

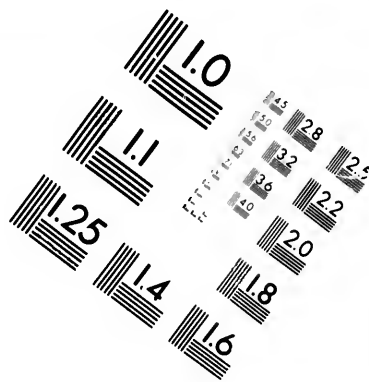
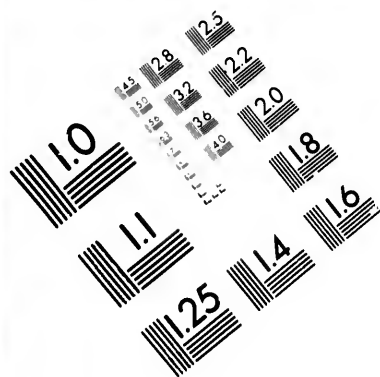
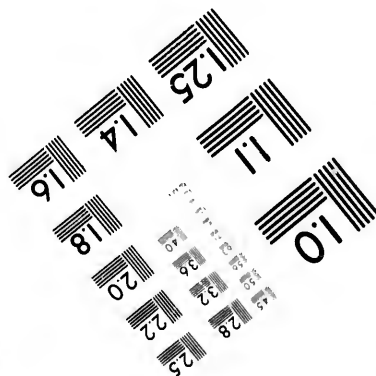
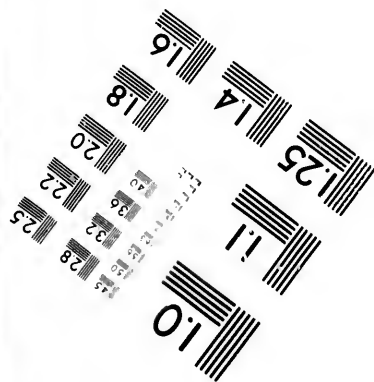
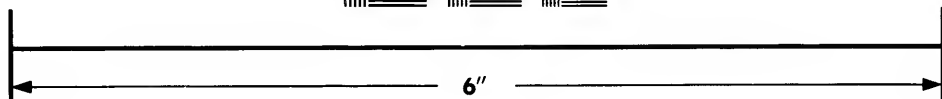
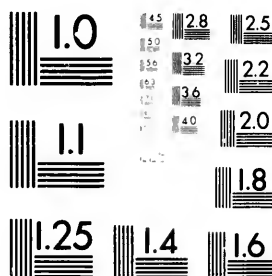


IMAGE EVALUATION TEST TARGET (MT-3)



Photographic
Sciences
Corporation

23 WEST MAIN STREET
WEBSTER, N.Y. 14580
(716) 872-4503



**CIHM/ICMH
Microfiche
Series.**

**CIHM/ICMH
Collection de
microfiches.**



Canadian Institute for Historical Microreproductions / Institut canadien de microreproductions historiques



© 1981

T
to

T
p
o
f

O
b
t
s
o
f
s
o

T
s
T
w

M
d
e
b
r
e
m

L'Institut a microfilmé le meilleur exemplaire qu'il lui a été possible de se procurer. Les détails de cet exemplaire qui sont peut-être uniques du point de vue bibliographique, qui peuvent modifier une image reproduite, ou qui peuvent exiger une modification dans la méthode normale de filmage sont indiqués ci-dessous.

- ☐ Coloured pages/
Pages de couleur
- ☐ Pages damaged/
Pages endommagées
- ☐ Pages restored and/or laminated/
Pages restaurées et/ou pelliculées
- ☐ Pages discoloured, stained or foxed/
Pages décolorées, tachetées ou piquées
- ☐ Pages detached/
Pages détachées
- ☒ Showthrough/
Transparence
- ☐ Quality of print varies/
Qualité inégale de l'impression
- ☐ Includes supplementary material/
Comprend du matériel supplémentaire
- ☐ Only edition available/
Seule édition disponible
- ☐ Pages wholly or partially obscured by errata
slips, tissues, etc., have been refilmed to
ensure the best possible image/
Les pages totalement ou partiellement
obscurcies par un feuillet d'errata, une pelure,
etc., ont été filmées à nouveau de façon à
obtenir la meilleure image possible.

