

moderate time in the United States has been exceeded, and if the cotton and iron of America still need protection against those of the other hemisphere, it is in my eyes a complete proof that they ought not to have it, and that the longer it is continued the greater the injustice and the waste of national resources will be.

"I confine myself, on the present occasion, to the one special point which you have referred to me, and do not enter into the fallacies of Protectionism generally, or of American Protectionists in particular. But, since you pay me the compliment of thinking that what is said in my *Principles of Political Economy* is read and listened to by some Americans, I beg to recommend to your notice the further explanations which I have added to the passage quoted by you, in the last published (the People's) edition of that work. I have directed the publisher to send you a copy, and if the important journal with which you are connected is pleased to attach any value to my opinion on the subject, that opinion will be found much more completely stated, with additional replies to Protectionist arguments, in pp. 556 to 558 of the People's edition.

"I am, dear sir, yours faithfully,

"J. S. MILL."

#### JOHN STUART MILL ON PROTECTION IN NEW COUNTRIES.

The following is the extract to which Mr. Mill calls attention :

"In countries in which the system of Protection is declining, but not yet wholly given up, such as the United States, a doctrine has come into notice which is a sort of compromise between Free Trade and restriction, namely : that Protection for protection's sake is improper, but that there is nothing objectionable in having as much Protection as may incidentally result from a tariff framed solely for revenue. Even in England, regret is sometimes expressed that a moderate fixed duty was not preserved on corn, on account of the revenue it would yield. Independently, however, of the general impolicy of taxes on the necessities of life, this doctrine overlooks the fact that revenue is received only on the quantity imported, but that the tax is paid on the entire quantity consumed. To make the public pay much, that the treasury may receive a little, is not an eligible mode of obtaining a revenue. In the case of manufactured articles, the doctrine involves a palpable inconsistency. The object of the duty as a means of revenue, is inconsistent with its affording, even incidentally, any protection. It can only operate as protection in so far as it prevents importation ; and to whatever degree it prevents importation, it affords no revenue.

"The only case in which, on mere principles of political economy, protecting duties can be defensible, is when they are imposed temporarily, (especially in a *young and rising nation*), in hope of nat-