

SPIRIT OF THE COMMERCIAL AND INDUSTRIAL PROGRESS.

DEFENCE AND PROTECTION OF INDUSTRIES.

The law of International Protection is the precise analogue and equal of the law of civil or personal protection, and both are absolutely essential to the distinct and permanent existence of nations. If international commerce is to be maintained, and the same government could regulate and control all the inhabitants of the world, there would be no separate nationality to defend and no protection necessary. But the very statement of the case is enough; distinct nationalities must continue to exist, and must continue to preserve such balance of power and national security of interests as shall suffice to maintain their independent existence. Nothing is so forcibly illustrated the present necessity to control industrial interests as elements of international struggles for power than the present efforts in England to defeat the tariff from the French general tariff, and to obtain an extension of the Cobden treaty Germany was the first to move in the recent reaction against the policy of free trade in industries unprotected; Spain followed, with still more decided restrictions, and now France has gone farther than either in a course which, for the time, rests most severely on England. To restrict these nations to be prohibited from simply defending themselves from the exhaustion and waste to which they found themselves subjected under Free Trade is the first right and next the duty of every nation to protect its resources from waste. It is its right to regulate commerce with foreign countries, to levy taxes and to provide for the common defence. And in levying taxes, it has a claim of right to restrict the trade of the consumer of imported merchandise pays the duty levied, it is still but another form of levying the taxes necessary for the common defence. This right is the basis and the reason of its discretion only. All that has been done by the United States in the enactment of tariffs called protective is justified on the first named ground of an overruling necessity to provide for the common defence; but it is also justified on the further ground that it has saved the people from a vast system of wasteful purchases abroad, and has promoted the growth of industries that signify wealth to the people. It is a question of national benefit which are without an equal in the social life of Europe. We propose to illustrate this feature of the case by showing to what proportions some of our industries have increased since the incidents of a sound policy may become when a liberal government does its duty, and an enlightened people become free to act. In Europe it is rare to find all the industrial nations on the same level, the government on either side can enact a liberal law, and with all the admirable skill and enterprise thrown into industries there, the people are still unable to raise the standard of living to be known here. Let us see whether our people improve the opportunities opened to them. The most recent of the great industries to obtain a footing here is that of silk—some in which it is ready to admit that we have not the skill to begin their manufacture 18 years ago. At first some of the simpler forms were attempted—thread, twist, sewing silks, etc. New processes and improvements were brought to the aid of the old, and the highest standard, and now none are imported, while a vastly increased consumption is more cheaply supplied than could be possible through importation. It is now in the hands of the people, chiefly in Connecticut and Massachusetts, engaged in this manufacture alone, and prices are fixed by competition, there being more imported. The value of this product alone, as reported in the census for the year ending May, 1876, was \$7,716,385. The total value of silk goods made in the United States in the census year was \$40,917,678, while for the fiscal year ending with June, 1880, the value of silk goods imported was \$1,000,000. To show the extreme importance of the relief afforded by the establishment of these manufactures, it will be seen that in the food of the populations following the war, and by the savings that were exhaustively drained of its gold, silk had a prominent place, the value of silks imported in 1865-66 being \$37,362,904. This increased rapidly until 1871-72 it was \$36,428,618, and for the ten years from 1871 to 1880 (fiscal years), the aggregate value of silk manufactures imported was \$27,673,545—a potent influence in draining the country of its gold, and a great practical result. The general result already is that an industry starting in the germ but a few years ago is now supplying the country with forty millions of dollars' worth of goods annually, and saving no small amount have been imported, and saving no less than three hundred millions in a decade, that would inevitably have been paid away in gold—for we sent very little of agricultural products to other countries, Italy and Switzerland. What folly so great as to suggest an abandonment of the policy of defence—called protection—under which this relief would come—the destruction of this great aggregate of

domestic wealth and the restoration of the foreign dependence on the antiquated methods for the bulk of silk goods? In this new element of industrial independence almost all parts of the country share. New Jersey leads with fifteen millions in value, Pennsylvania follows with nine millions, and New York and the New England States each add as much more to make up the forty millions of the census. And to supply these industries with raw materials, the value of goods exported from New York each year imported from China and Japan, not included in silk manufactures above—the entire country south and west is now moving in the business of growing it. It is easy to say that it cannot be done successfully, but the same skill and energy that have been applied to the manufacture of silk by the use of new and superior machinery can be applied to the rearing of the silkworm. The growth of the raw silk industry in other cases an industry is established which vindicates the justice and necessity of protective laws in a most remarkable manner.

FREE TRADE QUESTION IN ENGLAND.