**M
di
er
be
riq
re
m**

10X				14X				18X				22X				26X				30X			
											✓												
12X				16X				20X				24X				28X				32X			

The copy filmed here has been reproduced thanks to the generosity of:

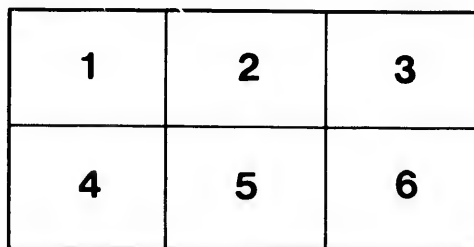
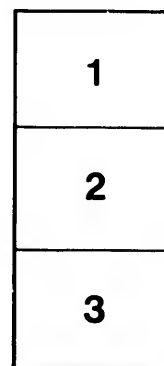
National Library of Canada

The images appearing here are the best quality possible considering the condition and legibility of the original copy and in keeping with the filming contract specifications.

Original copies in printed paper covers are filmed beginning with the front cover and ending on the last page with a printed or illustrated impression, or the back cover when appropriate. All other original copies are filmed beginning on the first page with a printed or illustrated impression, and ending on the last page with a printed or illustrated impression.

The last recorded frame on each microfiche shall contain the symbol ➡ (meaning "CONTINUED"), or the symbol ▼ (meaning "END"), whichever applies.

Maps, plates, charts, etc., may be filmed at different reduction ratios. Those too large to be entirely included in one exposure are filmed beginning in the upper left hand corner, left to right and top to bottom, as many frames as required. The following diagrams illustrate the method:



L'exemplaire filmé fut reproduit grâce à la générosité de:

Bibliothèque nationale du Canada

Les images suivantes ont été reproduites avec le plus grand soin, compte tenu de la condition et de la netteté de l'exemplaire filmé, et en conformité avec les conditions du contrat de filmage.

Les exemplaires originaux dont la couverture en papier est imprimée sont filmés en commençant par le premier plat et en terminant soit par la dernière page qui comporte une empreinte d'impression ou d'illustration, soit par le second plat, selon le cas. Tous les autres exemplaires originaux sont filmés en commençant par la première page qui comporte une empreinte d'impression ou d'illustration et en terminant par la dernière page qui comporte une telle empreinte.

Un des symboles suivants apparaîtra sur la dernière image de chaque microfiche, selon le cas: le symbole ➡ signifie "A SUIVRE", le symbole ▼ signifie "FIN".

Les cartes, planches, tableaux, etc., peuvent être filmés à des taux de réduction différents. Lorsque le document est trop grand pour être reproduit en un seul cliché, il est filmé à partir de l'angle supérieur gauche, de gauche à droite, et de haut en bas, en prenant le nombre d'images nécessaire. Les diagrammes suivants illustrent la méthode.

errata
to

pelure,
on à

142

142

ENGLAND'S FREE TRADE.

BY

JOHN MOTHERSILL.

OSHAWA, ONTARIO.
1895.

Entered according to Act of Parliament in Canada, in the
year eighteen hundred and ninety-six, by John
Mothersill at the Department of Agriculture.

ENGLAND'S FREE TRADE.

"There is a tide in the affairs of men,
Which, taken at the flood, leads on to fortune:
Omitted, all the voyage of their life,
Is bound in shallows and in miseries.
On such a full sea are we now afloat,
And we must take the current when it serves,
Or lose our ventures."

IT being now near the close of the first half century of England's Free Trade Policy, a retrospect may not be without its lessons. It is not to Free Trade, so called, that England is indebted for her maritime supremacy, her vast colonial empire or her commercial and manufacturing greatness, but rather to protection, as the history of her defensive or protective legislation for over four centuries prior to 1846 amply proves. England at that time, the Fourteenth century, was without manufactures except of the rudest kind, and without a merchant marine. The nations of the Continent supplied her with manufactured articles and took in exchange her raw material. Her first step in protection embraced only a few articles—wool, flax and hides. The effect in the manufacture of even these few lines in keeping the money in the country was so apparent that the protective principle was continuously enlarged and extended during the succeeding centuries. But the masterpiece of England's protective legislation was the largely increased duties imposed on foreign imports when brought in foreign vessels. That measure of protection transferred the carrying trade of Britain from foreign ships to British ships, thus virtually giving to England the command of the seas.

