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ISOLATED FREE TRADE.

The last number of the *Nineteenth Century* contains an able article on the subject of "Isolated Free Trade," the object of which is to prove that a policy of one sided Free Trade is not a paying one. We call some extracts from Mr. Edward's valuable article: "In 1844 Mr. Cobden said: You have no more right to doubt that the sun will rise in the heavens to-morrow than you have to doubt that, in less than ten years from the time when England inaugurates the glorious era of commercial freedom, every civilized commercial community will be no traders to the backbone. In 1852 he said that the time was at hand, when other nations would be compelled by interest and by the reality of our superiority to follow our example and adopt Free Trade." About the same time Mr. Disraeli said in the House of Commons: "The time will come when the working classes of England will come you on bended knees and pray you to do your present legislation." Which prophet, may I ask, now in 1881, has proved himself worthy of our trust? I would cloud that threatens the industrial existence of England has been increasing and intensifying for six years. The extraordinary growth and development of agricultural and manufacturing prosperity in Europe and America have completely changed her industrial position. Ten years ago England had almost a monopoly of the manufacturing facilities of the world she produced nothing in excess of her consumption. Other nations comparatively nothing. England was obliged to buy from her, because it could not buy anywhere else. The discoveries of gold and steam have immensely increased the demands and the purchasing power of the world, and consequently the demands for the products of England. Her wealth increased by thousands of millions that were bewildering. She was intoxicated with success with immense accumulated wealth, her machinery, her coal, her iron, her

position, she thought herself unassailable. She laughed at the possibility of foreign competition; she offered to fight the rest of the world with her right hand tied behind her back; she said to the world, "I will receive anything you can send me without duty, adding at the same time an expression of hope that they would in turn receive her goods. But they said, Not we gladly avail ourselves of your kind offer of admitting our goods; certainly we will send you all we possibly can. At present, unfortunately, we have nothing to send; we cannot yet supply our own wants; but when we have more capital, and your machinery and workmen, we hope to have a large surplus to send you." Well, that was thirty years ago; now France and America and Belgium have got our machinery and workmen and ample capital, and they are sending us a yearly increasing surplus that is driving our own goods out of our own markets; and every year they are more completely closing their markets to our goods." Now, whether the reaction against isolated Free Trade is reasonable, or whether it is merely the revival of workmen's prejudices, as the leading journal tells us, it exists, and is growing with a rapidity and an intensity that surprises many even of those best acquainted with the operative class. The organization of the working classes is very complete, and very strong, and at this moment the whole of it is being concentrated on this point. Already a number of operatives, far more than is necessary to turn a general election, have through their delegates given in their adherence to the Fair Trade League. The workmen are not working out the question by the abstract reasoning of others, but by their own experience; they know nothing of political economy, but they know what were the promises of the apostles of Free Trade, and they know what are the results. Bankers and brokers and dealers in stocks and importers of foreign manufactures may tell them that they are fools, and don't know when they are well off; that may be so, but they know when they are badly off, and they are badly off now! The most sanguine must allow there is something rotten in the state of England. We have a population of 34,000,000 of the best working race in the world, accustomed for generations to agricultural and manufacturing industries. We have ample capital, better banking facilities and credit, cheaper coal and iron, and better engineers and mechanics and machinery than any nation in the world; greater facilities for importing raw materials for our industries; our climate is better adapted for labour of all kinds all the year round than any other climate in the world; our soil, take it all through, is better suited for agricultural industries than any soil in Europe or America, we have the finest breed of horses, beasts, pigs and sheep in the world; and yet the agricultural interest is on the verge of ruin, and the manufacturing interest is in a condition that alarms all engaged in it. Bradford is nearly ruined, and both manufacturers and operatives are emigrating to America, as far as our political economists are concerned, Bradford, say they, must be patient and watchful, and must look out for new markets and new products for her looms! But this is offering a man a stone when he wants bread. Whilst the grass grows the horse starves, whilst our manufacturers are patiently looking out for new markets our starving operatives are emigrating to America. And when you analyse this advice what does it come to? Bradford makes woollen goods, goods suit only to England, the north of Europe and to America. If Germany, France, Belgium and America supply themselves with woollen goods and supply England as

