

THE RATIONAL POLICY.

What Free Trade Has Done for
Britain Since Repeal of
the Corn Laws.

Development of Resources, Extension
of Trade, and Increase of Wealth.

Following is the paper on the "Triumph of Free Trade in Great Britain" read by Mr. Marchant at a recent meeting of the Liberal Association:

There are very few persons who are at all acquainted with the history of Great Britain but will frankly acknowledge that free trade has accomplished wonders in enlarging her shipping trade, commerce and wealth. Even protectionists admit this. Very few, however, except those who have minutely examined this commercial growth and progress have any real idea of the marvelous dimensions of that growth. There are those who endeavor to decry it by asserting that other countries have and are outstripping her, and glancing to the south of the 40th parallel fondly hope that the United States will support the theory. Figures, which cannot lie, unfortunately will not help them. Some persons trace England's commercial greatness to the wars of the past, averring that the maritime and military victories are the real sources of her commercial supremacy. A cursory glance at the history of the mother country will chiefly show that the wars of the past piled up the huge national debt, although it may be admitted that "trade follows the flag."

Other objectors state that the capital of Great Britain is living upon the capital of the past, her loans to foreign nations being repaid, and consequently she is living upon her capital. There are those whose wish is perhaps "father to Great Britain" who declare that Great Britain will soon reverse her policy, because she has had havoc that free trade is working upon all interests, chiefly upon the landed interest. Other points to certain local trades and interests being occasionally affected as proofs of the evils of this fiscal policy. I hope during my address to establish the following propositions:

1st. That Great Britain has since the introduction of free trade largely developed her home and foreign trade.

2nd. That the wages of labor have greatly increased both in amount and purchasing power.

3rd. That by every possible test by which wealth can be measured all classes, but especially the industrial, have greatly increased in prosperity.

In order to establish these propositions I propose to pass in review the well authenticated statistics published in the Statesman's year book, Whitaker's Almanac, and other publications of a similar kind, merely premising that these statistics are compiled from the blue books published by the government of Great Britain.

The first item is that of population. It might be readily supposed that in a thickly populated country like England, where every facility for cheap passages and emigration is provided, the population of countries less populated proportionately than Great Britain have either receded or have developed but little. Here are the figures for Great Britain:

All figures are given from the date when the Corn Laws were repealed when the population was 16,000,000.

Showing a steady and continuous increase from the period when free trade was inaugurated.

Then next the national debt is a pretty accurate gauge of a country's standing financially. In 1855 it was \$32 millions sterling; in 1865 900 millions; in 1875 772 millions; in 1885 671 millions. Free trade has reduced the national indebtedness £161,000,000 in 35 years, or at the rate of 43 millions per year. The debt is less, notwithstanding the taxes on imports have been largely removed. The revenue, however, continues to grow. The tariff for revenue party in Canada has often declared that within limits the lower the percentage of tariff the greater will be the revenue. Great Britain's revenue abundantly proves this position. In pounds sterling the revenues for the different periods were:

1859 1869 1879 1883
Millions. Millions. Millions. Millions.
64.5 71.7 81.2 91.0

Direct taxation is the factor that aids in this expansion, yet the lower customs duties largely help in producing the nation's income.

The wealthy classes have grown wealthier, as proved by the assessed values of their income; an increase resisted in every possible way by the parties assessed, and which is without doubt totally inadequate to their real present wealth. The statistics follow:

1846 1866 1886 1892
Millions. Millions. Millions. Millions.
223 238 253 265.2

Clearly there has been no plundering of the well to do classes, whilst the taxation has been reduced upon imported products.

The poor have not become poorer, but with decreased cost of living have been enabled to increase their savings. The most office savings banks were inaugurated in 1861. Prior to that trustees' savings banks were largely used by small depositors. The totals are as follows:

1846 1866 1886 1890
Millions. Millions. Millions. Millions.
231.7 244.6 297.7 311.3

From Cape Flattery to Port George—Murder Trial.

Minster, Nov. 16.—Schoonered in port this morning from Peter on Cheam Island on which, still in progress, Strong the prisoner's guilt has been

In 1893 the savings increased more than £1,000,000. To the above must be added the large investments of the industrial classes in benefit societies, trades unions, insurance societies, consols, and other means for the investment of small amounts formerly unknown in Great Britain.

Pauperism has steadily decreased. The relief granted to the poor is admittedly better organized and applied than ever before. The truly deserving poor obtain larger grants from the poor fund than ever before, yet pauperism goes down. The number of paupers are tabulated as follows:

1849 1869 1886 1893
1,068,000 1,135,000 1,099,000 979,440

The returns for the present year average less than 900,000. The population increases; the poor decrease.

