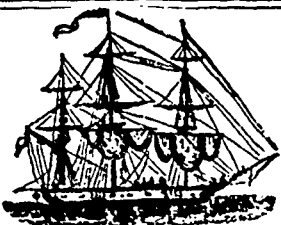


# CANADIAN ECONOMIST.



## FREE TRADE JOURNAL, AND WEEKLY COMMERCIAL NEWS.

Vol. I.]

MONTREAL, SATURDAY, 23RD MAY, 1846.

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### CONTENTS.

- |   |   |
|---|---|
| 1.—Is British Connexion Endangered by Free Trade? | 7.—Bankrupts.                                 |
| 2.—The Two Interests.                             | 8.—Intelligence—General and Local.            |
| 3.—Free Trade in London Twenty five Years ago.    | 9.—Parliamentary Proceedings.                 |
| 4.—Mr. Isaac Buchanan and his Letters.            | 10.—Shipping Intelligence.                    |
| 5.—M. Guizot on Free Trade.                       | 11.—Markets.—English, New York, and Montreal. |
| 6.—Miscellaneous.                                 | 12.—Prices Current, &c.                       |
|   | 13.—Advertisements.                           |

## THE CANADIAN ECONOMIST.

MONTREAL, SATURDAY, 23RD MAY, 1846.

### IS BRITISH CONNEXION ENDANGERED BY FREE TRADE?

In sending forth the first number of the "Economist," we stated as a rule which would govern the management of this paper, that it would not interfere with purely political questions, but that it would confine itself to the discussion of certain great commercial principles which are now agitating the world, and to the probable effects those principles are to have on the welfare and prosperity of the Colony. We conceived this to be necessary for two reasons—first, because we are aware that it is become almost a fashion in Canada to give a political complexion to every thing; and secondly, because we feel that the cause we have taken in hand is too precious to be jeopardized by a suspicion even that its interests are not entirely those of the great mass of the people. If, therefore, anything like a political spirit has been introduced into the discussion of Free Trade questions, we are not to blame. We have never spoken of Colonial disconnexion as the result of Free Trade principles, or darkly shadowed forth a future which we fervently hope and believe will never arrive, when Canada will regard with other feelings than those of deep-bound attachment the kind mother who has watched over her infant growth. No, if such terms have been introduced into the discussions of the Free Trade question, it is by the Protectionists and not by us, and if we now—against our ordinary practice—refer to such subjects, it is only that we may declare our total dissent from the views which have been expressed on this head, and show, as far as it is in our power to do so, that no such results are to be feared.

We need hardly say that a separation of the Colony from the mother country could only be brought about by one of three distinct and different operations. First, by the action of the mother country in deciding to throw off the Colony. Secondly, by the action of the Colony in deciding to throw off the mother country; and Thirdly, by agreement of the two, resolved on for their several interests, and carried out in a spirit of kindness and mutual consideration.

Now in regard to the first—the action of the mother country in throwing off the Colony,—we are not aware that any indications of such a step have ever been made or that the Protectionists entertain any very great apprehension, concerning it. It is, however, true that if the present protective system were long kept up, and the people of the mother country found themselves heavily taxed to maintain a colonial establishment from which they considered that they derived no adequate benefit in return, it might become, and doubtless would become a question, whether the connexion should be continued, and in that case there might be reasonable grounds for apprehending that England would give up the Colony. That she would—with all her feelings in our favour—allow her trade with other countries to be fettered in order to maintain our monopolies is, we think, what we could neither hope nor expect in justice, however much the interested views of a few may lead them to desire it. If, then, the connexion is to depend on the maintenance of protection, we can easily imagine that it may be perilled, and that by the action of Great Britain herself—but this, we need scarcely say, is not what the Protectionists mean when they talk of danger to British connexion.

The second means by which a separation could take place is, as we have stated, the action of the Colony itself. For such a state of things to be brought about, we must suppose, not only that

greater commercial advantages are expected from the change, but that the political institutions of the United States are held to be preferable to those we now possess, and in favour of which it is only reasonable to conclude, all our feelings and prejudices are enlisted. We will suppose, however, for the sake of argument, that no political considerations existed, and then enquire what possible reason Canada could have for desiring to change her allegiance. Such reasons must be based on superior commercial advantages—on the presumption that she could obtain a dearer market for her products, and a cheaper market for her supplies, than she would have, under a system of Free Trade, with the mother country. Now we think we have shown pretty conclusively in former numbers,—first, that prices are not likely to be materially affected in the home market by the withdrawal of protection; and secondly, that any difference that does take place will be fully made up to the producer in this country, in the lower rate at which he will be enabled to obtain some of the articles he is now compelled, under a system of differential duties, to take from Great Britain, and which he could obtain much cheaper elsewhere.

Free Trade in England, as has been well observed, means also Free Trade in the Colony, with all the world. The privilege which England demands for herself—to buy in the cheapest and sell in the dearest market—she cannot deny to Canada. If she takes from us protection for our timber and corn, she cannot, and is too just to desire it, maintain it for her own manufactures. There must be an equitable adjustment of interests, and it will be strange, indeed, if with the power and disposition to benefit us, Great Britain should leave us any reason to desire a termination of the connexion. We are to sell in the dearest market—where will that market be? Not, we contend, the United States—itself a corn exporting country, against which the Canadian farmer is receiving, and is clamorous for protection.—We are to purchase in the cheapest, and to what other market can we go for the bulk of that which we require, but to England, which, in spite of a high tariff, supplies the United States itself, with her manufactures to the amount of eight millions a-year, and which is in a situation to invite competition, under a system of Free Trade, with every country in the world.

The third means by which a separation is to be effected, is by the mutual consent of Colony and mother country, and the causes by which this could be brought about are necessarily included in what we have stated in considering the other two questions. It is only a different and more amiable way of effecting the same result, and we do not, therefore, consider it necessary to dwell on it.

There are, however, some other considerations involved in this question, which we cannot consent to overlook, and foremost amongst these is the idea which seems to be commonly entertained, that Colonies and protection go hand in hand, and that it is out of the common nature of things that the one should exist without the other. If by this is meant the kind of protection involved in regulating and discriminating duties, and in the vexatious adjustment of interests which will not be adjusted, then do we most emphatically record our dissent from any such proposition. Such a system may build up Colonies, but it will never keep them. The time will surely arrive when the interests of one or both of the parties will be found incompatible with such an arrangement—when protection will either be withdrawn by the mother country, or the Colony will revolt from the shackles with which its commerce has been surrounded by the interested policy of the parent State. An engagement concluded on such terms, never yet long pleased both parties, and in the irritation which is sure to result from the constant re-adjustment of commercial tariffs, there is always danger to be feared. Up to a certain point, it is true, everything goes on prosperously and smoothly. With little commerce to boast of, the dependency is aggrandized by the exclusive market of the parent country, and enriched by the outlay that the former is content to make in the hope of future repayment. But with the growth of the Colony, other ideas are sure to spring up: new interests present themselves, incompatible with the commercial views of the parent State, or inconsistent, it may be, with the relation which has up to that time existed between the parties. Then it is that the struggle commences, a struggle such as that which ended in the loss to England of her old Colonies on this Continent,