well, where are the new markets to be found? The millions of Africa and India don't wear woollens. Mr. Bator knows, as well as the manufacturers and operatives of Bradford, that there are no new markets to be found for woollen goods, and that the only chance of saving the Bradford operatives from ruin is to preserve to them their old markets. Under Protection the commerce of the whole world has increased 36 per cent. in ten years. Under Protection the commerce of the United States has increased 68 per cent. in the same period. Under Protection the commerce of Holland and Belgium, of France, of Germany, has increased respectively 57, 51 and 39 per cent. Under Free Trade the commerce of England has increased 21 per cent. in ten years. Under Protection America is accumulating annually £165,000,000 sterling. Under Protection France is accumulating annually £75,000,000 sterling. Under Free Trade England is accumulating annually £65,000,000 sterling. Many experts maintain that since 1875-1876 she was losing money instead of accumulating. Protective America now exports more than she imports. Protective France imports annually 4,000,000 more than she exports. (The balance against her is £40,000,000 in ten years.) Free Trade England imports annually £130,000,000 sterling more than she exports! The apathy with which the nation views the collapse of agriculture is astounding. The most important interest in the country is within appreciable distance of ruin, and the country makes no sign. During the last ten years upwards of a million of acres have gone out of wheat cultivation. It is, I believe, an absolute fact that during the same period the capital of the agricultural classes has depreciated to the extent of £800,000,000 or £600,000,000 and their income £21,000,000, and the loss is still going on with accelerated speed. The strange thing is that this tremendous loss and depreciation is not only accepted by the community as a matter of course, but is even hailed by a certain school of economic philosophers as a grand proof of the blessings of Free Trade. They regard the ruin of British agriculture as so natural an event that they even express surprise that the agriculturists themselves should venture to complain. "There is nothing like dying by a fine sword," say they, "the British agriculturist is dying by the sword of Free Trade—what nobler fate can he desire? Instead of repining, he should try to emulate the enthusiasm of the Hindoo fanatic, who shouts praises to Siva, the destroyer, even as he casts himself under the wheels of Juggernaut! It is not only the beneficent working of Free Trade," says the Cobden Club, "that prescribes the agricultural rule of England, it is the great natural law of the preservation of the fittest that proclaims that, as England is not the best fitted to grow corn, therefore, she must grow corn no longer." But do the enlightened gentlemen who so glibly appeal to the beneficence of natural laws realize what the change means? A thousand acres in grain will support eight times the population of a thousand acres in grass. A million acres of wheat supplies grain for 3,500,000 people. During the last ten years a million acres of wheat have gone out of cultivation, so that now, in 1881, if the population had remained stationary, we should be in a position to feed 3,500,000 of people less than we were in 1872. But during that period our population has increased nearly 3,000,000, so that in 1881 we are a nearly in a position to feed nearly 6,500,000 less than we were in 1872. We actually grow less corn now to feed 31,000,000 of people than we did forty years ago to feed 17,000,000. During the last ten years our live stock has diminished in value to the amount of £3,000,000.

Our farmers have lost £6,500,000 annually for some years on the depreciated prices of the wool alone. Our dairy farming, our market gardening, our small rural industries are rapidly disappearing. Our importation of corn, meat, dairy produce, and vegetables averages £45,000,000 per annum more than it did ten years ago." It is one of the unmistakable signs of the times that the above extract is taken in a leading British magazine.

THE FAIR TRADE MOVEMENT.