The criminal statistics are interesting. Just now in British Columbia criminal offences are increasing at a rapid rate, the only remedy for which—the protectionists say—are severer laws and more policemen. The wise plan would be to remove the causes that produce crime, chief of which is undoubtedly trade restriction. The numbers of criminal offenders convicted in Great Britain follow:

1850 1866 1886 1893
45,500 19,800 14,000 12,581

A man has no temptation to steal a four pound loaf of bread if he can buy it for 8 cents and can easily earn the money to pay for it. This is why crime has decreased in England, for the criminal code becomes lighter rather than severer. The Colonist in its editorial this morning has kindly aided my argument. The moral it draws is that education does not diminish crime. Nobody ever supposed that, but we know that bad food and no work will produce crime.

Of course trade expanded. Gladstone's famous aphorism that it increased by leaps and bounds is abundantly proved by the statistics of foreign trade. For the sake of those who have a dim lingering notion that imports and exports bear no relation to each other I have separated them. The student of political economy is well aware that the amount of purchases we make from foreign countries are always counterbalanced by the sales we make. Trade between countries only means an exchange of products, except and only when goods are sent or received in payment of an interest, etc. Clearly, therefore, the larger imports proportionately a country obtains the greater is its wealth; and by similar reasoning the nearer the volume of exports is to the imports the less is its increase of wealth. The imports are as follows:

1854 1866 1886 1891
Millions. Millions. Millions. Millions.
£182 226 250 435

A pretty good showing of a nation's buying capabilities. Yet the exports equally increased:

1854 1866 1886 1891
Millions. Millions. Millions. Millions.
£116 229 239 290

An increase in foreign trade in 37 years of 476 million pounds, or about 13 millions per year. Compare this with 1815 to 1845, when the increase was one million pounds per year.

It must be observed here that the foreign trade, both in buying and selling, has grown in far greater proportions than even the growth of the population. The nation is richer—can therefore buy more; the nation's workers can find more profitable work to do; it therefore sells more. Compare this with the result in protectionist countries:

1880 1890
France 383,000,000 363,000,000
United States 311,000,000 340,000,000
United Kingdom 634,000,000 683,000,000

Thus Great Britain's trade is much the largest, and her trade in proportion to her population is far greater than in the case of either France or America.

If the exports only are taken the figures stand:

Exports from 1880 1890
France 129,000,000 150,000,000
United States 172,000,000 176,000,000
United Kingdom 223,000,000 262,000,000

So that if we take exports only the figures are even more favorable. Great Britain, in order to do this increased business for it necessary to have a large increase in carrying facilities. The number of vessels in actual use rather than the number of vessels built and owned is the truest test of trade and commerce. The actual tonnage entered and cleared for the United Kingdom's foreign trade is as follows:

1846 1866 1886 1891
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12.4 31.3 62.8 74.8

British home trade also requires more ships, notwithstanding the railways are formidable competitors for the expanding trade. The numbers are as follows:

1846 1866 1886 1891
Millions T. Millions T. Millions T. Millions T.
28.7 37.2 51.6 56.9

There does not appear much decadence even in the apparently superseded method of conveyance of home products. The number of persons engaged in shipping had increased in the same period 50 per cent., whilst the employees on shore, stevedores, warehousemen, etc., have become an enormous industrial army.

The railways have played no unimportant part in aiding the interchange of trade and the development of wealth. Perhaps they stand equally as excellent criteria for home as well as foreign trade. The great increase in the mileage, capacity and reliability of this greatest of modern inventions receives its greatest stimulus from the requirements of an increased trade. The receipts from passengers and goods are equally wonderful:

1854 1866 1886 1890
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The wages of labor, judged by money value, have immeasurably increased. It is difficult to quote reliable statistics under this heading, as in the days of restricted trade, fifty years ago, wages for the same kind of labor differed largely in the various sections of the country. Yet it is safe to assert that wages for mechanics, textile workers, artisans and laborers of all degrees have increased from 200 to 300 per cent. during the free trade period. At the same time the purchasing power of the wages paid has marvelously increased also. A pound sterling of to-day would probably buy as much as a pound and a half of fifty years ago, of the necessities of life. The wealth of other nations has been poured forth at the feet of the artisan class of Great Britain, and they have very wisely availed themselves of it. Here are the figures showing the increased purchasing power of the people:

1846 1866 1886 1890
lbs. 1.7 lbs. 3.4 lbs. 4.9 lbs. 5.2

Sugar, which is an article used for manufacture as well as consumption, we consumed and used per head of population in 1846 1866 1886 1890
lbs. 21 lbs. 41.2 lbs. 66.7 lbs. 73.3

Wheat and flour—Per head of population in 1846 1866 1886 1890
lbs. 48 lbs. 105 lbs. 188 lbs. 226

The average price of wheat has gone down to one-half. Unless the people have earned more money it is most mysterious how they have managed to purchase so much larger quantities of products per head than they did in the good old protectionist time. If Great Britain now imposed the same import duty on flour that Canada does she would have paid in 1890 \$32,000,000.