I may here state that the foreign part of the trade thus conferred is now only retained by sheer competition with the native shipping of foreign ports, and this incidentally

discriminates against the colonies, for freight is carried at lower rates from these foreign ports than from colonial ports to England.

To resume: As the scope of England's protective policy broadened so as to include one branch of manufacturing after another, the necessary capital and skill from the manufacturing centres of the continent were forthcoming. The industries thus transplanted found a congenial soil. Many of them were new to England and increased the variety of her manufactures.

Another effect of England's protective policy was her rapid increase in population and wealth which subsequently enabled her to successfully cope with the gigantic power of the first Napoleon.

Prior to 1846 the agricultural interests had kept pace with the rise and spread of the manufacturing interests in England, and not only there, but in the colonies, for England's tariff was national and imperial, inasmuch as imports from the colonies, when subject to a duty, paid less than foreign goods. Some Free Traders assert that England was obliged to adopt free trade because she could no longer feed her rapidly increasing population, or obtain sufficient raw material for her factories. That assertion is a fallacy, for the sliding scale of the Corn Laws and the supplies from abroad would have prevented the former contingency and the admission of raw material free, is compatible with the highest protection. On the other hand, eminent Free Traders have left documentary evidence to show that England did not adopt free trade of necessity, but from the conviction that free trade was morally right and protection morally wrong. Be that as it may, neither set of Free Traders have explained the peculiar morality of raising a revenue of over \$100,000,000 by customs duties in a free trade country on certain goods because such goods are not produced in Britain, such as tea, coffee and various

other lines of goods, being necessities to a civilized people, while all products, such as Britain produces, whether of the farm or factory, may enter Britain free of duty. Free Traders are wont to assert that free trade gave rise to England's great export trade of manufactured goods, but the fact was that this large trade had been rapidly increasing for more than a quarter of a century prior to 1846 and it was the great volume which this trade had assumed that originated the idea of making England the work-shop of the world, hence free trade as a means to that end. The exigencies of the continental nations whose territories had been the battlefield of contending armies in the latter part of the eighteenth century and the early part of this century, fostered that idea. The countries of the New World were so intent on developing their agricultural resources to supply the demand that the wars and Britain's great export trade had called into being, that little or no attention was given to manufacturing industries. This was an additional incentive to the adoption of Free Trade by England, and those prospective fields of future commercial conquest were so alluring to the philanthropic desires of England's Free Traders, that as a preliminary the tariff was confined to the United Kingdom, thereby abandoning the Colonial Empire commercially. By this sacrifice of the agricultural interests and every patriotic aspiration, these Free Trade rulers of England expected all Christian nations to embrace this latest revelation of Christian morality, namely:—"To buy in the cheapest and sell in the dearest market." But the nations evidently did not think that the trade question was one of morality and still less of religion, but one of expediency, as there is not now a single foreign nation that follows England's trade policy. But that does not prevent the nations availing themselves, to the fullest possible extent of the best market of the world for bread stuffs thus thrown open

to them as a bait, and not for an equivalent. It will be remembered that the final abolition of slavery in the British Dominions was carried out in 1838. The planters of the British West Indies were trying to solve the labor problem in that hot climate when Free Trade gave them another set back by placing the products of slave states in competition with the free labor of the West Indies, in the British market.

It has been said that the desire of gain is selfishness and that it may be divided into individual, class, and national.

The first does not concern the public. We have seen that Free Trade was inaugurated and carried by the commercial and manufacturing classes with the expectation of making England the workshop of the world, showing clearly that England's tariff was based on class selfishness in 1846. However, the sacrifice above mentioned did not open the doors into the markets of the world any wider than they were, any more than the throwing open of Canada's markets for grain and flour in the seventies admitted her grain and flour free into the United States. True, England's exports increased after 1846, as they had been increasing for the previous twenty-five years or more, with, of course, the added momentum of the constantly increasing volume of that trade.

Before abandonment the colonies had been receiving, in constantly increasing numbers, the surplus population of the United Kingdom. Canada, on account of her comparative proximity, great extent of unoccupied territory and the adaptability of her soil and climate for the production of supplies for the home market, received large additions to her population. But abandonment showed its withering power almost immediately. The effect on Canada is thus described by J. A. Boyd, B. A., in his summary of Canadian history for the use of schools in British North America, page 117

"The repeal of the Corn Laws in England in 1846, whereby all preference in favor of Canadian grain was abolished and trade consequently diverted from the St. Lawrence, now began to produce telling effects upon the credit and revenue of the country, from which it took many years of industry and perseverance to recover."