People at a distance are rather puzzled what to think of the present "Fair Trade" movement in England. After the great Free Trade victory of over thirty years ago, and the very decided acceptance of the system by the governing classes in the Conservative as well as in the Liberal party, it seems impossible to believe that the nation can ever "go back" on a policy which, to all appearance, has been so almost unanimously ratified. Among the circumstances which have deepened this prevailing impression, the attitude of the late Lord Beaconsfield on the trade question during recent years, must count for a good deal. Long ago the great Conservative leader had ceased to fight against what appeared to be Britain's trade policy as decreed by fate, and no further back than the parliamentary session of 1880, in the course of an elaborate speech in the House of Lords, he laid it down that the nation had adopted the system of Free Trade for good, and that all agitation against it was futile. That speech was probably intended to be read as his warning to the Conservative party that Protection was a dead issue in England, that attempting to revive it would be to waste effort and to court signal disaster besides, and that the party should save its energies for something of better augury in the battles of the future. What that something was, in his mind, we need be at no loss to guess; it was undoubtedly the re-assertion of England's standing as an Imperial power among the nations. During the latter part of the long ascendancy period of the Manchester policy, the nation's standing before the world had run down in two ways—first, through such a truckling to foreign Powers as would have been considered impossible for England, not only under Pitt or Canning, but in the more recent time of Palmerston as well; and next through the insidious spread of the idea that the Colonies were nothing but a burden and a danger to the Mother Country, which would be well rid of them altogether. Now, while it may seem strange to us that so accomplished a reader of the signs of the times as the great Disraeli should apparently have failed to foresee that the hostile trade policy of foreign nations might force England to reconsider her own, and that a crisis in the history of Free Trade was at hand, even at the doors, we may still conjecture a reason which to his mind justified the course he took. The decadence of Britain's Imperial power and standing among the nations may have seemed to him so alarming that he held it the duty of other issues to the winds, for a while, and to devote itself to the gigantic task of saving the Empire from a decline and fall which had already begun. However this may be, history will record that, during the closing years of his life, and after having reached a great age, he succeeded in arresting the down grade movement, and in making the world understand that England was herself again. We are probably too near the time to take in fully the magnitude of the great statesman's last work, but its true significance will be better understood as the years roll on. Even the opposite party

begins to understand it, and to feel it; and it is a triumph for the dead Disraeli that now the living Gladstone feels compelled to say that Englishmen would as soon think of renouncing the name as of renouncing the responsibilities and the glories of the Colonial Empire. Such has been the reaction that even a Radical Government dare not talk about letting the British Colonies go, and could not succeed if it dared the attempt to cast them off. This view of what may have been in Lord Beaconsfield's mind when he declined to disturb Free Trade may or may not be the true one, but at least it fairly harmonizes with events.

Is the balance of trade less favourable to Britain now than it was five, ten, or twenty years ago? Are the working classes suffering in employment or wages, or both, through the hostile operation of foreign Protectionist tariffs? Would it be wise for Britain to try a retaliatory policy as a means of benefitting her own people, either directly or through compelling foreign nations into something like "fair trade"? These questions, and others like them, are now debated at workmen's meetings, at election meetings, and in the pages of leading newspapers, magazines and reviews. We do not on this occasion take up any of the points in debate; at present we say merely that the great question of Protection or Free Trade, which but yesterday was believed to have been settled for good in England, is now up again and re-opened for discussion. And this, if it be truly said, is saying a great deal. To say that Free Trade is yet on its trial in England is a most important statement to make—important if true, we mean. But is it true, or is the present "Fair Trade" agitation destined to prove but a nice days' wonder, soon to pass away and be forgotten? One weighty reason may be given why the agitation is far more likely to "set" to spread, and to grow stronger than it is soon to exhaust itself and dwindle away. It will be conceded that its cause is unquestionably to be found in hostile foreign tariffs, that of France being the more immediate occasion of the existing excitement. Now, if we could believe that the leading commercial nations, outside of England, were likely at some early day to reconsider their policy of Protection, and to begin adopting, even rather slowly and gradually, the English system of Free Trade, we might further believe that, with the cause of the agitation passing away, the agitation itself must pass away too. But it may be affirmed most distinctly that the signs are all the other way, and that the great commercial nations, instead of leaning towards Free Trade, are actually going further away from it, and are more and more strengthening the Protectionist defences of their own industries. Last year Germany under the lead of the most powerful statesman in Europe, deliberately and on purpose adopted a Protectionist tariff. Last year, too, the people of the United States had in the Presidential election an opportunity of pronouncing a rebuff on this and other questions; and it is conceded on both sides that the Democrats were beaten mainly through the popular dread that if in power they would reduce the tariff, and admit foreign goods too freely into competition with American. This year France puts her seal and signature to a highly Protectionist tariff, one calculated to be more efficiently protective than any she ever had before. Nor is the thing done rashly and without thought, either, for the new tariff is the result of two years arduous labour on the part of her picked commercial men in both Chambers. But when we say France, Germany, and the United States, we may as well say, the whole commercial world outside of the British Empire. And the