(Toronto Mail.) The English and French commissionaires entered into the negotiation of a fresh commercial treaty having thus far failed to arrive at more than the threshold of the subject, M. Gambetta and his colleagues have agreed to the continuance in force of the present treaty until next spring. The French commissionaires showed no disposition to make such concessions as could be accepted by England, and as regards the main part of the tariff their proposals were more protectionist than the English. The national tariff, and they admitted no modifications. Meanwhile the agitation for retaliation daily gathers force in the United Kingdom. The National Free Trade petition, which was obtained by presentation to Parliament of petitions signed by about 60,000 persons, demanding fair trade as against the so-called Free Trade. At Bradford, says a local journal, the petition, which there received 29,000 signatures, was signed in the streets, the whole of the working classes being most enthusiastic in the matter. The Times sums up the situation as follows: "The matter we think of is the existence of a retaliatory duty among our manufacturers and its influence on the negotiations are certainly becoming apparent." The Liverpool Courier says: "The silk trade was one that suffered under the tariff, but legislation, but the cotton, woolen and iron trades are now suffering also, and hence we may hope ere long for a general redress of all industrial grievances, and the means to avoid the national bankruptcy into which we are apparently drifting. Our position in reference to Free Trade is at present something like that of the owner of a house that is being built on a bad premise without paying rent and rates, while he cannot do business in the market belonging to that rival without hiring a stall." London Observer speaks out plainly: "It would be idle to deny that the difficulty in which we find ourselves placed by the conflict between our own economical policy and that of the world around us has done much to shake the confidence of England in the doctrine of Free Trade." Now, indeed, it is to be denied that events have done something to modify the view with which these doctrines are regarded even by the friends of the latter. It is becoming evident, even to some of the most devoted adherents of the Free Trade system, that its advantages, completely demonstrable as they are in theory, have been in some measure obscured by a little regard to their practical application. One by one our markets are being closed against us by the prohibitory policy of the States whom we hoped to have raised to our own economical level, and we are every day being confronted more closely with the prospect of finding ourselves in the deplorable position of a nation of consumers without purchasers. America has long been closed against our trade; our own colonies have been allowed to impose nullitary tariffs on the mother country's manufactures; the German and Austrian Governments have raised, and the French Republic has raised, and the United States has raised, higher and higher the barriers of their protective systems. Our food, our clothing, the necessities, and even the simpler luxuries of life, may be as cheap as you please, but it is not so with the articles of luxury, and must work before he can buy; and our Free Trade system does not prevent the fulfilment of these preliminary conditions, and the more and more difficult year by year.

There are already three examples in the field upholding retaliation as against free trade. The manufacturing districts are throughout around Birmingham, Manchester, Rochdale, and Bradford, formerly the home of free trade, are the leaders in the agitation, irrespective of Conservatism or Liberalism. In the agricultural districts, the agitation is also at its most every gathering. At the late meeting of the farmers' alliance at Clonestree, Mr. Snowball, a well known Gloucestershire farmer, opposed the objects of the alliance, and declared plainly for protection for agriculture. The Essex Agricultural Society last week, Sir H. Selwin-Ibbetson, a member of the last Ministry, referred to the signs of a combination of townpeople and agriculturists against the free trade. "A rift in the clouds" of commercial and agricultural depression. Mr. Baring also spoke on the advantages of the home market. Industries such as sugar, iron, and steel, are being protected from countries giving bounties to their manufacturers, are receiving due attention. At a large meeting in London, held under the auspices of the National Executive Committee, resolutions were passed of a retaliatory character, to which several members, including Mr. Eckroyd, the recently elected protectionist member for Preston, spoke. In regard to making retaliation the first question at the next elections, the Saltdon Conservative Association leads the van. At a recent meeting to select parliamentary candidates this was made a test question. The Birmingham Gazette taking English experience, shows the effects that they had hitherto, like all free traders, entertained two fallacies: (1) That remissions or reductions of duties necessary to the maintenance of an employment, and (2) that the duties paid by the consumer on the first point it says: "The old belief was that every remission or reduction of duty would at once benefit the consumer. It is now found that a yard from French silk or 16 cts. of gold on French wine and 5s per barrel on French wines and brandy, the English consumer would reap the whole benefit, and would buy that which he required at the reduction. But the work of the free trader. Our abolition of the duty on kid gloves had one certain result. It destroyed the glove manufacturers at Worcester. But did it reduce the price of kid gloves to the consumer? In fact that in 1850 the best Paris kid gloves were sold at 3s. 6d. per pair, and that they are now sold at 6s. per pair? Is French brandy lower in price? England has not sold now kid gloves with France. It only made one deduction with France. But do we, the consumers, get the reduction which has been made from the duty? It is champagne cheaper than wine? Lyons silk sold at a low price? We have seen it becoming evident, even to some of the most devoted adherents of the Free Trade system, that its advantages, completely demonstrable as they are in theory, have been in some measure obscured by a little regard to their practical application. One by one our markets are being closed against us by the prohibitory policy of the States whom we hoped to have raised to our own economical level, and we are every day being confronted more closely with the prospect of finding ourselves in the deplorable position of a nation of consumers without purchasers. America has long been closed against our trade; our own colonies have been allowed to impose nullitary tariffs on the mother country's manufactures; the German and Austrian Governments have raised, and the French Republic has raised, and the United States has raised, higher and higher the barriers of their protective systems. Our food, our clothing, the necessities, and even the simpler luxuries of life, may be as cheap as you please, but it is not so with the articles of luxury, and must work before he can buy; and our Free Trade system does not prevent the fulfilment of these preliminary conditions, and the more and more difficult year by year.