The nation spends more on education than ever. It is difficult to understand in this country how the fine old English gentlemen of the old time objected to the education of poor children. The squires and landlords averred it would be the ruin of the country; that laborers would not do any more manual work; farms would lie waste and manufacturing would have to be closed. From an early time the British government has aided education, but it was not until Gladstone's government in 1870, when Mr. Bruce was home secretary, that the nation laid down the principle of national compulsory education. Hence the growth of popular education is a phenomenon. The attendance at state aided schools in Great Britain is as follows:

1850 1860 1870 1880 1891
225,000 884,000 1,454,000 3,156,000 4,294,000

As the education bill has been partly paid by private persons local rates and the imperial exchequer, it is difficult to give the cost of education. Last year the imperial contribution to education amounted to over forty millions of dollars.

Emigration was at one time advocated as the great panacea for the evils of Great Britain. The statesmen of the mother country for a long time used to give state aid to those who wished to enrich other countries and impoverish their own by emigrating. Happily, men have seen that if the land and trade relations are properly adjusted there is still abundance of room for the willing worker in the mother country. Doubtless has grown in far greater proportions than even the growth of the population. The nation is richer—can therefore buy more; the nation's workers can find more profitable work to do; it therefore sells more. Compare this with the result in protectionist countries:

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small tax upon grain would not increase the price of bread appreciably and would be an immense boon to agriculture. The farmers, too, most unwisely, have in some cases joined in the cry for protection. Yet the agricultural depression is more apparent than real. Difficulties have arisen, but the true solution lies nearer home than an absurd attempt to increase the price of land by an abandonment of the free trade policy. There are three causes that have led to agricultural depression:

1st. High rents, and as a consequence high rates and taxes.

2nd. Low prices of produce, induced by free competition.

3rd. Bad harvests.

It is obvious that the first cause is easily remedied. The high rate placed upon land has already taken place, imposed originally during the protectionist period of 1815 to 1846, a period fraught with universal suffering to the British people, but which benefited little the farmer. The landed interest fought obstinately against the repeal of the corn laws, because they foresaw it would reduce rents. The quick and rapid growth of home industry caused by free trade created a sharp demand for all produce of the farm, and contrary to all expectation, rents were not reduced, but in many cases advanced. The rapid peopling, however, of the large tracts of virgin land in the United States, Canada and Australia, together with increased areas devoted to cereal crops in other countries, with the greatly reduced rates of freight, has made it impossible for the farmer to pay the abnormally high rents imposed by the greedy land-owning class. With the exception that has already taken place in rents—and must still further take place—rates and taxes, which are based upon rents mainly, will also be reduced.

It is ridiculous to suppose that a nation of thirty-eight millions of people will again voluntarily submit to the exactions of a corn tariff, in order to enable landlords to get more rents for their farms. Neither can a nation be expected to make up the deficiency caused by the loss of harvests to a wealthy land-owning class. These are the "facts of God," which railways, steamships and surely a whole people have a perfect right to claim should be borne by the people who own the commodities, goods or land.

The reports of the factory inspectors showed that ten per cent. of the cotton mills, and 12 per cent. of the woolen mills of Lancashire and Yorkshire, were standing idle; and that of the rest only one-fourth were working full time. Cobden showed, in answer to Sir Robert Peel, the stocking frames of Nottingham were as idle as the looms of Stockport; the glass-cutters of Stourbridge and the gloves of Yeovil were undergoing the same privations as the cutlars of Stoke and the miners of Staffordshire, where 25,000 men were destitute of employment. He knew of a place where one hundred wedding rings were pawned in a single week to provide bread, and of another where men and women subsisted on boiled nettles, and dug up the decayed carcass of a cow rather than perish of hunger.

Such was the state of things which existed under a system which was called protection.

In those days the population of Great Britain was about fifteen millions; it is now thirty-eight millions.

Great Britain's loans to foreign nations are simply astonishing. An extract from the Colonist newspaper a few days ago, which was culled from an English journal is here given: "Foreign nations have, during the last 30 years, added £3,000,000,000 sterling to their debts, and the British people are the great lenders, and as they have lent money to 56 nations it is supposed those nations owe us £2,000,000,000."

The fact that judged by every test, weighed by every balance, gauged by every measure, the policy of free trade