

keeping up by import duties the price of articles that are produced at home. The general policy, on the contrary, of letting foreign goods compete on an equality in the markets of a country with its own produce, whether raw or manufactured, is what is meant by free trade; and the rival policy, properly known as 'protection,' is what has been advocated in this country since 1908 under the name of 'tariff reform.' This last name was oddly borrowed from the free trade movement in the United States, which calls for 'tariff reform' in the sense of cutting down the high existing tariff, or schedule of protective duties on imports. In Britain the label has been made to mean the setting up of a new protective tariff. At present (summer, 1919) there is no clear official or organised policy of protection before the country; but there has been embodied in the Budget a plan called 'imperial preference,' under which things already taxed (whether under the special war duties which were set up to *check* imports or under the standing duties on liquor, tea, tobacco, etc.) are allowed to enter at lower rates when they come from British possessions beyond seas.

It is commonly understood that this plan is chosen as a first step towards setting up new import duties on foreign manufactured and semi-manufactured¹ goods; and the purpose of this book is to inquire, as carefully as may be, whether that

¹ Such as leather, pig iron, tin and other metals, which are really the raw material of great industries.