inflicted by our commercial relations with the foreign countries, and to the ruin of that industry to which it is the face by its maintenance. In fact, the whole of our policy since the abolition of free trade, step after step, protection to native industry, has as a natural consequence, shown us the same result. It is felt throughout the workshops of the United Kingdom. Not only have we opened our markets wholesale to the foreign competitor, but we have been the losers of our own industry. The main points of defaulting ourselves. Yet Ministers refuse to rightly interpret the lines that are written on our own manufacturing walls. The feeling that has become usual in England on the question of foreign reciprocity will not be easily quieted. There are already three examples in the field upholding retaliation as against free trade. The manufacturing districts are throughout around Birmingham, Manchester, Rochdale, and Bradford, formerly the home of free trade, are the leaders in the agitation, irrespective of Conservatism or Liberalism. In the agricultural districts, the agitation is also at its most every gathering. At the late meeting of the farmers' alliance at Clonestree, Mr. Snowball, a well known Gloucestershire farmer, opposed the objects of the alliance, and declared plainly for protection for agriculture. The Essex Agricultural Society last week, Sir H. Selwin-Ibbetson, a member of the last Ministry, referred to the signs of a combination of townpeople and agriculturists against the free trade. "A rift in the clouds" of commercial and agricultural depression. Mr. Baring also spoke on the advantages of the home market. Industries such as sugar, iron, and steel, are being protected from countries giving bounties to their manufacturers, are receiving due attention. At a large meeting in London, held under the auspices of the National Executive Committee, resolutions were passed of a retaliatory character, to which several members, including Mr. Eckroyd, the recently elected protectionist member for Preston, spoke. In regard to making retaliation the first question at the next elections, the Saltdon Conservative Association leads the van. At a recent meeting to select parliamentary candidates this was made a test question. The Birmingham Gazette taking English experience, shows the effects that they had hitherto, like all free traders, entertained two fallacies: (1) That remissions or reductions of duties necessary to the maintenance of an employment, and (2) that the duties paid by the consumer on the first point it says: "The old belief was that every remission or reduction of duty would at once benefit the consumer. It is now found that a yard from French silk or 16 cts. of gold on French wine and 5s per barrel on French wines and brandy, the English consumer would reap the whole benefit, and would buy that which he required at the reduction. But the work of the free trader. Our abolition of the duty on kid gloves had one certain result. It destroyed the glove manufacturers at Worcester. But did it reduce the price of kid gloves to the consumer? In fact that in 1850 the best Paris kid gloves were sold at 3s. 6d. per pair, and that they are now sold at 6s. per pair? Is French brandy lower in price? England has not sold now kid gloves with France. It only made one deduction with France. But do we, the consumers, get the reduction which has been made from the duty? It is champagne cheaper than wine? Lyons silk sold at a low price? We have seen it becoming evident, even to some of the most devoted adherents of the Free Trade system, that its advantages, completely demonstrable as they are in theory, have been in some measure obscured by a little regard to their practical application. One by one our markets are being closed against us by the prohibitory policy of the States whom we hoped to have raised to our own economical level, and we are every day being confronted more closely with the prospect of finding ourselves in the deplorable position of a nation of consumers without purchasers. America has long been closed against our trade; our own colonies have been allowed to impose nullitary tariffs on the mother country's manufactures; the German and Austrian Governments have raised, and the French Republic has raised, and the United States has raised, higher and higher the barriers of their protective systems. Our food, our clothing, the necessities, and even the simpler luxuries of life, may be as cheap as you please, but it is not so with the articles of luxury, and must work before he can buy; and our Free Trade system does not prevent the fulfilment of these preliminary conditions, and the more and more difficult year by year.

