fair Traders, that protection instead of restricting commerce, is on the contrary a most powerful factor in extending it; and there is not the slightest doubt that this view will gain, in weight and adherents just as long as the nations continue to raise tariff walls to decrease imports and then partly throw them down again to enable them to increase their exports.