But the facts above recorded are as nothing in comparison to the injury inflicted on Canada by the diversion of the tide of emigration to the United States, where they constitute a no insignificant element in the building up, not alone of an all powerful rival of the colonies, in the Home Market, but also a growing rival of England in the colonial markets. Free Traders assert that a protected country cannot compete with free trade England in a neutral market, but the plain logic of facts is against that assertion, as the United States does compete with England in many lines of goods in Canada, Australia, the West Indies, many of the States of South America, and but lately a United States factory received an order from the Russian Government for 12,000 tons of armor plates, a transaction amounting to over \$250,000. Such orders formerly went to England. That fact is significant. Germany of late years has appropriated a considerable share of the India trade. Italy, France and other nations are also increasing their exports to foreign markets, of manufactured goods. And to further show the utter fallacy of this free trade contention, Mr. Hammond, M. P., who has been an alderman of Newcastle-on-Tyne for 40 years, said at a banquet in Sunderland on the 12th inst.

"In 1885 we received forty-five million* worth of manufactured goods and twenty-five million worth of partially manufactured goods into this country. In 1890 the figures had risen to sixty million worth and thirty million worth respectively, and in 1892 to sixty-five million worth and thirty-five million worth. They were sold and displaced so much of our own manufactured goods which

"would have been made by men able and willing to work."

That looks like "carrying the war into Africa."

England imports \$650,000,000 worth more commodities than she exports, and the above English quotation shows that this adverse balance is yearly increasing. The earnings of England's marine is estimated at \$350,000,000. Then the amount of English capital invested in foreign countries aggregates an amount equal to ten thousand millions of dollars which say at 4 per cent, would reach \$400,000,000 per annum, which, added to the marine's earnings, enables England to show a balance in her favor of about \$100,000,000 yet her exports are on the wane and a commission[†] is now seeking the cause of the impending ruin of the agricultural interests of the United Kingdom. Now this large amount of interest does not represent the earnings of England's toilers, but the earnings of the capital poured into foreign countries by English money lenders to set the wheels of industries in motion which are daily making these foreign nations more independent of England's artisans. The fact is worth of note in connection with this subject, that the willingness of the English money lender is in proportion to the ability of the country's tariff to shut out England's manufactures, well knowing that all saved in that direction is added to the wealth of the country, and as a sequence, to the security of his investments. Hence the thousands of millions of dollars invested in the United States.

To return to 1846. We have seen that the then rulers of England were blind to the possibilities of an Empire, vast in extent, lying in every zone capable of producing all the varied productions of the earth in abundance, and a market to sell them in if that market was withdrawn

NOTE.—The reader will bear in mind that the millions mentioned by Mr. Hammond are pounds sterling, not dollars.

[†] That commission has reported since the above was written, and being so recent I need only to say broadly, that the report has confirmed what was before rumored.

from the control of foreign nations, and England's Rulers are still blind to that fact. Mr. Gladstone had a vision of the United States as being a world within itself, which is the greatest tribute ever paid to the triumphs of protection. If the United States had not free access to the English market it would have been a lopsided world. Mr. Gladstone's vision is comprehensive as regards the United States, a country that practices the direct contrary to what he preaches. But as regards the British Empire his vision does not extend beyond the confines of the United Kingdom and even there is so befogged that he cannot discern that the agricultural interests of the nation are worthy of some consideration. No, Mr. Gladstone evidently considers that the price of farm products are not yet low enough in England, for in his correspondence with the late Mr. Blaine, secretary of the United States, on free trade and protection, in the January number of the *North American Review* 1890, he uses the magic of his pen to induce the people of that country "to raise more cereals and more cotton at low prices, instead of more cloth and more iron at high prices." Perhaps he was not then aware that protection would make iron cheaper in the United States* in 1894 than in England, but it is so nevertheless. If Mr. Gladstone's distant vision had not been focused on the United States he might have seen, according to a reliable English authority, "that every Canadian takes nearly four times, and every Australian nearly seventeen times, as much manufactured goods from England as an American, a German, or a Frenchman does." England can increase the colonial trade but she is powerless to arrest the decline of her foreign trade, especially with the United States. If the Statesmen of England and the Statesmen of the United States had conspired to frame two tariffs for the aggran-

