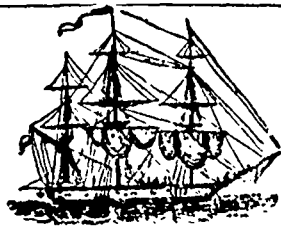


CANADIAN ECONOMIST.



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MONTREAL, SATURDAY, 13TH JUNE, 1846.

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THE CANADIAN ECONOMIST.

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AGRICULTURAL PROTECTION.

We are sensible that by our repeated discussion of certain topics connected with Free Trade, we lay ourselves open to the charge of not sufficiently catering for the varied tastes of our readers; but there are, in fact, some fallacies which obtain such general credence that they can only be eradicated from men's minds by their reiterated investigation.

Of all the erroneous opinions which prevail in relation to our fiscal system, we know of none so pernicious in character, or so indefensible in principle, as those which relate to Protection to Agriculture, as it is designated, since we defy the most strenuous advocates of the agriculturalist to assign any reason why this particular branch of industry,—important though it doubtless is—should be fostered and encouraged at the expense of others.

It is true, that at one time the opinion prevailed, and became the foundation of what in political economy is styled "the agricultural system," that the earth is the only true source of riches, since she alone produces a quantity superior to that which is consumed to operate a re-production. Thus, a grain of wheat, or a seed of any other plant, is sown, and the produce is perhaps an increase of fifty or a hundred fold; whereas manufactures merely modify the forms of agricultural productions, and commerce merely transports commodities from one place to another, but neither furnishes any addition to their quantity. Hence the division of mankind into the classes of productive and non-productive—the former, the agriculturist; the latter, the manufacturer and the merchant.

It may be considered hardly necessary here to refute the error in the above classification. "The labourer," say the sticklers for agriculture in preference to manufactures or commerce, "who, in consuming one bushel of wheat, produces five, furnishes an amount of real wealth in the four bushels beyond his consumption; whilst the artisan and the merchant produce nothing, the value which their labour adds to the material which they transform or transport being simply the value of the materials which they consume during their labour."—What is this but to say that riches consist alone in matter, without reference to its purposes? Now matter does not possess value simply as matter, but because it possesses utility; and if it can alone become useful through labour, that labour is as essential an element of its value as matter itself. In their natural state, very few agricultural productions possess utility: it is the labour which is bestowed on them which gives them their value. Thus, wheat is not itself wealth, but because it may be made into bread, and so become an article of food: flax or cotton wool are not in themselves wealth, but because they may be manufactured into cloth, and so become articles of clothing. It is the labour bestowed on them which gives them their utility and real value.

But, in fact, there is a fundamental error in this dogma of the agricultural system, that agriculture is productive, and manufactures and commerce non-productive. This error is ably exposed in Say's "Treatise on Political Economy." He observes—

"The mass of materials out of which this globe is composed, is never either increased or diminished; there is neither lost nor created a single atom. I sow a grain of wheat: it produces twenty, it is true, but I do not derive them from nothing: it determines an operation of nature, by which different substances, hitherto diffused through earth, water, and air, are changed into grains of wheat. These different substances, so long as they are separated, are of no value, but acquire value on becoming grains of wheat."

Thus agricultural labour, like that employed in manufactures or commerce, is only employed in educing from matter, utility or value; and hence any preference of the agricultural over the manufacturing or the mercantile class, is unjust, and contrary to sound principles.

But is there any circumstance, indigenous to this country, or growing out of its political or social relations, that justifies this agricultural protection? Protection to any branch of agriculture, manufactures, or commerce, involving as it does the manifest injustice of taxing one class of a community for the support of another, can only be vindicated under the plea that the interest, so to be protected, labours under some temporary disadvantage, which can only be combated by such protection. We designedly say *temporary*, because if the disadvantage be permanent, it is contrary to the maxims of sound policy, that encouragement should be afforded by the state to any branch of industry, which, instead of adding to the sum of national wealth, will detract from it.

Now we put it to the agriculturists of Canada themselves to shew what grounds they have to ask for national assistance, and to assign a reason why they are unable to compete with their neighbours across the lines. Are the lands on the Canadian side less fertile than those on the United States side of the Upper Lakes? Are the lands of Canada subject to imposts from which those of the United States are exempt? Are our Customs duties on imports, and our local taxes, more onerous than theirs? By what, then, is the plea of protection against the United States farmer supported?

We have certainly heard a most singular reason, if we must dignify it by that appellation, assigned, and that by our Legislative Assembly, forsooth, that our agriculturists demand it, "as a counter-protection to the duties levied in the United States" on Canadian produce! Now this is manifestly absurd as an argument, because, if we can supply our neighbours so cheap as to make it on their part an act of necessity to lay heavy imposts on our products in their markets, it is evidently unnecessary for us to guard against their goods coming here to interfere with our agriculturists: if, on the other hand, the United States farmer can produce cheaper than the Canadian, the duties in the United States are a mere *brutum fulmen*, nugatory in their character, and of course requiring no counteracting legislation. The truth manifestly is, that this war of tariffs is injurious to the interests of both countries, because it tends to frustrate the bounties of Providence, by imposing impediments in the way of the people, to prevent their drawing their supplies of the necessaries of life from the cheapest markets.

In a former number we pointed out pretty fully the evils which have resulted from the imposition of the duties on Wheat and Flour, a measure which could only be justified by the inducement which was held out to us of an advantage in the British market, consequent on it. That advantage being about to be withdrawn, we sincerely hope that, next session of our Parliament, the impost will also, as well as all the other extravagant and absurd duties levied under our Agricultural Protection Act. But while we express this hope, we cannot do so with confidence, since the majority of our legislators appear to be led astray by this *ignis fatuus* of Agricultural Protection; and whilst the statesmen of the mother country are directing all their efforts to loose the bonds, and throw off the shackles, which have weighed down the labours of every class, whether agricultural, manufacturing, or mercantile,—our legislators appear wholly bent on riveting the chains which bind us. From those legislative halls, to which we ought to look with confidence and respect, we have heard doctrines propounded which might have passed unquestioned in the darkness of ages gone by, but which are altogether unfit for the spirit of the present day. An honourable gentleman, let us charitably hope through ignorance, is reported to have designated as "*maniacs*," those persons, amongst whom we class ourselves, who see the necessity of a change in the commercial policy of the country, to meet the change in her position consequent on the passing of the Free-Trade measures in England. It may suit the interests of our statesmen, too much occupied with the party politics of the day, and the struggles for power and place, to postpone to the last moment the consideration of those vital questions which will shortly be forced upon them; but we warn them, that a crisis is approaching, which will awake them from their lethargy, and require all their energy and talent to meet.