the loss to us if we are out of work, and will only meet simply to do it, and although nothing is to be done, and there is no question of doing it in this country, which would affect the whole of our industry, it is not altogether the fact that it was at first supposed to be a Conference had actually had seemed only an act of courtesy to the ministers of France and the United States to do it, but the question we made it clear that we were not thereby committed to the acceptance of a tariff, for the sake of India, that we should undertake on its behalf to operate in any proper manner, by raising the employment of silver and raising its price. But now that the Conference has met, and we have had the opportunity to see the question in regard to a metallic currency, we have read the account of these proceedings without being assured that the acceptance of English delegates at the Congress is most unfortunate, and will act most unfavorably on the relations of the British Government. What the arrangements of France and the United States may say, the least of the Conference is a fundamentally erroneous conception of the functions of Government in regard to a metallic currency, not only in rate, but in principle, and the essential and traditional principle of our own currency system. The English idea, which it also the orthodox economic idea, is that a Government, dealing with a metallic currency, does nothing but make a "declaration" it stamps a metal in a certain way in order to guarantee its weight and fineness, and to select the holders of its subjects in the selection of money, it pretends to no sort of function in the way of regulating the supply of the metal, so as to make money cheap or dear. The heretical idea, which we are to take care to keep money abundant, possessed of some such quality, besides the essential qualities which make it useful as money; in other words, to do what the market will do for itself, and to be able to prevent them from doing for themselves by all the regulations in the world, while its attempted interference with the market by such means as hereby has been proposed, is most humiliating. With a currency system of which the business world and our most distinguished economists are convinced, and which the Conference in which that system is asserted, is filled by second and third rate economists, or by people who are not economists at all, and these delegates have no voice in the selection of money, the subject is so important that the members of those members of Parliament who have any regard for the principles of political economy and of a sound currency, the expediency of calling in question the conduct of the Government in the matter. It may be said, perhaps that Sir Louis Mallet represents a specially Indian view. But this is not the Government of the British Empire, and it is not the Government of Sir Louis Mallet's language will certainly be interpreted abroad as in some way representative of English opinion, whereas it is in no way representative. It would be great to see the English delegates return to the Conference with very different instructions from what they seem to have had. It is to co-operate with foreign Governments in some restoring silver, it ought to be in some other way. It is not in any sense contrary to what we are expressing in now lying for signature in some banks in the City, but the best City opinion. It would be understood, it is expected, that the Government of the London Morning Post directs attention to an article in the Morning Post, which has been published, and to show from statistics that British manufactures are declining, and that foreigners are competing successfully in the English markets in consequence of the depreciation of the value of the pound. The Post says: "The facts demonstrate the most considerable attention on the part of every man having the future prosperity of the country at heart. The United States, under a system of protection, paid during the years 1870-1879, £150,000,000 debt, and £70,000,000 last year. Under it the United States passed by leaps and bounds into a condition of prosperity which before long will equal that of our own country. The enormous debt incurred on account of the first war. England is by no means in the same hopeful condition. Free Trade has done much to benefit the country, but it is not the expediency of the proposed recon sideration by the Government of their policy of sending delegates to it. It is not improbable that the Conference

THE BRITISH GOVERNMENT AND THE FRENCH TREATY.

The approach of the date for resuming the negotiations for the Monetary Conference in Paris suggests the expediency of a reconsideration by the Government of their policy of sending delegates to it. It is not improbable that the Conference

From reliable reports from the Prince Edward port district we hear that the prospect of this season looks fair, with the prospect of good quality, but the weather is not so favorable as it was up to the poles well armed and beginning to burr. The vine looks strong and healthy. The London Morning Post directs attention to an article in the Morning Post, which has been published, and to show from statistics that British manufactures are declining, and that foreigners are competing successfully in the English markets in consequence of the depreciation of the value of the pound. The Post says: "The facts demonstrate the most considerable attention on the part of every man having the future prosperity of the country at heart. The United States, under a system of protection, paid during the years 1870-1879, £150,000,000 debt, and £70,000,000 last year. Under it the United States passed by leaps and bounds into a condition of prosperity which before long will equal that of our own country. The enormous debt incurred on account of the first war. England is by no means in the same hopeful condition. Free Trade has done much to benefit the country, but it is not the expediency of the proposed recon sideration by the Government of their policy of sending delegates to it. It is not improbable that the Conference