NOTE.—The city of Dublin imported the iron work for some corporation improvement from the United States.

dizement of the United States, and the retardation of the British Empire, it is doubtful whether any two could have been framed with that end in view, that would have accomplished so much in less than half a century than these two now in force. The discouragement to the settlement of emigrants in the colonies presented by England's free trade tariff on the one hand, and on the other by the financial advantages presented by the tariff of the United States, whose every clause was framed for drawing to her shores, not alone the surplus population of the United Kingdom, but also of the continent. The repulsion of the one, and the attraction of the other, has created an influence equivalent to a bonus to settle in the United States where the settler would be in the midst of a large home market protected from the competition of his fellow countrymen in the Old Land and to say the least equal if not superior advantages to a colonist in the British market. The results of this joint influence on the movements of population, has been such that the United States have received about seven tenths of the emigrants from the United Kingdom and from the Continent. A cheap country to live in is not the choice of the emigrant. What he desires is an easy country to make money in, as evidenced by the rush to California in 1849, and subsequently to British Columbia, Australia, and the diamond mines of Africa. The emigration to the United States has been on such an extensive scale that her population has doubled within the last thirty five years. Free traders will say that is on account of her great natural resources, but that is only one factor, and she does not hold a monopoly of that kind, for Canada possesses natural resources of immense value in her 100,000,000 acres of the finest wheat land in the world. Her deposits of the ordinary minerals will be found to equal those of the United States,

while her nickle deposits are the largest yet discovered, and in her timber and fisheries she surpasses all other countries, while the British West Indies excel the Southern States in resources also. So it is not natural resources alone that swell the tide of emigration to the United States and keeps it at the flow, but the combined influence of their tariffs has been the chief factor. England's tariff, based on class selfishness, paralyzes the agricultural interests of the United Kingdom. The United States' tariff, based on national selfishness, builds up the nation. In the former the desire of gain smothers patriotism, in the latter, the desire of gain is merged in patriotism. The principle of protection is exemplified locally by corporations, when they compel transient traders to pay for the privilege of selling their wares within the corporate bounds, otherwise these transient traders would reap the fruits of other men's outlay. These corporations are the units of the nation's market, and if this principle is locally right, certainly the national market should be protected on the same principle. We hear a great deal about the poor consumer, but as a matter of fact the consumers pure and simple, are few, such as bond holders, those with private incomes, officials, and the like. A poor man must of necessity be a producer, he must either sell his labor or his wares if he is to get along in this age of competition. The hardware man is a consumer of the goods of the textile fabric man, and vice versa. The farmer is a consumer of the goods of the artizan, and the artizan is a consumer of the farmer's goods, and so all around. A protected country attracts to its shores capital and skill, thereby providing more constant and varied employment for her people; increases her internal and external trade, stimulates the development of her natural resources, and gives her a steadily increasing home market, and prevents outsiders from turning that market into a slaughter mar-

ket, such as the English market now is. Truly England has become the world's Dump. No state should abandon the prerogative of discriminating between foreigners and its own citizens, for then this potent commercial lever is liable to be used by irresponsible parties either inside or outside the state, to the detriment of the citizens. As it was used here in Canada by the Grand Trunk in the seventies when there was no duty on grain or flour. The Grand Trunk at that time charged \$25.00 a car for grain or flour from Oshawa, 300 miles west from Montreal, and for the same kind of freight from Chicago to Montreal, \$23.00. England's marine has almost continuously exercised the discriminating power in favor of foreign nations as against the colonies, but this last year the home farmer has been discriminated against as well as the colonial by England's marine, for a New York farmer could get his products put on the London market at less cost than the Aberdeen farmer. Such has been the result of the abandonment by England of this most useful prerogative of government. Another evil it entails is to deprive the nation of the means of obtaining trade advantages from other countries. England has so cheapened herself that she has nothing to offer to a foreign nation in exchange for better trade relations. And it is even doubtful whether she has power to grant trade privileges to her own colonies without the consent of foreign nations, so completely has she bartered or abandoned her own rights as well as colonial rights, in pursuit of that bubble, "Free Trade."

Oshawa, March 1895.

has
the
its
is
or
s it
the
The
rain
and
ont-
asly
ign
ome
col-
ould
cost
of
rog-
ive
ges
self
ex-
tbt-
her
so
hts
ree

