



A TRADE POLICY FOR THE EMPIRE

By a Member of the British Empire League.

The Need of One.

Whoever will frame, agitate for, and carry out a commercial policy suited to the needs of the British Empire will deserve well of his own day, and enjoy the favor of posterity. The new commercial conditions that surround us in 1899 call for the exertions of the statesman and the political economist. In 1846 Richard Cobden propounded, and Sir Robert Peel put into effect, the commercial policy best adapted for developing at that period the trade of the British manufacturers—free raw materials and cheap food. But conditions have completely altered: German and American competition is steadily depriving Britain of her supremacy in foreign and colonial markets; nations are building up their own trade by methods which may not be theoretically sound, but which are effective; free raw materials and cheap food no longer insure to Britain an adequate share of the world's trade. The reasons given for decaying British commerce are chiefly these: First, that British manufacturers do not consult sufficiently the tastes of foreign and colonial customers; secondly, that British goods are, in some lines, not as cheap as foreign goods. The fact is undisputed that British trade is on the decline.

Objections to Seeking a Remedy.

A majority of British public men are indisposed to advocate Protection. The electors in the mass do not fully understand the problem, but they want to be sure of as good wages and as steady employment as they have now. Probably an improvement in these respects would have to be demonstrated to them before they would favor any duties on foreign breadstuffs. A revival of Protection, even as a necessary weapon to compel reciprocity in foreign tariffs, would not be popular with the highly educated men who govern Great Britain. Some of them deem Protection an economic fallacy. All of them know that a protective tariff is an extremely complicated affair to arrange, the question of determining the various rates of

duty and of deciding what is raw material and what is not, being perennial problems that the wisest and most practical men find hard to solve. Besides, the immense investments of British capital abroad tend to the continuance of the present simple policy of

Free Imports. Still, its faults are visible. Commodities like tea and tobacco, which the colonies do and may supply, are heavily taxed. Colonial food products have to compete with foreign products in the British markets—with freight rates favorable to the foreigner. The bulk of imported food is of foreign origin, a potential danger in time of war. These, and other faults of the system of Free Imports are generally recognized. There is, as yet, no general agreement as to the right remedy.

Agitations for a Change.

The dissatisfaction with the present condition of affairs set in about 20 years ago, when the beneficial effects of the Free Import system of Cobden largely ceased to operate, and its evil effects began to manifest themselves. Depression in agriculture and manufacturing has given rise to several organized movements in favor of a change. The Fair Trade movement which began in 1881, under the auspices of Lord Masham, Lord Dunraven and others, fought strongly for duties on foreign corn and manufactures, but not on raw materials. A Royal Commission to inquire into the causes of depression in trade was appointed in 1885. It took evidence showing the effects of competition, of overproduction, of the rise in gold values, and the fall of prices, and finally reported in January, 1887. A majority of the 24 Commissioners declined to favor duties on foreign products. Several agitations have taken place under the auspices of farmers and landowners forming the National Agricultural Union, especially in 1887 and 1893. The question of the food supply in time of war was investigated by a Commission in 1897, when evidence upon agricultural depression was taken. The United Empire Trade League was organized in 1891 by Colonel Sir Howard Vincent, M.P. for Central Sheffield, Mr. James Lowther, M.P., and other protectionists who advocate a Commercial Union of the British Empire on a preferential basis. In Canada, this movement has taken deep root. The Canadian branch of the